

The U.S. Needs a Holistic Approach to Engaging Africa

In remarks just days after taking office, President Biden [signaled to African leaders](#) that they should expect renewed engagement from the United States. That's a welcome sign the new administration sees engaging Africa's political and business leadership as a priority. The time is right to put rhetoric into action and create an action plan to expand U.S.-Africa commercial ties, centered around pro-growth trade, investment, and regulatory policies.

Why Africa matters for U.S. business: Two-way trade between the United States and Africa exceeded \$45 billion in 2020, but the opportunities for partnership go well beyond the trade numbers. Cooperation with African countries, which will be home to over 2.5 billion people by 2050, is critical as the United States tackles global issues like climate change and global health. Africa will also play an important role in U.S. efforts to combat terrorism and manage the complex dynamics of a rising China.

While U.S. firms are often the "partners of choice" in Africa, they routinely lose out to competitors who propose lower-cost/lower-value offerings or couple their investments to development aid. With the COVID-19 pandemic forcing a pause in investment by many state-owned enterprises and businesses, the United States has a unique – and rapidly closing – opportunity to rebalance its trade and investment relationships on the continent.

What we're recommending:

- **Make Africa engagement a Presidential priority:** Both U.S. competitors and allies have recognized Africa's strategic importance and invested in diplomatic engagement. To ensure that American businesses remain competitive in African markets, we must do the same.
- **Pursue a modernized approach to trade:** The Chamber has urged the new administration to complete a high-standard, comprehensive trade deal with Kenya, serving as a model template for FTAs with other developing countries.
- **Deepen and expand progress on "whole of government" approaches:** Better coordination between U.S. government agencies can help businesses accurately assess the costs of doing business with Africa, support deal flow and assist with commercial advocacy.
- **Increase U.S.-funded capacity building:** U.S.-funded technical advisors embedded into African-based institutions can help guide standard-setting on critical issues such as trade, taxes, IP, and access to medical goods – and push back on market distorting regulation like digital service taxes.
- **Support Africa's digital transformation:** Africa has significant room for growth on issues like intellectual property protection, data privacy and cybersecurity. Convening

key stakeholders from government and industry on the digital economy and ICT/telecommunications can help to bridge the gap.

Read more about the [Chamber's recommendations](#) for the new Biden administration.

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