

105TH CONGRESS
2^D SESSION

H. R. 4283

IN THE SENATE OF THE UNITED STATES

OCTOBER 1 (legislative day, SEPTEMBER 29), 1998

Received

AN ACT

To support sustainable and broad-based agricultural and rural development in sub-Saharan Africa, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Africa: Seeds of Hope Act of 1998”.

4 (b) TABLE OF CONTENTS.—The table of contents is
5 as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings and declaration of policy.

TITLE I—ASSISTANCE FOR SUB-SAHARAN AFRICA

- Sec. 101. Africa Food Security Initiative.
- Sec. 102. Microenterprise assistance.
- Sec. 103. Support for producer-owned cooperative marketing associations.
- Sec. 104. Agricultural and rural development activities of the Overseas Private Investment Corporation.
- Sec. 105. Agricultural research and extension activities.

TITLE II—WORLDWIDE FOOD ASSISTANCE AND AGRICULTURAL PROGRAMS

Subtitle A—Nonemergency Food Assistance Programs

- Sec. 201. Nonemergency food assistance programs.

Subtitle B—Bill Emerson Humanitarian International Food Security Trust Act of 1998

- Sec. 211. Short title.
- Sec. 212. Amendments to the Food Security Commodity Reserve Act of 1996.

Subtitle C—International Fund for Agricultural Development

- Sec. 221. Review of the International Fund for Agricultural Development.

TITLE III—MISCELLANEOUS PROVISIONS

- Sec. 301. Report.

6 **SEC. 2. FINDINGS AND DECLARATION OF POLICY.**

7 (a) FINDINGS.—Congress finds the following:

- 8 (1) The economic, security, and humanitarian
9 interests of the United States and the nations of
10 sub-Saharan Africa would be enhanced by sustain-
11 able, broad-based public and private sector agricul-
12 tural and rural development in each of the African

1 nations. The United States should support such de-
2 velopment.

3 (2) According to the Food and Agriculture Or-
4 ganization, the number of undernourished people in
5 Africa has more than doubled, from approximately
6 100,000,000 in the late 1960s to 215,000,000 in
7 1998, and is projected to increase to 265,000,000 by
8 the year 2010. According to the Food and Agri-
9 culture Organization, the term “under nutrition”
10 means inadequate consumption of nutrients, often
11 adversely affecting children’s physical and mental
12 development, undermining their future as productive
13 and creative members of their communities.

14 (3)(A) Currently, agricultural production in Af-
15 rica employs about two-thirds of the workforce but
16 produces less than one-fourth of the gross domestic
17 product in sub-Saharan Africa, according to the
18 World Bank Group.

19 (B) Africa’s food imports are projected to rise
20 from less than 8,000,000 metric tons in 1990 to
21 more than 25,000,000 metric tons by the year 2020.

22 (4) African women produce up to 80 percent of
23 the total food supply in Africa according to the
24 International Food Policy Research Institute.

1 (5) The most effective way to improve condi-
2 tions of the poor is to increase the productivity of
3 the agricultural sector. Productivity increases can be
4 fostered by increasing research and education in ag-
5 riculture and rural development.

6 (6)(A) In November 1996, the World Food
7 Summit set a goal of reducing hunger worldwide by
8 50 percent by the year 2015 and encouraged na-
9 tional governments to develop domestic food plans
10 and to support international aid efforts.

11 (B) Since then, several agencies of the United
12 Nations, including the International Fund for Agri-
13 cultural Development (IFAD), whose mission is to
14 provide the rural poor and women in the developing
15 world with cost-effective ways of overcoming hunger,
16 poverty, and malnutrition, have undertaken a coop-
17 erative initiative on Africa.

18 (7) Although the World Bank Group recently
19 has launched a major initiative to support agricul-
20 tural and rural development, only 10 percent, or
21 \$1,200,000,000, of its total lending to sub-Saharan
22 Africa for fiscal years 1993 to 1997 was devoted to
23 agriculture.

