

**Remarks
Ambassador Lewis A. Lukens**

**AmCham Breakfast:
Expanding U.S. Economic Ties with Senegal**

**Dakar (Venue: Radisson Blu Hotel)
May 6, 2014, 8:30 a.m.**

(As prepared)

AmCham President Makha Sy,

AmCham members,

I am very pleased to have this opportunity to meet with you to discuss the economic relationship between the United States and Senegal. President Obama visited Senegal almost one year ago. And, I am approaching the end of my tenure here. Thus, this is a good time to reflect on some of the progress we have made in strengthening U.S.-Senegalese economic relations -- and also highlight some of the key challenges and opportunities ahead.

President Obama's visit last June highlighted Senegal's importance as a U.S. partner, and an example of democracy in the region. During his trip to Africa, President Obama placed economic relations -- trade, investment and energy -- at the center of his agenda. President Obama spoke of, "moving beyond the simple provision of assistance, foreign aid, to a new model of partnership between America and Africa." He called for unleashing "the power of entrepreneurship and markets to create opportunity" in Africa. Let me highlight a few of the ways that we are following up on the President's visit, to advance his economic agenda in Senegal.

Elizabeth Littlefield, the President and CEO of OPIC visited Senegal in early December -- at President Obama's request -- to explore opportunities for OPIC to support U.S. investment in Senegal. She met with President Sall, and with you, members of AmCham, to explain OPIC's role, and to underscore the organization's interest in Senegal. Following this visit, OPIC is pursuing several opportunities to support investments in energy and agro-business in Senegal.

U.S. development assistance is also working to promote economic growth in Senegal. As President Obama highlighted, USAID Feed the Future programs are helping to increase agricultural productivity and strengthen Senegal's food security. USAID is also supporting Senegal's efforts to promote private sector investment in agriculture under the New Alliance for Food Security. In addition, the Millennium Challenge Corporation is investing in transportation and agriculture infrastructure that will bring long-term benefits to the people of Senegal.

I would also like to underscore the important role that the private sector plays in strengthening our economic relationship here -- especially you, the members of AmCham. We diplomats and government officials like to talk about promoting trade and investment. But -- **you** are the people who really make it happen. **You** are working day in and day out to strengthen our economic relationship, by

- undertaking investment projects; and
- bringing new U.S. products and services to Senegal.

U.S. energy companies such as APR Energy, GE, Contour Global and Conoco-Phillips are investing in projects that can help Senegal to meet its growing energy needs. U.S. technology firms such as Google, Microsoft, IBM, Oracle and Hewlett-Packard have brought U.S. technological expertise to Senegal and the wider region. In addition, they have reinforced Senegal's role as a regional business hub. Other U.S. companies are involved in producing medicine, building water treatment systems, providing financial services, and many other areas.

As you continue to build our commercial ties, there are many reasons to be optimistic about Senegal's economic prospects and our relationship. The government has launched an ambitious development plan, "*Plan Sénégal Emergent*" that focuses on economic reforms and promoting private sector investment. It has also focused attention on improving the business climate, land reform and energy sector reforms that can help Senegal to compete for investment. Senegal has high ambitions and good prospects to further develop as a regional transportation and logistics hub.

At the same time, it is important to recognize and tackle the very real challenges that companies can often face in Senegal. In my time in Senegal, I have been impressed with the vast opportunities that this country offers. But I have also heard many companies share examples of the challenges they face in doing business. One company complained about extensive delays in collecting debts from a state-owned company. Another company struggled through a long judicial process and finally secured a favorable judgment reaffirming their contractual rights -- but they struggle to find a way to enforce the court judgment. You understand better than I that these are fundamental issues for any business. In your businesses, I am sure that you want to feel confident that you will be paid on time and your contracts are enforceable. As Senegal seeks to attract greater investment, it needs to focus on these fundamentals that investors will look for.

Last year, Senegal was ranked 176 out of 189 countries in the World Bank "Doing Business" report. I heard several different reactions to Senegal's ranking. Many people were frankly scratching their heads, wondering, "How can a country like Senegal -- a regional leader with strong institutions -- be ranked so low?" Some complained that there must be flaws in the index, and argued that Senegal

was not receiving proper credit for the efforts it has undertaken. Others chose to take the report as constructive criticism. These people emphasized that Senegal must redouble its efforts to improve the business climate, in order to address some real problems -- and improve its ranking. I am encouraged that this last reaction seemed to prevail -- and the government seems to be genuinely focused on these issues.

One government official, however, commented to me last year that Senegal is wide open for business. He felt that Senegal does not really have any business climate issues. It was not clear if he was simply unaware of the challenges that companies face. Or, perhaps he was aware but wanted to minimize these challenges. Or perhaps, he was speaking narrowly of business registration procedures which are generally not problematic. Whatever the explanation for his comment -- it highlighted the importance of regular communication between the business community and the government. Only this communication will ensure that the government understands the challenges you face every day.

And this is an area where AmCham and other business groups can play an important role. AmCham members are very familiar with both the opportunities and the real challenges that companies face in Senegal. You are the real experts on the business climate. It is imperative for the business community to share its experience and inform the government about the realities of doing business. For example: together with AmCham, we have convened a working group to discuss the Africa Growth and Opportunity Act (AGOA) in order to better understand the factors that have prevented Senegal from taking full advantage of AGOA which offers duty-free access for hundreds of products to enter the U.S. market from qualified African countries, including Senegal. The discussion has yielded valuable insights on the challenges -- both in developing productive capacity in Senegal, and in accessing U.S. markets. We are sharing these insights with others in the U.S. Government, during an AGOA review process currently underway. However, it is equally important for you, the business community to share your findings with the Government of Senegal. Better yet, I encourage you to establish regular mechanisms -- such as working groups on energy, tax and legal reforms -- to consult amongst yourselves on regulatory and business climate issues. You could then present your findings to the government on behalf of all the AmCham members.

Senegal is focused on improving the business climate -- therefore, this is an ideal time for the business community to share your experience with the government. With your active involvement, I am optimistic that Senegal will make progress towards improving the business climate and realizing the government's ambitious vision of an emerging and prosperous Senegal.

We will continue to work with you to strengthen the economic relationship between the United States and Senegal. Several important events are coming

up The U.S. is co-sponsoring with the Government of Ethiopia the U.S.-Africa Energy Ministerial in Addis Ababa this June. And in August, President Obama will host the U.S.-Africa Leaders Summit where trade and investment will be high on the agenda. The President plans to organize a U.S.-Africa CEO Forum and our government also expects to host the next AGOA forum. These last two events will offer an opportunity for private sector input on the President's economic agenda in Africa.

In closing, I would like to express my appreciation to AmCham President Makha for hosting this breakfast and for your tireless support in promoting commercial ties between the U.S. and Senegal. As we continue to work together on AGOA, business climate issues, USA Week, and other trade events -- I am confident our economic relationship will climb to new heights in the years ahead. Thank you.