

106TH CONGRESS  
1ST SESSION

# H. R. 434

To authorize a new trade and investment policy for sub-Saharan Africa.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 2, 1999

Mr. CRANE (for himself, Mr. RANGEL, Mr. McDERMOTT, Mr. ROYCE, Mr. DREIER, Mr. JEFFERSON, Mr. PAYNE, Mr. HOUGHTON, Mr. GILMAN, Mr. LEVIN, Mr. BAKER, Mr. BARRETT of Nebraska, Mr. BEREUTER, Mr. BILBRAY, Mr. BLUMENAUER, Mr. BOEHNER, Mr. BRADY of Texas, Ms. BROWN of Florida, Mr. CAMPBELL, Mr. CHABOT, Ms. CHRISTIAN-CHRISTENSEN, Mr. DICKS, Ms. DUNN, Mr. EHLERS, Mr. ENGLISH, Mr. EWING, Mr. FALEOMAVAEGA, Mr. FATTAH, Mr. FOLEY, Mr. FORD, Mr. HALL of Ohio, Ms. JACKSON-LEE of Texas, Mrs. JOHNSON of Connecticut, Mrs. JONES of Ohio, Ms. KILPATRICK, Mr. KNOLLENBERG, Mr. KOLBE, Ms. LOFGREN, Mr. MANZULLO, Mr. MATSUI, Ms. MCCARTHY of Missouri, Mr. MCCOLLUM, Mr. McINNIS, Mr. McINTOSH, Mr. McNULTY, Mr. MEEKS of New York, Mr. GARY MILLER of California, Mr. MORAN of Virginia, Mr. NEAL of Massachusetts, Mr. OWENS, Mr. PETRI, Mr. PORTMAN, Mr. RADANOVICH, Mr. RAMSTAD, Mr. SALMON, Mr. SESSIONS, Mr. SHOWS, Mr. SNYDER, Mr. STRICKLAND, Mrs. TAUSCHER, Mr. THOMAS, Mr. TOWNS, Mr. WOLF, and Mr. WYNN) introduced the following bill; which was referred to the Committee on International Relations, and in addition to the Committees on Ways and Means, and Banking and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To authorize a new trade and investment policy for sub-Saharan Africa.

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

3 **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the “African Growth and  
5 Opportunity Act”.

6 **SEC. 2. FINDINGS.**

7        The Congress finds that it is in the mutual economic  
8 interest of the United States and sub-Saharan Africa to  
9 promote stable and sustainable economic growth and de-  
10 velopment in sub-Saharan Africa and that sustained eco-  
11 nomic growth in sub-Saharan Africa depends in large  
12 measure upon the development of a receptive environment  
13 for trade and investment. To that end, the United States  
14 seeks to facilitate market-led economic growth in, and  
15 thereby the social and economic development of, the coun-  
16 tries of sub-Saharan Africa. In particular, the United  
17 States seeks to assist sub-Saharan African countries, and  
18 the private sector in those countries, to achieve economic  
19 self-reliance by—

20            (1) strengthening and expanding the private  
21            sector in sub-Saharan Africa, especially women-  
22            owned businesses;

23            (2) encouraging increased trade and investment  
24            between the United States and sub-Saharan Africa;

1           (3) reducing tariff and nontariff barriers and  
2 other trade obstacles;

3           (4) expanding United States assistance to sub-  
4 Saharan Africa's regional integration efforts;

5           (5) negotiating free trade areas;

6           (6) establishing a United States-Sub-Saharan  
7 Africa Trade and Investment Partnership;

8           (7) focusing on countries committed to account-  
9 able government, economic reform, and the eradi-  
10 cation of poverty;

11           (8) establishing a United States-Sub-Saharan  
12 Africa Economic Cooperation Forum; and

13           (9) continuing to support development assist-  
14 ance for those countries in sub-Saharan Africa at-  
15 tempting to build civil societies.

16 **SEC. 3. STATEMENT OF POLICY.**

17       The Congress supports economic self-reliance for sub-  
18 Saharan African countries, particularly those committed  
19 to—

20           (1) economic and political reform;

21           (2) market incentives and private sector growth;

22           (3) the eradication of poverty; and

23           (4) the importance of women to economic  
24 growth and development.

1 **SEC. 4. ELIGIBILITY REQUIREMENTS.**

2 (a) IN GENERAL.—A sub-Saharan African country  
3 shall be eligible to participate in programs, projects, or  
4 activities, or receive assistance or other benefits under this  
5 Act if the President determines that the country does not  
6 engage in gross violations of internationally recognized  
7 human rights and has established, or is making continual  
8 progress toward establishing, a market-based economy,  
9 such as the establishment and enforcement of appropriate  
10 policies relating to—

11 (1) promoting free movement of goods and serv-  
12 ices between the United States and sub-Saharan Af-  
13 rica and among countries in sub-Saharan Africa;

14 (2) promoting the expansion of the production  
15 base and the transformation of commodities and  
16 nontraditional products for exports through joint  
17 venture projects between African and foreign inves-  
18 tors;

19 (3) trade issues, such as protection of intellec-  
20 tual property rights, improvements in standards,  
21 testing, labeling and certification, and government  
22 procurement;

23 (4) the protection of property rights, such as  
24 protection against expropriation and a functioning  
25 and fair judicial system;

