Ministerial Opening Ceremony

Opening Remarks: August 2, 9:00 – 9:45 am

Ron Kirk, U.S. Trade Representative

The U.S. is committed to Africa and our mutual responsibility to promote trade. Dynamic change is occurring in Africa and its prospects are rising. The U.S. is committed to prosperity on both sides of the Atlantic. All must commit to expanding diversity of the product lines under AGOA, AGOA is still petroleum and extractives heavy. The U.S. has focused on expanding trade capacity-building and technical assistance in order to promote this partnership but continues to urge African leaders to address red tape and rule of law issues.

Amos Muhinga Kimunya, Minister of Trade, Kenya

The success of AGOA is not without disappointment, it has yet to realize its full potential. It is still too focused on petroleum and extractives. U.S. trade policy should consolidate gains, making AGOA more predictable and sustainable. Would like to see more U.S. businesses invest in Africa and the expansion of regional trading blocs. There is mutual responsibility for AGOA to continue to promote private sector growth in order to increase development.

Summary of Key Issues:

- Ambassador/ U.S. Trade Representative Ron Kirk welcomed the delegates highlighting the U.S. commitment for prosperity on both sides of the Atlantic. Minister Kumunya stressed the mutual responsibility to consolidate gains made in the last ten years of AGOA.

- Both Kirk and Kumunya mentioned the need to diversify AGOA, moving away from petroleum and extractives as the main exports. Both also mentioned the need for a positive business environment, including bureaucratic regulations and rule of law, to make trade and investment easy.

- AGOA has not yet reached its potential but with the rise of Africa, regional trading blocs and progress in governance this is a major opportunity for private sector to contribute to development.

Plenary 1 –

New Strategies for Expanding U.S.-sub-Saharan African Trade, August 2, 10:10 – 11:15am

U.S. co-Chair, Ambassador Kirk, U.S. Trade Representative

Many industries in Africa are experiencing great difficulty. Has enough been done for development opportunities for value-added under AGOA? Trends towards trade liberalization are important, since the world is moving away from a government-stimulated economy to an export-based economy. A balanced conclusion to the Doha round is needed, we see it as a fundamental question of fairness. Brazil, India, and China have benefited the most from trade liberalization. They need to see how they can now contribute to the development of LDCs. Countries must accelerate/improve international competitiveness; AGOA was never intended to be permanent. It was meant to be a bridge from paternalistic aid to a relationship based on partnership. Congress decides what new products will be added and will also consider extension. Countries must increase utilization and two-way trade. We are looking forward to a dialogue on how to fine-tune AGOA. The U.S. is paying more attention to Africa. President Obama's National Export Initiative proposes to double our global exports over the next five years. We also want to explore reverse trade missions. Ambassador Kirk posed a number of questions: How can we help African countries compete in a more global environment? What non-tariff benefits can help? Are there any public-private partnerships that can help the apparel market? What value-added products have the most potential? How can we level the playing field for U.S. exporters to increase two-way trade? How are development strategies being included in the trade plan?

Zambia co-Chair, Honorable Felix Mutati, Minister of Trade and Commerce

Export capacity must be diversified. Trade and private sector investment are the key engines to diversifying trade. The volume of trade has quadrupled during the last 10 years but 90% of that was from oil. Mutati observed that people don't know what Africa is doing, we must kill the myths about Africa. Africa has a huge market potential with all the things investors look for (positive growth, high returns, etc). The partnership between the U.S. and Africa has helped Africa. The continent is now a good investment. Mutati acknowledged the cost of doing business there is an impediment, but progress is being made. The question is what can be done to attract more investment? Within the AGOA framework, the U.S. should consider tax incentives for U.S. businesses in sectors other than oil. Africa will do the same. Trade preferences have matured but the benefits have not been fully realized, so the U.S. should consider an extension of AGOA. AGOA remains underutilized; it should be considered as a partnership and warrants a long-term extension. Third country provisions should be extended. The United States should consider fast-tracking agricultural products. Long-term investment in

Africa’s infrastructure needed. African countries need to continue to promote peace and stability. More investment should come from the United States. The U.S. should be encouraged to sign more bilateral investment treaties. AGOA countries should adopt 2003 AU recommendations on food security. Women’s challenges are unique and empowering female entrepreneurs is important.

