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108TH CONGRESS
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H. R. 4103

[Report No. 108–501]

To extend and modify the trade benefits under the African Growth and Opportunity Act.

IN THE HOUSE OF REPRESENTATIVES

APRIL 1, 2004

Mr. THOMAS (for himself, Mr. McDERMOTT, Mr. CRANE, Mr. RANGEL, Mr. ROYCE, Mr. HOUGHTON, Mr. NEAL of Massachusetts, Ms. DUNN, Mr. JEFFERSON, Mr. WELLER, Mr. BRADY of Texas, and Mr. PAYNE) introduced the following bill; which was referred to the Committee on Ways and Means

MAY 19, 2004

Additional sponsors: Mr. LEVIN, Mr. BLUMENAUER, Ms. JACKSON-LEE of Texas, Mr. McNULTY, Mr. BELL, Mr. SHAW, Mr. RAMSTAD, Mr. ENGLISH, Mr. HULSHOF, Mr. McINNIS, Mr. McCRERY, Mr. LEWIS of Kentucky, Mr. WEINER, and Mr. OWENS

MAY 19, 2004

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italie*]

[For text of introduced bill, see copy of bill as introduced on April 1, 2004]

A BILL

To extend and modify the trade benefits under the African Growth and Opportunity Act.

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 “AGOA Acceleration Act*
5 *of 2004”.*

6 **SEC. 2. FINDINGS.**

7 *The Congress finds the following:*

8 *(1) The African Growth and Opportunity Act*
9 *(in this section and section 3 referred to as “the Act”)*
10 *has helped to spur economic growth and bolster eco-*
11 *nomic reforms in the countries of sub-Saharan Africa*
12 *and has fostered stronger economic ties between the*
13 *countries of sub-Saharan Africa and the United*
14 *States; as a result, exports from the United States to*
15 *sub-Saharan Africa reached record levels after the en-*
16 *actment of the Act, while exports from sub-Saharan*
17 *Africa to the United States have increased consider-*
18 *ably.*

19 *(2) The Act’s eligibility requirements have rein-*
20 *forced democratic values and the rule of law, and*
21 *have strengthened adherence to internationally recog-*
22 *nized worker rights in eligible sub-Saharan African*
23 *countries.*

24 *(3) The Act has helped to bring about substantial*
25 *increases in foreign investment in sub-Saharan Afri-*

1 *ca, especially in the textile and apparel sectors, where*
2 *tens of thousands of new jobs have been created.*

3 *(4) As a result of the Agreement on Textiles and*
4 *Apparel of the World Trade Organization, under*
5 *which quotas maintained by WTO member countries*
6 *on textile and apparel products end on January 1,*
7 *2005, sub-Saharan Africa's textile and apparel indus-*
8 *try will be severely challenged by countries whose in-*
9 *dustries are more developed and have greater capac-*
10 *ity, economies of scale, and better infrastructure.*

11 *(5) The underdeveloped physical and financial*
12 *infrastructure in sub-Saharan Africa continues to*
13 *discourage investment in the region.*

14 *(6) Regional integration establishes a foundation*
15 *on which sub-Saharan African countries can coordi-*
16 *nate and pursue policies grounded in African inter-*
17 *ests and history to achieve sustainable development.*

18 *(7) Expanded trade because of the Act has im-*
19 *proved fundamental economic conditions within sub-*
20 *Saharan Africa. The Act has helped to create jobs in*
21 *the poorest region of the world, and most sub-Saharan*
22 *African countries have sought to take advantage of the*
23 *opportunities provided by the Act.*

24 *(8) Agricultural biotechnology holds promise for*
25 *helping solve global food security and human health*

1 *crises in Africa and, according to recent studies, has*
2 *made contributions to the protection of the environ-*
3 *ment by reducing the application of pesticides, reduc-*
4 *ing soil erosion, and creating an environment more*
5 *hospitable to wildlife.*

6 (9) (A) *One of the greatest challenges facing Afri-*
7 *can countries continues to be the HIV/AIDS epidemic,*
8 *which has infected as many as one out of every four*
9 *people in some countries, creating tremendous social,*
10 *political, and economic costs. African countries need*
11 *continued United States financial and technical as-*
12 *sistance to combat this epidemic.*

