

105TH CONGRESS
2D SESSION

H. R. 3636

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

IN THE HOUSE OF REPRESENTATIVES

APRIL 1, 1998

Mr. BEREUTER (for himself, Mr. HAMILTON, Ms. MCKINNEY, Mrs. CLAYTON, Mr. HALL of Ohio, and Mr. LEACH) introduced the following bill; which was referred to the Committee on International Relations, and in addition to the Committee on Agriculture, 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

A BILL

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

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

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

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

6 (b) **TABLE OF CONTENTS.**—The table of contents is
7 as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Findings and declaration of policy.

TITLE I—ASSISTANCE FOR SUB-SAHARAN AFRICA

Sec. 101. Africa Food Security Initiative.

Sec. 102. Microenterprise assistance.

Sec. 103. Support for producer-owned cooperative marketing associations.

Sec. 104. Agricultural and rural development activities of the Overseas Private Investment Corporation.

Sec. 105. Agricultural research and extension activities.

TITLE II—WORLDWIDE FOOD ASSISTANCE AND AGRICULTURAL PROGRAMS

Subtitle A—Non-Emergency Food Assistance Programs

Sec. 201. Non-emergency food assistance programs.

Subtitle B—Bill Emerson Humanitarian Trust Act of 1998

Sec. 211. Short title.

Sec. 212. Amendments to the Food Security Commodity Reserve Act of 1996.

Subtitle C—International Fund for Agricultural Development

Sec. 221. Support for activities of the International Fund for Agricultural Development.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Report.

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

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

3 (1) The economic, security, and humanitarian
4 interests of the United States and the nations of
5 sub-Saharan Africa would be enhanced by sustain-
6 able and broad-based agricultural and rural develop-
7 ment in each of these African nations and the
8 United States should support such development.

9 (2) According to the Food and Agriculture Or-
10 ganization, the number of undernourished people in
11 Africa has more than doubled, from approximately
12 100,000,000 in the late 1960s to 215,000,000 in

1 1998, and is projected to increase to 265,000,000 by
2 the year 2010.

3 (3)(A) Currently, agricultural production in Af-
4 rica employs about two-thirds of the workforce but
5 produces less than one-quarter of the gross domestic
6 product in sub-Saharan Africa, according to the
7 World Bank Group.

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

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

14 (5)(A) In November 1996, the World Food
15 Summit set a goal of reducing hunger worldwide by
16 one-half by the year 2015 and encouraged national
17 governments to develop domestic food plans and to
18 support international aid efforts.

19 (B) Since then, several agencies of the United
20 Nations, including the International Fund for Agri-
21 cultural Development (IFAD) whose mission is to
22 provide the rural poor and women in the developing
23 world with cost-effective ways of overcoming hunger,
24 poverty, and malnutrition, have undertaken a coop-
25 erative special initiative on Africa.

1 (6) Although the World Bank Group has re-
2 cently launched a major initiative to support agricul-
3 tural and rural development, currently only 10 per-
4 cent or \$1,200,000,000 of its total lending to sub-
5 Saharan Africa for fiscal years 1993 to 1997 was
6 devoted to agriculture.

7 (7)(A) The future prosperity of the United
8 States food processing and agricultural sector is in-
9 creasingly dependent on exports and the liberaliza-
10 tion of global trade.

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

13 (8)(A) Although increased trade among African
14 countries and between the United States and Africa
15 can greatly help to overcome hunger in Africa, pri-
16 vate sector investment cannot alone meet the initial
17 needs of rural Africa.

18 (B) Development assistance, microcredit assist-
19 ance, and technical assistance from nongovernmental
20 and private voluntary organizations, multilateral and
21 bilateral governmental entities, including United
22 States agencies, are also necessary to facilitate and
23 encourage commercial development in Africa of, for
24 example, improved infrastructure, including rural

1 roads, agricultural research and extension, and ac-
2 cess to credit and other resources.

3 (9)(A) The African Development Foundation as
4 well as several United States private voluntary orga-
5 nizations have proven successful at empowering Afri-
6 cans through direct business ownership and helping
7 African agricultural producers more efficiently and
8 directly market their products.

9 (B) Rural business associations, owned and
10 controlled by farmer shareholders, also greatly aid
11 agricultural producers to increase their household in-
12 come.

