

113TH CONGRESS
1ST SESSION

S. 718

To create jobs in the United States by increasing United States exports to Africa by at least 200 percent in real dollar value within 10 years, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 11, 2013

Mr. DURBIN (for himself, Mr. BOOZMAN, Mr. COONS, Ms. LANDRIEU, and Mr. CARDIN) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To create jobs in the United States by increasing United States exports to Africa by at least 200 percent in real dollar value within 10 years, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Increasing American
5 Jobs Through Greater Exports to Africa Act of 2013”.

6 **SEC. 2. FINDINGS; PURPOSE.**

7 (a) FINDINGS.—Congress makes the following find-
8 ings:

1 (1) Export growth helps United States busi-
2 nesses grow and create American jobs. In 2011,
3 United States exports supported 9,700,000 jobs and
4 97.8 percent of United States exports came from
5 small- and medium-sized businesses in 2010.

6 (2) The more than 20 Federal agencies that are
7 involved in export promotion and financing are not
8 sufficiently coordinated to adequately expand United
9 States commercial exports to Africa.

10 (3) The President has taken steps to improve
11 how the United States Government supports Amer-
12 ican businesses by mandating an executive review
13 across agencies and a new Doing Business in Africa
14 initiative, but a substantially greater high-level focus
15 on Africa is needed.

16 (4) Many other countries have trade promotion
17 programs that aggressively compete against United
18 States exports in Africa and around the world. For
19 example, in 2010, medium- and long-term official ex-
20 port credit general volumes from the Group of 7
21 countries (Canada, France, Germany, Italy, Japan,
22 the United Kingdom, and the United States) totaled
23 \$65,400,000,000. Germany provided the largest level
24 of support at \$22,500,000,000, followed by France
25 at \$17,400,000,000 and the United States at

1 \$13,000,000,000. Official export credit support by
2 emerging market economies such as Brazil, China,
3 and India are significant as well.

4 (5) Between 2008 and 2010, China alone pro-
5 vided more than \$110,000,000,000 in loans to the
6 developing world, and, in 2009, China surpassed the
7 United States as the leading trade partner of Afri-
8 can countries. In the last 10 years, African trade
9 with China has increased from \$11,000,000,000 to
10 \$166,000,000,000.

11 (6) The Export-Import Bank of the United
12 States substantially increased lending to United
13 States businesses focused on Africa from
14 \$400,000,000 in 2009 to \$1,400,000,000 in 2011,
15 but the Export-Import Bank of China dwarfed this
16 effort with an estimated \$12,000,000,000 worth of
17 financing. Overall, China is outpacing the United
18 States in selling goods to Africa at a rate of 3 to
19 1.

20 (7) Other countries such as India, Turkey, Rus-
21 sia, and Brazil are also aggressively seeking markets
22 in Africa using their national export banks to pro-
23 vide concessional assistance.

24 (8) The Chinese practice of concessional financ-
25 ing runs contrary to the principles of the Organiza-

1 tion of Economic Co-operation and Development re-
2 lated to open market rates, undermines naturally
3 competitive rates, and can allow governments in Af-
4 rica to overlook the troubling record on labor prac-
5 tices, human rights, and environmental impact.

6 (9) As stated in a recent report entitled “Em-
7 bracing Africa’s Economic Potential” by Senator
8 Chris Coons, “Economic growth in Africa has risen
9 dramatically, but the continent’s vast economic po-
10 tential has not yet been fully realized by the U.S.
11 Government or the American private sector.”.

12 (10) The African continent is undergoing a pe-
13 riod of rapid growth and middle class development,
14 as seen from major indicators such as Internet use,
15 clean water access, and real income growth. In the
16 last decade alone, the percentage of the population
17 with access to the Internet has doubled. Seventy-
18 eight percent of Africa’s rural population now has
19 access to clean water. Over the past 10 years, real
20 income per person in Africa has grown by more than
21 30 percent.