13 (B) *More awareness and involvement by govern-*
14 *ments are necessary. Countries like Uganda, recog-*
15 *nizing the threat of HIV/AIDS, have boldly attacked*
16 *it through a combination of education, public aware-*
17 *ness, enhanced medical infrastructure and resources,*
18 *and greater access to medical treatment. An effective*
19 *HIV/AIDS prevention and treatment strategy in-*
20 *volves all of these steps.*

21 (10) *African countries continue to need trade ca-*
22 *pacitv assistance to establish viable economic capac-*
23 *ity, a well-grounded rule of law, and efficient govern-*
24 *ment practices.*

1 **SEC. 3. STATEMENT OF POLICY.**

2 *The Congress supports—*

3 *(1) a continued commitment to increase trade*
4 *between the United States and sub-Saharan Africa*
5 *and increase investment in sub-Saharan Africa to the*
6 *benefit of workers, businesses, and farmers in the*
7 *United States and in sub-Saharan Africa, including*
8 *by developing innovative approaches to encourage de-*
9 *velopment and investment in sub-Saharan Africa;*

10 *(2) a reduction of tariff and nontariff barriers*
11 *and other obstacles to trade between the countries of*
12 *sub-Saharan Africa and the United States, with par-*
13 *ticular emphasis on reducing barriers to trade in*
14 *emerging sectors of the economy that have the greatest*
15 *potential for development;*

16 *(3) development of sub-Saharan Africa's physical*
17 *and financial infrastructure;*

18 *(4) international efforts to fight HIV/AIDS, ma-*
19 *laria, tuberculosis, other infectious diseases, and seri-*
20 *ous public health problems;*

21 *(5) many of the aims of the New Partnership for*
22 *African Development (NEPAD), which include—*

23 *(A) reducing poverty and increasing eco-*
24 *nomic growth;*

25 *(B) promoting peace, democracy, security,*
26 *and human rights;*

1 (C) promoting African integration by deep-
2 ening linkages between African countries and by
3 accelerating Africa's economic and political inte-
4 gration into the rest of the world;

5 (D) attracting investment, debt relief, and
6 development assistance;

7 (E) promoting trade and economic diver-
8 sification;

9 (F) broadening global market access for
10 United States and African exports;

11 (G) improving transparency, good govern-
12 ance, and political accountability;

13 (H) expanding access to social services, edu-
14 cation, and health services with a high priority
15 given to addressing HIV/AIDS, malaria, tuber-
16 culosis, other infectious diseases, and other public
17 health problems;

18 (I) promoting the role of women in social
19 and economic development by reinforcing edu-
20 cation and training and by assuring their par-
21 ticipation in political and economic arenas; and

22 (J) building the capacity of governments in
23 sub-Saharan Africa to set and enforce a legal
24 framework, as well as to enforce the rule of law;

1 (6) *negotiation of reciprocal trade agreements be-*
2 *tween the United States and sub-Saharan African*
3 *countries, with the overall goal of expanding trade*
4 *across all of sub-Saharan Africa;*

5 (7) *the President seeking to negotiate, with inter-*
6 *ested eligible sub-Saharan African countries, bilateral*
7 *trade agreements that provide investment opportuni-*
8 *ties, in accordance with section 2102(b)(3) of the*
9 *Trade Act of 2002 (19 U.S.C. 3802(b)(3));*

10 (8) *efforts by the President to negotiate with the*
11 *member countries of the Southern African Customs*
12 *Union in order to provide the opportunity to deepen*
13 *and make permanent the benefits of the Act while giv-*
14 *ing the United States access to the markets of these*
15 *African countries for United States goods and serv-*
16 *ices, by reducing tariffs and non-tariff barriers,*
17 *strengthening intellectual property protection, im-*
18 *proving transparency, establishing general dispute*
19 *settlement mechanisms, and investor-state and state-*
20 *to-state dispute settlement mechanisms in investment;*

21 (9) *a comprehensive and ambitious trade agree-*
22 *ment with the Southern African Customs Union, cov-*
23 *ering all products and sectors, in order to mature the*
24 *economic relationship between sub-Saharan African*
25 *countries and the United States and because such an*