1           (5) appropriate fiscal systems, such as reducing  
2           high import and corporate taxes, controlling govern-  
3           ment consumption, participation in bilateral invest-  
4           ment treaties, and the harmonization of such trea-  
5           ties to avoid double taxation;

6           (6) foreign investment issues, such as the provi-  
7           sion of national treatment for foreign investors, re-  
8           moving restrictions on investment, and other meas-  
9           ures to create an environment conducive to domestic  
10          and foreign investment;

11          (7) supporting the growth of regional markets  
12          within a free trade area framework;

13          (8) governance issues, such as eliminating gov-  
14          ernment corruption, minimizing government inter-  
15          vention in the market such as price controls and  
16          subsidies, and streamlining the business license proc-  
17          ess;

18          (9) supporting the growth of the private sector,  
19          in particular by promoting the emergence of a new  
20          generation of African entrepreneurs;

21          (10) encouraging the private ownership of gov-  
22          ernment-controlled economic enterprises through di-  
23          vestiture programs; and

1           (11) observing the rule of law, including equal  
2           protection under the law and the right to due pro-  
3           cess and a fair trial.

4           (b) ADDITIONAL FACTORS.—In determining whether  
5           a sub-Saharan African country is eligible under subsection  
6           (a), the President shall take into account the following fac-  
7           tors:

8           (1) An expression by such country of its desire  
9           to be an eligible country under subsection (a).

10          (2) The extent to which such country has made  
11          substantial progress toward—

12                 (A) reducing tariff levels;

13                 (B) binding its tariffs in the World Trade  
14                 Organization and assuming meaningful binding  
15                 obligations in other sectors of trade; and

16                 (C) eliminating nontariff barriers to trade.

17          (3) Whether such country, if not already a  
18          member of the World Trade Organization, is actively  
19          pursuing membership in that Organization.

20          (4) Where applicable, the extent to which such  
21          country is in material compliance with its obligations  
22          to the International Monetary Fund and other inter-  
23          national financial institutions.

24          (5) The extent to which such country has a rec-  
25          ognizable commitment to reducing poverty, increas-

1 ing the availability of health care and educational  
2 opportunities, the expansion of physical infrastruc-  
3 ture in a manner designed to maximize accessibility,  
4 increased access to market and credit facilities for  
5 small farmers and producers, and improved eco-  
6 nomic opportunities for women as entrepreneurs and  
7 employees, and promoting and enabling the forma-  
8 tion of capital to support the establishment and op-  
9 eration of micro-enterprises.

10 (6) Whether or not such country engages in ac-  
11 tivities that undermine United States national secu-  
12 rity or foreign policy interests.

13 (c) CONTINUING COMPLIANCE.—

14 (1) MONITORING AND REVIEW OF CERTAIN  
15 COUNTRIES.—The President shall monitor and re-  
16 view the progress of sub-Saharan African countries  
17 in order to determine their current or potential eligi-  
18 bility under subsection (a). Such determinations  
19 shall be based on quantitative factors to the fullest  
20 extent possible and shall be included in the annual  
21 report required by section 15.

22 (2) INELIGIBILITY OF CERTAIN COUNTRIES.—A  
23 sub-Saharan African country described in paragraph  
24 (1) that has not made continual progress in meeting  
25 the requirements with which it is not in compliance

1 shall be ineligible to participate in programs,  
2 projects, or activities, or receive assistance or other  
3 benefits, under this Act.

4 **SEC. 5. UNITED STATES-SUB-SAHARAN AFRICA TRADE AND**  
5 **ECONOMIC COOPERATION FORUM.**

6 (a) **DECLARATION OF POLICY.**—The President shall  
7 convene annual high-level meetings between appropriate  
8 officials of the United States Government and officials of  
9 the governments of sub-Saharan African countries in  
10 order to foster close economic ties between the United  
11 States and sub-Saharan Africa.

12 (b) **ESTABLISHMENT.**—Not later than 12 months  
13 after the date of the enactment of this Act, the President,  
14 after consulting with Congress and the governments con-  
15 cerned, shall establish a United States-Sub-Saharan Afri-  
16 ca Trade and Economic Cooperation Forum (hereafter in  
17 this section referred to as the “Forum”).

18 (c) **REQUIREMENTS.**—In creating the Forum, the  
19 President shall meet the following requirements:

20 (1) The President shall direct the Secretary of  
21 Commerce, the Secretary of the Treasury, the Sec-  
22 retary of State, and the United States Trade Rep-  
23 resentative to host the first annual meeting with the  
24 counterparts of such Secretaries from the govern-  
25 ments of sub-Saharan African countries eligible



1 under section 4, the Secretary General of the Orga-  
2 nization of African Unity, and government officials  
3 from other appropriate countries in Africa, to dis-  
4 cuss expanding trade and investment relations be-  
5 tween the United States and sub-Saharan Africa  
6 and the implementation of this Act including encour-  
7 aging joint ventures between small and large busi-  
8 nesses.

9 (2)(A) The President, in consultation with the  
10 Congress, shall encourage United States nongovern-  
11 mental organizations to host annual meetings with  
12 nongovernmental organizations from sub-Saharan  
13 Africa in conjunction with the annual meetings of  
14 the Forum for the purpose of discussing the issues  
15 described in paragraph (1).

16 (B) The President, in consultation with the  
17 Congress, shall encourage United States representa-  
18 tives of the private sector to host annual meetings  
19 with representatives of the private sector from sub-  
20 Saharan Africa in conjunction with the annual meet-  
21 ings of the Forum for the purpose of discussing the  
22 issues described in paragraph (1).

