

American

NEWS & VIEWS

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Obama Administration Wants Africa Trade Act Extended to 2025

By Stephen Kaufman
Staff Writer

Washington — The Obama administration wants to reauthorize the African Growth and Opportunity Act (AGOA), which is set to expire in 2015, through 2025, Assistant Secretary of State for African Affairs Johnnie Carson says, citing the measure's success in enhancing trade levels between the United States and the African continent.

Speaking at the Center for Strategic and International Studies in Washington May 13, Carson said AGOA "remains the centerpiece of our trade and investment policy with Africa," and has "made progress in creating jobs, spurring economic growth and facilitating a dialogue on key economic and political challenges" since the legislation took effect in 2000.

In 2000, U.S. exports to Africa were valued at \$5.9 billion and its imports totaled \$23.4 billion. Thanks to AGOA, those levels rose to \$17.1 billion in exports and \$64.3 billion in African imports in 2010, Carson said. But, he added, neither the United States nor African nations should "become complacent" about the increase in trade and economic opportunities over the past 10 years.

"Africa still faces huge challenges and we need to continue and revitalize our economic partnership," he said. The region "has not experienced a genuine economic revolution."

The continent also continues to struggle to compete in an increasingly competitive global economy. "For these reasons I am fully committed to revitalizing AGOA," Carson said.

The annual AGOA Forum is scheduled to take place June 8-10 in Zambia, with Secretary of State Hillary Rodham Clinton, U.S. Trade Representative Ron Kirk and other senior U.S. officials in attendance.

Carson praised the Zambian government's planning of the event and said he expects "a dynamic forum" with a strong turnout from African government officials, civil society and the private sector.

The assistant secretary said the United States also wants to extend AGOA's Third Country Multi-Fiber provision through 2022. That provision allows AGOA member states to obtain their raw materials from other countries while maintaining preferred access to the U.S. market. He also said the administration wants to add South Africa to the provision.

A major goal for the United States is helping U.S. importers of African products increase their tax savings by eliminating the U.S. tax on repatriated revenues levied on American companies that invest in African factories that produce AGOA exports to the United States.

AGOA "AT THE HEART" OF U.S. AFRICA POLICY

In prepared remarks at the same event, Deputy U.S. Trade Representative Demetrios Marantis said AGOA is "at the heart of our Africa policy," and it has defined the U.S. trade relationship with the continent for three presidential administrations.

"In the same way that the United States uses trade to increase exports, grow our economy and support jobs here at home, our Africa trade policy helps Africans grow their economies and create jobs through exports," he said.

But because many studies show that African economies continue to face constraints, a lack of trade capacity, or are "otherwise insufficiently competitive to take advantage of export opportunities," the Obama administration is asking "tough questions" about the impediments to Africa's continued economic growth, he said.

Marantis cited reports of bribes and unnecessary checkpoints within and between countries in West Africa as well as poor infrastructure and customs delays that hurt African agriculture exports.

"These are real problems that hurt Africa's competitiveness. And these problems mean that much of AGOA's potential remains untapped," he said.

The Obama administration is intent on finding the "right, informed answers" behind the constraints to African economic growth, and those answers "will shape the future of our Africa trade and investment policy and anchor our ties to this important part of the world," Marantis said.

Commerce's Locke Promotes Clean Energy, Economic Growth

By MacKenzie C Babb
Staff Writer

Washington — It is "misleading to suggest that there's somehow a contradiction between clean energy and economic growth," Commerce Secretary Gary Locke told the Asia-Pacific Economic Cooperation (APEC) small- and medium-sized business forum.

"In every one of our economies, we have entrepreneurs and inventors bristling with new ideas to solve our energy challenges to put us on a path to clean growth," Locke said in remarks prepared for delivery May 18 in Big

Sky, Montana. "We've got to give them the tools to succeed no matter where they live."

The secretary addressed representatives of APEC member economies about enhancing clean growth to increase economic cooperation and competitiveness. The 21-member economic forum's goal, according to its website, is to "support sustainable economic growth and prosperity in the Asia-Pacific region."

Locke emphasized the importance of growing renewable energy industries, such as wind, solar and biofuels, as a "critical part of catalyzing clean economic growth." But, he said, businesses around the globe will have to do even more to remain competitive in the 21st century.