1 *agreement would deepen United States economic and*
 2 *political ties to the region, lend momentum to United*
 3 *States development efforts, encourage greater United*
 4 *States investment, and promote regional integration*
 5 *and economic growth;*

6 *(10) regional integration among sub-Saharan*
 7 *African countries and business partnerships between*
 8 *United States and African firms; and*

9 *(11) economic diversification in sub-Saharan Af-*
 10 *rican countries and expansion of trade beyond textiles*
 11 *and apparel.*

12 **SEC. 4. SENSE OF CONGRESS ON RECIPROCITY AND RE-**
 13 **GIONAL ECONOMIC INTEGRATION.**

14 *It is the sense of the Congress that—*

15 *(1) the preferential market access opportunities*
 16 *for eligible sub-Saharan African countries will be*
 17 *complemented and enhanced if those countries are im-*
 18 *plementing actively and fully, consistent with any re-*
 19 *maining applicable phase-in periods, their obligations*
 20 *under the World Trade Organization, including obli-*
 21 *gations under the Agreement on Trade-Related As-*
 22 *pects of Intellectual Property, the Agreement on the*
 23 *Application of Sanitary and Phytosanitary Measures,*
 24 *and the Agreement on Trade-Related Investment*
 25 *Measures, as well as the other agreements described in*

1 *section 101(d) of the Uruguay Round Agreements Act*
 2 *(19 U.S.C. 3511(d));*

3 *(2) eligible sub-Saharan African countries should*
 4 *participate in and support mutual trade liberaliza-*
 5 *tion in ongoing negotiations under the auspices of the*
 6 *World Trade Organization, including by making re-*
 7 *ciprocal commitments with respect to improving mar-*
 8 *ket access for industrial and agricultural goods, and*
 9 *for services, recognizing that such commitments may*
 10 *need to reflect special and differential treatment for*
 11 *developing countries;*

12 *(3) some of the most pernicious trade barriers*
 13 *against exports by developing countries are the trade*
 14 *barriers maintained by other developing countries;*
 15 *therefore, eligible sub-Saharan African countries will*
 16 *benefit from the reduction of trade barriers in other*
 17 *developing countries, especially in developing coun-*
 18 *tries that represent some of the greatest potential*
 19 *markets for African goods and services; and*

20 *(4) all countries should make sanitary and*
 21 *phytosanitary decisions on the basis of sound science.*

22 **SEC. 5. SENSE OF CONGRESS ON INTERPRETATION OF TEX-**
 23 **TILE AND APPAREL PROVISIONS OF AGOA.**

24 *It is the sense of the Congress that the executive branch,*
 25 *particularly the Committee for the Implementation of Tex-*

1 *tile Agreements (CITA), the Bureau of Customs and Border*
 2 *Protection of the Department of Homeland Security, and*
 3 *the Department of Commerce, should interpret, implement,*
 4 *and enforce the provisions of section 112 of the African*
 5 *Growth and Opportunity Act, relating to preferential treat-*
 6 *ment of textile and apparel articles, broadly in order to*
 7 *expand trade by maximizing opportunities for imports of*
 8 *such articles from eligible sub-Saharan African countries.*

9 **SEC. 6. DEFINITION.**

10 *In this Act, the term “eligible sub-Saharan African*
 11 *country” means an eligible sub-Saharan African country*
 12 *under the African Growth and Opportunity Act.*

13 **SEC. 7. EXTENSION OF AFRICAN GROWTH AND OPPOR-**
 14 **TUNITY ACT.**

15 *(a) GENERALIZED SYSTEM OF PREFERENCES.—*

16 *(1) EXTENSION OF PROGRAM.—Section 506B of*
 17 *the Trade Act of 1974 (19 U.S.C. 2466b) is amended*
 18 *by striking “2008” and inserting “2015”.*

19 *(2) INPUTS FROM FORMER BENEFICIARY COUN-*
 20 *TRIES.—Section 506A of the Trade Act of 1974 (19*
 21 *U.S.C. 2466a) is amended—*

22 *(A) in subsection (b)(2)(B), by inserting “or*
 23 *former beneficiary sub-Saharan African coun-*
 24 *tries” after “countries”; and*

25 *(B) in subsection (c)—*

1 (i) by striking “title, the terms” and
2 inserting “title—
3 “(1) the terms”; and

4 (ii) by adding at the end the following:
5 “(2) the term ‘former beneficiary sub-Saharan
6 African country’ means a country that, after being
7 designated as a beneficiary sub-Saharan African
8 country under the African Growth and Opportunity
9 Act, ceased to be designated as such a country by rea-
10 son of its entering into a free trade agreement with
11 the United States.”.