Q&A Issues

1) How to provide more incentives to U.S. companies to invest in manufactured products?
2) How to avoid issues with DHS? (Kirk: reviewing National Export Initiative)
3) How to meet deficiencies in U.S. markets with African products?
4) Infrastructure issues are opportunities for investments
5) WTO membership should amend distinctions between LDCs and non-LDCs
6) Technical assistance needed to develop capacity to meet U.S. requirements.

Ambassador Kirk’s Responses to Q&A:

- There are many issues to address as partners.
- It is hard to market Africa as a unit; China/India/Brazil have huge markets and each speaks with one voice.
- Doha round would most benefit China/India/Brazil so Africa shouldn’t be so concerned about it.

Plenary 2 –

Where NEI and Development Converge: Supporting U.S. Trade and Investment in Africa
August 2, 2010 11:45am-1:00pm

Francisco Sanchez, Under Secretary of Commerce for International Trade, Department of Commerce, Co-Chair and Moderator
The more we empower businesses to forge new partnerships in emerging markets, the better off we will all be. President Obama's National Export Initiative seeks to marshal our full resources to sell U.S. goods and services abroad, to double our exports and to create 2 million jobs. A large part of our work will focus on those small and medium sized enterprises (SME) that are ready to do business. Responsibility does not lie solely with the United States; there is more that African countries can do. The goal is to have a collaborative process.

Derek Hanekom, Deputy Minister of Science and Technology, Republic of South Africa, Co-chair
African countries need to focus on structural reform. There is a great opportunity for the U.S. and African private sector's small and medium sized enterprises to work together. They will need to forge sustainable partnerships. Numerous studies have confirmed that the rate of return for investment in Africa is higher than in OECD countries. Opening up U.S. markets to African exports is a positive U.S. export strategy. Africa is the new frontier for investments.

Fred P. Hochberg, Chairman and President, Export-Import Bank

The Export-Import Bank underwrites U.S. exports to sub-Saharan African countries. It has identified Nigeria and South Africa as its major focus countries in Africa. Ex-Im Bank's sectors of concentration are transportation (especially Aircraft), medical technology, construction, agricultural and mining equipment, and power, both conventional and renewable. Ex-Im Bank continues to focus on infrastructure and has expanded its banking facilities in Nigeria. Ex-Im Bank has expanded its efforts to work with small business by creating new facilities to provide enhanced credit for small and medium-sized U.S. businesses.

Leocadia I. Zak, Director, U.S. Trade and Development Agency

There is a need to move from assistance to mutual respect and mutual interest. This is a U.S.TDA hallmark as it works to advance economic development through mutual interest. U.S.TDA wants to provide more reverse trade missions from African countries to the United States. U.S.TDA is launching the Africa Clean Energy Solutions initiative and will sign several grant agreements that focus on the development of clean energy projects in Angola, Kenya and Nigeria.

Elizabeth Littlefield, President and CEO, Overseas Private Investment Corporation (OPIC)

OPIC provides financing for private sector investment through direct loans and loan guarantees to private investors. This support helps generate jobs and promotes exports. OPIC supports direct investment, rather than trade. Support for direct investment in sub-Saharan Africa has grown dramatically. It has provided $1.2 billion dollars for 16 private equity funds in Africa. Its sectors include green and renewable energy, agribusiness and water. It has provided $500 million in equity funds to 32 Muslim majority countries in Africa.

Q&A Issues:

How can you support SMEs in Liberia? A: With regard to Liberia: EXIM: 85% of EXIM loans are to small businesses. EXIM supports local bank guarantees to their clients.

We want to be sure that EXIM and OPIC are supporting SMEs and that they are integrated in regional programs. A: OPIC has an entire department with a focus on Small and Medium sized Enterprises (SME). U.S.AID and U.S.TDA provide assistance and mentoring.

Namibia: SME's are important but a bigger problem is their access to funds. They have no security. How can EXIM and OPIC help.

How can Sierra Leone with only 6 million people attract investment (in iron ore). There is so much negative information regarding Sierra Leone. Look at where we came from and where we are now.