23 (3) The President shall, to the extent prac-  
24 ticable, meet with the heads of governments of sub-  
25 Saharan African countries eligible under section 4

1 not less than once every two years for the purpose  
2 of discussing the issues described in paragraph (1).  
3 The first such meeting should take place not later  
4 than twelve months after the date of the enactment  
5 of this Act.

6 (d) DISSEMINATION OF INFORMATION BY USIA.—In  
7 order to assist in carrying out the purposes of the Forum,  
8 the United States Information Agency shall disseminate  
9 regularly, through multiple media, economic information  
10 in support of the free market economic reforms described  
11 in this Act.

12 (e) AUTHORIZATION OF APPROPRIATIONS.—There  
13 are authorized to be appropriated such sums as may be  
14 necessary to carry out this section.

15 (f) LIMITATION ON USE OF FUNDS.—None of the  
16 funds authorized under this section may be used to create  
17 or support any nongovernmental organization for the pur-  
18 pose of expanding or facilitating trade between the United  
19 States and sub-Saharan Africa.

20 **SEC. 6. UNITED STATES–SUB-SAHARAN AFRICA FREE**  
21 **TRADE AREA.**

22 (a) DECLARATION OF POLICY.—The Congress de-  
23 clares that a United States–Sub-Saharan Africa Free  
24 Trade Area should be established, or free trade agree-  
25 ments should be entered into, in order to serve as the cata-

1 lyst for increasing trade between the United States and  
2 sub-Saharan Africa and increasing private sector develop-  
3 ment in sub-Saharan Africa.

4 (b) PLAN REQUIREMENT.—

5 (1) IN GENERAL.—The President, taking into  
6 account the provisions of the treaty establishing the  
7 African Economic Community and the willingness of  
8 the governments of sub-Saharan African countries to  
9 engage in negotiations to enter into free trade agree-  
10 ments, shall develop a plan for the purpose of enter-  
11 ing into one or more trade agreements with sub-Sa-  
12 haran African countries eligible under section 4 in  
13 order to establish a United States–Sub-Saharan Af-  
14 rica Free Trade Area (hereafter in this section re-  
15 ferred to as the “Free Trade Area”).

16 (2) ELEMENTS OF PLAN.—The plan shall in-  
17 clude the following:

18 (A) The specific objectives of the United  
19 States with respect to the establishment of the  
20 Free Trade Area and a suggested timetable for  
21 achieving those objectives.

22 (B) The benefits to both the United States  
23 and sub-Saharan Africa with respect to the  
24 Free Trade Area.

1 (C) A mutually agreed-upon timetable for  
2 establishing the Free Trade Area.

3 (D) The implications for and the role of  
4 regional and sub-regional organizations in sub-  
5 Saharan Africa with respect to the Free Trade  
6 Area.

7 (E) Subject matter anticipated to be cov-  
8 ered by the agreement for establishing the Free  
9 Trade Area and United States laws, programs,  
10 and policies, as well as the laws of participating  
11 eligible African countries and existing bilateral  
12 and multilateral and economic cooperation and  
13 trade agreements, that may be affected by the  
14 agreement or agreements.

15 (F) Procedures to ensure the following:

16 (i) Adequate consultation with the  
17 Congress and the private sector during the  
18 negotiation of the agreement or agree-  
19 ments for establishing the Free Trade  
20 Area.

21 (ii) Consultation with the Congress re-  
22 garding all matters relating to implementa-  
23 tion of the agreement or agreements.

24 (iii) Approval by the Congress of the  
25 agreement or agreements.

1 (iv) Adequate consultations with the  
2 relevant African governments and African  
3 regional and subregional intergovernmental  
4 organizations during the negotiations of  
5 the agreement or agreements.

6 (c) REPORTING REQUIREMENT.—Not later than 12  
7 months after the date of the enactment of this Act, the  
8 President shall prepare and transmit to the Congress a  
9 report containing the plan developed pursuant to sub-  
10 section (b).

11 **SEC. 7. ELIMINATING TRADE BARRIERS AND ENCOURAG-**  
12 **ING EXPORTS.**

13 (a) FINDINGS.—The Congress makes the following  
14 findings:

15 (1) The lack of competitiveness of sub-Saharan  
16 Africa in the global market, especially in the manu-  
17 facturing sector, make it a limited threat to market  
18 disruption and no threat to United States jobs.

19 (2) Annual textile and apparel exports to the  
20 United States from sub-Saharan Africa represent  
21 less than 1 percent of all textile and apparel exports  
22 to the United States, which totaled \$54,001,863,000  
23 in 1997.

24 (3) Sub-Saharan Africa has limited textile man-  
25 ufacturing capacity. During 1999 and the succeed-

1       ing 4 years, this limited capacity to manufacture  
2       textiles and apparel is projected to grow at a modest  
3       rate. Given this limited capacity to export textiles  
4       and apparel, it will be very difficult for these exports  
5       from sub-Saharan Africa, during 1999 and the suc-  
6       ceeding 9 years, to exceed 3 percent annually of  
7       total imports of textile and apparel to the United  
8       States. If these exports from sub-Saharan Africa re-  
9       main around 3 percent of total imports, they will not  
10      represent a threat to United States workers, con-  
11      sumers, or manufacturers.