12 (b) APPAREL ARTICLES.—(1) Section 112(b)(1) of the
13 African Growth and Opportunity Act (19 U.S.C.
14 3721(b)(1)) is amended by striking “(including” and in-
15 serting “or both (including”.

16 (2) Section 112(b)(3) of the African Growth and Op-
17 portunity Act (19 U.S.C. 3721 (b)(3)) is amended—

18 (A) in the matter preceding subparagraph (A)—

19 (i) by striking “either in the United States
20 or one or more beneficiary sub-Saharan African
21 countries” each place it appears and inserting
22 “in the United States or one or more beneficiary
23 sub-Saharan African countries or former bene-
24 ficiary sub-Saharan African countries, or both”;
25 and

1 (ii) by striking “subject to the following:”
2 and inserting “whether or not the apparel arti-
3 cles are also made from any of the fabrics, fabric
4 components formed, or components knit-to-shape
5 described in paragraph (1) or (2) (unless the ap-
6 parel articles are made exclusively from any of
7 the fabrics, fabric components formed, or compo-
8 nents knit-to-shape described in paragraph (1)
9 or (2)), subject to the following:”; and
10 (B) by striking subparagraphs (A) and (B) and
11 inserting the following:

12 “(A) LIMITATIONS ON BENEFITS.—

13 “(i) IN GENERAL.—Preferential treat-
14 ment under this paragraph shall be ex-
15 tended in the 1-year period beginning Octo-
16 ber 1, 2003, and in each of the 11 suc-
17 ceeding 1-year periods, to imports of ap-
18 parel articles in an amount not to exceed
19 the applicable percentage of the aggregate
20 square meter equivalents of all apparel arti-
21 cles imported into the United States in the
22 preceding 12-month period for which data
23 are available.

1 “(ii) *APPLICABLE PERCENTAGE.*—For
2 purposes of this subparagraph, the term
3 ‘applicable percentage’ means—

4 “(I) 4.747 percent for the 1-year
5 period beginning October 1, 2003, in-
6 creased in each of the 5 succeeding 1-
7 year periods by equal increments, so
8 that for the 1-year period beginning
9 October 1, 2007, the applicable per-
10 centage does not exceed 7 percent; and

11 “(II) for each succeeding 1-year
12 period until September 30, 2015, not
13 to exceed 7 percent.

14 “(B) *SPECIAL RULE FOR LESSER DEVEL-*
15 *OPED COUNTRIES.*—

16 “(i) *IN GENERAL.*—Preferential treat-
17 ment under this paragraph shall be ex-
18 tended though September 30, 2007, for ap-
19 parel articles wholly assembled, or knit-to-
20 shape and wholly assembled, or both, in one
21 or more lesser developed beneficiary sub-Sa-
22 haran African countries, regardless of the
23 country of origin of the fabric or the yarn
24 used to make such articles, in an amount
25 not to exceed the applicable percentage of

1 *the aggregate square meter equivalents of all*
 2 *apparel articles imported into the United*
 3 *States in the preceding 12-month period for*
 4 *which data are available.*

5 “(ii) *APPLICABLE PERCENTAGE.—For*
 6 *purposes of the subparagraph, the term ‘ap-*
 7 *plicable percentage’ means—*

8 “(I) *2.3571 percent for the 1-year*
 9 *period beginning October 1, 2003;*

10 “(II) *2.6428 percent for the 1-year*
 11 *period beginning October 1, 2004;*

12 “(III) *2.9285 percent for the 1-*
 13 *year period beginning October 1, 2005;*
 14 *and*

15 “(IV) *1.6071 percent for the 1-*
 16 *year period beginning October 1, 2006.*

17 “(iii) *LESSER DEVELOPED BENE-*
 18 *FICIARY SUB-SAHARAN AFRICAN COUNTRY.—*
 19 *For purposes of this subparagraph, the term*
 20 *‘lesser developed beneficiary sub-Saharan*
 21 *African country’ means—*

22 “(I) *a beneficiary sub-Saharan*
 23 *African country that had a per capita*
 24 *gross national product of less than*
 25 *\$1,500 in 1998, as measured by the*

*International Bank for Reconstruction
and Development;*

“(II) Botswana; and

“(III) Namibia.”.

