

Administration of Barack Obama, 2014

Memorandum on Establishing a Comprehensive Approach to Expanding Sub-Saharan Africa's Capacity for Trade and Investment

August 4, 2014

Memorandum for the Heads of Executive Departments and Agencies

Subject: Establishing a Comprehensive Approach to Expanding Sub-Saharan Africa's Capacity for Trade and Investment

In June 2012, I released the U.S. Strategy Toward Sub-Saharan Africa (Strategy) outlining a comprehensive U.S. policy for the region. The Strategy builds on many of the initiatives launched during my Administration, and in particular highlights an effort critical to the future of Sub-Saharan Africa: boosting broad-based economic growth, including through trade and investment. The Strategy outlines a number of actions to help accelerate inclusive economic growth in Sub-Saharan Africa, including: promoting an environment that enables trade and investment; improving economic governance; promoting regional integration; expanding Sub-Saharan African capacity to effectively access and benefit from global markets; and encouraging U.S. companies to trade with and invest in Sub-Saharan Africa.

The African Growth and Opportunity Act (AGOA) is a cornerstone of the trade relationship between the United States and Sub-Saharan Africa. Since AGOA went into effect 14 years ago, exports from Sub-Saharan Africa to the United States have more than doubled and non-oil and non-mineral exports in particular have increased nearly fourfold. The growth of new export industries has supported the creation of hundreds of thousands of jobs in Sub-Saharan Africa. However, my Administration's recent review of AGOA has revealed that, while the tariff preferences provided under AGOA are important, they alone are not sufficient to promote transformational growth in trade and investment. For beneficiary countries to be able to utilize AGOA to its fullest, this program must be linked to a comprehensive, coordinated trade and investment capacity-building approach with clearly stated goals and benchmarks.

In July 2013, I announced the launch of Trade Africa, an initiative to encourage greater regional integration and to increase trade and investment between the United States and Sub-Saharan Africa by aligning U.S. assistance with governmental and private sector engagements. Trade Africa initially focused on the East African Community, with the intention of expanding over time within Sub-Saharan Africa.

Targeted and strategic trade and investment capacity building is critical to achieving not only the goals of AGOA and Trade Africa, but also other U.S. trade and investment initiatives, such as the Doing Business in Africa Campaign and the National Export Initiative/NEXT.

Executive departments and agencies (agencies) have made major strides in advancing the trade and investment related goals of the Strategy. In order to achieve maximum effectiveness, however, it is important to align agencies' efforts and resources through a coordinated approach that is data-driven, goal-oriented, and strategic, and that builds on the experience of U.S. Government initiatives such as the President's Emergency Plan for AIDS Relief, the Millennium Challenge Account, Feed the Future, Power Africa, and Partnership for Growth.

Section 1. Policy. It shall be the policy of the United States to spur trade and investment with and within Sub-Saharan Africa through a coordinated approach involving U.S. Government engagement, assistance programs, and partnerships with the private sector.

Sec. 2. Steering Group. There is established a Steering Group on Africa Trade and Investment Capacity Building (Steering Group), to be chaired by the Deputy National Security Advisor for International Economics or her designee from the National Security Council staff. The Steering Group shall meet regularly.

Sec. 3. Membership. The Steering Group shall include designated representatives from:

- (a) the Department of State;
- (b) the Department of the Treasury;
- (c) the Department of Agriculture;
- (d) the Department of Commerce;
- (e) the Department of Transportation;
- (f) the Department of Energy;
- (g) the Department of Homeland Security;
- (h) the Overseas Private Investment Corporation;
- (i) the Millennium Challenge Corporation;
- (j) the United States Agency for International Development;
- (k) the United States Trade and Development Agency;
- (l) the Export-Import Bank of the United States;
- (m) the Office of the United States Trade Representative;
- (n) the Office of Management and Budget;
- (o) the African Development Foundation;
- (p) the Small Business Administration;
- (q) the Council of Economic Advisers; and
- (r) such agencies and offices as the Chair may, from time to time, designate.

Sec. 4. Functions. Consistent with the authorities and responsibilities of its member agencies and offices, the Steering Group shall perform the following functions:

(a) Not later than 180 days after the date of this memorandum, the Steering Group shall report to the President, through the National Security Advisor, recommendations on a comprehensive approach to expanding Sub-Saharan Africa's capacity for trade and investment, consistent with U.S. trade and investment policy, development policy, and international agreements. The recommendations shall include:

- (i) clearly defined goals and benchmarks for increasing trade and investment in Sub-Saharan Africa, and appropriate and transparent criteria for identifying priority countries, regions, and sectors that have the greatest potential to contribute toward meeting these goals and benchmarks;
- (ii) an indication of how the recommendations complement other major U.S. Government initiatives and partnerships focused on related issues;
- (iii) an outline of how to utilize programs across agencies to achieve these goals;

- (iv) an assessment of how the recommendations complement the activities of other major development partners, including Sub-Saharan African countries;
 - (v) an explanation of how the recommendations fit within existing budget constraints and resource requests, with identification of any significant funding gaps; and
 - (vi) clearly articulated roles and responsibilities of relevant agencies.
- (b) In undertaking these efforts, the Steering Group shall:
- (i) consider a broad range of potential trade and investment capacity building, including: activities that support AGOA utilization; trade-related efforts to enhance regional integration; programs to develop supply chains; support for development of hard and soft infrastructure; and activities to foster a non-discriminatory environment that enables trade and investment. Such activities include regulatory reform and transparency, trade facilitation and better border operations (including implementation of the World Trade Organization Trade Facilitation Agreement), and implementation of World Trade Organization commitments (including those that relate to science-based sanitary and phytosanitary measures and other technical standards);
 - (ii) take into account the range of supply-side constraints to trade in Sub-Saharan Africa, growing private sector interest in trade with and investment in Sub-Saharan Africa, U.S. trade policies and interests (including in addressing barriers to U.S. trade and investment), international obligations, and the best means to promote regional integration and support value-added production;
 - (iii) consult stakeholders, including Sub-Saharan African partner governments, regional economic communities, partner donor countries, the private sector, development banks, non-governmental organizations, and others as appropriate;
 - (iv) coordinate its efforts with the interagency Trade Policy Committee, which was authorized by section 242 of the Trade Expansion Act of 1962, as amended, and established by Executive Order 11846 of March 27, 1975, and the Trade Promotion Coordinating Committee, which was authorized by statute in 1992 (15 U.S.C. 4727) and established by Executive Order 12870 of September 30, 1993; and
 - (v) coordinate its efforts with other U.S. Government initiatives focused on related issues, including Power Africa, Feed the Future, the Doing Business in Africa Campaign, Partnership for Growth, and the Young African Leaders Initiative, to ensure that U.S. assistance supports consistent policies across initiatives.

Sec. 5. General Provisions. (a) This memorandum shall be implemented consistent with applicable law, and subject to the availability of appropriations.

- (b) Nothing in this memorandum shall be construed to impair or otherwise affect:
- (i) the authority granted by law to an executive department, agency, or the head thereof; or
 - (ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United

States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

BARACK OBAMA

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