24 (8)(A) The future prosperity of the United
25 States food processing and agricultural sector is in-

1 creasingly dependent on exports and the liberaliza-
2 tion of global trade.

3 (B) Africa represents a huge potential market
4 for United States food and agricultural products.

5 (9)(A) Increased private sector investment in
6 African countries and expanded trade between the
7 United States and Africa can greatly help African
8 countries achieve food self-sufficiency and graduate
9 from dependency on international assistance.

10 (B) Development assistance, technical assist-
11 ance, and training from bilateral governmental and
12 multilateral entities, as well as nongovernmental or-
13 ganizations and land-grant universities, can facilitate
14 and encourage commercial development in Africa,
15 such as improving rural roads, agricultural research
16 and extension, and providing access to credit and
17 other resources.

18 (10)(A) Several United States private voluntary
19 organizations have demonstrated success in empow-
20 ering Africans through direct business ownership
21 and helping African agricultural producers more effi-
22 ciently and directly market their products.

23 (B) Rural business associations, owned and
24 controlled by farmer shareholders, also greatly aid

1 agricultural producers to increase their household in-
2 comes.

3 (11)(A) Over a decade ago, the Development
4 Fund for Africa (DFA) was enacted into law “to
5 help the poor majority of men and women in sub-
6 Saharan Africa to participate in a process of long-
7 term development through economic growth that is
8 equitable, participatory, environmentally sustainable,
9 and self-reliant.”.

10 (B) In recent years, political change and eco-
11 nomic recovery in Africa have amplified the impor-
12 tance of this policy objective while generating new
13 opportunities for its advancement.

14 (C) Despite these developments, funding for the
15 Development Fund for Africa has declined from a
16 high of \$811,000,000 for 1993 to approximately
17 \$635,000,000 for 1997.

18 (12)(A) United States bilateral development
19 and humanitarian assistance to sub-Saharan Africa
20 is approximately one-tenth of 1 percent of the total
21 annual budget of the United States Government.

22 (B) Funding for agricultural development
23 worldwide by the United States Agency for Inter-
24 national Development has declined from 36 percent
25 of its total budget in 1988 to 15 percent in 1997.

1 (13) The United States Agency for Inter-
2 national Development has initiated an Africa Food
3 Security Initiative in an effort to improve child nu-
4 trition and increase agricultural income in Africa.

5 (b) DECLARATION OF POLICY.—It is the policy of the
6 United States, consistent with title XII of part I of the
7 Foreign Assistance Act of 1961, to support governments
8 of sub-Saharan African countries, United States and Afri-
9 can nongovernmental organizations, universities, busi-
10 nesses, and international agencies, to help ensure the
11 availability of basic nutrition and economic opportunities
12 for individuals in sub-Saharan Africa, through sustainable
13 agriculture and rural development.

14 **TITLE I—ASSISTANCE FOR SUB-**
15 **SAHARAN AFRICA**

16 **SEC. 101. AFRICA FOOD SECURITY INITIATIVE.**

17 (a) ADDITIONAL REQUIREMENTS IN CARRYING OUT
18 THE INITIATIVE.—In providing development assistance
19 under the Africa Food Security Initiative, or any com-
20 parable or successor program, the Administrator of the
21 United States Agency for International Development—

22 (1) shall emphasize programs and projects that
23 improve the food security of infants, young children,
24 school-age children, women and food-insecure house-

1 holds, or that improve the agricultural productivity,
2 incomes, and marketing of the rural poor in Africa;

3 (2) shall solicit and take into consideration the
4 views and needs of intended beneficiaries and pro-
5 gram participants during the selection, planning, im-
6 plementation, and evaluation phases of projects; and

7 (3) shall ensure that programs are designed
8 and conducted in cooperation with African and
9 United States organizations and institutions, such as
10 private and voluntary organizations, cooperatives,
11 land-grant and other appropriate universities, and
12 local producer-owned cooperative marketing and
13 buying associations, that have expertise in address-
14 ing the needs of the poor, small-scale farmers, entre-
15 preneurs, and rural workers, including women.

