

A Conversation between Congress
And
The African Diplomatic Corps

Honorable Members of Congress

Distinguished Ladies and Gentlemen

Friends of Africa

Good afternoon

It is indeed a distinct honor and privilege to be here this afternoon and to address you on behalf of the African Group of Ambassadors in Washington DC. We welcome this opportunity to share our views with you on some issues, which are of great importance to our continent. Africa and the United States share a unique bond of friendship which can be traced into history. I am told that many of our ancestors contributed to the building of the edifice in which we are standing today. But we are here today to look at the present and our common future for the betterment of the lives of our peoples, as we share the same core values and principles, the respect for human dignity, democracy, good governance and a free market.

A quick look at African long-term growth experience indicates that 40-50 years ago, Africa was the global growth leader. However, GDP per capita declined or at best remained largely stagnant in many African countries for some time. Nevertheless, since 1995, our continent is on a new growth path, and prospects ahead are good despite the recent global downturn, the triple of crisis (fuel, food, and financial) and the ongoing Euro turmoil. Economic growth has markedly improved, with growth rates close to 5% per year since then. Across the

continent, many countries experienced growth acceleration relative to their long term trends.

Average incomes have been rising in Africa in tandem with other regions despite the oil shock, food price shock, global financial crisis, and global downturn.

Although the global financial crisis had a negative impact on growth in most countries in the world, many African countries are presently faring better, in terms of growth performance, than many other countries in the world. Growth in Sub-Saharan Africa rebounded strongly in 2010, and GDP is estimated to have expanded by 4.7 percent. As you can see, Africa's economic pulse is beating faster and is infusing the continent with a new commercial vibrancy. There are huge opportunities for US companies who want to invest in Africa in diverse sectors such as banking, telecoms, retail or help build Africa's infrastructure.

Today the rate of return on foreign investment in Africa is higher than in any other developing region. We urge you to impress on US companies to seize the opportunity that we have in Africa for a win-win situation. In the next decade, the future of the African economy is promising. But we do have some challenges and capacity constraints that might hamper our development. For instance, Africa needs increased energy to sustain economic growth and raise living standards. It is a fact that access to energy closely correlates with poverty. In other words, insufficient access to electricity or other energy sources means that health services, access to clean water and sanitation, and education all suffer.

Compared to other regions of the world, the African continent has a disproportionately high percentage of households without electricity. Even those with access to electricity often experience many hours of power outages, adversely affecting their businesses, schooling, health facilities, and other essential activities. The end result has been slowing down of the progress toward the Millennium Development Goals.

If current trends continue unchanged, fewer than half the population of Sub-Saharan Africa will have access to electricity by 2050 and the number of people without access will actually increase through 2030. Africa is determined to achieve energy access for all, but does not have the capacity to develop its energy sector to its full potential. That is why we recommend that the US government support NEPAD and the World Bank project to build the Grand Inga Dam, which will generate electricity to be supplied to many African countries. The United States is in a strong position to respond to requests from many African countries to help them transform their energy landscape. Therefore, Africa is willing to partner with the United States in supporting commercial-scale renewable energy, supply- and demand-side energy efficiency, emerging clean technologies and related energy infrastructure facilities to increase economic growth, enhance productive capacity, create jobs and reduce poverty.

Another area that is of key importance to the African continent is that of infrastructure development. It is well known that this is an area that truly cuts across many other vital sectors within our economies, be it transport, health, education, energy or any other sector that is an essential conduit for economic development and poverty reduction. The challenge of infrastructure development in Africa manifests itself in many ways including increased transaction and production costs, which negatively affects business competitiveness and indeed the prospects of implementing economic and social development policies. A deficient infrastructural base also slows down efforts towards regional and global economic integration, as shown by Africa's minimal overall participation in international trade.

In addition, some of the major infrastructure-deficit areas are areas in which people are unable to gain access to essential requirements. Lack of rural road connectivity seriously constrains agricultural production (which is an important source of livelihood in most parts of

Africa) and in the absence of rural feeder roads, moving costs of produce can be as high as \$2.00 per ton-kilometer. As a result, some 85% of crop production takes place within six hours' travel time from the largest cities. An improved infrastructure will also support our food security and agricultural objectives.

We, in Africa, understand the importance of agriculture, and that is why our Governments created the Comprehensive Africa Agriculture Development Program (CAADP), an initiative to eliminate hunger and reduce poverty through agriculture development. This program's aim is to improve economic growth and increase public investment in agriculture by 10% and raise agriculture production by 6% per annum. Honorable members of Congress, an agriculture program in Africa is a necessity. While some countries achieved an increase in food production, the horn of Africa is experiencing severe drought that threatened millions of lives.

The African Ambassadors Group is encouraged by the United States Government's commitment to support the agriculture sector in Africa through the *Feed The Future* initiative. However, linking this agricultural development program with AGOA by removing stringent rules that inhibit Africa agricultural products to access the American markets, will significantly increase export and generate much needed foreign exchange earnings.

Exports alone are not enough. Increasing food supply and reducing hunger will also depend on access to agricultural research, technology, and proper irrigation systems. We urge Congress to encourage the United States private sector to invest in the African agriculture sector by giving them incentives to do so. It is our hope that our partnership in this agricultural endeavor will continue to create success stories in US-Africa cooperation and further trade and aid.

In summary, the development of relations between Africa and the United States reflect and should continue to reflect a marked political will and engagement. By the same token, the intensity of cooperation between the two sides should be translated into a profound strategic partnership. Furthermore, this same strategic vision existing on both sides of the Atlantic should highly privilege the economic sector and exchange without ignoring, of course, all other aspects of our relations. We would like to see that this cooperation involves a marked contribution of the US private business community in the various American initiatives and programs on the African continent. We again express our wish to see Congress consider the possibility of encouraging trade and aid through so many successful US programs such as *Feed the Future*, PEPFAR, MCC, AGOA, instead of looking to cut their respective budgets.

Concerning the famous link of conditionality between good governance and development in Africa in general, our countries do recognize that good governance is imperative to the future of the continent in the era of globalization. Good governance represents an essential element on the path towards economic growth, human development and political stability, in order to guarantee a global, sustained and inclusive development to answer the aspirations of the African peoples. In this endeavor, our countries are engaged in every day actions and long-term policies to reach a just balance between political stability and socio-economic development.

Furthermore, in light of events in Sahel and Sahara area and in the Horn of Africa, transnational crime with divers trafficking, proliferation of small arms, light weapons, MANPADS, terrorism, hostage taking and piracy pose serious threats to nation building, democracy and development and would require collaborative efforts and increased aid to prevent it from ruining all the development effort in these regions. To conclude, allow me, Honorable members of Congress, to renew the African Ambassadors Group's expression of gratitude for

this valuable meeting and opportunity to have an open discussion with you as Senators and Representatives of the American people on issues pertaining to our continent and the US foreign policy.

I would also take this opportunity to thank this audience.

Long live the friendship and cooperation between the USA and Africa.

Thank you very much.