22 (11) Economists have designated Africa as the
23 “next frontier market”, with profitability of many
24 African firms and growth rates of African countries
25 exceeding global averages in recent years. Countries

1 in Africa have a collective spending power of almost
2 \$9,000,000,000 and a gross domestic product of
3 \$1,600,000,000,000, which are projected to double
4 in the next 10 years.

5 (12) In the past 10 years, Africa has been
6 home to 6 of the 10 fastest growing economies in
7 the world. Sub-Saharan Africa is projected to have
8 the fastest growing economies in the world over the
9 next 10 years, with 7 of the 10 fastest growing
10 economies located in sub-Saharan Africa.

11 (13) When countries such as China assist with
12 large-scale government projects, they also gain an
13 upper hand in relations with African leaders and ac-
14 cess to valuable commodities such as oil and copper,
15 typically without regard to environmental, human
16 rights, labor, or governance standards.

17 (14) Unless the United States can offer com-
18 petitive financing for its firms in Africa, it will be
19 deprived of opportunities to participate in African
20 efforts to close the continent's significant infrastruc-
21 ture gap that amounts to an estimated
22 \$100,000,000,000.

23 (b) PURPOSE.—The purpose of this Act is to create
24 jobs in the United States by expanding programs that will

1 result in increasing United States exports to Africa by 200
2 percent in real dollar value within 10 years.

3 **SEC. 3. DEFINITIONS.**

4 In this Act:

5 (1) AFRICA.—The term “Africa” refers to the
6 entire continent of Africa and its 54 countries, in-
7 cluding the Republic of South Sudan.

8 (2) AFRICAN DIASPORA.—The term “African
9 diaspora” means the people of African origin living
10 in the United States, irrespective of their citizenship
11 and nationality, who are willing to contribute to the
12 development of Africa.

13 (3) AGOA.—The term “AGOA” means the Af-
14 rican Growth and Opportunity Act (19 U.S.C. 3701
15 et seq.).

16 (4) APPROPRIATE CONGRESSIONAL COMMIT-
17 TEES.—The term “appropriate congressional com-
18 mittees” means—

19 (A) the Committee on Appropriations, the
20 Committee on Banking, Housing, and Urban
21 Affairs, the Committee on Foreign Relations,
22 and the Committee on Finance of the Senate;
23 and

24 (B) the Committee on Appropriations, the
25 Committee on Energy and Commerce, the Com-

1 mittee on Financial Services, the Committee on
2 Foreign Affairs, and the Committee on Ways
3 and Means of the House of Representatives.

4 (5) DEVELOPMENT AGENCIES.—The term “de-
5 velopment agencies” includes the Department of
6 State, the United States Agency for International
7 Development (USAID), the Millennium Challenge
8 Corporation (MCC), the Overseas Private Invest-
9 ment Corporation (OPIC), the United States Trade
10 and Development Agency (USTDA), the United
11 States Department of Agriculture (USDA), and rel-
12 evant multilateral development banks.

13 (6) TRADE POLICY STAFF COMMITTEE.—The
14 term “Trade Policy Staff Committee” means the
15 Trade Policy Staff Committee established pursuant
16 to section 2002.2 of title 15, Code of Federal Regu-
17 lations, and is composed of representatives of Fed-
18 eral agencies in charge of developing and coordi-
19 nating United States positions on international trade
20 and trade-related investment issues.

21 (7) MULTILATERAL DEVELOPMENT BANKS.—
22 The term “multilateral development banks” has the
23 meaning given that term in section 1701(c)(4) of the
24 International Financial Institutions Act (22 U.S.C.

1 262r(c)(4)) and includes the African Development
2 Foundation.

3 (8) SUB-SAHARAN REGION.—The term “sub-Sa-
4 haran region” refers to the 49 countries listed in
5 section 107 of the African Growth and Opportunity
6 Act (19 U.S.C. 3706) and includes the Republic of
7 South Sudan.