Summary of Key Issues

The focus of this session was on President Obama's National Export Initiative (NEI). U.S. government speakers indicated that NEI will enable them to marshal their full resources to double U.S. exports over five years to support 2 million jobs in the United States. Speakers indicated that they will partner with the U.S. private sector in supporting the export of U.S. products and services abroad. A large part of the work of these agencies includes support for those small and medium sized enterprises (SME) that are ready to do business. The Export Import Bank, the Overseas Private Investment Corporation and the U.S. Trade and Development Agency spoke about their individual roles in promoting U.S. - Africa trade and investment and their special support for SMEs.

As part of this effort, U.S. speakers indicated that they will work to enable the U.S. and African private sectors to forge new partnerships with regard to trade and financing and that they wanted these partnerships to be sustainable. Responsibility does not lie solely with the United States. African countries have a major role to play. The goal is to have a collaborative process. Those seeking to partner with the U.S. will need to focus on structural reform. In addition, a level playing field, transparency and good governance are an integral part of the process. Export growth leads to job growth and job growth leads to economic development.

Lunch Session-

Renewables and Energy Efficiency August 2, 2010, 1:00pm-2:35pm

Speaker: David Sandalow, Assistant Secretary for Policy and International Affairs, U.S. Department of Energy

Secretary Sandalow noted that the U.S. has invested $80 billion in clean energy investments within the United States. This includes $8 billion in rail projects, and 5,000 clean energy projects across the country. The Obama administration has provided a 30% tax credit for renewable energy projects. With respect to Africa, only 29% of the population in Africa has access to electricity, however the continent has tremendous potential for solar energy, wind and biomass generation. Although Africa has the highest electricity costs in the world due to high reliance on diesel generators, technological advances mean that Africa has the opportunity to adopt new forms of energy generation.

Q&A Issues:

What about Hydropower potential in Africa?

Response: new turbine technology can make a huge difference in advancing efficient power generation in Africa.

Plenary 3 –

Facilitating Trade Through Investment and Infrastructure, August 2, 2010, 2:45pm-4:00pm

Ray LaHood, Co-Chair, Secretary, U.S. Department of Transportation

While Africa has made great progress over the last 10 years, the cost of transporting goods across Africa remains very high. The U.S. is investing billions to get its economy back on track, in good part through infrastructure projects. Building Africa's infrastructure will take capital and political will. Africa will need strong commercial partners to build its infrastructure. The U.S. has more than 20 Open Skies civil aviation agreements with African countries. This has liberalized air travel; Delta and United Airlines now have routes to Africa. The United States also remains committed to help train Africa's merchant seamen.

Hanna Tetteh, Co-Chair, Minister of Trade and Industry for the Republic of Ghana

It is important to look at infrastructure development not just on a national level, but on a regional level. Ghana has developed an intermodal transport system, but they have not been able to make key investments in roads, ports, harbors, airports and railways. Investment costs are huge, of the three airports in the country, two were developed after independence and two ports were developed after independence. Ghana's objective is to become a trade hub. However when countries in Africa have transport costs that are more than two thirds the cost of the product they are trying to export, they are very far from being competitive in the global marketplace.

Henry Posner III, Railway Development Corporation

The focus of the Railway Development Corporation is on railway corridors in emerging markets. The Railway Development Corporation (RDC) believes the U.S. model of freight railway (not U.S. passenger railways) is most successful in the world. The company strategy is to export that model abroad. In Africa the main competition to rail is trucking business. In mid-1990s, the RDC focused investments along the Nacala corridor of Malawi and Mozambique. Main commodities shipped by the railroad included imports of oil, fertilizer, tobacco and food products, in addition to passenger rail. From 1996 for the next decade RDC invested in the project. In 2008 it sold its minority stake for a profit to local investors. From RDC's analysis and experience, the risk of expropriation of investments was actually higher in Europe and Latin American than in Africa. The main competitor to rail investments was assistance programs.

From RDC’s experience the best way to manage investor risk is through the shareholder structure.

Sir. J.I.A. Arumenmi Ikhide Johnson, Executive Chairman Arik Airlines (Nigeria)

Arik airlines has a total of 26 planes with an average age of 3 years. Of the 11 airlines in Nigeria, Arik air has a share of 45% of the market in Nigeria. Nigeria has just completed a series of steps to qualify for FAA Category 1 status; and the U.S. should move to approve Nigeria for Category 1. Arik air has investments with Sierra Leone and Air Ghana and is contributing to 30,000 plus jobs. Air transport liberalization is critical to expanding aviation infrastructure, and investment in airlines should come from the private rather than the public sector.

