Semitic violence within many participating States of the Organization for Security and Cooperation in Europe (OSCE) is of profound concern and efforts should be undertaken to prevent future occurrences (#315). Had I been present, I would have voted ''aye.''

H. Res. 199—To call on the Government of the People's Republic of China immediately and unconditionally to release Dr. Yang Jianli, calling on the President of the United States to continue working on behalf of Dr. Yang Jianli for his release, and for other purposes (#316). Had I been present, I would have voted ''aye.''

H. Res. 294—To condemn the terrorism inflicted on Israel since the Aqaba Summit and expressing solidarity with the Israeli people in their fight against terrorism (#317). Had I been present, I would have voted ''aye.''

## THE STATE OF AFRICA: THE BENEFITS OF THE AFRICAN GROWTH AND OPPORTUNITY ACT—NEXT STEPS

HON. CHARLES B. RANGEL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

*Monday, July 14, 2003*

Mr. RANGEL. Mr. Speaker, the African Growth and Opportunity Act (AGOA) has been in effect for over 2½ years. It was implemented on October 2, 2000.

At present, 38 sub-Saharan African countries are designated as eligible under the African Growth and Opportunity Act (AGOA); however, implementation of trade benefits for two of these countries, Democratic Republic of Congo and the Gambia, is not final. Two other countries achieved eligibility on January 1, 2003, Côte d'Ivoire and Sierra Leone. (The attachment lists the eligible 38 countries.)

To date, small countries near South Africa have been the most successful users of the program so far—Lesotho and Swaziland have tripled exports to the United States since 1999. Lesotho's exports to the United States, for example, are up from $110 million to $321 million in 2002. In practical terms, these sales have created 15,000 jobs. Farther north, export growth has been strong in Kenya—whose government believes AGOA has created 150,000 local jobs. South Africa is now an auto exporter, shipping 17,000 cars to the United States in the first 10 months of 2002.

Additionally, 19 AGOA countries have met the additional requirements to receive duty-free and quota-free treatment for exports of their apparel and textiles products. Seventeen of the 19 countries have qualified for the provisions for less-developed countries, which allows the use of non-U.S. and non-AGOA fabric through September 30, 2004 (only Mauritius and South Africa are not eligible).

AGOA's sectoral effects to date have been most evident in the textiles and apparel sector. In 3 years, AGOA textile and apparel exports to the United States have doubled, rising from $570 million in 1999 to $1.1 billion for 2002. This total comprises 9 percent of all AGOA exports. AGOA exports now comprise approximately 2 percent of all U.S. textile and apparel imports—a 100 percent increase from 2000, when AGOA took effect. Africa's 92 percent export growth rate in textile and apparel products is 10 times that for China, Latin America, Europe and other major textile and apparel exporters.

Energy-related exports from AGOA countries continue to predominate; however, their overall share is declining, e.g., down to 76 percent of AGOA imports in 2002, from 83 percent in 2001. Additionally, the reason for the decline is not because energy exports from AGOA countries have dropped, but rather other imports have increased. For example, AGOA imports of transportation equipment were 4 percent of all AGOA imports in 2001, but those imports grew by 81 percent and are now 6 percent of all imports under AGOA.

Not all African countries have participated fully and equally in AGOA's remarkable early record of success. Progress has been less evident for Tanzania, Ethiopia and much of West Africa. Moreover, despite the success in textiles and apparel, overall U.S. imports from Africa dropped by $3.4 billion, or about 25 percent, last year. This is because most African countries still rely on natural resources (especially oil, diamonds and precious metals) whose prices are volatile. Higher light-manufactured exports were thus offset by lower prices for oil and natural gas early in 2002, which cut Africa's energy export revenue by about $4 billion, while South Africa saw a $400 million decline in exports of platinum, palladium and rhodium.