"In the next few decades, world economies will need to rebuild and reinvent virtually every industrial activity – from power generation and transportation to manufacturing and construction – to succeed in an energy environment that looks drastically different than the one we've grown used to," Locke said.

For the last century, he said, much of the world "enjoyed two luxuries that helped propel the greatest burst of sustained economic growth in human history." The first was cheap and abundant fossil fuels. The second was a lack of knowledge about greenhouse gas emissions caused by burning those fuels.

But the commerce secretary said those days are over.

"Fuel is no longer cheap. And the cost of those emissions is high," Locke said, adding that if the international community does not cooperate to curb its dependence on fossil fuels, "we imperil the planet."

He said the potential job creation arising from clean energy investments "is astounding," and opens the door for an "entirely new way of economic growth" that would generate millions of new jobs around the world.

Locke called on APEC economies to pursue policies that "unleash innovation and enable entrepreneurs," and said the group needs to put the empowerment of small- and medium-sized businesses at the center of its economic agenda.

The United States is hosting APEC in 2011, and the secretary said the U.S. objectives for the year focus on ways to make it easier, cheaper and faster for small- and medium-sized enterprises to do businesses in the Asia-Pacific region. He said that to achieve these goals, the United States will work within APEC to remove barriers to trade and investment, create an open and transparent business environment and establish a regulatory framework to expand opportunities for companies of all

sizes.

Locke said hosting APEC meetings in Montana was particularly appropriate because the state was recognized by the U.S. Chamber of Commerce in 2010 as the best in the nation for starting and growing a business.

Underscoring the importance of economic cooperation with Asia-Pacific economies, Locke called the region "the most economically dynamic" in the world. Home to nearly 3 billion people, the 21 member economies represent more than half of the world's gross domestic product and 44 percent of world trade. Seven of America's top 15 trading partners are APEC members, and in 2010, U.S.-APEC trade was \$2 trillion, "a staggering 25 percent increase over 2009," Locke said.

In addition to the small- and medium-sized business forum, the APEC trade ministers will meet in Montana, with talks scheduled to conclude May 21. The APEC Finance Ministers' Meeting will be held November 10 in Honolulu, Hawaii, followed by the APEC Leaders' Meeting, November 12-13.

Diaspora Forum Focuses on Business Benefits Between Countries

By Jeff Baron
Staff Writer

Washington – U.S. officials have a message for Americans who want to help the countries from which they or their ancestors came: Go there and make money.

The Department of State sponsored its first Global Diaspora Forum May 17-19, and a major theme was the importance of having Americans do business with the developing countries they know well or start businesses there. The department and its partners also are offering help.

"The linkages we create by investing in the emerging markets from which many of us emigrated are not just cultural, they are economic," Daniel Yohannes, chief executive of the Millennium Challenge Corporation, told the forum. "And these critical economic ties will not only help our birthplaces grow; they also will help develop the next marketplaces for American investment that will help our adopted country as well."

Addis Alemayehou, whose Volunteers for Economic Growth Alliance works in his native Ethiopia, said it links with the U.S. diaspora to help export Ethiopian products and helps arrange U.S. investment in Ethiopia. Among its tools: videotapes of Americans who have returned to Ethiopia to start businesses.

"It's one thing when you have a bunch of government

folks sitting on a panel talking to you about coming home and investing, but it's another when you see people you recognize, people that lived with you and had the same experience with you, pack up and move back to Ethiopia and start a business," he said.

Alemayehou cited a success story in Ethiopian supermodel Liya Kebede's fashion line, Lemlem, which puts the work of Ethiopian weavers into high-end department stores and boutiques in the United States and 10 other countries. He said his group also has arranged financing for new companies in Ethiopia.

Alden Zecha highlighted the benefit available to Americans who recognize a way to fill a need in their native countries: profit. Zecha is chief financial officer and strategist for Sproxil, founded by Ghanaian-born Ashifi Gogo, and the company is attacking a problem that plagues much of the developing world: counterfeit pharmaceuticals. Sproxil gives consumers a quick way, through a free text from a mobile phone, to confirm that the medicine they are buying is the real thing.