13 (10)(A) Over a decade ago, the Development
14 Fund for Africa (DFA) was enacted into law “to
15 help the poor majority of men and women in sub-
16 Saharan Africa to participate in a process of long-
17 term development through economic growth that is
18 equitable, participatory, environmentally sustainable,
19 and self-reliant.”.

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

24 (C) Despite these developments, funding for the
25 Development Fund for Africa has declined from a

1 high of \$811,000,000 for 1993 to approximately
2 \$635,000,000 for 1997.

3 (11)(A) United States bilateral development
4 and humanitarian assistance to sub-Saharan Africa
5 is approximately one-tenth of one percent of the
6 total annual budget of the United States Govern-
7 ment.

8 (B) Funding for agricultural development
9 worldwide by the United States Agency for Inter-
10 national Development has declined from 36 percent
11 of its total budget in 1988 to fifteen percent in
12 1997.

13 (12) The United States Agency for Inter-
14 national Development has initiated an Africa Food
15 Security Initiative in an effort to improve child nu-
16 trition and increase agricultural income in Africa.

17 (b) DECLARATION OF POLICY.—It is the policy of the
18 United States to support governments of sub-Saharan Af-
19 rican countries, United States and African nongovern-
20 mental organizations, United States and African busi-
21 nesses, and international agencies to ensure secure liveli-
22 hoods and adequate nutrition for all individuals in sub-
23 Saharan Africa, through sustainable agricultural and
24 rural development.

1 **TITLE I—ASSISTANCE FOR SUB-**
2 **SAHARAN AFRICA**

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

4 (a) ADDITIONAL REQUIREMENTS IN CARRYING OUT
5 THE INITIATIVE.—In providing development assistance
6 under the Africa Food Security Initiative, or any com-
7 parable or successor program, the Administrator of the
8 United States Agency for International Development—

9 (1) shall use resources for programs and
10 projects that improve the food security of infants,
11 young children, school-age children, women or food-
12 insecure households, or that improve the agricultural
13 productivity, incomes, and marketing of the rural
14 poor in Africa;

15 (2) shall solicit and take into consideration the
16 views and needs of intended beneficiaries and pro-
17 gram participants during the selection, planning, im-
18 plementation, and evaluation phases of projects; and

19 (3) shall ensure that program objectives and
20 interventions are primarily developed and conducted
21 by African and United States private and voluntary
22 organizations and other such organizations, includ-
23 ing cooperatives and local producer-owned coopera-
24 tive marketing associations, that have a dem-
25 onstrated expertise in addressing the needs of the

1 poor, small-scale farmers, entrepreneurs, and rural
2 workers, including women.

3 (b) SENSE OF THE CONGRESS.—It is the sense of
4 the Congress that the Administrator of the United States
5 Agency for International Development should increase re-
6 sources to the Africa Food Security Initiative, or any com-
7 parable or successor program, for fiscal year 2000 and
8 subsequent fiscal years in order to meet the needs of the
9 countries participating in such Initiative.

10 **SEC. 102. MICROENTERPRISE ASSISTANCE.**

11 (a) BILATERAL ASSISTANCE.—

12 (1) IN GENERAL.—In providing microenterprise
13 assistance for sub-Saharan Africa, the Administrator
14 of the United States Agency for International Devel-
15 opment shall, to the extent practicable, provide cred-
16 it and microcredit assistance for the purpose of im-
17 proving the efficiency of agricultural production in
18 sub-Saharan Africa.

19 (2) ADDITIONAL REQUIREMENT.—In providing
20 assistance described in paragraph (1), the Adminis-
21 trator shall ensure that such assistance is targeted
22 specifically to the needs of women, small-scale farm-
23 ers, and small rural entrepreneurs.

24 (b) MULTILATERAL ASSISTANCE.—

1 (1) IN GENERAL.—The Administrator of the
2 United States Agency for International Development
3 shall work with other countries, international organi-
4 zations (including multilateral development institu-
5 tions), and entities assisting microenterprises to de-
6 velop a comprehensive and coordinated strategy for
7 providing microenterprise assistance for sub-Saharan
8 Africa.

9 (2) ADDITIONAL REQUIREMENT.—In carrying
10 out paragraph (1), the Administrator shall encour-
11 age the Consultative Group to Assist the Poorest to
12 coordinate the strategy described in such paragraph.