12      (b) SENSE OF THE CONGRESS.—It is the sense of  
13      the Congress that—

14           (1) it would be to the mutual benefit of the  
15           countries in sub-Saharan Africa and the United  
16           States to ensure that the commitments of the World  
17           Trade Organization and associated agreements are  
18           faithfully implemented in each of the member coun-  
19           tries, so as to lay the groundwork for sustained  
20           growth in textile and apparel exports and trade  
21           under agreed rules and disciplines;

22           (2) reform of trade policies in sub-Saharan Af-  
23           rica with the objective of removing structural im-  
24           pediments to trade, consistent with obligations under  
25           the World Trade Organization, can assist the coun-

1 tries of the region in achieving greater and greater  
2 diversification of textile and apparel export commod-  
3 ities and products and export markets; and

4 (3) the President should support textile and ap-  
5 parel trade reform in sub-Saharan Africa by, among  
6 other measures, providing technical assistance, shar-  
7 ing of information to expand basic knowledge of how  
8 to trade with the United States, and encouraging  
9 business-to-business contacts with the region.

10 (c) TREATMENT OF QUOTAS.—

11 (1) KENYA AND MAURITIUS.—Pursuant to the  
12 Agreement on Textiles and Clothing, the United  
13 States shall eliminate the existing quotas on textile  
14 and apparel exports to the United States—

15 (A) from Kenya within 30 days after that  
16 country adopts an efficient visa system to guard  
17 against unlawful transshipment of textile and  
18 apparel goods and the use of counterfeit docu-  
19 ments; and

20 (B) from Mauritius within 30 days after  
21 that country adopts such a visa system.

22 The Customs Service shall provide the necessary  
23 technical assistance to Kenya and Mauritius in the  
24 development and implementation of those visa sys-  
25 tems.

1           (2) OTHER SUB-SAHARAN COUNTRIES.—The  
2           President shall continue the existing no quota policy  
3           for countries in sub-Saharan Africa. The President  
4           shall submit to the Congress, not later than March  
5           31 of each year, a report on the growth in textiles  
6           and apparel exports to the United States from coun-  
7           tries in sub-Saharan Africa in order to protect  
8           United States consumers, workers, and textile manu-  
9           facturers from economic injury on account of the no  
10          quota policy.

11          (d) CUSTOMS PROCEDURES AND ENFORCEMENT.—

12           (1) ACTIONS BY COUNTRIES AGAINST TRANS-  
13          SHIPMENT AND CIRCUMVENTION.—The President  
14          should ensure that any country in sub-Saharan Afri-  
15          ca that intends to export textile and apparel goods  
16          to the United States—

17                   (A) has in place a functioning and effective  
18                   visa system and domestic laws and enforcement  
19                   procedures to guard against unlawful trans-  
20                   shipment of textile and apparel goods and the  
21                   use of counterfeit documents; and

22                   (B) will cooperate fully with the United  
23                   States to address and take action necessary to  
24                   prevent circumvention, as provided in Article 5  
25                   of the Agreement on Textiles and Clothing.



1           (2) PENALTIES AGAINST EXPORTERS.—If the  
2           President determines, based on sufficient evidence,  
3           that an exporter has willfully falsified information  
4           regarding the country of origin, manufacture, proc-  
5           essing, or assembly of a textile or apparel article for  
6           which duty-free treatment under section  
7           503(a)(1)(C) of the Trade Act of 1974 is claimed,  
8           then the President shall deny to such exporter, and  
9           any successors of such exporter, for a period of 2  
10          years, duty-free treatment under such section for  
11          textile and apparel articles.

12          (3) APPLICABILITY OF UNITED STATES LAWS  
13          AND PROCEDURES.—All provisions of the laws, regu-  
14          lations, and procedures of the United States relating  
15          to the denial of entry of articles or penalties against  
16          individuals or entities for engaging in illegal trans-  
17          shipment, fraud, or other violations of the customs  
18          laws shall apply to imports from Sub-Saharan coun-  
19          tries.

20          (4) MONITORING AND REPORTS TO CON-  
21          GRESS.—The Customs Service shall monitor and the  
22          Commissioner of Customs shall submit to the Con-  
23          gress, not later than March 31 of each year, a report  
24          on the effectiveness of the visa systems described in  
25          subsection (c)(1) and paragraph (1) of this sub-

1 section and on measures taken by countries in Sub-  
2 Saharan Africa which export textiles or apparel to  
3 the United States to prevent circumvention as de-  
4 scribed in Article 5 of the Agreement on Textiles  
5 and Clothing.

6 (e) DEFINITION.—For purposes of this section, the  
7 term “Agreement on Textiles and Clothing” means the  
8 Agreement on Textiles and Clothing referred to in section  
9 101(d)(4) of the Uruguay Round Agreements Act (19  
10 U.S.C. 3511(d)(4)).