*(3) Section 112(b)(5)(A) of the African Growth and
Opportunity Act (19 U.S.C. 3721(b)(5)(A)) is amended to
read as follows:*

*“(A) IN GENERAL.—Apparel articles that
are both cut (or knit-to-shape) and sewn or oth-
erwise assembled in one or more beneficiary sub-
Saharan African countries, to the extent that ap-
parel articles of such fabrics or yarns would be
eligible for preferential treatment, without regard
to the source of the fabrics or yarns, under
Annex 401 to the NAFTA.”.*

*(c) HANDLOOMED, HANDMADE, FOLKLORE ARTICLES
AND ETHNIC PRINTED FABRICS.—Section 112(b)(6) of the
African Growth and Opportunity Act (19 U.S.C.
3721(b)(6)) is amended to read as follows:*

*“(6) HANDLOOMED, HANDMADE, FOLKLORE AR-
TICLES AND ETHNIC PRINTED FABRICS.—*

*“(A) IN GENERAL.—A handloomed, hand-
made, folklore article or an ethnic printed fabric
of a beneficiary sub-Saharan African country or
countries that is certified as such by the com-*

1 *petent authority of such beneficiary country or*
 2 *countries. For purposes of this section, the Presi-*
 3 *dent, after consultation with the beneficiary sub-*
 4 *Saharan African country or countries concerned,*
 5 *shall determine which, if any, particular textile*
 6 *and apparel goods of the country (or countries)*
 7 *shall be treated as being handloomed, handmade,*
 8 *or folklore articles or an ethnic printed fabric.*

9 *“(B) REQUIREMENTS FOR ETHNIC PRINTED*
 10 *FABRIC.—Ethnic printed fabrics qualified under*
 11 *this paragraph are—*

12 *“(i) fabrics containing a selvedge on*
 13 *both edges, having a width of less than 50*
 14 *inches, classifiable under subheading*
 15 *5208.52.30 or 5208.52.40 of the Harmonized*
 16 *Tariff Schedule of the United States;*

17 *“(ii) of the type that contains designs,*
 18 *symbols, and other characteristics of Afri-*
 19 *can prints—*

20 *“(I) normally produced for and*
 21 *sold on the indigenous African market;*
 22 *and*

23 *“(II) normally sold in Africa by*
 24 *the piece as opposed to being tailored*

1 *into garments before being sold in in-*
 2 *digenous African markets;*

3 *“(iii) printed, including waxed, in one*
 4 *or more eligible beneficiary sub-Saharan*
 5 *countries; and*

6 *“(iv) fabrics formed in the United*
 7 *States, from yarns formed in the United*
 8 *States, or from fabric formed in one or*
 9 *more beneficiary sub-Saharan African*
 10 *country from yarn originating in either the*
 11 *United States or one or more beneficiary*
 12 *sub-Saharan African countries.”.*

13 *(d) REGIONAL AND U.S. SOURCES.—Section 112(b)(7)*
 14 *of the African Growth and Opportunity Act (19 U.S.C.*
 15 *3721(b)(7)) is amended by inserting “or former beneficiary*
 16 *sub-Saharan African countries” after “and one or more*
 17 *beneficiary sub-Saharan African countries” each place it*
 18 *appears.*

19 *(e) SPECIAL RULES.—*

20 *(1) CERTAIN COMPONENTS.—Section 112(d) of*
 21 *the African Growth and Opportunity Act (19 U.S.C.*
 22 *3721(d)) is amended by adding at the end the fol-*
 23 *lowing:*

24 *“(3) CERTAIN COMPONENTS.—An article other-*
 25 *wise eligible for preferential treatment under this sec-*

1 *tion will not be ineligible for such treatment because*
 2 *the article contains—*

