

AGOA in Nigeria: Nigerian-American Chamber of Commerce's Policy Advocacy and Network Mechanism, 2000-2010

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Introduction

The liberal economic order of the 1970s produced two interrelated principles in trade relations; viz trade liberalisation as the developed countries' support towards economic development in the Third World countries; and the vigorous promotion of the private sector activities as part of the effort to unfetter the forces of market. GATT enshrined important liberal principles of trade liberalisation, nondiscrimination in trade as well as preferential access in developed markets to products from the South in order to stimulate economic development in the South.¹ Promotion of the private sector as the engine of economic growth was propagated through the International Monetary Funds (IMF) and the World Bank, thus bringing into limelight the role of the private sector and their institutions in economic-policy making. These two principles became more intricately interwoven with the evolution GATT into the World Trade Organisation (WTO) in 1995.

The United States was the first developed nation to domesticate WTO principles, which formed the bases of her multilateral and bilateral trade relations between 2000 and 2015. At the Ministerial Meeting of the Uruguay Round in Brussels held from 3rd to 7th December 1990, Caria A. Hills; the United States Representative expressly demanded that the American government and other developed countries should create a market-opening agreement with the developing countries. Caria implored the Contracting Parties to open service markets in the world and summon the political will to dismantle trade barriers and in so doing, grow global economy by over \$4 trillion by the end of the 1990s.²

In the same meeting, Georges Solofoson, Madagascar's Trade Minister and spokesman for the African countries stressed the importance of improved market access in the light of the economic situations of African countries, because the Uruguay Round was seen as a means of extricating themselves from their

underdevelopment problems.³ Based on the expansion of economic developments in the United States and the agenda of WTO on trade with the less developed countries, the United States Congress gave consideration to opening up U.S. markets to trade goods from Africa and the Caribbean. At the Annual World Economic Forum held from January 28 to February 1, 2000 in Davos, Switzerland, President Bill Clinton of the U. S. reaffirmed unambiguously that, “open markets and rule-based trade are the engine we know of to lift living standards, reduce environmental destruction and build shared prosperity...”⁴ On Monday 24th January 2000, the Senate and House of Representatives of the United States enacted two Trade Acts under the United States’ Trade and Development Act, 2000. These were the African Growth and Opportunity Act (AGOA) and the Caribbean Basin Trade Partnership Act (CBTPA). The two Acts were signed into law on May 18, 2000 as Title 1 of the United States Trade and Development Act.⁵ Initially AGOA Act was set to expire in 2008, but with the AGOA Acceleration Act of 2004 by the United States Congress; the legislation was extended to 2015.⁶ President Bush signed amendments to AGOA, also known as AGOA II, into law on August 6, 2002 as Section 3108 of the Trade Act of 2002. AGOA II substantially expanded preferential access for imports from beneficiary Sub-Saharan African countries. By modifying certain provisions of AGOA, the AGOA Acceleration Act of 2004 (AGOA III), signed by President Bush on July 12, 2004 extended preferential access for imports from beneficiary Sub Saharan African states until September 30, 2015; extended third country fabric provision for three years, from September 2004 until September 2007; and provided additional Congressional guidance to the Administration on how to administer the textile provisions of the bill

The enactment of the Acts was facilitated by private sector groups in U.S. such as the Corporate Council on Africa (CCA) and the Small-Business Administration (SBA). It gave eligible countries greater access to the United States’ markets for the importation of their non-oil products duty-free. AGOA was meant to achieve two economic development purposes in Africa namely: help the growth and sustainable development of the people and create better markets in the U. S. for the countries concerned. The actualisation of these strategies depended largely on the preparedness of the recipient government and the

capacity of the private sector to advocate for legislations conducive for eligibility. They were also expected to create the enabling commercial environment.