11 **SEC. 8. GENERALIZED SYSTEM OF PREFERENCES.**

12 (a) PREFERENTIAL TARIFF TREATMENT FOR CER-  
13 TAIN ARTICLES.—Section 503(a)(1) of the Trade Act of  
14 1974 (19 U.S.C. 2463(a)(1)) is amended—

15 (1) by redesignating subparagraph (C) as sub-  
16 paragraph (D); and

17 (2) by inserting after subparagraph (B) the fol-  
18 lowing:

19 “(C) ELIGIBLE COUNTRIES IN SUB-SAHA-  
20 RAN AFRICA.—The President may provide duty-  
21 free treatment for any article set forth in para-  
22 graph (1) of subsection (b) that is the growth,  
23 product, or manufacture of an eligible country  
24 in sub-Saharan Africa that is a beneficiary de-  
25 veloping country, if, after receiving the advice

1 of the International Trade Commission in ac-  
2 cordance with subsection (e), the President de-  
3 termines that such article is not import-sen-  
4 sitive in the context of imports from eligible  
5 countries in sub-Saharan Africa. This subpara-  
6 graph shall not affect the designation of eligible  
7 articles under subparagraph (B).”.

8 (b) RULES OF ORIGIN.—Section 503(a)(2) of the  
9 Trade Act of 1974 (19 U.S.C. 2463(a)(2)) is amended by  
10 adding at the end the following:

11 “(C) ELIGIBLE COUNTRIES IN SUB-SAHA-  
12 RAN AFRICA.—For purposes of determining the  
13 percentage referred to in subparagraph (A) in  
14 the case of an article of an eligible country in  
15 sub-Saharan Africa that is a beneficiary devel-  
16 oping country—

17 “(i) if the cost or value of materials  
18 produced in the customs territory of the  
19 United States is included with respect to  
20 that article, an amount not to exceed 15  
21 percent of the appraised value of the arti-  
22 cle at the time it is entered that is attrib-  
23 uted to such United States cost or value  
24 may be applied toward determining the

1 percentage referred to in subparagraph  
2 (A); and

3 “(ii) the cost or value of the materials  
4 included with respect to that article that  
5 are produced in any beneficiary developing  
6 country that is an eligible country in sub-  
7 Saharan Africa shall be applied in deter-  
8 mining such percentage.”.

9 (c) WAIVER OF COMPETITIVE NEED LIMITATION.—  
10 Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C.  
11 2463(c)(2)(D)) is amended to read as follows:

12 “(D) LEAST-DEVELOPED BENEFICIARY  
13 DEVELOPING COUNTRIES AND ELIGIBLE COUN-  
14 TRIES IN SUB-SAHARAN AFRICA.—Subpara-  
15 graph (A) shall not apply to any least-developed  
16 beneficiary developing country or any eligible  
17 country in sub-Saharan Africa.”.

18 (d) EXTENSION OF PROGRAM.—Section 505 of the  
19 Trade Act of 1974 (19 U.S.C. 2465) is amended to read  
20 as follows:

21 **“SEC. 505. DATE OF TERMINATION.**

22 “(a) COUNTRIES IN SUB-SAHARAN AFRICA.—No  
23 duty-free treatment provided under this title shall remain  
24 in effect after June 30, 2009, with respect to beneficiary

1 developing countries that are eligible countries in sub-Sa-  
2 haran Africa.

3 “(b) OTHER COUNTRIES.—No duty-free treatment  
4 provided under this title shall remain in effect after June  
5 30, 1999, with respect to beneficiary developing countries  
6 other than those provided for in subsection (a).”.

7 (e) DEFINITION.—Section 507 of the Trade Act of  
8 1974 (19 U.S.C. 2467) is amended by adding at the end  
9 the following:

10 “(6) ELIGIBLE COUNTRY IN SUB-SAHARAN AF-  
11 RICA.—The terms ‘eligible country in sub-Saharan  
12 Africa’ and ‘eligible countries in sub-Saharan Africa’  
13 mean a country or countries that the President has  
14 determined to be eligible under section 4 of the Afri-  
15 can Growth and Opportunity Act.”.

16 (f) EFFECTIVE DATE.—The amendments made by  
17 this section take effect on July 1, 1999.

18 **SEC. 9. INTERNATIONAL FINANCIAL INSTITUTIONS AND**  
19 **DEBT REDUCTION.**

20 (a) BETTER MECHANISMS TO FURTHER GOALS FOR  
21 SUB-SAHARAN AFRICA.—It is the sense of the Congress  
22 that the Secretary of the Treasury should instruct the  
23 United States Executive Directors of the International  
24 Bank for Reconstruction and Development, the Inter-  
25 national Monetary Fund, and the African Development

1 Bank to use the voice and votes of the Executive Directors  
2 to encourage vigorously their respective institutions to de-  
3 velop enhanced mechanisms which further the following  
4 goals in eligible countries in sub-Saharan Africa:

5 (1) Strengthening and expanding the private  
6 sector, especially among women-owned businesses.

7 (2) Reducing tariffs, nontariff barriers, and  
8 other trade obstacles, and increasing economic inte-  
9 gration.

10 (3) Supporting countries committed to account-  
11 able government, economic reform, the eradication of  
12 poverty, and the building of civil societies.

13 (4) Supporting deep debt reduction at the earli-  
14 est possible date with the greatest amount of relief  
15 for eligible poorest countries under the “Heavily In-  
16 debted Poor Countries” (HIPC) debt initiative.

17 (b) SENSE OF CONGRESS.—It is the sense of the  
18 Congress that relief provided to countries in sub-Saharan  
19 Africa which qualify for the Heavily Indebted Poor Coun-  
20 tries debt initiative should primarily be made through  
21 grants rather than through extended-term debt, and that  
22 interim relief or interim financing should be provided for  
23 eligible countries that establish a strong record of macro-  
24 economic reform.

