AFRICAN UNION الاتحاد الأفريقي



UNION AFRICAINE UNIÃO AFRICANA

United States-Sub-Saharan Africa Trade and Economic Cooperation Forum (AGOA Forum) July 11-12, 2018, Washington, DC

"Forging New Strategies for U.S.-Africa Trade and Investment"

Readout from African Trade Ministers' Consultative Meeting

I- INTRODUCTION

The AGOA Forum Ministerial Consultative Group meeting, held on Tuesday July 10th, 2018, brought together AGOA eligible member states and Regional Economic Communities (RECs).

The Meeting focused on the theme of the 2018 AGOA Forum – "Forging New Strategies for U.S.-Africa Trade and Investment". It also identified the urgent challenges that need to be expeditiously addressed to seize the opportunities AGOA provides during the remaining period of the legislation.

II- RECOMMENDATIONS

The Ministers of AGOA eligible countries made the following recommendations to the U.S. Administration pertaining to improving utilization of AGOA preferences, post AGOA processes and recent development to global trade. In this regards, the U.S. Administration is requested to:

A. Concerning improving AGOA utilization

- 1. Assist AGOA eligible countries in putting in place an effective and efficient mechanism for capacity building at the national and regional levels to maximize AGOA utilization.
- 2. Strengthen existing Trade & Investment Hubs and ensure they work in close synergy with the Regional Economic Communities. Furthermore, establish a Trade & Investment Hub in Central Africa.
- 3. Facilitate the organization of workshops on capacity building initiatives following the adoption of the AGOA and Millennium Challenge Act (MCA) Modernization Act.
- 4. Support, in partnership with the African Union and the Regional Economic Communities, AGOA eligible countries in developing a regional integration strategy to promote regional value chains.
- 5. Open discussions on non-tariff barriers affecting AGOA exports, such as the lengthy registration process for consignments, cost of delays associated

- with the container security initiative, the U.S. Merchandise Processing Fee (MPF) and Cotton Fee, and the strict compliance to importation and distribution of alcoholic products.
- 6. Support the efforts of African Union Member States in the application of non-discriminatory measures aimed at protecting human, plant and animal life.
- 7. Ensure that any out of cycle review processes undertaken under AGOA is not disruptive of Africa's regional integration process and should take into account the level of integration of REC trade regimes.
- 8. Exempt Sub Saharan African exports from Section 232 measures.
- 9. Provide additional capacity to Least Developed Countries (LDCs),and Small and Vulnerable Economies (SVEs) in order to adhere to Standards with a view to benefitting from AGOA.
- 10. Partner with AGOA eligible countries to set up empowerment and training facilities for women and youth.
- 11. Share best practices with AGOA eligible countries regarding innovation, competitiveness and standards, which could result in a higher rate of AGOA utilization.
- 12. Put in place the relevant incentive measures in order to attract and increase U.S. private investment in Africa with a view to accelerate the industrialization and diversification of African economies and exports.
- 13. Convene the first AGOA consultative meeting in Washington D.C., in line with the recommendations made at the 2017 AGOA Forum held in Togo.
- 14. Support the efforts of the African Union, in collaboration with the Private Sector, African Women Entrepreneurship Programme (AWEP) and the Diaspora, in the organization of periodic Trade Fairs, which will rotate amongst U.S. States, in order to promote African products and enhance their visibility.

B. Concerning discussions on Post AGOA processes

- 15. Note the strategic importance of the African Continental Free Trade Area to African countries and the need to preserve policy space in order to promote the industrialization and infrastructural development to boost intra African trade.
- 16. Provide clarifications on U.S. Trade policy towards Africa, including how its policies and programmes will support the continental integration agenda.
- 17. Start reflecting, together with the African Union Member States, through the proposed Consultative Committee, on the trade impact of post-AGOA 2025 on AGOA eligible countries.
- 18. Consider, with the U.S. Congress, a post 2025 trade preferential program that would address the current inherent challenges such as limited productive capacity and inadequate infrastructure.

C. Concerning recent developments on global trade

19. Note the concern expressed by the African Union Member States that the current developments on global trade could have an adverse effect on the continental trade and integration agenda. Therefore AU Member States call on all parties to avoid trade wars which could have significant implications for the economies of developing countries, especially Africa.