3 *“(A) any collars or cuffs (cut or knit-to-*
 4 *shape),*

5 *“(B) drawstrings,*

6 *“(C) shoulder pads or other padding,*

7 *“(D) waistbands,*

8 *“(E) belt attached to the article,*

9 *“(F) straps containing elastic, or*

10 *“(G) elbow patches,*

11 *that do not meet the requirements set forth in sub-*
 12 *section (b), regardless of the country of origin of the*
 13 *item referred to in the applicable subparagraph of*
 14 *this paragraph.”.*

15 *(2) DE MINIMIS RULE.—Section 112(d)(2) of the*
 16 *African Growth and Opportunity Act (19 U.S.C.*
 17 *3721(d)(2)) is amended—*

18 *(A) by inserting “or former beneficiary sub-*
 19 *Saharan African countries” after “countries”;*
 20 *and*

21 *(B) by striking “7 percent” and inserting*
 22 *“10 percent”.*

23 *(f) DEFINITIONS.—Section 112(e) of the African*
 24 *Growth and Opportunity Act (19 U.S.C. 3721(e)) is*
 25 *amended by adding at the end the following:*

1 “(4) *FORMER SUB-SAHARAN AFRICAN COUN-*
2 *TRY.—The term ‘former sub-Saharan African coun-*
3 *try’ means a country that, after being designated as*
4 *a beneficiary sub-Saharan African country under this*
5 *Act, ceased to be designated as such a beneficiary sub-*
6 *Saharan country by reason of its entering into a free*
7 *trade agreement with the United States.’.*”

8 **SEC. 8. ENTRIES OF CERTAIN APPAREL ARTICLES PURSU-**
9 **ANT TO THE AFRICAN GROWTH AND OPPOR-**
10 **TUNITY ACT.**

11 (a) *IN GENERAL.—Notwithstanding section 514 of the*
12 *Tariff Act of 1930 (19 U.S.C. 1514) or any other provision*
13 *of law, the Secretary of the Treasury shall liquidate or reliq-*
14 *uidate as free of duty and free of any quantitative restric-*
15 *tions, limitations, or consultation levels entries of articles*
16 *described in subsection (d) made on or after October 1,*
17 *2000, and before the date of the enactment of this Act.*

18 (b) *REQUESTS.—Liquidation or reliquidation may be*
19 *made under subsection (a) with respect to an entry de-*
20 *scribed in subsection (d) only if a request therefor is filed*
21 *with the Secretary of the Treasury within 90 days after*
22 *the date of the enactment of this Act and the request con-*
23 *tains sufficient information to enable the Secretary to locate*
24 *the entry or reconstruct the entry if it cannot be located.*

1 (c) *PAYMENT OF AMOUNTS OWED.*—Any amounts
 2 owed by the United States pursuant to the liquidation or
 3 reliquidation of any entry under subsection (a) shall be
 4 paid not later than 180 days after the date of such liquida-
 5 tion or reliquidation.

6 (d) *ENTRIES.*—The entries referred to in subsection (a)
 7 are entries of apparel articles that meet the requirements
 8 of section 112(b) of the African Growth and Opportunity
 9 Act, as amended by section 3108 of the Trade Act of 2002
 10 and this Act.

11 **SEC. 9. DEVELOPMENT STUDY AND CAPACITY BUILDING.**

12 (a) *REPORTS.*—The President shall, by not later than
 13 1 year after the date of the enactment of this Act, conduct
 14 a study on each eligible sub-Saharan African country,
 15 that—

16 (1) identifies sectors of the economy of that coun-
 17 try with the greatest potential for growth, including
 18 through export sales;

19 (2) identifies barriers, both domestically and
 20 internationally, that are impeding growth in such
 21 sectors; and

22 (3) makes recommendations on how the United
 23 States Government and the private sector can provide
 24 technical assistance to that country to assist in dis-

1 *mantling such barriers and in promoting investment*
 2 *in such sectors.*

3 *(b) DISSEMINATION OF INFORMATION.—The President*
 4 *shall disseminate information in each study conducted*
 5 *under subsection (a) to the appropriate United States agen-*
 6 *cies for the purpose of implementing recommendations on*
 7 *the provision of technical assistance and in identifying op-*
 8 *portunities for United States investors, businesses, and*
 9 *farmers.*

