

AGOA Zambia Civil Society Conclave Concept Note

Background and Justification

The African Growth and Opportunity Act (AGOA) is a part of U.S. legislation and significantly liberalises market access to the US for 37 designated Sub-Saharan African (SSA) countries. The 10th AGOA forum was held in Zambia between 8th and 10th June, 2011 under the theme, 'Enhanced Trade through Increased Competitiveness, Value Addition and Deeper Regional Integration'. The forum has been rated as one of the most successful. These words can be reverberated in the statement issued by the US Trade Representative, Secretary of State Ambassador Ron Kirk when he described the Lusaka Forum as "one of the most productive forums ever held on the African continent in the recent past." His words were also reciprocated by Secretary of State Hillary Rodham Clinton during the official closing of the ministerial meeting.

A number of demands and commitments were made during this forum all aimed at ensuring that trade between Sub-Saharan Africa and the US is enhanced. Ministers from Sub-Saharan Africa demanded among other things for the US to consider relaxing its restrictive rules of origin in order to promote diversification of exports into the US and also support regional integration through regional value chains. CSOs on the other hand demanded for among other things extension of the AGOA from 2015 to 2025 whilst also demanding for the extension of the Third Country Fabric Provision from 2013 to 2015.

In response to some of the demands from CSOs and Ministers, the US gave a commitment towards the extension of the Third Country Fabric Provision from 2013 to 2015 and extension of the AGOA from 2015 to 2025 respectively. The US went on to further pledge a commitment of up to \$30 million per year for four years towards boosting trade capacity in Africa through the African Competitiveness and Trade Expansion Initiative (ACTE), as well as a pledge of \$2 million towards supporting the activities of the African Women Entrepreneurship Programme (AWEP). The US however challenged Sub-Saharan countries to ensure that they showed commitment towards improving their productive capacities and utilise the opportunities under the AGOA.

Despite this emphasis, snapshots of the current state of play since the last AGOA show case as follows: Zambia is still lagging from taking full advantage of the AGOA compared to other countries. This can be seen as illustrated by the table below;

Bilateral Trade profile (Imports)

BILATERAL TRADE BETWEEN US AND SELECTED COUNTRIES	PERIODS (January to December)	
	2010	2011
US Imports from Lesotho	\$ 17'626'000	\$ 68'405'000
US Imports from Mauritius	\$ 196'055'000	\$ 250'483'000
US Imports from Namibia	\$ 195'036'000	\$ 436'338'000
US Imports from Zambia	\$ 29'607'000	\$ 47'321'000

Source: www.agoa.info

The table above indicates that, from 2010 to 2011, Lesotho, Mauritius and Namibia were able to increase their dollar gain by \$ 50.7 million, \$ 54.4 million and \$ 241.3 million respectively as compared to Zambia who only managed to gain \$ 17.7 million. It is disturbing to learn that, despite a marginal increase in Zambia's trade with the US, the country is still lagging behind compared to other countries. This development comes at the backdrop of successfully hosting of the Tenth Forum and pledges of improving its trading capacity to fully exploit the duty free, quota free market access opportunity under the AGOA.

The Eleventh AGOA forum will be held in June 2012 in USA. The event comes amidst a number of commitments and demands that were made during the Tenth AGOA forum. Therefore, realising that civil society organisations in Zambia were at the core of this event, it will be in the best spirit of CSOs in Zambia to meet and reflect on some of the commitments and come up with a position that will feed into the overall CSOs declaration of the Eleventh AGOA forum.

It is against this background that Caritas Zambia and CUTS International find it necessary and cardinal to hold a discussion workshop that will draw together Civil Society Organisations to come up with the said position.

Objectives

The overall objective of the workshop is to facilitate an engagement of Civil Society organisations to reflect on the current development between Zambia's trade with the US under the AGOA provisions.

Specific Objectives:

1. To reflect on the commitments that was made during the 10th AGOA forum;
2. To discuss the development that has been experienced as the result of the commitments that were made;
3. To discuss the constraints Zambia has faced in taking full advantage of the commitment and the opportunities presented by AGOA
4. To determine the way forward and state the position of the Civil Society organisations in Zambia.

Strategy:

Prior to the workshop a Draft Civil Society Position will be developed based on the obvious issues and shared with the various CSOs in Zambia for Input. This position will further be tabled at the envisaged Conclave for further input based on the deliberations which will ensue from the discussions around the following presentations:

- Current developments in Zambia's Trade agenda based on the commitments made during the Tenth AGOA Forum. Presented by MCTI/ZDA;
- US commitments and state of play of the AGOA. Presented by US Embassy/USAID;
- Current trade policy regime and the role of CSOs in advancing trade policy issues in Zambia-Presented by CSO; and
- The current status of Intra-regional trade within the COMESA region-Presented by COMESA;

The CSO Position will be finalised and shared with CSOs that will represent Zambia at the 11th AGOA Forum. This Position will also be made to the media in Sub-Saharan Africa and the US for further publicity.