8 (9) TRADE PROMOTION COORDINATING COM-
9 MITTEE.—The term “Trade Promotion Coordinating
10 Committee” means the Trade Promotion Coordi-
11 nating Committee established by Executive Order
12 12870 (58 Fed. Reg. 51753).

13 (10) UNITED STATES AND FOREIGN COMMER-
14 CIAL SERVICE.—The term “United States and For-
15 eign Commercial Service” means the United States
16 and Foreign Commercial Service established by sec-
17 tion 2301 of the Export Enhancement Act of 1988
18 (15 U.S.C. 4721).

19 **SEC. 4. STRATEGY.**

20 (a) IN GENERAL.—Not later than 180 days after the
21 date of the enactment of this Act, the President shall es-
22 tablish a comprehensive United States strategy for public
23 and private investment, trade, and development in Africa.

24 (b) FOCUS OF STRATEGY.—The strategy required by
25 subsection (a) shall focus on—

1 (1) increasing exports of United States goods
2 and services to Africa by 200 percent in real dollar
3 value within 10 years from the date of the enact-
4 ment of this Act;

5 (2) promoting the alignment of United States
6 commercial interests with development priorities in
7 Africa;

8 (3) developing relationships between the govern-
9 ments of countries in Africa and United States busi-
10 nesses that have an expertise in such issues as infra-
11 structure development, technology, telecommuni-
12 cations, energy, and agriculture;

13 (4) improving the competitiveness of United
14 States businesses in Africa, including the role the
15 African diaspora can play in enhancing such com-
16 petitiveness;

17 (5) exploring ways that African diaspora remit-
18 tances can help communities in Africa tackle eco-
19 nomic, development, and infrastructure financing
20 needs;

21 (6) promoting economic integration in Africa
22 through working with the subregional economic com-
23 munities, supporting efforts for deeper integration
24 through the development of customs unions within
25 western and central Africa and within eastern and

1 southern Africa, eliminating time-consuming border
2 formalities into and within these areas, and sup-
3 porting regionally based infrastructure projects;

4 (7) encouraging a greater understanding among
5 United States business and financial communities of
6 the opportunities Africa holds for United States ex-
7 ports;

8 (8) fostering partnership opportunities between
9 United States and African small- and medium-sized
10 enterprises; and

11 (9) monitoring—

12 (A) market loan rates and the availability
13 of capital for United States business investment
14 in Africa;

15 (B) loan rates offered by the governments
16 of other countries for investment in Africa; and

17 (C) the policies of other countries with re-
18 spect to export financing for investment in Afri-
19 ca that are predatory or distort markets.

20 (e) CONSULTATIONS.—In developing the strategy re-
21 quired by subsection (a), the President shall consult
22 with—

23 (1) Congress;

24 (2) each agency that is a member of the Trade
25 Promotion Coordinating Committee;

1 (3) the relevant multilateral development banks,
2 in coordination with the Secretary of the Treasury
3 and the respective United States Executive Directors
4 of such banks;

5 (4) each agency that participates in the Trade
6 Policy Staff Committee;

7 (5) the President’s National Export Council;

8 (6) each of the development agencies;

9 (7) any other Federal agencies with responsi-
10 bility for export promotion or financing and develop-
11 ment; and

12 (8) the private sector, including businesses,
13 nongovernmental organizations, and African dias-
14 pora groups.

15 (d) SUBMISSION TO CONGRESS.—

16 (1) STRATEGY.—Not later than 180 days after
17 the date of the enactment of this Act, the President
18 shall submit to Congress the strategy required by
19 subsection (a).

20 (2) PROGRESS REPORT.—Not later than 3
21 years after the date of the enactment of this Act, the
22 President shall submit to Congress a report on the
23 implementation of the strategy required by sub-
24 section (a).