13 **SEC. 103. SUPPORT FOR PRODUCER-OWNED COOPERATIVE**
14 **MARKETING ASSOCIATIONS.**

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

16 (1) to support producer-owned cooperative mar-
17 keting associations in sub-Saharan Africa;

18 (2) to strengthen the capacity of farmers in
19 sub-Saharan Africa to participate in national and
20 international markets and to promote rural develop-
21 ment in sub-Saharan Africa;

22 (3) to encourage the efforts of farmers in sub-
23 Saharan Africa to increase their productivity and in-
24 come through improved access to farm supplies, sea-
25 sonal credit, technical expertise; and

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

3 (b) SUPPORT FOR PRODUCER-OWNED COOPERATIVE
4 MARKETING ASSOCIATIONS.—

5 (1) MANDATORY ACTIVITIES.—

6 (A) IN GENERAL.—The President, acting
7 through the Administrator of the United States
8 Agency for International Development, shall
9 utilize relevant foreign assistance programs and
10 initiatives for sub-Saharan Africa to support
11 producer-owned cooperative marketing associa-
12 tions in sub-Saharan Africa, including rural
13 business associations that are owned and con-
14 trolled by farmer shareholders.

15 (B) ADDITIONAL REQUIREMENTS.—In car-
16 rying out subparagraph (A), the President—

17 (i) shall seek to target such assistance
18 specifically to the needs of women, small-
19 scale farmers, small rural entrepreneurs,
20 and rural workers and communities; and

21 (ii) shall take into account the local-
22 level perspectives of the rural and urban
23 poor through close consultation with these
24 groups, consistent with section 496(e)(1)

1 of the Foreign Assistance Act of 1961 (22
2 U.S.C. 2293(e)(1)).

3 (2) DISCRETIONARY ACTIVITIES.—In addition
4 to carrying out paragraph (1), the President is en-
5 couraged—

6 (A) to cooperate with governments of for-
7 eign countries, including governments of politi-
8 cal subdivisions of such countries, and particu-
9 larly with United States nongovernmental orga-
10 nizations, that have demonstrated expertise in
11 the development and promotion of successful
12 producer-owned cooperative marketing associa-
13 tions; and

14 (B) to facilitate partnerships between
15 United States and African cooperatives and pri-
16 vate businesses to enhance the capacity and
17 technical and marketing expertise of business
18 associations in sub-Saharan Africa.

19 **SEC. 104. AGRICULTURAL AND RURAL DEVELOPMENT AC-**
20 **TIVITIES OF THE OVERSEAS PRIVATE IN-**
21 **VESTMENT CORPORATION.**

22 (a) PURPOSE.—The purpose of this section is to en-
23 courage the Overseas Private Development Corporation to
24 work with United States businesses and other United
25 States entities to invest in rural sub-Saharan Africa, par-

1 ticularly in ways that will develop the capacities of women,
2 small-scale farmers, and small rural entrepreneurs in sub-
3 Saharan Africa.

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

6 (1) the Overseas Private Investment Corpora-
7 tion should exercise its authority under law to un-
8 dertake an initiative to support agricultural and
9 rural development in sub-Saharan Africa, including
10 issuing loans, guaranties, and insurance, to support
11 rural development in sub-Saharan Africa, particu-
12 larly to support intermediary organizations that—

13 (A) directly serve the needs of women,
14 small-scale farmers, small rural entrepreneurs,
15 and rural producer-owned cooperative market-
16 ing associations;

17 (B) have a clear track-record of support
18 for sound business management practices; and

19 (C) have demonstrated experience with
20 participatory development methods;

21 (2) the Overseas Private Investment Corpora-
22 tion should utilize existing equity funds, loan and in-
23 surance funds, to the extent feasible and in accord-
24 ance with existing contractual obligations, to support

1 agriculture and rural development in sub-Saharan
2 Africa; and

3 (3) the United States Agency for International
4 Development and the Overseas Private Investment
5 Corporation should jointly cooperate to ensure that
6 adequate administrative funds are available to carry
7 out this subsection.

8 **SEC. 105. AGRICULTURAL RESEARCH AND EXTENSION AC-**
9 **TIVITIES.**

10 (a) DEVELOPMENT OF PLAN.—

11 (1) IN GENERAL.—The Administrator of the
12 United States Agency for International Develop-
13 ment, in conjunction with the Secretary of Agri-
14 culture, shall develop a comprehensive plan to co-
15 ordinate the activities of international agricultural
16 research centers funded by the Agency, United
17 States land grant universities, and national agricul-
18 tural research and extension centers in sub-Saharan
19 Africa.