Leocadia I. Zak, Director, U.S. Trade and Development Agency

Delegate after delegate had come forward to say that AGOA benefits were not being realized due to high infrastructure costs in Africa. U.S.TDA supports engaging resources of the private sector to further infrastructure development. U.S.TDA has funded a feasibility study for Tanzania that will open up inland markets. According to World Bank Data aviation accident rates in Africa are twice as high as the Middle East and Latin America, and 10 times as high as the U.S and Europe. Thanks to Safe Skies for Africa program, investment plans have been developed for three Ghanaian airports.

Q&A Issues

Malawi Trade minister, noting the success of the Nacala railway, asked what else can be done to entice U.S. private investors.

Senegal noted that in spite of its geographical advantage, it takes 20-25 days to ship products to the United States and 5-12 days to Europe. Cargo flights to the U.S. are also lacking.

Summary of Key Issues

- Investments in infrastructure is a key element in keeping countries competitive in the global market place, but it requires capital and political will.
- Governments should also look to the private sector for investments in transportation infrastructure.

Plenary 4 –

Strategies for Improving AGOA Business Opportunities, August 2, 4:30 – 5:45pm

U.S. Moderator, Bill Fitzgerald, Deputy Assistant Secretary, U.S. Department of State
There is a growing consensus that trade is the fastest way to promote growth and reduce poverty. There are real opportunities to expand trade and grow economies. Macroeconomic reforms are continuing, but enormous challenges remain. AGOA is key to developing partnerships. As President Obama said in Accra, good governance is the missing ingredient for Africa to reach its full potential. Transparency and reliability are critical elements of this.

Key Points:

1. Good Polices: countries need to commit to policies that promote good governance, including investments in health and education.
2. Attract and Keep Entrepreneurs: create an environment that encourages entrepreneurs and make it easy for them to stay in Africa. It is not just about access to capital, but about ease of opening a business and making it "OK" to fail. Students that study abroad must have a reason to return and invest their "brain" capital back in their home countries.
3. Establish Business-to-Business linkages: Kansas City will feature Business-to-Business linkages. This is in response to a request from AGOA partners.
4. Utilize New Technologies and Innovation: Africa is fertile ground for "leap-frogging" technology. There are opportunities to match African need with U.S. technology, and vice versa.
5. Best Practices: attracting U.S. companies to Africa is critical, but large multi-national companies are risk adverse. African countries need to share best practices for fostering good governance which will lead to reduced risk.
6. Fight Corruption: Corruption drains $1 trillion annually from the global economy and contributes to a poor business climate.

Dr. Arvin Boolell, Minister of Foreign Affairs, Mauritius

Though the actual increase in the volume of trade between Africa and the U.S. may not be as significant as one might have hoped for 10 years ago when AGOA was created, the overall impact of AGOA has been significant. Through political persuasion, AGOA has contributed enormously to fostering change in Africa. Africa has a lot of promise which it is only now just starting to realize, thanks, in part, to AGOA. "The lion is on the move."

Key Points:

1. AGOA has been an agent of change: AGOA has helped bring about change in Africa, particularly with its focus on the private sector. To flourish, the private sector needs stability, predictability, reliability. AGOA has encouraged macroeconomic reforms that foster just this type of a business climate. Such change may be painful, but, as the example from Mauritius shows, it is worth it. African economies may be fragile, but we must be resolute in making the necessary changes to allow our economies to grow and prosper. Today, African economies are growing and return on investment in Africa is higher than in any other region of the globe, thanks, in part, to the growing demand for commodities. To keep this momentum going and to attract ever more foreign investment Africa needs good governance, transparency, and a positive business climate.

2. Full potential of AGOA not fully realized: There are 6,000 AGOA-eligible products, but only a small percentage is being taken advantage of, mostly in the energy sector. The U.S. and the African members of AGOA are equal partners and while African countries must do their part to foster a positive business climate, the U.S. should also be more responsive to the needs of the member counties. Third country textile eligibility is one area where there is a lot of potential. The U.S. needs to relax the "rule of origin." Also plenty of room for agriculture exports, many of which are now blocked through overly cumbersome trade barriers. There is a lengthy process for approval of export of agricultural products to the U.S. The U.S. should "fast track" the approval process so that more African countries can begin agricultural exports to the U.S.