The adoption of liberal principles by the Third World countries as they looked to the International Monetary Fund and the World Bank for policy and financial support in their quest to come to term with their economic crisis in the 1980s brought organizations like the Nigerian-American Chamber into limelight in policy advocacy. AGOA thus became a new dimension in the Nigerian-American trade relations, which posed new challenges to decision-making debates in Nigeria and in the activities of the private sector. The Nigerian-American Chamber of Commerce was established in 1960 with the objectives of promoting the development of trade, commerce, investment and industrial technological relationships between the public and private sectors of Nigeria and the United States.⁷ Since then, it has been the mouth-piece of the private sector in the Nigerian-American trade and investment relations. The Chamber was in the forefront of policy advocacy for economic restructuring and economic recovery between 1980 and 1986, which culminated in the adoption of Structural Adjustment Programme (SAP) in Nigeria in July 1986. It influenced many government policies on non-oil export promotion throughout the period and advocated for industrial policy reforms. Probably no other factor in Nigeria's foreign policy decision making processes is taken so much for granted as the advocacy and input of the private sector. This paper attempts to examine AGOA and the advocacy of the Nigerian-American Chamber of Commerce in Nigeria's bilateral trade with U. S. It discusses the objectives and content of AGOA in order to put in perspective the relationship between AGOA and the Nigerian economy. It focuses on the limitations of the Nigerian government in creating the enabling commercial environment for the Act and examines the activities of the Chamber in promoting bilateral trade between the two countries.

The aims are two folds; with one reinforcing the other. The first aim is put in perspective the Chamber's legislative advocacy; by driving the political class to create the environment setting for AGOA. The second is to bring into limelight the trade promotional strategy of the Chamber

through its networking mechanisms within the U. S. and Nigerian private sector as well as the political class for the benefits of AGOA; thus standing in the gap between the American and the Nigerian business communities.

The Objectives and Content of AGOA

United States rationale for the new trade relations with sub-Saharan Africa are expressed in Section 102 of the AGOA Act thus:

Sub-Saharan Africa represents a region of enormous economic potential and of enduring political significance to the United States. The region has experienced the strengthening of democracy as countries in sub-Saharan Africa have taken steps to encourage broader participation in the political process. Certain countries in sub-Saharan Africa have increased their economic growth rates, taken significant steps towards liberalizing their economies, and made progress towards regional economic integration that can have positive benefits for the region. Trade and investment, as the American experience has shown, can represent powerful tools both for economic development and for encouraging broader participation in a political process in which political freedom can flourish.⁸

Section 103 of the 'ACT' (STATEMENT OF POLICY) the Congress supported increased trade and investment between the U. S. and the sub-Saharan Africa through reduction in tariffs and non-tariff barriers and other obstacles to sub-Saharan Africa and the U. S. trade and expanded U. S. assistance to sub-Saharan Africa's regional integration efforts. It also proposed negotiating reciprocal and mutual beneficial trade agreements, including the possibility of establishing free trade areas that would serve the interests of both U.S. and sub-Saharan Africa. In addition, it welcomed countries' commitment to the rule of law, economic reforms and the eradication of poverty through the private sector, especially enterprises owned by women and small business. Furthermore, it supported the establishment of a United States-sub-Saharan African trade and

economic forum. Finally, it sought the accession of sub-Saharan Africa to the Organization for Economic Cooperation and Development Officials in international business transactions. Section 104 (a) (1) (A) of the Act further stipulated that eligible countries must also establish or be making continual progress towards establishing a market-based economy; enact legislation to protect property; incorporate an open-rules based trading system and minimize government interference of the economy.

Apparel provision was the essential content of AGOA. Apparel imports made with regional (African) fabric and yarn were subjected to cap (limit) of 1.5 per cent of overall United States apparel imports.⁹ According to the Assistant to United States Trade Representative, Rosa Whitaker “It’s (Sic) the kind of sector (apparel industries) that you can take into a poor country and get people to work immediately...Even in Asia, they didn’t start with cars and computers, they started with making their cloths”.¹⁰ AGOA products covered 42 non-oil products which had quota free/duty free market access to almost 10 trillion Dollar United States markets. By 2000, African fabric/yarn market was worth just about \$250 million.¹¹ Over Thirty-nine products were considered duty and quota free from African into the United States among them were cocoa and cocoa products, eggs, fruit juice, food for animals, wood, footwear, iron and steel, gain seeds and nuts, leather and skins and rubber products. Most West African States still had very limited products to export into the American markets as very few of these items were available for export. Among them were cocoa and cocoa products, foodstuff, wood, grains and nuts, leather and skin, rubber products and tobacco. The few products not eligible for duty-free treatment under AGOA were flat goods or home furnishings which included: sheets, pillowcases, tablecloths, bed spreads as well as other textiles mill products including; fabrics, yarns, certain steel products, agricultural products such as canned apricots, canned peaches and dehydrated garlic.¹²

Thirty-four (34) sub-Saharan countries were considered beneficiaries of AGOA¹³ Releasing the list of beneficiaries, President Clinton said:

I am pleased to release today, a list of countries eligible for trade benefits under the Caribbean Trade Initiative and the African growth and Opportunity Act (so as to) promote economic

development, alleviate global poverty and create new economic opportunities.¹⁴

An Inter-Agency Committee known as the United States Trade Report (USTR) was set up in collaboration with the United States Embassies in designated countries to assist eligible countries to comply with the customs-related requirements in order to qualify for Apparel and Textile benefits. However, beneficiary status of a country did not confer eligibility status on it. Accessibility of AGOA was tied to eligibility, which in turn was woven in series of conditionalities. It is at this point that the United States ensured that she dictated domestic economic policy of beneficiaries and strengthened their dependency on the American markets. One of the conditions for eligibility was that the beneficiary country should not “engage in activities that undermine United States national security or foreign policy interest”. Other condition was that such country must align with American concepts of international relations. Thus, the United States hinged eligibility on compliance with protection against trans-shipment and debt relief programme. Eligibility also demanded a complete overhauling of economic policy as well as United States access to monitor domestic commercial environment. For instance, the United States Congress compelled its Customs Service to make technical assistance available to beneficiary African countries in the areas of development and implementation of visa system, legislation and regulations, training of officials in anti-trans-shipment enforcement and electronic Visa (ELVIS) programme.¹⁵

In addition, potential beneficiaries under AGOA were required to satisfy the basic eligibility requirement of the United States GSP which stipulates that such GSP members may not be a communist country unless such a country received Normal Trade Relations treatment. It must be a member of WTO and the IMF and not dominated by international communism and must not be part of actions that would withhold supplies of vital commodities or raise the prices of such commodities to an unreasonable level and cause serious disruption to the World economy. In addition it must not afford preferential treatment to products of a developed country that has, or is likely to have significant adverse effect on the United States commerce. Finally, such country must not have nationalized, expropriated, or otherwise seized property of US citizens or

corporations without providing, or taking steps to provide prompt, adequate and effective compensation, or submitting such issues to a mutually agreed forum for arbitration.

Of importance to eligibility was the establishment of effective Visa Systems in the designated countries. The Preference treatment for apparel exports took effect from October 1, 2000, but beneficial countries must first establish effective Visa Systems to prevent illegal trans-shipment and counterfeit documentation. On September 21, 2000, the United States specified conditions for Visa Systems and verification procedures to African governments through its Embassies in Africa. An effective visa system applicable to textile/apparel products was a government-industry process which stipulated that the goods for which benefits were claimed must be produced in the country according to the rule of origin required.¹⁶ Salient conditionalities for accessing AGOA benefits was that the beneficiary country must agree to co-operate with the United States Customs Service to prevent unlawful trans-shipment and the use of counterfeit documentation. Such country must permit verification visits to factories, producers, exporters and records of production of goods for a period of five years. Trans-shipment is a claim “for a textile or apparel article for duty-free benefits that contravenes rules on the country of origin, manufacture, processing or assembly of the article and any of its parts”.¹⁷

To enforce the rule against trans-shipment, the United States Congress empowered the President to “deny all benefits for future textile or apparel shipment from the trans-shipping sub-Saharan exporter for five years”.¹⁸ The United States Secretary of Commerce was directed to monitor apparel imports on a monthly basis to guide against ‘surge’ and to alert the government if increased imports caused serious damage to the United States apparel industries. If this happened, the President had the right to suspend duty-free treatment for the article(s) in question.

AGOA and the Nigerian Government Promotional Strategy

Nigeria was among the initial set of 34 eligible countries. Other beneficiaries in African countries included; Benin, Botswana, Cape-Verde, Cameroon, Central African Republic, Chad, Republic of Congo,

Djibouti, Eritrea, Ethiopia, Gabon, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Seychelles, South-Africa, Tanzania, Uganda, Zambia, Sierra Leone and Gambia. One of the requirements for a designated country was an application, which may and may not confirm its eligibility depending on its conformity with the conditionalities spelt out by the United States Government. The Nigerian government made application for eligibility in February, 2001. In line with the World Trade Organisation/United States' conditionalities, part of President Obasanjo's economic principles when he assumed office in May 1999 was to ensure cooperation with the private sector because he believed that:

Private enterprise, private effort, and non-governmental action shall play the major role in achieving the goals of the society and the derived targets of the government. Based on these guiding principles, the administration shall operate an economy which is market-oriented; private sector-led; highly competitive; internally and globally; particularly in areas of comparative advantage; broad-based, humane; open, and internationally significant.¹⁹