10 **SEC. 10. ACTIVITIES IN SUPPORT OF INFRASTRUCTURE TO**
 11 **SUPPORT INCREASING TRADE CAPACITY AND**
 12 **ECOTOURISM.**

13 *(a) FINDINGS.—The Congress finds the following:*

14 *(1) Ecotourism, which consists of—*

15 *(A) responsible and sustainable travel and*
 16 *visitation to relatively undisturbed natural areas*
 17 *in order to enjoy and appreciate nature (and*
 18 *any accompanying cultural features, both past*
 19 *and present) and animals, including species that*
 20 *are rare or endangered,*

21 *(B) promotion of conservation and provi-*
 22 *sion for beneficial involvement of local popu-*
 23 *lations, and*

24 *(C) visitation designed to have low negative*
 25 *impact upon the environment,*

1 *is expected to expand 30 percent globally over the next*
2 *decade.*

3 *(2) Ecotourism will increase trade capacity by*
4 *sustaining otherwise unsustainable infrastructure,*
5 *such as road, port, water, energy, and telecommuni-*
6 *cation development.*

7 *(3) According to the United States Department*
8 *of State and the United Nations Environment Pro-*
9 *gramme, sustainable tourism, such as ecotourism, can*
10 *be an important part of the economic development of*
11 *a region, especially a region with natural and cul-*
12 *tural protected areas.*

13 *(4) Sub-Saharan Africa enjoys an international*
14 *comparative advantage in ecotourism because it fea-*
15 *tures extensive protected areas that host a variety of*
16 *ecosystems and traditional cultures that are major at-*
17 *tractions for nature-oriented tourism.*

18 *(5) National parks and reserves in sub-Saharan*
19 *Africa should be considered a basis for regional devel-*
20 *opment, involving communities living within and ad-*
21 *jacent to them and, given their strong international*
22 *recognition, provide an advantage in ecotourism mar-*
23 *keting and promotion.*

24 *(6) Desert areas in sub-Saharan Africa represent*
25 *complex ecotourism attractions, showcasing natural,*

1 *geological, and archaeological features, and nomad*
 2 *and other cultures and traditions.*

3 *(7) Many natural zones in sub-Saharan Africa*
 4 *cross the political borders of several countries; there-*
 5 *fore, transboundary cooperation is fundamental for*
 6 *all types of ecotourism development.*

7 *(8) The commercial viability of ecotourism is en-*
 8 *hanced when small and medium enterprises, particu-*
 9 *larly microenterprises, successfully engage with the*
 10 *tourism industry in sub-Saharan Africa.*

11 *(9) Adequate capacity building is an essential*
 12 *component of ecotourism development if local commu-*
 13 *nities are to be real stakeholders that can sustain an*
 14 *equitable approach to ecotourism management.*

15 *(10) Ecotourism needs to generate local commu-*
 16 *nity benefits by utilizing sub-Saharan Africa's nat-*
 17 *ural heritage, parks, wildlife reserves, and other pro-*
 18 *tected areas that can play a significant role in en-*
 19 *couraging local economic development by sourcing*
 20 *food and other locally produced resources.*

21 *(b) ACTION BY THE PRESIDENT.—The President shall*
 22 *develop and implement policies to—*

23 *(1) encourage the development of infrastructure*
 24 *projects that will help to increase trade capacity and*

1 *a sustainable ecotourism industry in eligible sub-Sa-*
 2 *haran African countries;*

3 *(2) encourage and facilitate transboundary co-*
 4 *operation among sub-Saharan African countries in*
 5 *order to facilitate trade;*

6 *(3) encourage the provision of technical assist-*
 7 *ance to eligible sub-Saharan African countries to es-*
 8 *tablish and sustain adequate trade capacity develop-*
 9 *ment; and*

10 *(4) encourage micro-, small-, and medium-sized*
 11 *enterprises in eligible sub-Saharan African countries*
 12 *to participate in the ecotourism industry.*

13 **SEC. 11. ACTIVITIES IN SUPPORT OF TRANSPORTATION, EN-**
 14 **ERGY, AGRICULTURE, AND TELECOMMUNI-**
 15 **CATIONS INFRASTRUCTURE.**