1 (3) CONTENT OF REPORT.—The report re-
2 quired by paragraph (2) shall include an assessment
3 of the extent to which the strategy required by sub-
4 section (a)—

5 (A) has been successful in developing crit-
6 ical analyses of policies to increase exports to
7 Africa;

8 (B) has been successful in increasing the
9 competitiveness of United States businesses in
10 Africa;

11 (C) has been successful in creating jobs in
12 the United States, including the nature and
13 sustainability of such jobs;

14 (D) has provided sufficient United States
15 Government support to meet third country com-
16 petition in the region;

17 (E) has been successful in helping the Af-
18 rican diaspora in the United States participate
19 in economic growth in Africa;

20 (F) has been successful in promoting eco-
21 nomic integration in Africa; and

22 (G) has made a meaningful contribution to
23 the transformation of Africa and its full inte-
24 gration into the 21st century world economy,
25 not only as a supplier of primary products but

1 also as full participant in international supply
2 and distribution chains and as a consumer of
3 international goods and services.

4 **SEC. 5. SPECIAL AFRICA STRATEGY COORDINATOR.**

5 The President shall designate an individual to serve
6 as Special Africa Export Strategy Coordinator—

7 (1) to oversee the development and implementa-
8 tion of the strategy required by section 4; and

9 (2) to coordinate with the Trade Promotion Co-
10 ordinating Committee, (the interagency AGOA com-
11 mittees), and development agencies with respect to
12 developing and implementing the strategy.

13 **SEC. 6. TRADE MISSION TO AFRICA.**

14 It is the sense of Congress that, not later than 1 year
15 after the date of the enactment of this Act, the Secretary
16 of Commerce and other high-level officials of the United
17 States Government with responsibility for export pro-
18 motion, financing, and development should conduct a joint
19 trade mission to Africa.

20 **SEC. 7. PERSONNEL.**

21 (a) UNITED STATES AND FOREIGN COMMERCIAL
22 SERVICE.—

23 (1) IN GENERAL.—The Secretary of Commerce
24 shall ensure that not less than 10 total United
25 States and Foreign Commercial Service officers are

1 assigned to Africa for each of the first 5 fiscal years
2 beginning after the date of the enactment of this
3 Act.

4 (2) ASSIGNMENT.—The Secretary shall, in con-
5 sultation with the Trade Promotion Coordinating
6 Committee and the Special Africa Export Strategy
7 Coordinator, assign the United States and Foreign
8 Commercial Service officers described in paragraph
9 (1) to United States embassies in Africa after con-
10 ducting a timely resource allocation analysis that
11 represents a forward-looking assessment of future
12 United States trade opportunities in Africa.

13 (3) MULTILATERAL DEVELOPMENT BANKS.—

14 (A) IN GENERAL.—As soon as practicable
15 after the date of the enactment of this Act, the
16 Secretary of Commerce shall, using existing
17 staff, assign not less than 1 full-time United
18 States and Foreign Commercial Service officer
19 to the office of the United States Executive Di-
20 rector at the World Bank and the African De-
21 velopment Bank.

22 (B) RESPONSIBILITIES.—Each United
23 States and Foreign Commercial Service officer
24 assigned under subparagraph (A) shall be re-
25 sponsible for—

1 (i) increasing the access of United
2 States businesses to procurement contracts
3 with the multilateral development bank to
4 which the officer is assigned; and

5 (ii) facilitating the access of United
6 States businesses to risk insurance, equity
7 investments, consulting services, and lend-
8 ing provided by that bank.

9 (b) EXPORT-IMPORT BANK OF THE UNITED
10 STATES.—Of the amounts collected by the Export-Import
11 Bank that remain after paying the expenses the Bank is
12 authorized to pay from such amounts for administrative
13 expenses, the Bank shall use sufficient funds to do the
14 following:

15 (1) Increase the number of staff dedicated to
16 expanding business development for Africa, including
17 increasing the number of business development trips
18 the Bank conducts to Africa and the amount of time
19 staff spends in Africa to meet the goals set forth in
20 section 9 and paragraph (4) of section 6(a) of the
21 Export-Import Bank of 1945, as added by section
22 9(a)(2).