The Federal Government immediately appointed a special adviser on AGOA in at office of the Presidency who was also the Chief Executive Officer of the Nigerian Export Promotion Council. In June 2000, government inaugurated a ten-member National Implementation and Advisory Committee on AGOA; chaired by the Honourable Minister of Commerce. Members of the Committee were drawn from the private sector; the Nigerian-American Chamber of Commerce, NACCIMA, MAN and Small-Scale Industrialists. The Committee had four sub-Committees namely: Textile and Apparel, Footwear/Leather Products, Agriculture and other products such as granite. The objective of the National Implementation and Advisory Committee on AGOA was to develop export plan for the Nigerian economy and advise government and the private sector accordingly. It worked in collaboration with the Manchester Trade Limited; a United States based consultant firm to evolve a comprehensive Strategic Export Plan in Nigeria for the purpose of benefiting from the American open market consideration. The tasks of the Committee were to identify products and export-ready

companies under both the GSP and the textile and apparel benefits of AGOA, made market surveys; embark on promotion and marketing of identified products and companies in the United States and, review promotional materials.²⁰ The Committee organised a nation-wide workshops and seminars for public officials and the private sector throughout 2000. It organised workshop for the State Commissioners of Commerce and Industry where companies in textile, leather, footwear and garment manufacturing participated.²¹ In August 2000, Clinton visited Nigeria. The Chamber seized the opportunity to push for a favourable U.S. economic policy towards Nigeria. In collaboration with the Nigerian Economic Summit Ltd, it organised a reception in honour of the President named “Business Dialogue and Cocktail”. While the association seized the opportunity of the visit to confirm United States’ renewed interest in Nigeria’s trade and investment relations, discussions also focused on the Nigerian investment climate, the United States investments climate and American capital inflow into the manufacturing sector; particularly the textile sub-sector. Other areas of the Nigerian-American business relations that received attention included; privatisation, energy, science and technology as well as telecommunication.

To strengthen the Committee’s work, Nigeria and the United States signed a Trade and Investment Framework Agreement (TIFA); an investment incentive agreement, which enabled the Overseas Private Investment Corporation (OPIC) to operate in Nigeria. With the agreement, the Export/Import Bank (EX-IM Bank) of the United States issued credit lines to 16 Nigerian Banks. In October 2001, the Nigeria-US Joint Economic Partnership Committee (JEPC) was also initiated. The first session of the Committee met in Washington DC in November, 2001 and the second session in Abuja; the Nigerian capital. The response was that in 2001, Nigeria and the United States signed the Miami International Airport and the Port of Miami, Florida Agreement. The agreement included a direct air link and seaport connection for Nigeria to freight goods to and from Miami, the gate way to the Americas. The Aviation Minister, Dr. Kema Chikwe signed the air agreement on behalf of the Federal Government and the aviation industry. Alhaji Isa Babamakpa, the Port Manager, Apapa Port, Lagos signed for the Nigerian Ports Authority (NPA). In the agreement, the Lagos seaport at Apapa and the Muritala Mohammed International Airport, Ikeja were adopted as regional hub ports

for West and Central African sub-regions.²² The ceremony was the climax of a trade and arts symposium and exhibition named AfriCANDO 2001 organised by the Foundation for Democracy in Africa. The Foundation was formed in 1994 as a non-governmental organisation by Africans in the United States to pressurise American government to allow African countries benefit economically from the United States market.

One of the conditions for accessing AGOA's benefits was through formal application, which was an indication of absolute compliance with AGOA's conditionalities. There and then, the commercial environment for the operation of the private sector was set; the primary target sector of the Bill. Thus, in 2001, the Federal government re-submitted its application for Textile/Apparel VISA. As a follow-up to this application, the United States government through USAID and the United States Embassy in Kaduna, Kano, Lagos and Abuja organised seminars and workshops for the ECOWAS region in Ghana. The objective was to sensitise both governments and the private sector in the sub-region on the relevance of AGOA in economic growth. In 2002, the Nigerian government established the Nigerian Apparel and Footwear Project under the US-Nigeria Development Institute.²³ AGOA National Implementation and Advisory Committee was constituted between 2001 and 2003; Chaired by the Minister of Commerce and Industry. The activities of the Committee included; sensitising campaigns on AGOA and the amendments of the Customs and Excise Management Act (CEMA) of 1990 to forestall trans-shipment of textiles provision.²⁴ For effectiveness, the Committee established a Human Resource Centre in Lagos for skill acquisition in garment manufacturing and over 1000 trainees benefited from the programme.²⁵

