

*Embassy of the
Republic of Djibouti
Washington, D.C.*



سفارة جمهورية جيبوتي
واشنطن

February 5, 2004

**The Honorable Jim McDermott
1035 Longworth HOB
Washington, DC 20515**

Dear Congressman McDermott,

President George W. Bush announced during the 2nd US-Sub Saharan Africa Trade and Economic Cooperation Forum held in January 2003 in Mauritius Africa, that he supported an extension of the Africa Growth and Opportunity Act (AGOA) beyond its present limit in 2008. We, the African Ambassadors based in Washington, strongly welcome this proposition.

Increasingly, African countries and the United States are seeing the benefits of AGOA. Improved investment, stable job creation and foreign exchange gains are creating the environment for sustainable economic development.

Furthermore, AGOA has encouraged many African countries and African regional groupings to become more involved in the globalization process of the world economy. AGOA has laid down the foundation to develop US- Africa political and economic cooperation and has fostered a new dynamism between these partners.

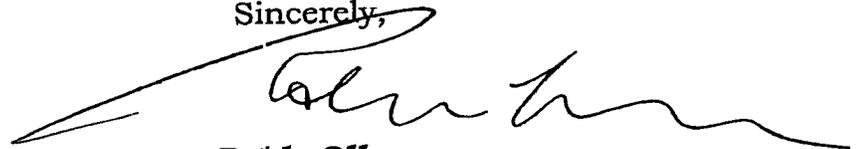
However, the representatives of the African countries are extremely concerned that the failure to renew AGOA and the provisions for 3rd country fabric will have major negative impacts on our countries. We are seriously worried that if the hopes and aspirations created through AGOA are thwarted there will be unfortunate social, economic and political consequences that would be to the detriment of both Africa and the United States, far outweighing any costs involved in the simple enactment of AGOA III.

We would particularly raise the concern of African apparel manufacturers and exporters that the special provision for the use of 3rd country fabric will expire in little over eight months on September 30th 2004. The uncertainty about this provision is already having a negative impact on apparel exports to the United States and the job creation dynamism so far created by AGOA in Africa.

Moreover, due to longer than expected implementation procedures, many eligible African countries have not yet been able to reap any benefits under AGOA. We have also noticed that foreign investors, though increasing their investments in Africa, are still concerned about the 2008 deadline. We believe that an extension of AGOA to 2020 would provide both sufficient time for African countries to optimize their utilization of this historic legislation, and provide more secure guarantees for investors.

In conclusion, we urge you to support new legislative initiatives that would respectively extend AGOA beyond the 2004 and 2008 deadline.

Sincerely,



Roble Olhaye
(Dean of the African Diplomatic Corps)