

106TH CONGRESS
1ST SESSION

H. R. 772

To authorize a new trade, investment, and development policy for sub-Saharan Africa that is mutually beneficial to the majority of people in sub-Saharan Africa and the United States.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 23, 1999

Mr. JACKSON of Illinois (for himself, Mr. BONIOR, Mr. CLYBURN, Mr. GEORGE MILLER of California, Ms. MCKINNEY, Ms. LEE, Mr. CONYERS, Mr. CUMMINGS, Mr. KUCINICH, Mr. THOMPSON of Mississippi, Mr. BROWN of Ohio, Ms. SCHAKOWSKY, Mr. CLAY, Ms. JACKSON-LEE of Texas, Ms. KILPATRICK, Mr. SANDERS, Mr. CAPUANO, Mr. MCGOVERN, Mr. BRADY of Pennsylvania, Mr. OLVER, Mr. PALLONE, Mr. BROWN of California, Mr. PASCRELL, Mr. BALDACCI, Mrs. JONES of Ohio, Mr. STARK, Mr. DELAHUNT, Mr. EVANS, Mr. HASTINGS of Florida, Mr. STUPAK, and Mr. KLINK) introduced the following bill; which was referred to the Committee on International Relations, and in addition to the Committees on Banking and Financial Services, and Ways and Means, 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 authorize a new trade, investment, and development policy for sub-Saharan Africa that is mutually beneficial to the majority of people in sub-Saharan Africa and the United States.

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

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Human Rights, Oppor-
3 tunity, Partnership, and Empowerment for Africa Act” or
4 the “HOPE for Africa Act”.

5 SEC. 2. TABLE OF CONTENTS.

6 The table of contents for this Act is as follows:

- Sec. 1. Short title.
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- Sec. 3. Findings.
- Sec. 4. Declarations of policy.

TITLE I—CANCELLATION OF DEBT OWED BY SUB-SAHARAN
AFRICAN COUNTRIES

- Sec. 101. Declarations of policy.
- Sec. 102. Cancellation of debt owed to the United States Government by sub-Saharan African countries.
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TITLE II—TRADE PROVISIONS RELATING TO SUB-SAHARAN
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- Sec. 201. Encouraging mutually beneficial trade and investment.
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TITLE V—OVERSEAS PRIVATE INVESTMENT CORPORATION AND EXPORT-IMPORT BANK INITIATIVES

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Sec. 602. Review and reporting requirements.

Sec. 603. Sub-Saharan Africa defined.

1 **SEC. 3. FINDINGS.**

2 The Congress finds the following:

3 (1) It is in the mutual interest of the United
4 States and the countries of sub-Saharan Africa to
5 promote broad-based economic development and eq-
6 uitable trade and investment policies in sub-Sahara
7 Africa.

8 (2) The countries of sub-Saharan Africa form a
9 region of tremendous human creativity, vast natural
10 and cultural wealth, enormous economic potential,
11 and enduring political significance.

12 (3) Many sub-Saharan African countries have
13 made notable progress toward democratization in re-
14 cent years.

15 (4) Despite this enormous potential, Africa has
16 the largest number of the poorest countries in the
17 world. Thirty-three of the 41 highly indebted poor
18 countries (HIPC) are located in sub-Saharan Africa.

1 Indeed, 50 percent of Africans live below the poverty
2 line, and 40 percent live on less than \$1 per day. In
3 addition, 40 percent of Africans suffer from mal-
4 nutrition and hunger, while 1 in 5 children in Africa
5 die before the age of 5.

6 (5)(A) Africa is the only continent where eco-
7 nomic production per person has declined through-
8 out the last two decades.

9 (B) The per capita income for sub-Saharan Af-
10 rica averages less than \$500 annually and per capita
11 income fell from \$752 in 1980, when the neo-liberal
12 development model was initially imposed on numer-
13 ous African countries, to \$613 in 1988 (in constant
14 1980 United States dollars).

15 (C) According to the International Bank for
16 Reconstruction and Development, in sub-Saharan
17 Africa wages have not grown since 1970 and in the
18 last decade alone family incomes have fallen by a
19 third and the number of African families unable to
20 meet their basic needs has doubled.

21 (D) In 1996, 20 sub-Saharan African countries
22 were still below their per capita incomes of 20 years
23 ago.

1 (6) African women, the region's chief food pro-
2 ducers, are often excluded from the benefits of cur-
3 rent trade and investment regimes.

4 (7) Africa's wealth in natural resources, oil, and
5 minerals is immense. However, current development
6 and economic models have denied the majority of Af-
7 rican people any benefits from this vast wealth.