More serious in the long term is that AGOA benefits are limited in agriculture. Here, largely due to lower coffee and cocoa prices, Africa's exports are down by 4.5 percent (or $25 million) since 1999. EU and American subsidies also probably hamper African farmers trying to diversify out of tropical commodities. However, AGOA does seem to be helping Africa export value-added agricultural products; while preserved fruits, vegetables and juices are still a small percentage of Africa's total farm exports, they are up from $22 million to $39 million since 1999, with South Africa the leading supplier.

To ensure that AGOA's early successes continue, it needs to be updated, extended and expanded to meet the current and future challenges in the U.S.-Africa trading relationship. Key issues that need to be addressed include the following:

The more liberal apparel benefits for least-developed AGOA countries are set to expire in 2004, just as worldwide quotas will be eliminated. (Currently, least-developed AGOA beneficiaries can use third country fabric in qualifying apparel. This flexibility was necessary because few of these countries have fabric-making capacity.)

I propose to extend LDC benefits for a short period of time, while creating incentives for LDC countries to develop fabric-making capacity. All AGOA benefits (apparel and otherwise) expire in 2008. The President has already indicated he will support an extension of the overall program beyond 2008. I propose to make AGOA benefits permanent. Sub-Saharan Africa has a tremendous amount of opportunity to export agricultural products. Unfortunately, many of the products do not meet U.S. sanitary/phytosanitary requirements. Currently, there are only about three USDA personnel (APHIS workers) providing technical assistance to the Africans to meet U.S. standards. Include a provision providing substantially more technical assistance for development of the agricultural sector.

The AGOA apparel rules of origin (yarn forward requirements, very specific rules on findings, trimmings, etc.) are fairly onerous, and in many cases, make little commercial sense. Streamline the rules of origin.

The United States is currently a party to dozens of international tax treaties with other countries. These treaties prevent double taxation for U.S. firms operating abroad, and include transparency requirements for other countries' systems of taxation.

Include a provision encouraging the Secretary of the Treasury to negotiate tax treaties with appropriate AGOA countries.

HIV/AIDS, malaria and tuberculosis epidemics continue to plague the continent. Include a provision to provide tax credits to U.S. firms with operations in AGOA countries when they make cash contributions to the global fund to fight HIV/AIDS, malaria and tuberculosis.

The main deterrent to African investment is the lack of infrastructure in AGOA countries. Find a way to increase development in this area—perhaps through OPIC or the World Bank/IMF. There are several areas where Congress can clarify its intent. An AGOA III bill would be a natural venue to address these issues.

Imports under AGOA have been a significant share of all U.S. imports from sub-Saharan Africa. In 2001, AGOA imports were $8.2 billion, or 39 percent of the total U.S. imports from sub-Saharan Africa of $21 billion. In 2002, AGOA imports rose to $9 billion, or 49 percent of the total U.S. imports of $18.2 billion from the region.

Since petroleum imports are by far the major imports under AGOA, Nigeria, a leading oil producer, is the major import supplier under AGOA. Nigeria supplied 60 percent of AGOA imports in 2002, and together with South Africa (15 percent) and Gabon (13 percent), accounted for 88 percent of all AGOA imports last year. In comparison, 14 AGOA-eligible countries accounted for less than 1 percent of AGOA imports, and of those, 5 did not ship anything.

In 2002, the 107th Congress approved several amendments to the AGOA in the Trade Act of 2002. These amendments are commonly called AGOA II. They include doubling the cap for apparel assembled in an AGOA country from fabric made in an AGOA country to 7 percent of overall imports over an 8-year period (by 2008). However, the cap under the special rule for lesser-developed countries was left unchanged. They allowed Namibia and Botswana to qualify for the special rule for less-developed countries, even though their per capita incomes exceed the limit set under AGOA. They clarified that AGOA benefits be given to ''knit-to-shape'' articles, garments cut in both the United States and an AGOA beneficiary country (''hybrid cutting''), and merino wool sweaters knit in AGOA beneficiary countries. They authorized $9.5 million to the Customs Service for textile transhipment enforcement, and broadened trade adjustment assistance to cover production shifts to an AGOA beneficiary country.