16 (b) SENSE OF CONGRESS.—It is the sense of Con-
17 gress that, if there is an increase in funding for sub-Saha-
18 ran programs, the Administrator of the United States
19 Agency for International Development should proportion-
20 ately increase resources to the Africa Food Security Initia-
21 tive, or any comparable or successor program, for fiscal
22 year 2000 and subsequent fiscal years in order to meet
23 the needs of the countries participating in such Initiative.

1 **SEC. 102. MICROENTERPRISE ASSISTANCE.**

2 (a) **BILATERAL ASSISTANCE.**—In providing micro-
3 enterprise assistance for sub-Saharan Africa, the Adminis-
4 trator of the United States Agency for International De-
5 velopment shall, to the extent practicable, use credit and
6 microcredit assistance to improve the capacity and effi-
7 ciency of agriculture production in sub-Saharan Africa of
8 small-scale farmers and small rural entrepreneurs. In pro-
9 viding assistance, the Administrator should take into con-
10 sideration the needs of women, and should use the applied
11 research and technical assistance capabilities of United
12 States land-grant universities.

13 (b) **MULTILATERAL ASSISTANCE.**—

14 (1) **IN GENERAL.**—The Administrator of the
15 United States Agency for International Development
16 shall continue to work with other countries, inter-
17 national organizations (including multilateral devel-
18 opment institutions), and entities assisting micro-
19 enterprises and shall develop a comprehensive and
20 coordinated strategy for providing microenterprise
21 assistance for sub-Saharan Africa.

22 (2) **ADDITIONAL REQUIREMENT.**—In carrying
23 out paragraph (1), the Administrator should encour-
24 age the World Bank Consultative Group to Assist
25 the Poorest to coordinate the strategy described in
26 such paragraph.

1 **SEC. 103. SUPPORT FOR PRODUCER-OWNED COOPERATIVE**
2 **MARKETING ASSOCIATIONS.**

3 (a) PURPOSES.—The purposes of this section are—

4 (1) to support producer-owned cooperative pur-
5 chasing and marketing associations in sub-Saharan
6 Africa;

7 (2) to strengthen the capacity of farmers in
8 sub-Saharan Africa to participate in national and
9 international private markets and to promote rural
10 development in sub-Saharan Africa;

11 (3) to encourage the efforts of farmers in sub-
12 Saharan Africa to increase their productivity and in-
13 come through improved access to farm supplies, sea-
14 sonal credit, technical expertise; and

15 (4) to support small businesses in sub-Saharan
16 Africa as they grow beyond microenterprises.

17 (b) SUPPORT FOR PRODUCER-OWNED COOPERATIVE
18 MARKETING ASSOCIATIONS.—

19 (1) ACTIVITIES.—

20 (A) IN GENERAL.—The Administrator of
21 the United States Agency for International De-
22 velopment is authorized to utilize relevant for-
23 eign assistance programs and initiatives for
24 sub-Saharan Africa to support private pro-
25 ducer-owned cooperative marketing associations
26 in sub-Saharan Africa, including rural business

1 associations that are owned and controlled by
2 farmer shareholders.

3 (B) ADDITIONAL REQUIREMENTS.—In car-
4 rying out subparagraph (A), the Adminis-
5 trator—

6 (i) shall take into account small-scale
7 farmers, small rural entrepreneurs, and
8 rural workers and communities;

9 (ii) shall take into account the local-
10 level perspectives of the rural and urban
11 poor through close consultation with these
12 groups, consistent with section 496(e)(1)
13 of the Foreign Assistance Act of 1961 (22
14 U.S.C. 2293(e)(1)); and

15 (iii) should take into consideration the
16 needs of women.