In furtherance of its objectives, the Federal Ministry of Commerce organised a Trade Mission delegations to the United States of America, Mauritius and some Asian markets. The objective was to encourage active participation of the private sector in the newly created commercial environment. Delegates included manufacturers in the footwear and leather products, textile and apparel and other products such as granite. The trade mission linked together the Nigerian exporters and the United States importers. It also linked Nigerian exporters and importers with the rest of the world. As a follow up, the Nigerian government organised an awareness workshop for the States Commissioners of Commerce and Industry in 2002. This was

complemented by other seminars and workshops organised by the United States Agency for International Development (USAID) and the United States Embassy in Kaduna, Kano, Lagos and Abuja for the ECOWAS region. Selected companies in textiles, leather, footwear and garment manufacturing participated. A high-level bilateral dialogue was opened between the two governments. The objective was to reformulate the U.S.-Nigeria Joint Economic Partnership Council (JEPC), which had been in existence since the 1970s, but which became ineffective in the 1980s due to the economic recession. The new Joint Consultative Council was modeled after the U. S.-South African Bi-National Commission; a sub-group on debt relief within the G7/8; the International Contact Group.

As a follow-up of the 1999-2003 trade assistance under AGOA, USAID commenced a five-year economic strategy to help Nigeria realise its development plans in 2004 in which about \$60 million was committed. The National Planning Commission (NPC) was put in place to enhanced general economic growth by complementing corporate long-term planning and assisting Nigerian in agricultural development. Other areas of interest were in assisting the growth of democracy and governance, basic education and health-care, child survival, nutrition, malaria prevention and Human immune-deficiency Virus.

Having set the machinery in motion, the political will still proved difficult to come as the Federal government could not provide the legislations that would create the enabling environment for the bilateral trade relationship. It is not enough to create awareness; it is also paramount to set the environment ready for global trade and investment. It was at this point that the advocacy the Nigerian-American Chamber of Commerce became imperative.

The Chamber's Policy Advocacy and Trade Promotion Strategy

The whole idea of AGOA was a novelty in Nigerian-American trade relations and so many Nigerian businessmen and entrepreneurs did not know how they could participate and benefit from it. The United States took the lead in creating awareness for AGOA. The Commercial Section of the United States Consulate organised awareness seminars in Lagos and Abuja in 2001. As a follow-up to these seminars, the Nigerian-

American Chamber of Commerce; in collaboration with the International Law Group (ILG) organised a Technical Assistance and Trade Capacity-Building seminars in Lagos, Port-Harcourt and Abuja. The seminars were attended by Nigerian exporters and the organised private sector, which afforded Nigerian participants the opportunity of making contacts with key United States public and private sector that were active in the implementation of AGOA. Among the issues focused upon were economic and regulatory reforms to enhance AGOA benefits; export incentives and AGOA; specialised U. S. Visa opportunity available to Nigerian businesses; and how Nigerian business community could take advantage of the American market.

There were prospects of Nigeria's trade with the United States, which necessitated the concern of the Chamber. For instance in 2001, Nigeria recorded a trade surplus of about N723, 489.5 million with the United States, which exceeded the trade surplus recorded by South African; the next largest trade surplus with the United States. The value of non-oil exports to United States stood at N28, 008.57 million then, while the value of Nigeria's exports to the United States decreased sharply in 2002 from N664, 175.4 million to N746, 169 million in 2001. Over the same period, the United States exports to Nigeria increased steadily, but was still outweighed by United States imports from Nigeria.²⁶ I. O. Dada, the National President (2003-2006) of the Chamber noted that AGOA was a new dimension in Nigerian-American bilateral trade because the Act provided the opportunity for exports of manufactured goods from Africa into the American markets for the first time. He believed the Act as a way to increase the pace of Nigeria's integration when he noted that: "the purpose of all these was to integrate Nigeria fully into the world economy and transform the relationship between (Nigeria) and the United States from a situation based on aid dependency to one based on mutually beneficial commercial partnership."²⁷