The United States and five southern African countries (Botswana, Lesotho, Namibia, South Africa and Swaziland) are scheduled to begin free trade agreement (FTA) negotiations in late May. Preliminary discussions have focused on the negotiation's timetable and framework. Once begun, FTA negotiating rounds are expected to occur every 7 weeks with the target completion date set for the end of 2004. USTR notified Congress of its intent to enter into these negotiations in November 2002. Since this will be the United States' first FTA in sub-Saharan Africa, other AGOA countries will be watching the process closely to determine how they might take advantage of such an opportunity in the future.

USTR appears to understand that a more ''developmental'' approach needs to be taken with the SACU FTA. Specifically, USTR has told Congressional staff that they: (1) recognize the need for asymmetrical treatment, i.e., treating Botswana, Swaziland, Nambia and, particularly, Lesotho (an LLDC country) differently than South Africa; and (2) will strive to provide sufficient technical assistance to help these countries eventually become full FTA trading partners. An initial $2 million in U.S. funds has already been set aside for new trade capacity building initiatives related to the FTA. USTR believes they can attain these goals even while addressing U.S. industries' interests.

SACU is the largest U.S. export market in sub-Saharan Africa. U.S. exports to SACU totaled more than $3.1 billion in 2001—most to South Africa ($3 billion). Leading U.S. sales to the region include machinery, vehicles, aircraft, medical instruments, plastics, chemicals, cereals, pharmaceuticals and wood and paper products. U.S. foreign direct investment in the SACU countries totaled $2.8 billion in 2000, largely in manufacturing, wholesaling and services.

The five SACU countries are leading beneficiaries of the African Growth and Opportunity Act (AGOA). The SACU countries were the top U.S. supplier of non-fuel goods under AGOA in 2001, accounting for more than a quarter of U.S. non-fuel imports from eligible sub-Saharan African countries. (Since oil exports boost the export numbers for many African countries, one needs to look at non-fuel exports to assess the benefit of AGOA.) Between 2000 and 2001, total U.S. non-fuel AGOA goods from South Africa grew by more than 30 percent, from Lesotho by 53 percent, and from Swaziland by 50 percent. Increases were seen in the textile and apparel, transportation equipment and agriculture sectors. As a result of AGOA, Namibia received a multimillion investment in an integrated textile and clothing production complex, and negotiations are under way for two additional factories.

ELIGIBLE AGOA COUNTRIES

(1) Benin, (2) Botswana*, (3) Cameroon*, (4) Cape Verde*, (5) Central African Republic, (6) Chad, (7) Congo, (8) Côte d'Ivoire, (9) Democratic Republic of Congo, (10) Djibouti, (11) Eritrea, (12) Ethiopia*, (13) Gabonese Republic, (14) The Gambia, (15) Ghana*, (16) Guinea, (17) Guinea-Bissau, (18) Kenya*, (19) Lesotho*, (20) Madagascar*, (21) Malawi*, (22) Mali, (23) Mauritania, (24) Mauritius*, (25) Mozambique*, (26) Namibia*, (27) Niger, (28) Nigeria, (29) Rwanda*, (30) Sao Tome and Principe, (31) Senegal*, (32) Seychelles, (33) Sierra Leone, (34) South Africa*, (35) Swaziland*, (36) Tanzania*, (37) Uganda*, (38) Zambia*. (*Countries eligible for apparel provision.)

## TRIBUTE TO CHIEF GLENN L. BROWN

### HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 14, 2003*

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention the work of an outstanding individual, Chief Glenn L. Brown, who was officially sworn in as Chief of Detectives for the Passaic County Prosecutor's Office on Wednesday, July 2, 2003.

Chief Brown has dedicated the past 27 years to tirelessly serving the people of Passaic County. It is only fitting that he be honored, in this, the permanent record of the greatest freely elected body on earth.

Glenn Brown began what would become a distinguished career in public safety in 1980 when he was appointed to the Paterson Fire Department. His dedication and valor was widely noted and, during his tenure with the Fire Department, he received numerous citations from the NJ State FMBA, the American Legion, FMBA #2, Firehouse Magazine, former Mayor of Paterson Frank X. Graves, and the Paterson City Council.