8 (8) A plan for sustainable, equitable develop-
9 ment for, and trade with, Africa must recognize the
10 asymmetries of power and different levels of develop-
11 ment that exist between countries. Certain fun-
12 damental pre-existing hindrances to African develop-
13 ment and trade must be addressed.

14 (9) Sub-Saharan Africa, especially the poorest
15 people of sub-Saharan Africa, are inordinately bur-
16 dened by a \$230,000,000,000 debt whose service re-
17 quirements now take over 20 percent of the export
18 earnings of the sub-Saharan African region, exclud-
19 ing South Africa.

20 (10) The bilateral and multilateral debt bur-
21 dens of sub-Saharan Africa constitute a serious im-
22 pediment to private-sector development, stable demo-
23 cratic political structures, broad-based economic
24 growth, poverty eradication, the expansion of small
25 and women-owned businesses, food security, agricul-

1 tural development aimed at feeding the continent's
2 people, environmental sustainability, and regional in-
3 tegration.

4 (11)(A) Any policy for development in Africa
5 that is intended to benefit Africa must be premised
6 on unconditional debt cancellation.

7 (B) The history of United States cancellation of
8 debt includes reversal of the United States demand
9 that Germany pay 10 percent of its post-World War
10 II export earnings to recover debts owed prior to the
11 war.

12 (C) Germany successfully negotiated for a rate
13 which resulted in annual payments of less than 3.5
14 percent of export earnings.

15 (D) Currently Mozambique, one of the world's
16 poorest countries, pays over 20 percent of export
17 earnings in debt service.

18 (11)(A) The International Monetary Fund, the
19 International Bank for Reconstruction and Develop-
20 ment, and other international financial institutions
21 and aid agencies have required African nations to
22 adhere to "structural adjustment programs" which
23 have imposed enormous preventable suffering on Af-
24 rican people.

1 (B) These programs orient economies toward
2 export production, placing downward pressure on
3 wages, encouraging unsustainable resource exploi-
4 tation, and undermining food security.

5 (C) These programs lead to major reductions in
6 government spending, including in the crucial areas
7 of education, healthcare, and environmental protec-
8 tion, and they particularly harm women, who are
9 most severely hurt by the elimination of the social
10 safety net and the policy's neglect of small and do-
11 mestically oriented farmers.

12 (D) The programs impose a deregulatory and
13 trade liberalization agenda that removes crucial gov-
14 ernment protections for society and leaves local busi-
15 ness vulnerable to foreign multinational corpora-
16 tions. They also encourage wage cuts, including re-
17 ductions in the minimum wage, weakening of labor
18 laws and labor rights, and government and private
19 sector reductions in employment.

20 (E) Structural adjustment programs force re-
21 cessionary policies that most seriously victimize the
22 poor, and these programs tend to exacerbate income
23 and wealth inequalities and undermine basic well-
24 being, as measured by access to food, shelter, medi-
25 cal services, and a sustainable livelihood, even when

1 traditional economic indicators show economic
2 growth.

3 (12) The recent turmoil in the global economy
4 has demonstrated the limitations of the Inter-
5 national Monetary Fund model of trade and capital
6 liberalization.

7 (13) The United Nations Declaration of Human
8 Rights guarantees the right to food, shelter, health
9 care, education, and a sustainable livelihood, as well
10 as rights to political freedoms. United States policy
11 toward Africa must further these goals for the ma-
12 jority of people in sub-Saharan African and the
13 United States.

14 (14)(A) Many economic and “development”
15 policies imposed on sub-Saharan Africa under Inter-
16 national Monetary Fund programs and other inter-
17 national loan programs are focused on generating
18 hard currency through exports to service foreign
19 debt rather than on production for domestic African
20 food and other needs.

21 (B) Net transfer of resources from sub-Saharan
22 Africa to developed countries has increased substan-
23 tially for almost every sub-Saharan African nation.

24 (C) Two prominent examples are Zambia,
25 whose debt service ratio was 25.3 in 1980 and

1 174.44 in 1995—a 600 percent increase—and Si-
2 erra Leone, whose debt service nearly tripled from
3 1980 to 1995.

4 (15) Certain industrial agriculture practices im-
5 posed on sub-Saharan Africa under International
6 Monetary Fund programs and other international
7 loan programs, including substitution of export crops
8 for staple food production, use of chemical fer-
9 tilizers, hybrid seeds and other products, have re-
10 sulted in damage to local farmers and agriculture
11 and loss of food security.

12 (16)(A) Current large scale “development”
13 projects have not been designed in a manner that
14 produces benefits to most Africans.