Nigeria's accessibility of AGOA eligibility itself set the environment for the business community to operate. Consequently, the Chamber was concerned with advocating for: (1) the Federal Government passing the enabling laws for accessibility of AGOA, (2) conformity of the Nigerian commercial environment to the conditionality for eligibility and; (3) mounting strong enlightenment campaigns within the Nigerian private

sector through its machineries.²⁸ Its Industrial and Manufacturing Group, Trade and Investment, Small and Medium Scale Industrial Business as well as the Government Liaison and International Relations Committees channeled their activities towards the realisation of these objectives. To strengthen the efforts of these Sectoral and Committees, the Chamber constituted an AGOA Steering Committee in February 2000, comprising all Officers and Board members and Chaired by the President. The aims of constituting the Committee were to promote the Chamber's interests in bilateral trade in AGOA, serve as an advisory Committee of the Chamber on all matters relating to AGOA, liaise with the government on the all matters concerning AGOA, present the Chamber's view on AGOA to the governments of the two countries and ensure that trade and investment interests of members were safe-guided in the implementation and operation of AGOA.

The Steering Committee on AGOA opened formal and informal discussions with the Nigerian government and the American Ambassador in Nigeria. Chief (Mrs.) Priscilla Kuye; the President of the association (1999-2003) and the Chairman of AGOA Steering Committee in a letter addressed to Mrs. Gladys Sasore; Special Adviser to the President on AGOA in December 2002 expressed the Chamber disaffection with government's lukewarm attitude towards creating conducive domestic environment for Nigeria's eligibility for AGOA. In the letter, the Chamber intimated government on its position on the trade link between both countries and the peculiarity of the Chamber in such relations.²⁹ The effort of the Chamber in ensuring Nigeria's eligibility was tremendous. Between 2000 and 2003, Nigeria was yet to fulfill some of the conditions under her eligibly status; and that was passing into law the Trans-shipment Act. The Federal government received the AGOA Act in 2001, but it delayed necessary legislation on the Trans-Shipments Act. The Chamber started to mount pressure on government to ensure the free passage of the Act in the Upper House. A deputation of the Chamber paid President Obasanjo a courtesy visit in June 2002 with the aim of familiarizing itself with the new administration and of paving the way for cordial relations between the Chamber and the Federal Government on sensitive economic matters. Up till the end of 2002, the National

Assembly could not pass the bill into law. In his speech to the Nigerian-American Chamber of Commerce on April 15, 2003, F. Jeter, the American Ambassador to Nigeria lamented that:

Nigeria has not positioned itself to take advantage of AGOA, due to Nigeria's failure to enact legislation allowing its businesses to participate fully in this important American concession...The legislation languished in the National Assembly for too long. By passing this Act as one of its orders of business, the incoming National Assembly could set the stage for increased trade and revitalization of Nigeria's languishing but potential buoyant textile sector.³⁰

As soon as President Obasanjo sent the AGOA Trade Bill to the National Assembly for ratification, the Nigerian-American Chamber of Commerce started to lobby members of the Assembly for its approval through personal contacts between members of the business community and the political class. In 2001, a deputation of the Chamber met with the President Obasanjo expressing the Chamber's concern over the delay of Nigeria's accessibility to AGOA. It sighted a quick passage of similar bill in neighbouring Ghana; another designated eligible West African country where no time was wasted in the passing of similar bill. In 2001, the Chamber raised fund and employed a United States-based consultant for training of its members in readiness for opportunities in the United States as soon as Nigeria became eligible.

The problems with Nigeria's accessibility were two folds; first was the inability to harmonise the Nigerian Customs and Excise Act with AGOA's framework and, second the failure of the National Assembly to pass the appropriate law. Eventually, it was discovered that in fact, the whereabouts of Bill was not known and this generated ripples within the National Assembly. The Senate claimed to have passed the Bill as forwarded by the Executive arm. However, the Chairman of the Rules and Business Committee, Alhaji Idris Yakubu claimed ignorance of the Bill saying; "we have not received any bill like that. So, I think that if there is anything of such being sent it has not reached here".³¹ Surprisingly, an aide to the Chairman of the Committee, Alhaji Abdulahi Musa was also unaware of the existence of the Bill. It was later noted, that the National Assembly confirmed the existence of the Bill, which was discovered to have been passed on 28th of

May, 2002, but the name of the Act when it was passed was not “Trans-shipment Bill, but rather, “Customs and Excise Management Act Cap 84”. While the riddles of the Act were cleared, it took almost a year after the Trans-shipment Bill was passed into law before the provision of the Customs and Excise Management Amendment Act was also enacted. The provision of the Customs and Excise Management Amendment Act was not gazette until May 2003 and in February 2004, the United States government granted Nigeria the AGOA Textile Visa.