In 1989, Chief Brown was appointed to the Passaic County Prosecutor's Office where he was initially assigned to the Narcotics Task Force. In 1992, he was promoted to Senior Investigator and reassigned to the Arson Section of the Major Crimes Unit where he undertook the training of all County Arson Investigators. It was while working in this capacity that Chief Brown helped to establish the Red CAP Program which significantly reduced the number of fires in vacant buildings in the city of Paterson. Largely due to the success of this program, the Passaic County Arson Unit was officially named Arson Unit of the Year in 1998.

As a Senior Investigator within the Major Crimes Unit, Chief Brown was frequently placed in charge of handling Special Investigations and assisting the Sheriff's Department Bomb Squad. He was promoted to Sergeant in 1997, at which point he formally took charge of the Unit. Three years later, Chief Brown was promoted to Lieutenant, becoming second in command of the Major Crimes Unit.

In September 2002, then Lieutenant Brown was promoted to Deputy Chief of Detectives and placed in command of the Passaic County Prosecutor's investigative staff. A mere eight months later he became Acting Chief of Detectives where his first task was to reorganize the Prosecutor's Office investigative staff.

Mr. Speaker, the job of a United States Congressman involves so much that is rewarding, yet nothing compares to recognizing individuals who have devoted themselves to serving the special needs of the people in their community. Chief Brown's long history of leadership and service to the people of Paterson and Passaic County is unparalleled.

Mr. Speaker, I ask that you join our colleagues, the Passaic County Prosecutor's Office and me in recognizing the invaluable service of Chief Glenn L. Brown.0.1.

## TRIBUTE TO ROBERT J. GRAVES ON HIS 90TH BIRTHDAY

### HON. CALVIN M. DOOLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, July 14, 2003*

Mr. DOOLEY of California. Mr. Speaker, I rise today to pay tribute to Robert J. Graves, who will be celebrating his 90th birthday on July 17th of this year. As a leader in the agriculture industry for over half a century and a veteran of World War II, Mr. Graves has served both his country and community with inspiring dedication.

Robert Jackson Graves was born in 1913 in Manhattan, Kansas, the first of five children. In 1935, Mr. Graves graduated from the University of Maryland at College Park with a BA in Agriculture Economics. After graduation, Mr. Graves took a job at the U.S. Department of Agriculture as a Regional Director for Marketing Administration.

After a few short years with the Department of Agriculture, Mr. Graves went to serve our country in World War II. When a tropical disease forced his return to the states, Mr. Graves continued to serve our country by working in procurement and supply for the U.S. Navy while stationed in Philadelphia and Washington, D.C.

After the war, Mr. Graves' work endeavors brought him to California's San Joaquin Valley, where, as a contractor, he supervised the building of a number of migrant farmworker camps. It was in the San Joaquin Valley that he found success as an entrepreneur, starting the Real Fresh Milk Company, which utilized a patented process developed by his father. The company produced a line of innovative dairy products, and it was his efforts to market globally that made his fresh milk a highly coveted commodity on military bases throughout Southeast Asia and the Middle East.

Mr. Graves continued to contribute to the growth and development of the United States food industry through his extensive involvement with the National Food Processors Association, where he served on the Board of Directors for six years, chaired the Public Affairs Council, and served as Director of the National Food Laboratory Inc.

Mr. Graves has remained involved with California agriculture over the past thirty years through his association with the walnut industry. He has held many prestigious posts in this capacity, serving as a member of the Sun-Diamond Growers board of directors for 24 years before he retired in 2000. During this time he also served as a member of the Federal Walnut Marketing Board, and he currently serves as the alternate director of the California Walnut Marketing Association.

Mr. Speaker, Mr. Graves has served his country and his community with pride and determination. I ask my colleagues to join me today in congratulating Robert J. Graves as he celebrates his 90th birthday.