1 **SEC. 10. EXECUTIVE BRANCH INITIATIVES.**

2 (a) STATEMENT OF CONGRESS.—The Congress rec-  
3 ognizes that the stated policy of the executive branch in  
4 1997, the “Partnership for Growth and Opportunity in  
5 Africa” initiative, is a step toward the establishment of  
6 a comprehensive trade and development policy for sub-Sa-  
7 haran Africa. It is the sense of the Congress that this  
8 Partnership is a companion to the policy goals set forth  
9 in this Act.

10 (b) TECHNICAL ASSISTANCE TO PROMOTE ECO-  
11 NOMIC REFORMS AND DEVELOPMENT.—In addition to  
12 continuing bilateral and multilateral economic and devel-  
13 opment assistance, the President shall target technical as-  
14 sistance toward—

15 (1) developing relationships between United  
16 States firms and firms in sub-Saharan Africa  
17 through a variety of business associations and net-  
18 works;

19 (2) providing assistance to the governments of  
20 sub-Saharan African countries to—

21 (A) liberalize trade and promote exports;

22 (B) bring their legal regimes into compli-  
23 ance with the standards of the World Trade Or-  
24 ganization in conjunction with membership in  
25 that Organization;

26 (C) make financial and fiscal reforms; and

- 1 (D) promote greater agribusiness linkages;
- 2 (3) addressing such critical agricultural policy
- 3 issues as market liberalization, agricultural export
- 4 development, and agribusiness investment in proc-
- 5 essing and transporting agricultural commodities;
- 6 (4) increasing the number of reverse trade mis-
- 7 sions to growth-oriented countries in sub-Saharan
- 8 Africa;
- 9 (5) increasing trade in services; and
- 10 (6) encouraging greater sub-Saharan participa-
- 11 tion in future negotiations in the World Trade Orga-
- 12 nization on services and making further commit-
- 13 ments in their schedules to the General Agreement
- 14 on Trade in Services in order to encourage the re-
- 15 moval of tariff and nontariff barriers.

16 **SEC. 11. SUB-SAHARAN AFRICA INFRASTRUCTURE FUND.**

17 (a) INITIATION OF FUNDS.—It is the sense of the

18 Congress that the Overseas Private Investment Corpora-

19 tion should exercise the authorities it has to initiate an

20 equity fund or equity funds in support of projects in the

21 countries in sub-Saharan Africa, in addition to the exist-

22 ing equity fund for sub-Saharan Africa created by the Cor-

23 poration.

24 (b) STRUCTURE AND TYPES OF FUNDS.—



1           (1) STRUCTURE.—Each fund initiated under  
2 subsection (a) should be structured as a partnership  
3 managed by professional private sector fund man-  
4 agers and monitored on a continuing basis by the  
5 Corporation.

6           (2) CAPITALIZATION.—Each fund should be  
7 capitalized with a combination of private equity cap-  
8 ital, which is not guaranteed by the Corporation,  
9 and debt for which the Corporation provides guaran-  
10 ties.

11           (3) INFRASTRUCTURE FUND.—One or more of  
12 the funds, with combined assets of up to  
13 \$500,000,000, should be used in support of infra-  
14 structure projects in countries of sub-Saharan Afri-  
15 ca.

16           (4) EMPHASIS.—The Corporation shall ensure  
17 that the funds are used to provide support in par-  
18 ticular to women entrepreneurs and to innovative in-  
19 vestments that expand opportunities for women and  
20 maximize employment opportunities for poor individ-  
21 uals.

22 **SEC. 12. OVERSEAS PRIVATE INVESTMENT CORPORATION**  
23 **AND EXPORT-IMPORT BANK INITIATIVES.**

24           (a) OVERSEAS PRIVATE INVESTMENT CORPORA-  
25 TION.—

1           (1) ADVISORY COMMITTEE.—Section 233 of the  
2           Foreign Assistance Act of 1961 is amended by add-  
3           ing at the end the following:

4           “(e) ADVISORY COMMITTEE.—The Board shall take  
5           prompt measures to increase the loan, guarantee, and in-  
6           surance programs, and financial commitments, of the Cor-  
7           poration in sub-Saharan Africa, including through the use  
8           of an advisory committee to assist the Board in developing  
9           and implementing policies, programs, and financial instru-  
10          ments with respect to sub-Saharan Africa. In addition, the  
11          advisory committee shall make recommendations to the  
12          Board on how the Corporation can facilitate greater sup-  
13          port by the United States for trade and investment with  
14          and in sub-Saharan Africa. The advisory committee shall  
15          terminate 4 years after the date of the enactment of this  
16          subsection.”.

17          (2) REPORTS TO THE CONGRESS.—Within 6  
18          months after the date of the enactment of this Act,  
19          and annually for each of the 4 years thereafter, the  
20          Board of Directors of the Overseas Private Invest-  
21          ment Corporation shall submit to the Congress a re-  
22          port on the steps that the Board has taken to imple-  
23          ment section 233(e) of the Foreign Assistance Act  
24          of 1961 (as added by paragraph (1)) and any rec-

1 ommendations of the advisory board established pur-  
2 suant to such section.