In 2001, the Steering Committee initiated special trade delegations and organised trade missions to the United States, South Africa, Mauritius and Asia. The missions served as the link between Nigerian exporters and the United States importers, as well as importers from other visited countries. As a result of this mission, CIBI Company, a Nigerian granite company in Kaduna started exportation to the United States. Also, A. Lead Ltd., a footwear company in Aba, secured the right to exports of footwear into the United States.³² In 2004, the Chamber in collaboration with the USAID/West African Trade Hub and the International Trade Centre in Geneva organised a “Product Map Training” workshop for the Nigerian private sector. At the regional level, the Chamber worked in partnership with the West African Trade Hub (WATH) office in Accra Ghana. USAID/WA and the Hub targeted barriers to trade, which could not be handled by the individual company. Among these were the issue of bribes and delays in road transport. The Hub worked with more than 200 export-ready businesses across the region and facilitated more than \$16 million in exports from the region between 2005 and 2006. It also created about \$3 million in investments in the region. To prepare West African businesses for the rigors of the global market, the Hub offers trainings and technical assistance in areas such as quality certifications, production processes, financial organization, pricing, promotional materials, sales management, strategic planning, labeling and packaging.

In November, 2003, the Chamber in partnership with the WATH established the Nigeria AGOA Resource Centre in the Headquarter of the Chamber in Lagos. The Centre was an information center for the business community on issues relating to AGOA. The Centre was formally inaugurated on March 12, 2004 at the Lagoon Restaurant, Victoria Island, Lagos. Its aims and objectives were to provide a practical guide and

information for apparel exporters to the United States markets and generate information about the United States markets and global competition. It also aimed at providing specific information about AGOA products as it relates to quality, testing and regulatory requirements. Other objectives included; giving information on qualified suppliers and buyers and providing list of resources and a glossary of apparels/related items allowable under AGOA; creating opportunities for African garment manufacturers to sell directly to commercial buyers and encouraging export for high quality distinctive Afro-Centric clothing utilizing traditional fabric.³³ Essentially, the Centre provided the logistics of accessing AGOA. There were demonstrations of the AGOA data-bank and the experiences of other West African countries under the supervision of WATH at the event. Other features at the event included; products quality, testing and regulatory requirement and opportunities for suppliers in West Africa and buyers in the United States. The Secretary to the Government of the Federation (SGF), Chief Rufus Ekaete, commended the foresightedness of the Chamber in the development of the Nigerian economy:

I admire greatly the courage and foresight of the principal officers of the promoters of the Nigerian AGOA Centre for promptly identifying the potentials that the AGOA holds for the Nigeria economy and establishing a Centre that is expected to be a repository of information on the do's and don'ts of AGOA and how to reap the greatest benefits from the facility for greater growth and development of the Nigerian economy...This is why today's inauguration of a Nigerian AGOA Centre becomes an epoch-making event in the export trade.³⁴

The Chamber started to address the issues associated with shipping and the attendant problems of promoting the Small-Medium Enterprises. A seminar on shipping was held on March 25, 2004 to sensitise the business community on “Understanding Cabotage Legislation and its Implication for the Nigerian Economy” and on “Destination Inspection of Imports in Nigeria: the Way Forward”. There was also the problem of poor infrastructural development that hindered the growth of the textile sub-sector.

The Nigerian private sector organisations were invited to participate at the 4th US-Nigeria Trade and Investment Framework Agreement (TIFA) Council Meeting which took place in Washington, DC between 8th and 13th June, 2006. The Nigerian TIFA Council delegation was led by the Honorable Minister of States for Agriculture. Others on the entourage included; Mrs. M. D. Sasore, the CEO of NEPA now PHCN and some top functionaries of the Ministry of Commerce and the National President of the Nigerian-American Chamber of Commerce.³⁵ The meeting took an overview of trade opportunities and the US trade capacity building initiatives from the perspective of AGOA Acceleration Legislation passed by the United States Congress in 2004.