20 (2) ADDITIONAL REQUIREMENTS.—Such plan
21 shall ensure that—

22 (A) research and extension activities will
23 respond to the needs of small-scale farmers
24 while developing the potential and skills of re-

1 searchers, extension agents, farmers, and agri-
2 business persons in sub-Saharan Africa;

3 (B) sustainable agricultural methods of
4 farming will be considered together with new
5 technologies in increasing agricultural produc-
6 tivity in sub-Saharan Africa; and

7 (C) research and extension efforts will
8 focus on sustainable agricultural practices and
9 will be adapted to widely varying climates with-
10 in sub-Saharan Africa.

11 (b) SENSE OF THE CONGRESS.—It is the sense of
12 the Congress that the Administrator of the United States
13 Agency for International Development—

14 (1) has disproportionately reduced funding for
15 international agriculture and rural development ac-
16 tivities and has disproportionately reduced the num-
17 ber of agricultural specialists who carry out such ac-
18 tivities; and

19 (2) should devote more resources and staff to
20 such activities.

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

4 **Subtitle A—Non-Emergency Food**
5 **Assistance Programs**

6 **SEC. 201. NON-EMERGENCY FOOD ASSISTANCE PROGRAMS.**

7 In providing non-emergency assistance under title II
8 of the Agricultural Trade Development and Assistance Act
9 of 1954 (7 U.S.C. 1721 et seq.), the Administrator of the
10 United States Agency for International Development shall
11 ensure that—

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

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

24 (3) greater flexibility is provided for program
25 and evaluation plans so that such assistance may be

1 developed to meet local needs, as provided for in sec-
 2 tion 202(f) of such Act (7 U.S.C. 1722).

3 **Subtitle B—Bill Emerson**
 4 **Humanitarian Trust Act of 1998**

5 **SEC. 211. SHORT TITLE.**

6 This subtitle may be cited as the “Bill Emerson Hu-
 7 manitarian Trust Act of 1998”.

8 **SEC. 212. AMENDMENTS TO THE FOOD SECURITY COMMOD-**
 9 **ITY RESERVE ACT OF 1996.**

10 The Food Security Commodity Reserve Act of 1996
 11 (7 U.S.C. 1736f–1) is amended—

12 (1) so that section 301 reads as follows:

13 **“SEC. 301. SHORT TITLE.**

14 “This title may be cited as the ‘Bill Emerson Human-
 15 itarian Trust Act’.”;

16 (2) in the title of section 302(b), by inserting
 17 “OR FUNDS” after “(b) COMMODITIES”;

18 (3) at the end of subparagraph (B) of section
 19 302(b)(1), by striking “and”;

20 (4) in section 302(b)(1)(C), by striking the pe-
 21 riod at the end and inserting “; and”;

22 (5) in section 302(b)(1), by adding at the end
 23 the following new subparagraph:

24 “(D) funds made available under section
 25 302(b)(2)(B).”;

1 (6) in section 302(b)(2)(A), by striking “Sub-
2 ject to subsection (h), commodities” and inserting
3 “Commodities”;

4 (7) in section 302(b)(2)(B), by striking “to ac-
5 quire” and all that follows through the end of such
6 subparagraph and inserting “to acquire eligible com-
7 modities through purchases from producers or in the
8 market to replenish the trust shall be available—

9 “(i) from funds made available to
10 carry out the Agricultural Trade Develop-
11 ment and Assistance Act of 1954 (7
12 U.S.C. 1691 et seq.) that are used to
13 repay or to reimburse the Commodity
14 Credit Corporation for the release of eligi-
15 ble commodities under section 302(c)(2)
16 and section 302(f)(2) of this Act;

17 “(ii) from available balances in other
18 Commodity Credit Corporation programs,
19 if such balances otherwise would not be ob-
20 ligated and such balances are transferred
21 for use under this Act at the end of a fis-
22 cal year except that no funds may be
23 transferred from export enhancement, ex-
24 port credit guarantees, export promotion,
25 or foreign market development programs;

1 “(iii) from available balances under
2 title I of the Agricultural Trade Develop-
3 ment and Assistance Act of 1954, as
4 amended (7 U.S.C. 1701 et seq.); and

5 “(iv) from authorized funds in an ap-
6 propriations Act.”;

7 (8) in section 302(c)(2) by inserting at the end
8 the following: “Commodities may be provided for
9 this purpose only at levels consistent with maintain-
10 ing the long-term value of the trust.”