3. Example of Mauritius:
    - Linkage between public and private sectors
    - Strengthen democratic institutions, leading to greater transparency and stability
    - Ease of opening and operating a business:
        - 3 days to open a business (down from 45 just a few years ago)
        - Favorable tax regime: 15% flat rate, no tax on capital gains, etc.
    - Responsive to needs of population: widen circle of opportunity through education and war on poverty.

Patrick Fine, VP Compact Operations, Millennium Challenge Corporation (MCC)

MCC is a part of the U.S.G that seeks to reduce poverty through economic growth; as such, MCC is a natural complement to AGOA. We share the same vision for stable, prosperous, and democratic Africa. AGOA stimulates trade; MCC builds capacity and infrastructure to facilitate such trade.

Key Points:

1. Promotion of policies that foster the environment that people want to invest in. There are 17 indicators that are independently assessed (i.e., not determined by U.S.G). To be eligible for MCC, countries must meet certain benchmarks.
2. Build capacity through a partnership with countries. The host countries retain ownership of projects and infrastructure and they are implemented through locally-administered systems. The countries themselves are responsible for carrying out the projects; we provide financing and technical support. We give countries the chance to make the investments they need to transform their economies and become part of the global market place.
3. Investments are primarily in infrastructure that allows trade to take place: roads, ports, airports.

Barbara Keating, Computer Frontiers (CF)

Computer Frontiers operates in 25 countries in Africa, with subsidiaries in four African countries: Uganda, Senegal, Ghana, and South Africa. How does CF chose a country for investment?

Key Points:

1. Clear, readily available information about the business climate: the easier it is for companies to get information about a business climate from a remote location, the better. Countries need to get the message out about the advantages of doing business in a particular country. Do not overlook casual visitors, such as missionaries and tourists, word-of-mouth is powerful and they can do much to propel (or damage) a country's reputation.
2. Commitment to building on existing projects and programs and a willingness to learn from others. Rather than start entirely new projects, countries should encourage donor agencies to strengthen existing programs. If projects keep getting started over from scratch, they do not solidify gains and progress is stalled.
3. Entrepreneurial environment: how easy is it for investors to navigate the legal system? Is there a level playing field for all companies? If there is a positive business climate, the word will spread and companies will come.

Q & A Issues

Malawi: Too many barriers to trade. Some are geographic (e.g., land-locked country) others are imposed by trade partners (e.g., tobacco is not AGOA-eligible). Too much emphasis on human rights, NGOs are too influential.

Mali: Not so sure the U.S. really wants us to sell our goods in the U.S.A. We could export agricultural products, but are having difficulty setting this up (e.g., rice, poultry, mangos). We get excess U.S. productions, when, in fact, given the necessary support we could produce this ourselves.

Sierra Leone: We have made a lot of progress over the past few years, what can we do to meet the MCC threshold?

Plenary 5 –

Yes Africa Can – Unlocking Productivity and Attracting Investment

August, 3, 9:10am-10:30am

Co-Chair; Lael Brainard, Under Secretary for International Affairs, U.S. Department of the Treasury

Much of Africa's success gets overlooked as we focus on the continent's challenges. Up until the financial crisis, Africa was growing at a faster pace than the rest of the world. As we move beyond the financial crisis, African economic growth is gaining pace again and Africa's promise and opportunity are becoming more and more apparent. The United States is committed to partnering with the nations of Africa to broaden our economic investments and leverage Africa's own achievements and potential.

Key points:

1. The World Bank's *Yes Africa Can* publication offers a snapshot of Africa's entrepreneurial successes. The United States is Africa's partner in building capacity and pursuing the transformational change that you have already begun.

2. The integration of Africa's economies can unlock higher growth and productivity. The United States and the multilateral development banks are providing assistance and financing in Africa to address the constraints that inhibit regional integration, such as inconsistent regulation and poor infrastructure.

