

African Diaspora International Trade Association, Incorporated (ADITA)

Position Paper regarding the African Growth Opportunity Act (AGOA)

1. On May 25th, 2012, the Global African Diaspora Summit was held in Sandton, South Africa, for the purpose of developing a framework for strengthening the contributions of the African Diaspora to the welfare of the African continent and reinforcing the relationships between African governments and the African Diaspora, which resulted in the summit participants adopting five projects called the Legacy Projects. Those Legacy Projects are still in their planning stages and are also mired within the bureaucracies of those African governments, even though they provide unprecedented opportunities for the African Diaspora to be a vital, innovative, and active force furthering the development of the African continent, and for the African governments to harness the talents of African Diaspora individuals willing to contribute to building the African continent;
2. Most African countries have implemented or are about to implement their own Diaspora policies, but few have so far produced the job-creating or wealth-transferring opportunities that the African Diaspora is potentially capable of producing;
3. African Diaspora members in the United States are entrepreneurs who wish to create wealth and to alleviate poverty in Africa through their small business activities;
4. The President of the United States has pledged to bring American pragmatism and problem-solving approaches to addressing its national domestic as well as international issues;
5. The bilateral approach to trade between the United States and African countries proposed by the Trump Presidential administration provides an opportunity for the United States Government to place particular requirements on specific African countries during its trade negotiations with the governments

of those African countries;

6. The paramount objective of the African Diaspora in the United States is the imposition of no customs duties, taxes and import fees by African governments on exports from the United States to those African countries;

7. The President of the United States should exercise his authority under the AGOA law to remove the Generalized System of Preferences (GSP) customs duties exemptions on importations from imports into the United States from any African countries that impose Customs duties, taxes and import fees on exports from the United States to that African country.

Analysis

1. Needs: Africa needs expatriate small business entrepreneurs who can create economic activities that put people in Africa to work.

2. Strengths: The African Diaspora in the United States is a resource that can be utilized to fulfill those needs because Diaspora members have access to American equipment and capital, and because they understand the concepts of property rights, private ownership, and free markets.

3. Weaknesses: The African Diaspora has no political base in their home countries and therefore their members cannot have their views represented nor can they have their interests protected in their home countries.

4. Threats: The Diaspora members who engage in small business creation in their home countries face multiple challenges including embezzlement, theft, lack of or unenforceable property laws, excessive government regulation, and most importantly prohibitive Customs duties, taxes and import fees.

Unquestionably the single biggest challenge that the African Diaspora faces trying to start job-creating businesses in their home countries is African government import laws and regulations. In particular, Customs duties have become insurmountable barriers for small African Diaspora businesses trying to conduct business in African countries. Furthermore, American exports are also unfairly targeted by African governments.

5. Opportunities: We now have a realistic chance to obtain the assistance of an American Presidential administration that is philosophically opposed to unnecessary and ineffective bureaucracy, that knows how to create businesses, and that has promised to seek fairness in trade agreements with foreign countries. We should therefore take the following actions as soon as possible: 1) Present at the 2017 AGOA Forum in Lome, Togo the case that no customs duties, taxes and import fees on African Diaspora exports will actually boost economic activity in Africa; 2) Identify African small businesses that can benefit from exemption from Customs duties, taxes and import fees imposed by their governments; and 3) Request that the United States Trade Representative require that no customs duties, taxes, or import fees be imposed upon exports from the United States when negotiating bilateral trade agreements with African countries.

ADITA will present a resolution to be adopted by attendees of the 2017 AGOA Forum in Lome, Togo, and will add that resolution to these comments.