3 (b) EXPORT-IMPORT BANK.—

4 (1) ADVISORY COMMITTEE FOR SUB-SAHARAN  
5 AFRICA.—Section 2(b) of the Export-Import Bank  
6 Act of 1945 (12 U.S.C. 635(b)) is amended by in-  
7 serting after paragraph (12) the following:

8 “(13)(A) The Board of Directors of the Bank shall  
9 take prompt measures, consistent with the credit stand-  
10 ards otherwise required by law, to promote the expansion  
11 of the Bank’s financial commitments in sub-Saharan Afri-  
12 ca under the loan, guarantee, and insurance programs of  
13 the Bank.

14 “(B)(i) The Board of Directors shall establish and  
15 use an advisory committee to advise the Board of Direc-  
16 tors on the development and implementation of policies  
17 and programs designed to support the expansion described  
18 in subparagraph (A).

19 “(ii) The advisory committee shall make rec-  
20 ommendations to the Board of Directors on how the Bank  
21 can facilitate greater support by United States commercial  
22 banks for trade with sub-Saharan Africa.

23 “(iii) The advisory committee shall terminate 4 years  
24 after the date of the enactment of this subparagraph.”.

1           (2) REPORTS TO THE CONGRESS.—Within 6  
2 months after the date of the enactment of this Act,  
3 and annually for each of the 4 years thereafter, the  
4 Board of Directors of the Export-Import Bank of  
5 the United States shall submit to the Congress a  
6 report on the steps that the Board has taken to im-  
7 plement section 2(b)(13)(B) of the Export-Import  
8 Bank Act of 1945 (as added by paragraph (1)) and  
9 any recommendations of the advisory committee es-  
10 tablished pursuant to such section.

11 **SEC. 13. ASSISTANT UNITED STATES TRADE REPRESENTA-**  
12 **TIVE FOR SUB-SAHARAN AFRICA.**

13           (a) SENSE OF CONGRESS.—It is the sense of the Con-  
14 gress that the position of Assistant United States Trade  
15 Representative for African Affairs is integral to the  
16 United States commitment to increasing United States—  
17 sub-Saharan African trade and investment.

18           (b) MAINTENANCE OF POSITION.—The President  
19 shall maintain a position of Assistant United States Trade  
20 Representative for African Affairs within the Office of the  
21 United States Trade Representative to direct and coordi-  
22 nate interagency activities on United States-Africa trade  
23 policy and investment matters and serve as—

1           (1) a primary point of contact in the executive  
2           branch for those persons engaged in trade between  
3           the United States and sub-Saharan Africa; and

4           (2) the chief advisor to the United States Trade  
5           Representative on issues of trade with Africa.

6           (c) **FUNDING AND STAFF.**—The President shall en-  
7           sure that the Assistant United States Trade Representa-  
8           tive for African Affairs has adequate funding and staff  
9           to carry out the duties described in subsection (b), subject  
10          to the availability of appropriations.

11 **SEC. 14. EXPANSION OF THE UNITED STATES AND FOREIGN**  
12                           **COMMERCIAL SERVICE IN SUB-SAHARAN**  
13                           **AFRICA.**

14          (a) **FINDINGS.**—The Congress makes the following  
15          findings:

16           (1) The United States and Foreign Commercial  
17           Service (hereafter in this section referred to as the  
18           “Commercial Service”) plays an important role in  
19           helping United States businesses identify export op-  
20           portunities and develop reliable sources of informa-  
21           tion on commercial prospects in foreign countries.

22           (2) During the 1980s, the presence of the Com-  
23           mercial Service in sub-Saharan Africa consisted of  
24           14 professionals providing services in eight coun-

1 tries. By early 1997, that presence had been reduced  
2 by half to seven, in only four countries.

3 (3) Since 1997, the Department of Commerce  
4 has slowly begun to increase the presence of the  
5 Commercial Service in sub-Saharan Africa, adding  
6 five full-time officers to established posts.

7 (4) Although the Commercial Service Officers  
8 in these countries have regional responsibilities, this  
9 kind of coverage does not adequately service the  
10 needs of United States businesses attempting to do  
11 business in sub-Saharan Africa.

12 (5) The Congress has, on several occasions, en-  
13 couraged the Commercial Service to focus its re-  
14 sources and efforts in countries or regions in Europe  
15 or Asia to promote greater United States export ac-  
16 tivity in those markets.

17 (6) Because market information is not widely  
18 available in many sub-Saharan African countries,  
19 the presence of additional Commercial Service Offi-  
20 cers and resources can play a significant role in as-  
21 sisting United States businesses in markets in those  
22 countries.

23 (b) APPOINTMENTS.—Subject to the availability of  
24 appropriations, by not later than December 31, 2000, the  
25 Secretary of Commerce, acting through the Assistant Sec-

1 retary of Commerce and Director General of the United  
2 States and Foreign Commercial Service, shall take steps  
3 to ensure that—

4           (1) at least 20 full-time Commercial Service  
5 employees are stationed in sub-Saharan Africa; and

6           (2) full-time Commercial Service employees are  
7 stationed in not less than ten different sub-Saharan  
8 African countries.

