



Wilson
Center



Africa
Program

African Growth and Opportunity Act (AGOA) Civil Society and Organized Labor Forum Summary

August 2024

Introduction

The African Growth and Opportunity Act (AGOA) is a key program in US economic engagement with Africa which is up for reauthorization in 2025. As part of the 2024 AGOA Forum, the Wilson Center Africa Program hosted the AGOA Civil Society and Organized Labor Forum on July 24, from 2-5:30PM ET, which included panel discussions focused on how the United States and African civil society organizations, labor unions, and small business partners can collaborate to inform AGOA renewal and enhance the efficacy of the program.

Opening Remarks

Speakers

- Dr. Robert Litwak, Senior Vice President and Director of International Security Studies, Wilson Center
- Ambassador Katherine Tai, United States Trade Representative
- Dr. Monde Muyangwa, Assistant Administrator, Bureau for Africa, USAID
- Oge Onubogu, Director, Africa Program, Wilson Center

To begin, Dr. Robert Litwak provided opening remarks on behalf of the Wilson Center.

Ambassador Katherine Tai shared her [insights](#) on American global trade and emphasized the importance of thinking outside the box of tradition. She noted that better results require better inputs and emphasized the need to invite and welcome those who have been left out. She noted that the convening power of AGOA is a critical pillar of the partnership and concluded that trade can and must help craft a more fair and equitable future for Africa.

Dr. Monde Muyangwa emphasized the United States government's commitment to Africa. She reflected on demands across the continent for inclusive societies and referenced several new USAID initiatives focused on creating more inclusive and equitable relations. She reflected on the importance of learning lessons from the past two decades of AGOA and prioritizing human and labor rights going forward.

Oge Onubogu framed the conversation by noting the importance of understanding AGOA's impact on the everyday lives of citizens and businesses of all sizes across the continent and introduce the event's first session.

Session 1: AGOA: Exploring the Human Rights and Trade Nexus

Moderator

- Gerardo Berthin, Vice President, International Programs, Freedom House

Panelists

- Ndidi Okonkwo Nwuneli, CEO, ONE Campaign
- Michael Honigstein, Director, Bureau of Democracy, Human Rights, and Labor, African Affairs, U.S State Department
- Rose Ugulumu, Program Coordinator, Business and Human Rights, Tanzania (AGOA Project Partner)
- Oluwadare Kolawole, Deputy Director, Socio-Economic Rights and Accountability Project, Nigeria

Ndidi Okonkwo Nwuneli emphasized the importance of human rights in generating economic growth and reiterated the ONE Campaign's commitment to AGOA's reauthorization. While funding for AGOA is large, she said, it pales in comparison to other US trade deal around the world. She expressed a desire to see AGOA grow in terms of volume and types of trade. She said there must be prioritization of clarifying the goals of AGOA, suggested that civil society become stronger supporters of companies attempting to meet AGOA standards, and pointed to the importance of differentiating who receives the benefits of AGOA - African entrepreneurs or multinational companies. She stated that the role of civil society is to be a supporter of human rights standards and to hold the hands of entrepreneurs to raise that standard. She recommended a scorecard for African countries in terms of equity, more data on local players in the value chain, greater incentives to encourage local sourcing and increased partnerships between American CSOs and Africa.

Michael Honigstein began by contradicting the popular notion that human rights are a "string attached" to AGOA; instead, human rights are a central component of AGOA and trade is a means to this end. He explained how the point of AGOA is broad prosperity, which cannot be achieved respect for human rights, labor rights and sound governance. He stated that the United States is committed to AGOA because the prosperity and success of others benefits the US. He recommended that civil society organizations provide their ideas and recommendations to American embassies and missions.

Rose Ugulumu referenced how, through AGOA, her organization has been able to engage with various stakeholders. However, she found that their knowledge of AGOA was low, citing that 56% of stakeholder were not aware of AGOA – which included government human rights institutions, labor rights institutions and civil society organizations advocating for human rights. She also noted that many organizations are unclear on the standards of human rights. She recommended that civil society spread awareness of AGOA using a strategic plan, use their position as a bridge in society to connect government and society, leverage AGOA as a tool to promote human and labor rights, and be included in periodical AGOA reviews in order to share realistic views of the program.