3. Agricultural development holds great promise in Africa and effective agricultural investment is one key to unlocking it. The United States is supporting the Global Agricultural Food Security Program (GAFSP), a new multi-donor trust fund designed to make investments in support of the agricultural development strategies in low-income countries.

4. Small and Medium Enterprises (SMEs) too often struggle to access capital. However, U.S. agencies, including U.S.AID and the Overseas Private Investment Corporation, are supporting efforts to help African entrepreneurs get more and better access to financing.

Co-Chair; Ngozi Okonjo Iweala, Managing Director, World Bank

Over the last decade, many African countries focused on getting the fundamentals of economic management right: reducing their debt, controlling inflation, and putting in place sustainable fiscal policies. Investors welcomed these reforms and foreign direct investment in particular increased to $53 billion in 2008, compared to $2.4 billion in 1985. However, the question now is what can governments, the private sector and development partners do to improve the investment climate in Africa to boost competitiveness and increase exports?

Key points:

1. Although roads are the dominant transport mode in Africa, there are fewer kilometers of roads in Africa today than there were 30 years ago.

2. Market structure and the lack of competition is also a big problem. In Africa today, many sectors critical to trade – such as the trucking industry – are captured by a select elite, imposing a huge toll on trade.

3. Another constraint to exporting in Africa is inland transit. Despite regional trade agreements in most of Africa's sub-regions, substantial tariff barriers, customs duties and other trade-distoring policies persist. Regional integration is a way of dealing with these challenges and African policymakers should consider integration as a key part of their broader strategic development policies.

4. To take advantage of AGOA, businesses also need to have sufficient access to capital. Despite recent progress, financial systems in the region are generally small, fragmented and unsupportive of business. Deepening financial markets at the sub-regional level will improve financial services and allow for the pooling of limited savings for investment.

5. Another challenge for Africa is to diversify its economies beyond natural resources to produce more high-value products. To do this requires that countries work to boost the skills of their people.

6. The World Bank Group is working with countries in the region to help identify and implement solutions to each one of these challenges.

7. To continue to be effective, AGOA should do three things:
    - Extend the LDC concession period for textile-exporting countries to use third-country fabrics in the manufacture of AGOA-eligible garments. This would help increase the volume of exports from Africa as well as promote intra-regional trade.
    - Broaden the AGOA eligibility lists for products that benefit from preferential access. President Obama has led on the global food security agenda. Broader AGOA eligibility for agricultural products could help countries use the multi-donor Global Agriculture and Food Security Program to help modernize their production processes and improve their standards.
    - Commit U.S. leadership to reaching agreement on the current Doha round. Bilateral agreements such as AGOA are useful, but what Africa needs is comprehensive market access through a global trade deal.

Panelist; Sylvia Banda of Zambia, Sylva Professional Catering (and AWEP Participant)
Banda discussed the rapid growth of her business, which started as a small operation run out of her kitchen and eventually became an enterprise comprising three subsidiaries. She emphasized several ingredients to her success, including a clear vision; partnerships (with government, NGOs and suppliers); separating business and family issues; learning from and sharing experience; concentrating on what you do well; and resisting the temptation to grow too rapidly.

Panelist; Marie Andree Tall of Senegal, owner and CEO of *FRUITALES* (and AWEP Participant)
Tall described her professional trajectory, starting as a professor of philosophy and eventually launching her own business. She emphasized several factors as key to success in Africa's agribusiness sector: business knowledge; experience in the market; entrepreneurial flexibility; and support from government and donor programs for small businesses. As the head of *Agroexports*, an association of African agricultural exporters, Tall also stressed the important role of partnering with other businesses for mutual support and learning.

Panelist; Felicia Twumasi of Ghana, CEO of Homefoods Processing and Cannery
Twumasi described how Homefoods expanded from modest beginnings into a multi-million dollar business, with markets in Europe and the United States. The company has supplier relationships that support more than 3,000 rural farmers in Ghana.

Q&A

Q: Financial access for SMEs remains a problem. What is the World Bank doing to support SMEs?

A: The World Bank has lending arms, such as the IFC, that extend lines of credit to SMEs. Through the new food security trust fund, the Bank also hopes to increase its support for private agribusiness in Africa. However, the Bank's financial support cannot substitute for the reforms African governments should implement to improve business conditions.