23 (2) Maintain an appropriate number of employ-
24 ees of the Bank assigned to United States field of-
25 fices of the Bank to be distributed as geographically

1 appropriate through the United States. Such offices
2 shall coordinate with the related export efforts un-
3 dertaken by the Small Business Administration re-
4 gional field offices.

5 (3) Upgrade the Bank's equipment and soft-
6 ware to more expeditiously, effectively, and effi-
7 ciently process and track applications for financing
8 received by the Bank.

9 (c) OVERSEAS PRIVATE INVESTMENT CORPORA-
10 TION.—

11 (1) STAFFING.—Of the net offsetting collections
12 collected by the Overseas Private Investment Cor-
13 poration used for administrative expenses, the Cor-
14 poration shall use sufficient funds to increase by not
15 more than 5 the staff needed to promote stable and
16 sustainable economic growth and development in Af-
17 rica, to strengthen and expand the private sector in
18 Africa, and to facilitate the general economic devel-
19 opment of Africa, with a particular focus on helping
20 United States businesses expand into African mar-
21 kets.

22 (2) REPORT.—The Corporation shall report to
23 the appropriate congressional committees on whether
24 recent technology upgrades have resulted in more ef-

1 fective and efficient processing and tracking of appli-
2 cations for financing received by the Corporation.

3 (3) CERTAIN COSTS NOT CONSIDERED ADMINIS-
4 TRATIVE EXPENSES.—For purposes of this sub-
5 section, systems infrastructure costs associated with
6 activities authorized by title IV of chapter 2 of part
7 I of the Foreign Assistance Act of 1961 (22 U.S.C.
8 231 et seq.) shall not be considered administrative
9 expenses.

10 (d) RULE OF CONSTRUCTION.—Nothing in this sec-
11 tion shall be construed as permitting the reduction of De-
12 partment of Commerce, Department of State, Export-Im-
13 port Bank, or Overseas Private Investment Corporation
14 personnel or the alteration of planned personnel increases
15 in other regions, except where a personnel decrease was
16 previously anticipated or where decreased export opportu-
17 nities justify personnel reductions.

18 **SEC. 8. TRAINING.**

19 The President shall develop a plan—

20 (1) to standardize the training received by
21 United States and Foreign Commercial Service offi-
22 cers, economic officers of the Department of State,
23 and economic officers of the United States Agency
24 for International Development with respect to the
25 programs and procedures of the Export-Import

1 Bank of the United States, the Overseas Private In-
2 vestment Corporation, the Small Business Adminis-
3 tration, and the United States Trade and Develop-
4 ment Agency; and

5 (2) to ensure that, not later than 1 year after
6 the date of the enactment of this Act—

7 (A) all United States and Foreign Com-
8 mercial Service officers that are stationed over-
9 seas receive the training described in paragraph
10 (1); and

11 (B) in the case of a country to which no
12 United States and Foreign Commercial Service
13 officer is assigned, any economic officer of the
14 Department of State stationed in that country
15 shall receive that training.

16 **SEC. 9. EXPORT-IMPORT BANK FINANCING.**

17 (a) FINANCING FOR PROJECTS IN AFRICA.—

18 (1) SENSE OF CONGRESS.—It is the sense of
19 Congress that foreign export credit agencies are pro-
20 viding non-OECD arrangement compliant financing
21 in Africa, which is trade distorting and threatens
22 United States jobs.

23 (2) IN GENERAL.—Section 6(a) of the Export-
24 Import Bank Act of 1945 (12 U.S.C. 635e(a)) is
25 amended by adding at the end the following:

1 “(4) PERCENT OF FINANCING TO BE USED FOR
2 PROJECTS IN AFRICA.—The Bank shall, to the ex-
3 tent that there are acceptable final applications, in-
4 crease the amount it finances to Africa over the
5 prior year’s financing for each of the first five fiscal
6 years beginning after the date of the enactment of
7 the Increasing American Jobs Through Greater Ex-
8 ports to Africa Act of 2013.”.