Oluwadare Kolawole reiterated the lack of knowledge of AGOA among stakeholders, but noted that different classes of stakeholders show difference knowledge of AGOA. Going forward, citizens must engage to understand how AGOA benefits them and he suggested that AGOA would be more useful as a trade tool with a human right

parallel. He noted that the criteria for AGOA are too vague and recommended that civil society organizations be involved in the assessment procedure for the program.

SESSION 1 TAKEAWAYS

- Domestic CSOs: More actions towards enhancing the recognition of AGOA among all types of stakeholders need to be conducted. Civil society must have ownership to implement their advocacy actions towards promoting human and labor rights.
- International CSOs: AGOA needs to promote higher transparency and equitability of trade and its value chains. To strengthen trade between the US and African countries, the US needs to raise voices on changing the narrative towards African products and raise the demand for such products.
- To ensure that human rights components of AGOA remain intact, a clear scorecard that assesses human and labor rights situations, that is locally contextualized and is not vague (e.g., good governance and rule of law) needs to be established.
- To improve AGOA, more data on local and indigenous players in the value chain, transparency and accountability on trade, incentive to local resourcing is necessary.

Session 2: Advancing an Inclusive and Equitable Workforce through AGOA

Moderator

- Stephen Moody, Director, Office of International Labor Affairs, U.S. State Department

Panelists

- Zingiswa Losi, President, Congress of South African Trade Unions (COSATU)
- Hod Anyigba, Executive Director, Africa Labor Research and Education Institute and Chief Economist, International Trade Union Confederation-Africa
- Matthew Levin, Director, Office of Trade and Labor Affairs, U.S. Department of Labor/Bureau of International Labor Affairs
- Emmanuel Ugboaja, Secretary General, Nigeria Labor Congress

Zingiswa Losi emphasized the need to differentiate between those who violate human rights (government, etc.) and those who are impacted by AGOA's revocation (citizens, businesses). Thus, AGOA requires mechanisms that do not punish local workers due to violations of rights over which they have no control. She noted worker rights and collective bargaining must be at the center, and that this will reduce migration, which is a result of lacking economic opportunity. She referenced how, often, foreign companies come to Africa to take resources, making Africans themselves buy back these resources and that a relationship must exist between government, labor and civil society to understand how all groups will benefit instead. She said addressing this issues requires a shift in perceptions of Africa from a monolith to a diverse collection of nations. She recommended a transition from investment in extractive industries to local communities and infrastructure as well as additional support and investment that will promote value chain integration through the AfCFTA.

Hod Anyigba began with a critique of AGOA, stating that success of the program should not be measured solely on export volumes, but instead on its ability to promote reliable labor conditions and environmental standards. He noted that, while AGOA has succeeded in boosting formal economics and industries, the program as it stands has resulted in economic enclaves, benefitting only a few people within these societies, neglecting the informal sector and many workers. He said that underlying issues such as the distributions of economic gains have been “masked” and that workers continue to face violations of their rights. His suggestions for improvement included replicating ILO conventions of the USMCA, increased worker representation in decision-making spheres, a more inclusive trade policy that improves conditions in the informal economy and better technical assistance and capacity building to introduce robust labor laws. He also recommended a rapid response mechanism for independent verification of labor violations to quickly resolve issues and prevent the need for greater punishment.

Matthew Levin drew on his experience working in the USG and suggested that the issue with AGOA is enforcement, not the laws and standards. He acknowledged that the US addressing workers in a trade policy is unprecedented, but that they are now able to act for the benefit of labor rights. He noted that any changes to AGOA must be realistic but technical assistance is necessary, and recommended that discrimination standards and protections be present in the renewal of AGOA.