11 (9) in section 302(d)—

12 (A) by striking “and” at the end of para-
13 graph (1);

14 (B) by striking the period at the end of
15 subsection (d)(2) and inserting “; and”; and

16 (C) by inserting at the end the following:

17 “(3) for the management of the trust to pre-
18 serve its value through the use of the replenishment
19 authority provided under subsection (b)(2), if this
20 does not interfere in the release of commodities from
21 the trust to meet the purposes of section 302(c)(1)
22 of this Act.”;

23 (10) by striking subsection (h);

24 (11) by striking “reserve” each place it appears
25 and inserting “trust”; and

1 (12) in the heading of section 302(e), by strik-
 2 ing “RESERVE” and inserting “TRUST”.

3 **Subtitle C—International Fund for**
 4 **Agricultural Development**

5 **SEC. 221. SUPPORT FOR ACTIVITIES OF THE INTER-**
 6 **NATIONAL FUND FOR AGRICULTURAL DE-**
 7 **VELOPMENT.**

8 (a) SENSE OF THE CONGRESS.—It is the sense of the
 9 Congress that the United States should maintain its lead-
 10 ership in and continued support for the activities of the
 11 International Fund for Agricultural Development (IFAD).

12 (b) SUPPORT FOR ACTIVITIES OF IFAD.—The Presi-
 13 dent, acting through the Administrator of the United
 14 States Agency for International Development, is author-
 15 ized and encouraged to take a leadership role among other
 16 countries that make contributions to the International
 17 Fund for Agricultural Development for the purpose of giv-
 18 ing direction and support for the activities of the Fund.

19 (c) REVIEW OF UNITED STATES CONTRIBUTIONS TO
 20 IFAD.—

21 (1) IN GENERAL.—The Administrator of the
 22 United States Agency for International Development
 23 and the Secretary of State shall review the effective-
 24 ness of the current 6-year agreement between the
 25 United States Agency for International Development

1 and the Department of State relating to United
2 States contributions to the International Fund for
3 Agricultural Development.

4 (2) CONDUCT OF REVIEW.—In carrying out the
5 review under paragraph (1), the Administrator and
6 the Secretary shall consider the extent to which the
7 International Fund for Agricultural Development
8 has made progress toward management reforms,
9 self-sufficiency, poverty reduction, and achieving the
10 goals outlined in the current agreement referred to
11 in paragraph (1).

12 (3) FUTURE CONTRIBUTIONS TO IFAD.—For
13 purposes of determining the amount of future
14 United States contributions to the International
15 Fund for Agricultural Development, the Adminis-
16 trator and the Secretary shall determine the extent
17 to which the Fund has satisfied or made sufficient
18 progress toward satisfying the criteria described in
19 paragraph (2).

20 **TITLE III—MISCELLANEOUS** 21 **PROVISIONS**

22 **SEC. 301. REPORT.**

23 (a) IN GENERAL.—Not later than 6 months after the
24 date of the enactment of this Act, the Administrator of
25 the United States Agency for International Development,

1 in consultation with the heads of other appropriate agen-
2 cies, shall prepare and submit to the Congress a report
3 that contains the following:

4 (1) A summary of the Agency's plans for meet-
5 ing the objectives of the Africa Food Security Initia-
6 tive, or any comparable or successor program, under
7 section 101.

8 (2) A summary of the strategy for providing
9 microenterprise assistance for sub-Saharan Africa
10 developed under section 111(b), including a descrip-
11 tion of how the Agency intends to provide assistance
12 specifically to meet the needs of women, small-scale
13 farmers, and small rural entrepreneurs.

14 (3) A summary of the activities of the Agency
15 to support producer-owned cooperative marketing as-
16 sociations in sub-Saharan Africa under section 112.

17 (4) A summary of the comprehensive plan relat-
18 ing to international agricultural research and exten-
19 sion activities under section 114.

20 (5) A summary accounting of all programs and
21 expenditures of the Agency on sustainable agri-
22 culture, research, agricultural-related activities, and
23 personnel from 1985 to 1998.

- 1 (6) A summary of the activities of the Agency
- 2 to carry out section 201.