Zecha said that unlike many other diaspora businesses designed to help developing countries, Sproxil will not need donations or grants to survive. "We are definitely a social-good-mission business, but let's be clear, we are also a for-profit business because if you're not for-profit, it's very difficult to be economically sustainable," he said. And he said Sproxil has hired workers in Nigeria, Ghana, Kenya and India, its first markets.

Rafaat Ludin described how his company, International Home Finance and Development, has worked in his native Afghanistan since 2007, forming partnerships with Afghan companies in construction, solar and wind power equipment, solid waste management and wastewater treatment. He said the arrangements take advantage of the strengths on all sides: design expertise and financing from the United States, Afghan labor, the work of reliable Afghan partners "that know the environment," and Afghan-Americans' understanding of how to bring everything together.

"The diaspora people, they understand how the dynamics of the market back home function, and because they understand the dynamics, the opportunities for reward are fairly significant," he said.

Research Affirms New Methods for Preventing HIV Transmission

By Charlene Porter
Staff Writer

Washington — The U.S. National Institutes of Health has released findings from two research projects, both demonstrating successful methods of preventing HIV

transmission among certain groups.

HIV testing programs enhanced with discussion groups and psychosocial support appear to have greater effectiveness at the community level in inducing teens and young adults to step forward and be tested for the virus, according to one study. Conducted in rural communities in Tanzania, Zimbabwe and Thailand, the programs providing patrons with support services attracted much higher proportions of people taking their first HIV test, and then following up with repeat testing. The enhanced counseling programs in Zimbabwe attracted 10 times the number of young people agreeing to be tested, as compared to communities where basic testing services were provided in a clinical setting. In Thailand, three times as many young people participated in HIV testing when introduced to the enhanced services, according to a press release issued by the National Institutes of Health.

"These findings are significant," according to the press release, "because simply getting tested for HIV and receiving counseling has been shown to reduce risky behaviors." The National Institute of Mental Health conducted the research.

The second study tested whether taking anti-retroviral drugs, the medicines used to treat HIV infection, could help prevent transmission of the virus among couples in which one partner is HIV-infected and the other partner is not infected. Almost 1,800 couples were involved, randomly assigned to two different treatment regimens. In all couples, the HIV-infected partners had not reached the stage at which anti-retroviral treatment is usually recommended. In one group, the HIV partners began a course of anti-retroviral treatment as the study began. In the other group, treatment began later, after the HIV patients reached a point where white blood cells were reduced, indicating an advancing stage of the disease.

All participants in the study, on whichever treatment course, received counseling on safe-sex practices, free condoms and treatment for other health problems.

In the end, researchers found 28 new cases of HIV infection passed from one partner to the next, but only one occurred among the group of patients that began the anti-retroviral drugs before an advanced stage of disease.

A May 12 document from the National Institute for Allergy and Infectious Diseases (NIAID) sums up the conclusion: "Earlier initiation of antiretrovirals led to a 96 percent reduction in HIV transmission to the HIV-uninfected partner." NIAID funded the research conducted by the Institute for Global Health and Infectious Diseases at the University of North Carolina at Chapel Hill.

Worldwide, about 30 million people have died since the beginning of the AIDS pandemic in the 1980s. The Joint United Nations Programme on HIV/AIDS estimates that 33.3 million people are living with the disease worldwide.

The United States has invested about \$32 billion in bilateral and international programs to address AIDS and tuberculosis worldwide.

U.S. Sanctions on Syrian President, Six Senior Officials

U.S. Department of Treasury
Press Release
May 18, 2011

Administration Takes Additional Steps to Hold the Government of Syria Accountable for Violent Repression Against the Syrian People

WASHINGTON – Today, President Obama signed an Executive Order (E.O.) imposing sanctions against Syrian President Bashar al-Assad and six other senior officials of the Government of Syria in an effort to increase pressure on the Government of Syria to end its use of violence against its people and begin transitioning to a democratic system that protects the rights of the Syrian people.

Also today, the U.S. Department of the Treasury announced the designation of 10 individuals and entities pursuant to E.O. 13572 – signed by President Obama on April 29, 2011 – targeting Syrian officials and others responsible for human rights abuses, including repression against the Syrian people, as well as a set of companies tied to Syrian corruption.