Emmanuel Ugboaja began his remarks with the idea that there must be a shift of labor rights in AGOA to be a central component of the program. He agreed that, in renewing AGOA, ILO conventions should be included in enabling legislation and took issue with the notion of empowering entrepreneurs who do not have a history of treating workers well. He noted that he sees the same barriers to growth in sectors like agro-productivity that he saw prior to AGOA and pointed out how businesses in many African nations outsource or do not pay their workers a fair wage, which hurts their labor force significantly.

SESSION 2 KEY TAKEAWAYS

- Need to consider people, not just policies.
- Perceptions on AGOAs success and failures vary.
- AGOA must ensure gains from the program reach African workers and benefit those on the continent.

Session 3: AGOA Accessibility and Small and Medium-Sized Enterprises

Moderator

- Witney Schneidman, CEO of Schneidman and Associates International, Wilson Center Africa Program Advisory Council

Speakers

- Rahama Wright, CEO, Shea Yeleen
- Laura Akunga, Kenya Chair, African Women’s Entrepreneurship Program
- Vanessa Adams, CEO & Programs Lead, Level4 International

Rahama Wright opened the panel by sharing her story as a Ghanaian-American entrepreneur starting Shea Yeleen, which creates a bridge between shea goods and US markets to help increase the income of female entrepreneurs on the continent. She said that it is important to show examples of how small businesses benefit from AGOA – for example, her business is able to import products tariff-free because of the program. She noted the importance of creating a customer base for African products and an ecosystem where access to capital, training, data and knowledge are available for African SMEs. She recommended a simplification of the process of African SMEs to get the certification needed to export as an improvement to AGOA.

Vanessa Adams noted that entrepreneurs on the continent face barriers accessing capital at reasonable rates. She emphasized the importance of bringing people to the forefront of the AGOA trade discussion and challenged the idea that local sourcing is key, as many areas do not have access to all the crops/items they need domestically. While AGOA is complex, many communities are dependent on trade and people must be at the forefront of any negotiations. She stated that there needs to be more discussion of African institutional capacity building to support future developments and efforts to build supplier networks with anchor investments causing other investments to follow. She recommended that the AGOA review process be lengthened beyond an annual review to a longer review with more specific indicators on the scorecard, and African institutional and government capacity building to implement support systems for African SMEs.

Laura Akunga explained how AGOA is not relevant to many young people in Africa, who make up the majority of the population, and thus it is difficult to sell the benefits of the program to them. She said she would like to see more options for female entrepreneurs in Africa beyond cheap labor, but this requires derisking entry into more profitable, sustainable industries. In order to improve AGOA, she recommended that every beneficiary of AGOA implement a utilization strategy which could either be sector based or more specific penalties. However, it must be ensured that these do not harm individual farmers or workers if the issue is in corporate governance.

KEY TAKEAWAYS

- We need to expand interest in US market for African products.
- The AGOA review process could be adjusted so that it does not penalize an entire country and includes a more in-depth scorecard.
- Key question: What can we learn from COVID recovery and what tools/mechanisms can we put in place in advance of future crises to enable rapid deployment when the time comes?

Session 4: Summary, Key Points, and Closing Remarks

To close the forum, concluding remarks were provided by Fred Oladeinde, Chairman of the AGOA CSO Network and President of the Foundation for Democracy in Africa. Mr. Oladeinde provided a summary of key takeaways from the forum and reinforced the importance of coordination by civil society organizations.

Readout: AGOA Civil Society and Organized Labor Forum

Venue: The United States Department of State

Date: July 25, 2024

Following the Civil Society and Organized Labor Forum hosted by the Wilson Center, Africa Program Director Oge Onubogu shared key insights and takeaways from the sessions at the AGOA Ministerial Forum. The following readout was presented by Ms. Onubogu at the Department of State.

Good morning and thank you for this opportunity to provide a brief readout from the Civil Society and Organized Labor Forum.