Conclusion

The redirection of American trade relations with African states within the framework of AGOA marked another turning point in public-private initiative for bilateral economic relations between Nigeria and the United States. The paper has discussed private sector advocacy and networking mechanisms for exports, flow of technology, capital, investment, and services through the instrumentality of the Nigerian-American Chamber of Commerce. The Chamber made concerted efforts in forging closer cooperation between the private sector and the government. It facilitated the elimination of bureaucratic red-tape and embarked on trade missions in order to stimulate the economy. The essence of its promotional mechanisms was to create entrepreneurial spirit in the U. S.-Nigerian trading relationship and business development and enhance the consciousness of international competitiveness of domestic firms. They also helped the private sector to benefit maximally from global trade. The Chamber's activities became part of the global trade and business networking for bilateral economic prosperity. The study demonstrates that trade benefits and market access would ultimately lead to economic growth and development provided the eligible countries have appropriate

domestic policies. It has also demonstrated that public-private sector dialogue on economic issues was an important factor in the realisation of global trade liberalisation in international economic relations.

Endnotes and References

¹ Most of the work of GATT was carried out over the course of eight negotiating rounds with each progressively cutting tariffs and given better treatment to the less-developed countries.

² *General Agreement on Tariffs and Trade: GATT Activities 1990. An Annual Review of the Work of the GATT*, Geneva, July 1991, p. 24.

³ *General Agreement on Tariffs and Trade: GATT Activities 1990. An Annual Review of the Work of the GATT*, Geneva, July 1991, p. 24.

⁴ New: Embassy of the United States of America, Public Affairs Section, Transcript: Clinton's Remarks to World Economic Forum, February 1, 2000, p. 3.

⁵ It was in force till September 30, 2012. Nevertheless, the lifespan of the Act has been extended to September 30, 2015, by subsequent amendments signed by President George Bush.

⁶ The Act's apparel special provision, which permits lesser-developed countries to use foreign fabric for their garment exports, was to expire in September, 2007, but the legislation passed by Congress in 2006 extended it through 2012.

⁷ For detailed study of the formation of the Chamber see; Bose Okuntola, "The Nigerian-American Chamber of Commerce and its Impact on the Development of the Nigerian Economy, 1960-2006". Ph.D. Thesis, University of Lagos, 2009.

- 8 Address delivered by Chief Mrs. Pricilla Kuye on “A Technical Assistance and Trade Capacity Building”, Nigerian-American Chamber of Commerce/ ILS Joint Seminar on the African Growth and Opportunity Act (AGOA). *The Journal of the Nigerian-American Chamber of Commerce*, July- December, 2002, p. 2.
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- 10 <http://w.w.w. africaencl.org>.
- 11 *The Guardian*, Wednesday, July 9, 2003.
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- 13 By 2006, the list has increased to forty African nations.
- 14 *The Comet*, 9/10/2000, p. 6.
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- 18 Ibid.
- 19 “Nigerian-American”, *The Journal of the Nigerian-American Chamber of Commerce*, January- June, 2001, p. 7.
- 20 A Paper delivered by Engineer Mustafa Bello. Minister for Commerce, “Economic and Regulatory Reforms to Enhance AGOA Benefits: A review of Government’s Initiatives”, in Nigerian-American”, *The Journal of the Nigerian-American Chamber of Commerce*, July- December, 2002, pp. 6-7.
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- 25 Ibid.
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- 27 Welcome address by I. O. Dada, the National President of the Nigerian-American Chamber of Commerce, on the inauguration of Nigeria AGOA Resource Center, 12th February, 2004.
- 28 Opening Remarks Delivered by Chief (Dr.) I. O. Dada, National President of the Nigerian-American Chamber of Commerce at the Product Map Training Jointly Organised by the Chamber in Collaboration with the USAID West African Trade Hub, and WTO/UNCTO, International Trade Centre, Geneva, Victoria Island, Lagos, 13-14 December, 2004.
- 29 Minutes of Luncheon Meeting, the Nigerian-American Chamber of Commerce, 14/07/2003.
- 30 Ambassador Howard F. Jeter. Remarks for U.S.-Nigeria Chamber of Commerce Luncheon, Monday, April 15, 2003.
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- 32 “Nigerian-American” *the Journal of the Nigerian-American Chamber of Commerce*, July-December, 2002, p. 7.
- 33 Welcome Address on the occasion of the Inauguration of the Nigeria AGOA Resource Centre by I. O. Dada, President of the Nigerian-American Chamber of Commerce, 12th February, 2004.
- 34 Goodwill Message delivered by Chief Ufot Ekaete at the inauguration of the AGOA Resource Center, February, 2004, Lagoon Restaurant, Victoria Island, Lagos.
- 35 NACC NEWS: Nigerian-American Chamber of Commerce, Special AGM 2006 Edition, p.25.