17 (2) OTHER ACTIVITIES.—In addition to carry-
18 ing out paragraph (1), the Administrator is encour-
19 aged—

20 (A) to cooperate with governments of for-
21 eign countries, including governments of politi-
22 cal subdivisions of such countries, their agricul-
23 tural research universities, and particularly with
24 United States nongovernmental organizations
25 and United States land-grant universities, that

1 have demonstrated expertise in the development
2 and promotion of successful private producer-
3 owned cooperative marketing associations; and

4 (B) to facilitate partnerships between
5 United States and African cooperatives and pri-
6 vate businesses to enhance the capacity and
7 technical and marketing expertise of business
8 associations in sub-Saharan Africa.

9 **SEC. 104. AGRICULTURAL AND RURAL DEVELOPMENT AC-**
10 **TIVITIES OF THE OVERSEAS PRIVATE IN-**
11 **VESTMENT CORPORATION.**

12 (a) **PURPOSE.**—The purpose of this section is to en-
13 courage the Overseas Private Investment Corporation to
14 work with United States businesses and other United
15 States entities to invest in rural sub-Saharan Africa, par-
16 ticularly in ways that will develop the capacities of small-
17 scale farmers and small rural entrepreneurs, including
18 women, in sub-Saharan Africa.

19 (b) **SENSE OF CONGRESS.**—It is the sense of Con-
20 gress that—

21 (1) the Overseas Private Investment Corpora-
22 tion should exercise its authority under law to un-
23 dertake an initiative to support private agricultural
24 and rural development in sub-Saharan Africa, in-
25 cluding issuing loans, guaranties, and insurance, to

1 support rural development in sub-Saharan Africa,
2 particularly to support intermediary organizations
3 that—

4 (A) directly serve the needs of small-scale
5 farmers, small rural entrepreneurs, and rural
6 producer-owned cooperative purchasing and
7 marketing associations;

8 (B) have a clear track record of support
9 for sound business management practices; and

10 (C) have demonstrated experience with
11 participatory development methods; and

12 (2) the Overseas Private Investment Corpora-
13 tion should utilize existing equity funds, loan and in-
14 surance funds, to the extent feasible and in accord-
15 ance with existing contractual obligations, to support
16 agriculture and rural development in sub-Saharan
17 Africa.

18 **SEC. 105. AGRICULTURAL RESEARCH AND EXTENSION AC-**
19 **TIVITIES.**

20 (a) DEVELOPMENT OF PLAN.—The Administrator of
21 the United States Agency for International Development,
22 in consultation with the Secretary of Agriculture and ap-
23 propriate Department of Agriculture agencies, especially
24 the Cooperative State, Research, Education and Extension
25 Service (CSREES), shall develop a comprehensive plan to

1 coordinate and build on the research and extension activi-
2 ties of United States land-grant universities, international
3 agricultural research centers, and national agricultural re-
4 search and extension centers in sub-Saharan Africa.

5 (b) ADDITIONAL REQUIREMENTS.—Such plan shall
6 seek to ensure that—

7 (1) research and extension activities will re-
8 spond to the needs of small-scale farmers while de-
9 veloping the potential and skills of researchers, ex-
10 tension agents, farmers, and agribusiness persons in
11 sub-Saharan Africa;

12 (2) sustainable agricultural methods of farming
13 will be considered together with new technologies in
14 increasing agricultural productivity in sub-Saharan
15 Africa; and

16 (3) research and extension efforts will focus on
17 sustainable agricultural practices and will be adapt-
18 ed to widely varying climates within sub-Saharan Af-
19 rica.