Q: What recommendations do the three entrepreneurs have for policy makers to improve the business environment in Africa?

A: Each entrepreneur provided a recommendation:

1. Improve the dissemination of regulatory and related information, which is key to exporters looking to take advantage of AGOA.

2. Improve access to funding and offer financing mechanisms that are appropriate for African entrepreneurs.

3. Take steps to improve infrastructure and logistics so African businesses can be more competitive.

Plenary 6 –

Improving Nutrition: Linking Health, Agriculture and Productivity, August 3, 2010, 11:00am-12:15pm.

U.S. co- Chair, Dr. Eric Goosby, U.S. Global AIDS Coordinator –

He briefly discussed the current nutrition and health status of the population. He highlighted the linkage of nutrition with agriculture, health and productivity.

African Co-Chair and Moderator, Honorable Wilberforce Kisamba-Mugerwa, Chairperson of National Planning Authority in Uganda

Moderated the session and made closing remarks on his own experiences including his work as the Minister of Agriculture and his work on the International Food Policy Research Institute (IFPRI). He highlighted the actions that the governments and the private sector could take to enhance the nutritional status of the population while improving worker productivity

Two panelists representing a private company profitably engaging in food processing as well as a government official reflected on private sector approaches to addressing under-nutrition and public policy programs that improved the nutritional status of the population:

Felicia Twumasi- CEO of Homefoods Processing and Cannery Inc., Accra Ghana

Catherine Mkangama- Director, Nutrition, HIV & AIDS Programs, Office of the President and Cabinet, Government of Malawi)

Summary of Key Issues:

- The objectives were:

  (a) to update the participants on current health and HIV/AIDS status in Africa as required by the legislation,

  (b) to discuss the impact of under-nutrition on society, including its impact on productivity and the economy, and

  (c) to discuss the links between nutrition (both the availability and quality of food), agriculture policy and business, and health.

- Traditionally, agriculture, health and nutrition sectors have taken separate approaches to addressing issues of economic strengthening, livelihoods, and food security. A truly sustainable approach will require heightened communication among these sectors in order to develop multidisciplinary policies and strategies capable of creating linkages within programs and markets.

- Over the last ten years, many businesses in Africa have been promoting the nutrition and health of their workers, communities and local consumers. Private investment in food processing capacity has yielded enormous financial and health benefits to private companies and their individual workers. A few countries in Africa have also actively promoted nutritional improvements. It is against this backdrop that the above mentioned session was organized.

Plenary 7 –

Food Security: Opportunities for Africa, August 3, 2010, 2:15pm – 3:15pm

Kathleen Merrigan, Co-chair, Deputy Secretary, U.S. Department of Agriculture

The President of the United States has pledged that the U.S. will work with the world to increase productivity of farms. Through Feed the Future, the U.S. has a commitment to address food security through country-led programs. Agricultural research is fundamental to investment. Food security depends on an open policy environment. U.S.DA has a strong record of working with the scientific community on food security. The United States is working with African ministries to build capacity and to provide training on trans-boundary disease prevention.

Sindiso Ngwenya, Secretary General Common Market for Eastern and Southern Africa (COMESA)

Sixty percent of the world's uncultivated arable land lies in Africa. Africa may be the future granary of world. There is a huge potential for irrigation in African agriculture, currently only 4% of cultivated land on the continent is under irrigation. In addition, total intra-regional trade as a percentage of total trade is 10% --- there is great potential to increase regional trade. Africa utilizes less fertilizer than the rest of the world for equivalent acreage production – 8 kg compared to 100 kg for the world average. In conclusion, Africa is well placed to produce not only enough agricultural products for itself, but for the rest of the world. But in order to do this will need to move to new technologies, through seed and fertilizer.

Dr. Eleni Gabre-Madhin, CEO Ethiopia Commodity Exchange

African agricultural has low capital intensity; just 6%. Yields are typically one fifth of potential and surplus is only 25% on average. African farmers face the problem of not having working capital. Although the largest creditor in Africa is the small farmer, they experience low returns on labor and it has been difficult for them to convert to commercial orientation. Only 40% of grains cultivated enter the formal processing sector. Governments should not hand out subsidies; rather incentives are needed to access the market. Farmers need the appropriate infrastructure to be put in place. Market development should be holistic and focus on developing warehousing of commodities, competitive trading system, and a market data system. The Ethiopia Commodity Exchange has been a success because it has been tailored to local needs. Since 18 months of its launch, the exchange has harnessed technology to grow into an exchange which moves more than $1 billion worth of products, mainly coffee and maize.

