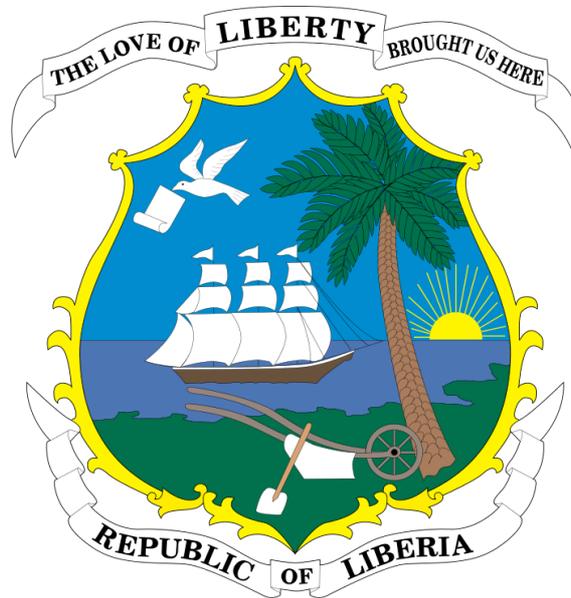


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# 15<sup>TH</sup> AGOA FORUM



## **Plenary 1: AGOA: Taking Stock of Where We Are and Looking Forward**

**H.E. Axel M. Addy**  
*Minister of Commerce and Industry*  
*Republic of Liberia*

### **Statement**

September, 26 September 2016  
10:15 a.m. – 12 p.m.  
US Department of State  
*Loy Henderson Auditorium*

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Ambassador Michael Froman, US Trade Representative  
Ambassador Dr. Amina Mohammed, Kenya Cabinet Secretary for Foreign Affairs  
Colleagues,  
Excellencies,  
Members of Civil Society  
Members of the Press,  
Distinguished Ladies and Gentlemen,

Good morning.

1. I am deeply honoured to participate in this year's AGOA Forum under the theme Maximizing US Trade and Investment: AGOA and Beyond. It was not too long ago that many of us had serious concerns about the extension of AGOA. I therefore would like to take this opportunity to thank the champions of AGOA's extension, the members of US team, the members of the African diplomatic corps here in DC, the members of Congress who champion this bill from inception to extension, and here I am reminded of two congressmen who as a young advocate here, I first ever heard of AGOA, Congressman Charles Rangel, and late Congressman Donald Payne.
2. Ladies and gentlemen, had it not been for this level of cooperation, collaboration and commitment to utilizing trade as a vehicle for poverty reduction, and Africa's transformation, we would not be here today, so thanks to all of you who played a role .

**Mr. Chair, Madam Co-Chair**

3. AGOA is most importantly about people and in all we do, we must remind ourselves, that at the end of the day, it impacts over 300 thousand jobs on the continent and indirectly impacts the lives of millions. As such we can do more to drive greater participation of the private sector in areas that will yield more inclusion by foster more sustainable employment of our majority youth population.
4. Currently trade volume under AGOA is dominated by the extractive and textile sectors and there are a few countries that are economically better positioned to take advantage of opportunities than others that are still at the infancy levels. We must remind ourselves, that deepening trade and investment ties through AGOA has touched the lives of many and with the right measures in place we have the opportunity to touch many more.
5. Today many entrepreneurs are empowered and inspired by others who access niche markets under AGOA. In the textile industry, more innovations by African dynamic entrepreneurs, many young men and women, are trending the lives of their counterparts who, thanks to technology, are becoming more selective in consuming products that not only meet the standards but also fosters inclusion of people who produce them.



**Colleagues,**

6. Last December Liberia concluded a seven-year journey to join the World Trade Organization and with it committed to the implementation of domestic reforms and binding trade agreements critical to our economic transformation.
7. Our bold commitments in our Accession package highlight our commitment and drive towards trade liberalization that attract the right investments to improve our competitiveness, to diversify our economy and transform the lives of our people. We developed a Post Accession Plan that hinges on trade facilitation investments to achieve this goal.
8. We recognize that, while we have made tremendous strides in attracting public and private investments in critical infrastructure, electricity, roads and ports, to be competitive, we must also invest in modernizing our systems to enhance the business climate. Businesses thrive on transparency and predictability; and when systems work, we all win.

**Ladies and gentlemen,**

9. This is why in the next nine years; we must work together to implement the recommendations from the African Ministerial Consultative Group. Here I would particularly emphasize the following as we aspire to a more permanent trade arrangement.
10. First, we must recognize that we have come a long way in identifying the investment needs for our hard infrastructure and many of us have quite robust roads, energy, telecommunications and port infrastructure projects under way. More and more, we see US companies participating in various capacities, from advisory to financing and sometimes construction, typically in consortiums. We want to now see the same in the use of technology to transform trade facilitation soft infrastructure – in many countries like mine, Africa requires a systems upgrade or systems reboot. Here, US technology companies can be critical in leapfrogging many of our economies into modernization thereby improving our competitiveness.
11. Second, Africa is a continent of young people, a growing population of innovative entrepreneurs, SMEs operating in the informal sector. Fostering economic growth can only be successful if we learn to work hand in hand with the private sector, enabling them with the right policies, procedures, and regulations in place to overcome challenges of access to energy, transportation, water, health, and education. The culture of formalization of SMEs is absent in our countries because many do not see the benefits of formalization. To address this, Liberia passed the Small Business Empowerment Act, which mandates 25% public procurement set-asides for SMEs. We are now seeing a gradual increase in formalization. This process is important, because most of the world's biggest brands today started as SMEs. However, the business climate was conducive to transform such SMEs into multibillion-dollar companies. Greater exchanges between



SMEs across the Atlantic are likely to yield greater innovations, and increase trade volumes under AGOA or any future trade arrangement. SME's represent the true engines of growth and sustainable employment for our majority youth population. This is why I truly appreciate President Obama's Young African Leadership Initiative, which creates the opportunity for such exchanges to occur.

12. Finally, AGOA as intended was also to foster greater trade integration. While much progress is being made in this direction, the results are still insignificant and this is where much work needs to be done. In ECOWAS we are making strides with the adoption of the ETLS and the CET. Further steps must be made to align our systems and tackle the many many barriers that get in the way of the movement of trade across the continent. This is critical for fostering regional value chains to access AGOA or any other future agreement. As such, US aide for trade directed to enhancing trade facilitation investments to improve regional trade is critical if we are to see smaller markets like mine take advantage of AGOA.
13. Liberia is not alone in restructuring the fibre of its economy by consolidating efforts towards an industrial policy of the 21<sup>st</sup> century with product linkages. We are committed to moving away from extractives and instead focus on agriculture, agro-processing, and light manufacturing to increase trade revenue and grow our economies in an inclusive manner.

**Mr. Chair, Madam Chair**

14. Let me conclude by thanking you both for your leadership in Liberia's accession to the WTO, and recognize the remarkable contribution of Assistant Secretary of State for African Affairs, and our own Liberian daughter, Linda Thomas Greenfield in her advocacy, which supported the ratification of the WTO Protocol. I also would like to extend thanks and appreciation to President Obama, Department of Commerce Secretary Penny Pritzker and Mayor Michael Bloomberg for their leadership in the hosting of the second US-Africa Business Forum in New York last week. This initiative is truly consolidating the bridge across the Atlantic for Africa's transformation, with business front and center, and Africa as a strong trading partner. This is truly remarkable and any future agreement should ensure this initiative continues, as it is mutually beneficial for us all.
15. Thank you.