

NEWS RELEASE

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For Immediate Release

IPC and the Partnership to Cut Hunger and Poverty in Africa Call for Significant Reforms to Increase the Impact of AGOA

(Washington, DC) The International Food and Agricultural Trade Policy Council (IPC) and the Partnership to Cut Hunger and Poverty in Africa today called for significant reforms to increase the impact of the African Growth and Opportunity Act (AGOA) on African agriculture. Agriculture employs 2/3 of Africans and is increasingly identified as a key catalyst for broad-based economic development and poverty reduction on the continent.

“AGOA has had a very limited impact on African agricultural exports to the US, which make up less than 2% of the total value of US imports from Africa,” said Charlotte Hebebrand, IPC Chief Executive. “While AGOA has contributed to a significant increase in African exports to the US, most of this growth has come from oil and gas products, trade that arguably would have occurred without AGOA preferences,” continued Hebebrand.

The Partnership and IPC called for preference reform to improve trade incentives for agricultural products, including removing or relaxing quotas on commodities such as sugar, tobacco, dairy and beef.

In addition, they said the US should expand capacity building programs to help Africans meet US sanitary and phytosanitary standards. They also called for streamlining import approval procedures among the multiple US agencies that share oversight on food safety. “Confusing overlaps and differing requirements often lead to overly burdensome and long import approval procedures. These can be rationalized without sacrificing safety,” stated Hebebrand.

The groups said that AGOA should be integrated with other preference and trade capacity building programs. “We should set our sights on a broader impact that will lift many Africans out of poverty,” said Daniel Karanja, Senior Fellow at the Partnership to Cut Hunger and Poverty in Africa, “and ask how AGOA is contributing to the increased competitiveness of African producers in diverse markets, including other African countries, emerging economies such as China, India and Brazil, and the EU, not only the US.”

Although the US provided over \$1 billion in important trade capacity building assistance to sub-Saharan Africa in 2008, current programs are fragmented among multiple US agencies and uncoordinated with other donors. The groups called on the US to better coordinate its investments with African countries and other donors by supporting the AU/NEPAD Comprehensive African Agriculture Development Program (CAADP) Pillar 2 framework for improving rural infrastructure and trade-related capacities for market access. “The US should invest its TCB resources according to the priorities designated by CAADP country and regional programs around Pillar 2,” said Karanja of the Partnership

The Partnership and IPC particularly called on the US to significantly boost investments in Africa’s rural infrastructure. Weak infrastructure --road, power and water systems—is one of the most critical constraints to increasing Africa’ competitiveness in regional and global markets.

For further information and to read the discussion paper, click here:

http://www.agritrade.org/Publications/documents/PCHPAIPC_JointPolicyBrief_Aug3.pdf

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About IPC The International Food & Agricultural Trade Policy Council (IPC) promotes a more open and equitable global food system by pursuing pragmatic trade and development policies in food and agriculture to meet the world’s growing needs. IPC convenes influential policymakers, agribusiness executives, farm leaders, and academics from developed and developing countries to clarify complex issues, build consensus, and advocate policies to decision-makers. More information on the organization and its membership can be found on our website: www.agritrade.org.