

U.S. Committed to Boosting Trade With Africa, Clinton Says

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U.S. Secretary of State [Hillary Clinton](#) said the U.S. was committed to maximizing opportunities created by its trade preference programs with Africa and would pursue further reductions in barriers on agricultural produce.

The U.S. will also work to expand the number of bilateral investment treaties with African nations, Clinton told a trade forum in the Kenyan capital of Nairobi today. She is expected to announce the beginning of such negotiations with Mauritius later today.

“We are exploring ways to lower trade barriers to ease the burdens on African farmers,” Clinton said, without announcing any specifics. She pledged to create “stronger and more sensible links” between U.S. trade policies and development.

The U.S. [African Growth and Opportunity Act](#), which aimed to boost trade with the world’s poorest continent, had not met its full potential, Clinton said. The nine-year-old law, due to expire in 2015, allows about 6,500 products from Africa to enter the U.S. free of duties or quotas.

She called on Sub-Saharan African to boost regional trade, while pursuing exports to Europe and the U.S.

Clinton arrived in Kenya last night, the first leg on a seven-nation tour through Sub-Saharan Africa that will take her also to South Africa, Angola, Democratic Republic of Congo, Nigeria, Liberia and Cape Verde.

Below Expectations

After nine years, AGOA’s results have fallen below original expectations, especially in the textile industry where competition from non-African nations, after the lifting of a quota system, has stifled Sub-Saharan countries’ abilities to compete in the U.S. market.

Oil shipments from six nations -- Nigeria, Angola, the Republic of Congo, Equatorial Guinea, Chad and Gabon -- account for 92 percent of sales under the terms of AGOA. Textile imports to the U.S. fell 10 percent in 2008, while agricultural products declined 7.9 percent. About 3 percent of U.S. merchandise imports come from Sub-Saharan Africa.

“It may be important for the U.S. to go an extra mile to facilitate enhancement of the core goals of AGOA,” Kenya’s Prime Minister [Raila Odinga](#) said at the forum today. He called on the U.S. to allow Kenya to include more imported materials and parts in goods that it then exports to the U.S., so-called third-country provisions.

Regional Trade

Odinga said yesterday that Sub-Saharan African nations should focus on boosting trade with each other to hasten economic growth rather than hard-to-penetrate U.S. and European markets.

Clinton echoed that call today, calling on the continent's leaders to dismantle trade barriers between them.

"The single biggest opportunity that you have right now is to open up trade with each other," Clinton said. "The market of the U.S. is 300 million people. The market of Africa is 700 million plus."

Africans trade among each other less than any other region in the world. "That makes it very difficult to compete effectively. Of course keep focused on markets like the United States and Europe but simultaneously work to tear down trade barriers among" yourselves, Clinton said.

Clinton urged African nations to create "favorable investment" conditions through better governance. It was a message echoed repeatedly this week by U.S. officials and by President [Barack Obama](#) himself who addressed the AGOA forum via a taped video message.

While, the U.S. will do what it can, it is "only Africans can unlock Africa's potential," Obama, himself of Kenyan heritage, said.

Obama Message

"Only Africans can ensure the good governance and strong institutions upon which development depends," Obama said. "Open markets alone are not enough. Development requires the rule of law, transparency, accountability, and an atmosphere that welcomes investment."

In Kenya, Clinton will also press officials for prosecution of the perpetrators of last year's post-election violence. About 1,500 Kenyans were killed and another 300,000 displaced in two months of fighting triggered by accusations of vote-rigging in a December 2007 election.

Obama expressed concern last month that political paralysis is preventing reconciliation.

Kenya may have a new constitution in place within a year and the country is committed to judicial reform and improving government accountability, President [Mwai Kibaki](#) told the trade forum today. He didn't give any details.

"We in Africa don't need a lecture on good governance because Africa is now in transition," Odinga told U.S. and African business leaders and government officials at the opening of the meeting in Nairobi yesterday.

While in Kenya, Clinton will also assess the staying power of the embattled transitional government in neighboring Somalia when she meets with its president, [Sheikh Sharif Sheikh Ahmed](#), to discuss the conflict with militant Islamists in the Horn of Africa.

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