16 *(a) FINDINGS.—The Congress finds the following:*

17 *(1) In order to increase exports from, and trade*
 18 *among, eligible sub-Saharan African countries, trans-*
 19 *portation systems in those countries must be im-*
 20 *proved to increase transport efficiencies and lower*
 21 *transport costs.*

22 *(2) Vibrant economic growth requires a devel-*
 23 *oped telecommunication and energy infrastructure.*

24 *(3) Sub-Saharan Africa is rich in exportable ag-*
 25 *ricultural goods, but development of this industry re-*

1 *mains stymied because of an underdeveloped infra-*
2 *structure.*

3 *(b) ACTION BY THE PRESIDENT.—In order to enhance*
4 *trade with Africa and to bring the benefits of trade to Afri-*
5 *can countries, the President shall develop and implement*
6 *policies to encourage investment in eligible sub-Saharan Af-*
7 *rican countries, particularly with respect to the following:*

8 *(1) Infrastructure projects that support, in par-*
9 *ticular, development of land transport road and rail-*
10 *road networks and ports, and the continued upgrad-*
11 *ing and liberalization of the energy and telecommuni-*
12 *cations sectors.*

13 *(2) The establishment and expansion of modern*
14 *information and communication technologies and*
15 *practices to improve the ability of citizens to research*
16 *and disseminate information relating to, among other*
17 *things, the economy, education, trade, health, agri-*
18 *culture, the environment, and the media.*

19 *(3) Agriculture, particularly in processing and*
20 *capacity enhancement.*

21 **SEC. 12. FACILITATION OF TRANSPORTATION.**

22 *In order to facilitate and increase trade flows between*
23 *eligible sub-Saharan African countries and the United*
24 *States, the President shall foster improved port-to-port and*

1 *airport-to-airport relationships. These relationships should*
2 *facilitate—*

3 *(1) increased coordination between customs serv-*
4 *ices at ports and airports in the United States and*
5 *such countries in order to reduce time in transit;*

6 *(2) interaction between customs and technical*
7 *staff from ports and airports in the United States*
8 *and such countries in order to increase efficiency and*
9 *safety procedures and protocols relating to trade;*

10 *(3) coordination between chambers of commerce,*
11 *freight forwarders, customs brokers, and others in-*
12 *volved in consolidating and moving freight; and*

13 *(4) trade through air service between airports in*
14 *the United States and such countries by increasing*
15 *frequency and capacity.*

16 **SEC. 13. AGRICULTURAL TECHNICAL ASSISTANCE.**

17 *(a) IDENTIFICATION OF COUNTRIES.—The President*
18 *shall identify not fewer than 10 eligible sub-Saharan Afri-*
19 *can countries as having the greatest potential to increase*
20 *marketable exports of agricultural products to the United*
21 *States and the greatest need for technical assistance, par-*
22 *ticularly with respect to pest risk assessments and com-*
23 *plying with sanitary and phytosanitary rules of the United*
24 *States.*

1 (b) *PERSONNEL.*—*The President shall assign at least*
2 *20 full-time personnel for the purpose of providing assist-*
3 *ance to the countries identified under subsection (a) to en-*
4 *sure that exports of agricultural products from those coun-*
5 *tries meet the requirements of United States law.*

6 **SEC. 14. TRADE ADVISORY COMMITTEE ON AFRICA.**

7 *The President shall convene the trade advisory com-*
8 *mittee on Africa established by Executive Order 11846 of*
9 *March 27, 1975, under section 135(c) of the Trade Act of*
10 *1974, in order to facilitate the goals and objectives of the*
11 *African Growth and Opportunity Act and this Act, and to*
12 *maintain ongoing discussions with African trade and agri-*
13 *culture ministries and private sector organizations on*
14 *issues of mutual concern, including regional and inter-*
15 *national trade concerns and World Trade Organization*
16 *issues.*

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[Report No. 108-501]

A BILL

To extend and modify the trade benefits under the
African Growth and Opportunity Act.

MAY 19, 2004

Reported with an amendment, committed to the Com-
mittee of the Whole House on the State of the Union,
and ordered to be printed