The United States continues to strongly condemn the Syrian government's use of violence and intimidation against its people and urges President al-Assad and his regime to answer the calls of the Syrian people for a more representative government and embark upon the path of meaningful democratic reform.

"The actions the Administration has taken today send an unequivocal message to President Assad, the Syrian leadership, and regime insiders that they will be held accountable for the ongoing violence and repression in Syria," said Acting Under Secretary for Terrorism and Financial Intelligence David S. Cohen. "President al-Assad and his regime must immediately end the use of violence, answer the calls of the Syrian people for a more representative government, and embark upon the path of meaningful democratic reform."

New Executive Order

In signing this Executive Order, the President has provided the United States with additional tools to pressure senior Syrian government officials and has imposed sanctions on the following individuals listed in the Annex to the Order:

- Bashar al-Assad: President of the Syrian Arab Republic
- Farouk al-Shara: Vice President of the Syrian Arab Republic
- Adel Safar: Prime Minister of the Syrian Arab Republic
- Mohammad Ibrahim al-Shaar: Minister of the Interior of the Syrian Arab Republic
- Ali Habib Mahmoud: Minister of Defense of the Syrian Arab Republic
- Abdul Fatah Qudsiya: Head of Syrian Military Intelligence
- Mohammed Dib Zaitoun: Director of Political Security Directorate

As a result of this action, any property in the United States or in the possession or control of U.S. persons in which the individuals listed in the Annex have an interest is blocked, and U.S. persons are generally prohibited from engaging in transactions with them.

The President has authorized the Secretary of the Treasury, in consultation with the Secretary of State, to take actions to block the property and interests in property of senior Syrian Government officials; agencies and instrumentalities of the Syrian Government, persons owned or controlled by the Syrian Government, or by officials of the Syrian Government; persons that have provided material support to those blocked pursuant to this Order; and, those that are owned or controlled by, or that have acted for or on behalf of persons pursuant to in this Order.

Executive Order 13572 Designations

Exposing further the complicity of Syrian government officials in the human rights abuses and repression of the Syrian people, Treasury designated today the following individuals and entities pursuant to E.O. 13572:

- Hafiz Makhluaf: a cousin of President al-Assad and senior official of the Syrian General Intelligence Directorate (GID), the overarching civilian intelligence service in Syria listed in the Annex to E.O. 13572. Makhluaf was given a leading role in responding to protests in Syria, and was heavily involved in the Syrian regime's actions in Dar'a, where protesters were killed by Syrian security forces. Makhluaf was previously designated by Treasury in November 2007 pursuant to E.O. 13441, which targets persons undermining the sovereignty of Lebanon or its democratic processes and

institutions.

- Syrian Military Intelligence (SMI): One of the four major branches of Syria's security forces. During the recent civil unrest in Syria the SMI has used force against and arrested demonstrators participating in the unrest.
- Syrian National Security Bureau (NSB): An element of the Syrian Ba'ath Party. The Syrian National Security Bureau (NSB) directed Syrian security forces to use extreme force against demonstrators.
- Syrian Air Force Intelligence (SAFI): In late April 2011, security forces including personnel from SAFI fired tear gas and live ammunition to disperse crowds of demonstrators who took to the streets in Damascus and other cities after noon prayers, killing at least 43 people.
- Qasem Soleimani: Commander of the Iranian Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF), the conduit for Iranian material support to the GID. The IRGC-QF was listed in the Annex to E.O. 13572.
- Mohsen Chizari: A senior IRGC-QF officer who serves as the Commander of IRGC-QF Operations and Training.

E.O. 13572 authorizes the United States to sanction any person that is owned or controlled by, or acts for or on behalf of any person designated pursuant to E.O. 13460. Included in today's action are three companies and one corporate official for ties to public corruption in Syria. The targets are Cham Holding and its Chairman Nabil Rafik al Kuzbari, Bena Properties, and Al Mashreq Investment Fund, all of which are owned or controlled by, or acting for or on behalf of Rami Makhoul. Makhoul, a powerful Syrian businessman and regime insider, was designated by Treasury in February 2008 under E.O. 13460 for improperly benefitting from and aiding the public corruption of Syrian regime officials.

(This is a product of the Bureau of International Information Programs, U.S. Department of State. Web site: <http://iipdigital.usembassy.gov>)