1 **TITLE II—WORLDWIDE FOOD AS-**
2 **SISTANCE AND AGRICUL-**
3 **TURAL PROGRAMS**

4 **Subtitle A—Nonemergency Food**
5 **Assistance Programs**

6 **SEC. 201. NONEMERGENCY FOOD ASSISTANCE PROGRAMS.**

7 (a) IN GENERAL.—In providing nonemergency assist-
8 ance under title II of the Agricultural Trade Development
9 and Assistance Act of 1954 (7 U.S.C. 1721 et seq.), the
10 Administrator of the United States Agency for Inter-
11 national Development shall ensure that—

12 (1) in planning, decisionmaking, and implemen-
13 tation in providing such assistance, the Adminis-
14 trator takes into consideration local input and par-
15 ticipation directly and through United States and in-
16 digenous private and voluntary organizations;

17 (2) each of the nonemergency activities de-
18 scribed in paragraphs (2) through (6) of section 201
19 of such Act (7 U.S.C. 1721), including programs
20 that provide assistance to people of any age group
21 who are otherwise unable to meet their basic food
22 needs (including feeding programs for the disabled,
23 orphaned, elderly, sick and dying), are carried out;
24 and

1 (3) greater flexibility is provided for program
2 and evaluation plans so that such assistance may be
3 developed to meet local needs, as provided for in sec-
4 tion 202(f) of such Act (7 U.S.C. 1722(f)).

5 (b) OTHER REQUIREMENTS.—In providing assist-
6 ance under the Agriculture Trade Development and As-
7 sistance Act of 1954, the Secretary of Agriculture and the
8 Administrator of United States Agency for International
9 Development shall ensure that commodities are provided
10 in a manner that is consistent with sections 403 (a) and
11 (b) of such Act (7 U.S.C. 1733 (a) and (b)).

12 **Subtitle B—Bill Emerson Humanitarian International Food Security Trust Act of 1998**

15 **SEC. 211. SHORT TITLE.**

16 This subtitle may be cited as the “Bill Emerson Hu-
17 manitarian International Food Security Trust Act of
18 1998”.

19 **SEC. 212. BILL EMERSON HUMANITARIAN TRUST ACT.**

20 (a) IN GENERAL.—Section 302 of the Agricultural
21 Act of 1980 (7 U.S.C. 1736f–1) is amended—

22 (1) in subsection (b)—

23 (A) in the subsection heading, by inserting
24 “OR FUNDS” after “COMMODITIES”;

25 (B) in paragraph (1)—

1 (i) in subparagraph (B), by striking
2 “and” at the end;

3 (ii) in subparagraph (C), by striking
4 the period at the end and inserting “;
5 and”; and

6 (iii) by adding at the end the follow-
7 ing:

8 “(D) funds made available under para-
9 graph (2)(B).”; and

10 (C) in paragraph (2)—

11 (i) in subparagraph (A), by striking
12 “Subject to subsection (h), commodities”
13 and inserting “Commodities”; and

14 (ii) by striking subparagraph (B) and
15 inserting the following:

16 “(B) FUNDS.—Any funds used to acquire
17 eligible commodities through purchases from
18 producers or in the market to replenish the
19 trust shall be derived—

20 “(i) with respect to fiscal year 2000
21 and subsequent fiscal years, from funds
22 made available to carry out the Agricul-
23 tural Trade Development and Assistance
24 Act of 1954 (7 U.S.C. 1691 et seq.) that
25 are used to repay or reimburse the Com-

1 modity Credit Corporation for the release
2 of eligible commodities under subsections
3 (c)(2) and (f)(2), except that, of such
4 funds, not more than \$20,000,000 may be
5 expended for this purpose in each of the
6 fiscal years 2000 through 2003 and any
7 such funds not expended for the fiscal year
8 allocated shall be available for expenditure
9 in subsequent fiscal years; and

10 “(ii) from funds authorized for that
11 use by an appropriations Act.”;

12 (2) in subsection (c)(2)—

13 (A) by striking “ASSISTANCE.—Notwith-
14 standing” and inserting the following: “ASSIST-
15 ANCE.—

16 “(A) IN GENERAL.—Notwithstanding”;

17 and

18 (B) by adding at the end the following:

19 “(B) LIMITATION.—The Secretary may re-
20 lease eligible commodities under subparagraph
21 (A) only to the extent such release is consistent
22 with maintaining the long-term value of the
23 trust.”;

24 (3) in subsection (d)—

1 (A) in paragraph (1), by striking “and” at
2 the end;

3 (B) in paragraph (2), by striking the pe-
4 riod at the end and inserting “; and”; and

5 (C) by adding at the end the following:

6 “(3) subject to the need for release of commod-
7 ities from the trust under subsection (c)(1), for the
8 management of the trust to preserve the value of the
9 trust through acquisitions under subsection (b)(2).”;

10 (4) in subsection (f)—

11 (A) in paragraph (2), by inserting “OF
12 THE TRUST” after “REIMBURSEMENT” in the
13 heading; and

14 (B) in paragraph (2)(A), by inserting “and
15 the funds shall be available to replenish the
16 trust under subsection (b)” before the end pe-
17 riod; and

18 (5) by striking subsection (h).

19 (b) CONFORMING AMENDMENTS.—

20 (1) Title III of the Agricultural Act of 1980 (7
21 U.S.C. 1736f–1 et seq.) is amended by striking the
22 title heading and inserting the following:

1 **“TITLE III—BILL EMERSON**
2 **HUMANITARIAN TRUST”.**

3 (2) Section 301 of the Agricultural Act of 1980
4 (7 U.S.C. 1736f–1 note) is amended to read as fol-
5 lows:

6 **“SEC. 301. SHORT TITLE.**

7 “‘This title may be cited as the ‘Bill Emerson Human-
8 itarian Trust Act’.”.

9 (3) Section 302 of the Agricultural Act of 1980
10 (7 U.S.C. 1736f–1) is amended—

11 (A) in the section heading, by striking
12 **“RESERVE”** and inserting **“TRUST”**;

13 (B) by striking “reserve” each place it ap-
14 pears (other than in subparagraphs (A) and (B)
15 of subsection (b)(1)) and inserting “trust”;

16 (C) in subsection (b)—

17 (i) in the subsection heading, by strik-
18 ing **“RESERVE”** and inserting **“TRUST”**;

19 (ii) in paragraph (1)(B), by striking
20 “reserve,” and inserting “trust,”; and

21 (iii) in the paragraph heading of para-
22 graph (2), by striking **“RESERVE”** and in-
23 serting **“TRUST”**; and

1 (D) in the subsection heading of subsection
2 (e), by striking “RESERVE” and inserting
3 “TRUST”.

4 (4) Section 208(d)(2) of the Agricultural Trade
5 Suspension Adjustment Act of 1980 (7 U.S.C.
6 4001(d)(2)) is amended by striking “Food Security
7 Commodity Reserve Act of 1996” and inserting
8 “Bill Emerson Humanitarian Trust Act (7 U.S.C.
9 1736f–1 et seq.)”.

10 (5) Section 901b(b)(3) of the Merchant Marine
11 Act, 1936 (46 U.S.C. App. 1241f(b)(3)), is amended
12 by striking “Food Security Wheat Reserve Act of
13 1980 (7 U.S.C. 1736f–1)” and inserting “Bill
14 Emerson Humanitarian Trust Act (7 U.S.C. 1736f–
15 1 et seq.)”.

16 **TITLE III—MISCELLANEOUS** 17 **PROVISIONS**

18 **SEC. 301. REPORT.**

19 Not later than 6 months after the date of enactment
20 of this Act, the Administrator of the United States Agency
21 for International Development, in consultation with the
22 heads of other appropriate agencies, shall prepare and
23 submit to Congress a report on how the Agency plans to
24 implement sections 101, 102, 103, 105, and 201 of this
25 Act, the steps that have been taken toward such imple-

1 mentation, and an estimate of all amounts expended or
2 to be expended on related activities during the current and
3 previous 4 fiscal years.

Passed the House of Representatives September 28,
1998.

Attest:

ROBIN H. CARLE,

Clerk.