9           (c) COMMERCIAL SERVICE INITIATIVE FOR SUB-SA-  
10 HARAN AFRICA.—In order to encourage the export of  
11 United States goods and services to sub-Saharan African  
12 countries, the Commercial Service shall make a special ef-  
13 fort to—

14           (1) identify United States goods and services  
15 which are not being exported to sub-Saharan African  
16 countries but which are being exported to those  
17 countries by competitor nations;

18           (2) identify, where appropriate, trade barriers  
19 and noncompetitive actions, including violations of  
20 intellectual property rights, that are preventing or  
21 hindering sales of United States goods and services  
22 to, or the operation of United States companies in,  
23 sub-Saharan Africa;

24           (3) present, periodically, a list of the goods and  
25 services identified under paragraph (1), and any

1 trade barriers or noncompetitive actions identified  
2 under paragraph (2), to appropriate authorities in  
3 sub-Saharan African countries with a view to secur-  
4 ing increased market access for United States ex-  
5 porters of goods and services;

6 (4) facilitate the entrance by United States  
7 businesses into the markets identified under para-  
8 graphs (1) and (2); and

9 (5) monitor and evaluate the results of efforts  
10 to increase the sales of goods and services in such  
11 markets.

12 (d) REPORTS TO CONGRESS.—Not later than one  
13 year after the date of the enactment of this Act, and each  
14 year thereafter for five years, the Secretary of Commerce,  
15 in consultation with the Secretary of State, shall report  
16 to the Congress on actions taken to carry out subsections  
17 (b) and (c). Each report shall specify—

18 (1) in what countries full-time Commercial  
19 Service Officers are stationed, and the number of  
20 such officers placed in each such country;

21 (2) the effectiveness of the presence of the addi-  
22 tional Commercial Service Officers in increasing  
23 United States exports to sub-Saharan African coun-  
24 tries; and



1           (3) the specific actions taken by Commercial  
2           Service Officers, both in sub-Saharan African coun-  
3           tries and in the United States, to carry out sub-  
4           section (c), including identifying a list of targeted  
5           export sectors and countries.

6 **SEC. 15. REPORTING REQUIREMENT.**

7           The President shall submit to the Congress, not later  
8           than 1 year after the date of the enactment of this Act,  
9           and not later than the end of each of the next 6 1-year  
10          periods thereafter, a comprehensive report on the trade  
11          and investment policy of the United States for sub-Saha-  
12          ran Africa, and on the implementation of this Act. The  
13          last report required by section 134(b) of the Uruguay  
14          Round Agreements Act (19 U.S.C. 3554(b)) shall be con-  
15          solidated and submitted with the first report required by  
16          this section.

17 **SEC. 16. DONATION OF AIR TRAFFIC CONTROL EQUIPMENT**

18                           **TO ELIGIBLE SUB-SAHARAN AFRICAN COUN-**  
19                           **TRIES.**

20          It is the sense of the Congress that, to the extent  
21          appropriate, the United States Government should make  
22          every effort to donate to governments of sub-Saharan Afri-  
23          can countries (determined to be eligible under section 4  
24          of this Act) air traffic control equipment that is no longer

1 in use, including appropriate related reimbursable tech-  
2 nical assistance.

3 **SEC. 17. SUB-SAHARAN AFRICA DEFINED.**

4 For purposes of this Act, the terms “sub-Saharan Af-  
5 rica”, “sub-Saharan African country”, “country in sub-  
6 Saharan Africa”, and “countries in sub-Saharan Africa”  
7 refer to the following or any successor political entities:

8 Republic of Angola (Angola)

9 Republic of Botswana (Botswana)

10 Republic of Burundi (Burundi)

11 Republic of Cape Verde (Cape Verde)

12 Republic of Chad (Chad)

13 Democratic Republic of Congo

14 Republic of the Congo (Congo)

15 Republic of Djibouti (Djibouti)

16 State of Eritrea (Eritrea)

17 Gabonese Republic (Gabon)

18 Republic of Ghana (Ghana)

19 Republic of Guinea-Bissau (Guinea-Bissau)

20 Kingdom of Lesotho (Lesotho)

21 Republic of Madagascar (Madagascar)

22 Republic of Mali (Mali)

23 Republic of Mauritius (Mauritius)

24 Republic of Namibia (Namibia)

25 Federal Republic of Nigeria (Nigeria)

- 1 Democratic Republic of Sao Tomé and Principe
- 2 (Sao Tomé and Principe)
- 3 Republic of Sierra Leone (Sierra Leone)
- 4 Somalia
- 5 Kingdom of Swaziland (Swaziland)
- 6 Republic of Togo (Togo)
- 7 Republic of Zimbabwe (Zimbabwe)
- 8 Republic of Benin (Benin)
- 9 Burkina Faso (Burkina)
- 10 Republic of Cameroon (Cameroon)
- 11 Central African Republic
- 12 Federal Islamic Republic of the Comoros
- 13 (Comoros)
- 14 Republic of Côte d'Ivoire (Côte d'Ivoire)
- 15 Republic of Equatorial Guinea (Equatorial
- 16 Guinea)
- 17 Ethiopia
- 18 Republic of the Gambia (Gambia)
- 19 Republic of Guinea (Guinea)
- 20 Republic of Kenya (Kenya)
- 21 Republic of Liberia (Liberia)
- 22 Republic of Malawi (Malawi)
- 23 Islamic Republic of Mauritania (Mauritania)
- 24 Republic of Mozambique (Mozambique)
- 25 Republic of Niger (Niger)

- 1 Republic of Rwanda (Rwanda)
- 2 Republic of Senegal (Senegal)
- 3 Republic of Seychelles (Seychelles)
- 4 Republic of South Africa (South Africa)
- 5 Republic of Sudan (Sudan)
- 6 United Republic of Tanzania (Tanzania)
- 7 Republic of Uganda (Uganda)
- 8 Republic of Zambia (Zambia)