9 (3) REPORT.—Not later than 1 year after the
10 date of the enactment of this Act, and annually
11 thereafter for 5 years, the Export-Import Bank shall
12 report to the Committee on Banking, Housing, and
13 Urban Affairs, the Committee on Foreign Relations,
14 and the Committee on Appropriations of the Senate
15 and the Committee on Financial Services, the Com-
16 mittee on Foreign Affairs, and the Committee on
17 Appropriations of the House of Representatives if
18 the Bank has not used at least 10 percent of its
19 lending capabilities for projects in Africa as de-
20 scribed in paragraph (4) of section 6(a) of the Ex-
21 port-Import Bank of 1945, as added by paragraph
22 (2). The report shall include the reasons why the
23 Bank failed to reach this goal and a description of
24 all final applications for projects in Africa that were
25 deemed unworthy of Bank support.

1 (b) AVAILABILITY OF PORTION OF CAPITALIZATION
2 TO COMPETE AGAINST FOREIGN CONCESSIONAL
3 LOANS.—

4 (1) IN GENERAL.—The Bank shall make avail-
5 able annually such amounts as are necessary for
6 loans that counter trade distorting non-OECD ar-
7 rangement compliant financing or preferential, tied
8 aid, or other related non-market loans offered by
9 other nations for which United States companies are
10 also competing or interested in competing.

11 (2) REPORT.—Not later than 1 year after the
12 date of the enactment of this Act, and annually
13 thereafter for 5 years, the Export-Import Bank shall
14 submit to the Committee on Banking, Housing, and
15 Urban Affairs, the Committee on Foreign Relations,
16 and the Committee on Appropriations of the Senate
17 and the Committee on Financial Services, the Com-
18 mittee on Foreign Affairs, and the Committee on
19 Appropriations of the House of Representatives a re-
20 port on all loans made or rejected that were consid-
21 ered to counter non-OECD arrangement compliant
22 financing offered by other nations to its firms. The
23 report shall not disclose any information that is con-
24 fidential or business proprietary, or that would vio-
25 late section 1905 of title 18, United States Code

1 (commonly referred to as the “Trade Secrets Act”).
2 The report shall include a description of trade dis-
3 torting non-OECD arrangement compliant financing
4 loans made by other countries during that fiscal year
5 to firms that competed against the United States
6 firms.

7 **SEC. 10. SMALL BUSINESS ADMINISTRATION.**

8 Section 22(b) of the Small Business Act (15 U.S.C.
9 649(b)) is amended—

10 (1) in the matter preceding paragraph (1), by
11 inserting “the Trade Promotion Coordinating Com-
12 mittee,” after “Director of the United States Trade
13 and Development Agency,”; and

14 (2) in paragraph (3), by inserting “regional of-
15 fices of the Export-Import Bank,” after “Retired
16 Executives,”.

17 **SEC. 11. BILATERAL, SUBREGIONAL AND REGIONAL, AND**
18 **MULTILATERAL AGREEMENTS.**

19 Where applicable, the President shall explore oppor-
20 tunities to negotiate bilateral, subregional, and regional
21 agreements that encourage trade and eliminate nontariff
22 barriers to trade between countries, such as negotiating
23 investor friendly double-taxation treaties and investment
24 promotion agreements. United States negotiators in multi-
25 lateral forum should take into account the objectives of

1 this Act. To the extent any such agreements exist between
2 the United States and an African country, the President
3 shall ensure that the agreement is being implemented in
4 a manner that maximizes the positive effects for United
5 States trade, export, and labor interests as well as the eco-
6 nomic development of the countries in Africa.

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