Thad Simons, President and CEO Novus International, St. Louis, MO

Challenge from the U.S. business perspective is how do we invest and work in 52 countries with very different systems. The company's products go into a variety of areas, including livestock fields. They work with local groups in the public-private sector area. For example in Kenya they work to improve dairy production. Novus is working to develop a nutritional program for children in Africa in collaboration with universities. The company aims to invest in productivity increases.

Franklin Moore, Deputy Administrator for U.S.AID's Africa Bureau

In research they are looking at advancing the frontier for productivity gains, and enhancing food security. U.S.AID is helping to support research that looks at nutritional use efficiency and quality. Research systems must be linked to national and regional systems; they are looking to move frontiers. Role of women is crucial to improving food security. Women account for 60% of production, but don't usually have legal control over the land. Studies have found that if you legalize women's control over the land, output is 10% greater than that of male counterparts.

Summary of Key Issues:

- Africa has great potential for expanding its Agricultural output, but will need to utilize technology, irrigation, fertilizer to realize its goals.
- Farmers need appropriate infrastructure to exploit commercial opportunities, and need right incentives to succeed.

Plenary 8 –

Integrating Africa's Women into the Global Economy, August 3, 2010, 3:45pm-5:00pm

Melanne Verveer, U.S. Ambassador-at-Large for Global Women's Issues, Department of State

Ambassador Verveer opened the plenary by pointing out that sustainable jobs provide for entire families. It is important to integrate women into the global economy. AGOA has only achieved modest results and has a long way to go to realize potential in non-petroleum based trade. Must fully incorporate women into economic and trade strategies, the benefits of doing this include poverty alleviation and less corruption. Gender equality equals smart economics and is a major program of the World Bank. World Economic Forum found out that by measuring gender gaps we can see how competitive an economy is. The smaller the gender gap, the more a country progresses. Women drive the GDP. A recent World Bank report shows that women's businesses are undercapitalized. Women have less resources, laws restrict property, marriage, and the freedom of circulation. Ten percent of businesses are female-owned. Twenty percent of employees in the formal sector are female.

Bill Craft, Deputy Assistant Secretary, Department of State

Bill Craft told the audience that there were several takeaways from this year's AGOA Forum and from the inclusion of this plenary on the economic role of African women. It is important to emphasize that this year's focus on the role of women will not be a one-time event. The role of women entrepreneurs in their countries' economies and in AGOA is important to Secretary Clinton, and we intend to continue this focus in future AGOA forums. Also, we will try to finish the DOHA round of negotiations at the WTO. Customs issues and trade facilitation issues can be addressed by the DOHA round.

Summary of Key Issues:

- Need to continue to encourage female entrepreneurs.
- Must encourage public/private dialogue.
- Policies fail because they don't consider realities in the economy; there is a need for better data and analysis.
- Better policies and frameworks are also needed in areas such as land titling and inheritance.
- More efforts are needed to increase access to finance for women.

- Female empowerment—must invest in capacity building for women entrepreneurs.

Closing Ceremony, August 3, 2010, 5:00–5:30pm

Daniel Yohannes, CEO Millennium Challenge Corporation (MCC)

AGOA has created great opportunities for the private sector, including U.S. companies, to increase U.S.-Africa trade and has gone beyond the traditional exchanges of grants and loans. Still, we need more results. Africa is still underperforming across the spectrum and we need new innovative thinking and initiatives to compete in the global world. The trip to Kansas City will open the eyes of Africans and Americans to opportunities on both sides. The MCC believes the open trade and investment is the best path for development and that it is in our national interest to work together with Africa.

Honorable Joseph Bienvenu Charles Foe-Atangana, Ambassador from Cameroon to the United States

Thanked the entrepreneurs, women, ambassadors, and U.S. for hosting AGOA, which was a relevant and high quality conference. Ambassador Foe-Atangana highlighted the win-win relationship of the AGOA partnership and highlighted the tremendous potential of both markets.

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