My name is Oge Onubogu, and I am the Director of the Africa Program at the Wilson Center, a congressionally chartered Institution that provides nonpartisan insights on global affairs to policymakers through deep research and independent scholarship. The Wilson Center Africa Program has followed the progress of AGOA through numerous publications and events to understand its role in strengthening US- Africa relations.

Yesterday the Wilson Center was honored to host the Civil Society and Organized Labor Forum with panel discussions that focused on how the United States and African civil society organizations, labor unions, and small business owners can better collaborate to inform AGOA reauthorization and enhance the efficacy of the AGOA program. In three panel sessions, the distinguished speakers explored key issues on AGOA implementation, renewal, and enhancement as it pertains to 1) upholding human rights; 2) promoting a sustainable and inclusive workforce; and 3) creating enabling environments for small and medium sized businesses to thrive.

In the first session on exploring the trade and human rights nexus, there was a consensus that the primary point of AGOA is to drive broad prosperity, and we can't achieve equitable prosperity without respect for human rights and governance. However, the question on whether AGOA is a tool for trade and investment or a governance tool, was evident in the conversation. As a trade preference program AGOA is designed to do both, but do we now need other tools? Could AGOA be more effective as a trade tool, while another tool focused on human rights runs in parallel?

Other concrete recommendations included creating a locally contextualized score card for African countries to assess what we need to see for equity. Increasing data collection and transparency on local and indigenous players in the value chain. Creating more incentives to encourage local sourcing. Ensuring that American civil society organizations partner with civil society organizations in Africa to help change the narrative towards African products, as well as raise demand in the US for African products.

The second session on advancing an inclusive and equitable workforce through AGOA emphasized the importance of

prioritizing people and not just policies. The African workforce of today is different from when AGOA was first introduced in 2000. The discussions highlighted that the success of AGOA should not be measured solely by export volumes, but by its ability to promote reliable labor conditions and standards. It emphasized the need for mechanisms to ensure that local workers are not punished or prevented from reaping the benefits of AGOA due to violations that they have no control over. Additionally, discussions emphasized the importance of support and investment to promote value chain integration through the African Continental Free Trade Area (AfCFTA). As we look to the future of AGOA, the speakers emphasized the importance of learning lessons from current AGOA implementation to avoid creating economic enclaves in certain industries (such as extractive industries) that end up benefiting only a few people within these societies, who are often not even the workers within these sectors.

Finally, they recommended that some provisions in the U.S-Mexico-Canada Agreement (USMCA) could be replicated in AGOA to strengthen the role of African organized labor unions. For example, provisions in USMCA such as, independent monitoring and assessment; rapid mechanisms to expedite labor issue resolution; prioritizing worker representation and input; conditional benefits to ensure countries apply and comply with labor standards; and support for labor institutions, technical assistance and capacity building to introduce robust labor laws.

The third session on AGOA Accessibility and Small and Medium Sized Businesses stressed the need to address the disconnect between African products and Africa representation of products in marketing and other components. It emphasized the importance of expanding the appetite in the US for African products. On improving AGOA, the panel recommended that each beneficiary country develop a utilization strategy, as well as consider individualized strategies for each beneficiary country. These strategies could be sector based on specific penalties that will for example ensure that farmers or workers are not penalized for issues or violations that have to do with corporate governance. They also noted the importance of considering longer country review periods with specific scorecards and indicators.





The discussions at the Civil Society and Organized Labor Forum aimed to move our understanding of AGOA from the abstract to focusing more on the impact that the AGOA program has on the everyday lives of citizens in Africa and in the US. While more work needs to be done to enhance AGOA and increase awareness of AGOA and the AfCFTA among stakeholders, especially younger populations, all our speakers stressed the urgency and importance of an AGOA renewal this year. America's success and prosperity, depends on the success and prosperity of others. With AGOA set to expire in September 2025, its urgent renewal and enhancement could be the most important legislative action towards Africa this year.

Once again, thank you for the opportunity to provide this brief readout. A recording of the event is available on the Wilson Center website.







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