15 (B) For instance, oil and mining projects such
16 as Sierra Rutile and Terebebe have not benefited
17 most Africans economically and have caused severe
18 environmental damage and led to conflicts with local
19 communities.

20 (C) More projects of this sort are now under
21 consideration, such as the International Bank for
22 Reconstruction and Development’s pending May
23 1999 decision on a \$3,000,000,000 request for a
24 Chad-Cameroon oil pipeline that has been harshly
25 criticized on social and environmental grounds.

1 (17) Many sub-Saharan African countries are
2 suffering from epidemics of HIV/AIDS, tuberculosis,
3 malaria and other diseases, many of which are treat-
4 able or preventable with existing pharmaceutical and
5 medical treatments.

6 (18)(A) The key principles that must guide any
7 United States economic policy toward sub-Saharan
8 Africa are those repeatedly identified by African gov-
9 ernments.

10 (B) Documents providing a concrete guide to
11 these sub-Saharan African priorities include the
12 “Lagos Plan” developed by the finance ministers of
13 the sub-Saharan African countries in coordination
14 with the Organization for African Unity.

15 (C) The overriding priority expressed in such
16 African policies is freedom for each African country
17 to self-determine what economic policies suit the
18 needs of their people and development.

19 (D) The priority goals these policies are aimed
20 to meet are food self-sufficiency and security, and
21 broad access to potable water, shelter, primary
22 health care, education, and affordable transport.

23 (19) Fair trade and mutually beneficial invest-
24 ment can be important tools for broad-based eco-
25 nomic development.

1 (20)(A) Global production utilizing free trade
2 among developed countries that have a common eco-
3 nomic and social system often carries significant
4 benefits—an expansion of demand, employment, pro-
5 ductivity, and a general increase in living standards.

6 (B) However, global production utilizing free
7 trade between developed and underdeveloped coun-
8 tries that have different economic and social systems
9 and standards appears to produce significantly dif-
10 ferent results—a general reduction of wages and de-
11 mand resulting in over-production and under-con-
12 sumption, a reduction in worker rights and safety,
13 fewer environmental protections and social welfare
14 mandates, and a transfer of income and wealth from
15 underdeveloped countries to the wealthy in developed
16 countries—thus increasing income and wealth dis-
17 parities both within developed countries and between
18 developed and underdeveloped countries and a gen-
19 eral lowering of living standards in developed coun-
20 tries.

21 (C) Therefore, mutually beneficial trade ar-
22 rangements among countries with significantly dif-
23 ferent levels of development will require a more com-
24 prehensive approach that combines trade opportuni-

1 ties with other necessary policies that raise living
2 standards rather than lower them.

3 **SEC. 4. DECLARATIONS OF POLICY.**

4 The Congress makes the following declarations:

5 (1)(A) The worth of economic development of a
6 country is measured only by the well-being of the
7 people of the country.

8 (B) A program of adjustment or development
9 that causes a deterioration in conditions for most
10 people is a failure that must be remedied.

11 (2) Economic relations between sub-Saharan
12 Africa and the United States must be oriented to-
13 ward benefiting the majority of the people of sub-Sa-
14 haran Africa and of the United States.

15 (3) The Congress endorses the goals stated in
16 the Lagos Plan developed by sub-Saharan African
17 Finance Ministers in cooperation with the Organiza-
18 tion for African Unity.

19 (4) In accordance with the goals of the Lagos
20 Plan, the primary goals of the United States with
21 respect to developing new economic relations with
22 sub-Saharan Africa include the following:

23 (A) Strengthening and diversifying the eco-
24 nomic production capacity of sub-Saharan
25 Africa.

1 (B) Improving the level of people's incomes
2 and the pattern of distribution in sub-Saharan
3 Africa.

4 (C) Adjusting the pattern of public expend-
5 itures to satisfy people's essential needs in sub-
6 Saharan Africa.

7 (D) Providing institutional support for
8 transition to functioning market economies in
9 sub-Saharan Africa through debt relief.

10 (E) Supporting environmentally sustain-
11 able development in sub-Saharan Africa.

12 (F) Promoting democracy, human rights,
13 and the strength of civil society in sub-Saharan
14 Africa.

15 (5) To achieve these primary goals of the
16 United States with respect to developing new eco-
17 nomic relations with sub-Saharan Africa, the Con-
18 gress calls for the following:

19 (A)(i) Full and unconditional cancellation
20 of all debts owed by sub-Saharan African coun-
21 tries to the United States, to other foreign
22 countries, to the International Monetary Fund
23 and the International Bank for Reconstruction
24 and Development.

1 (ii) Prior to this full and unconditional
2 cancellation of debt owed by sub-Saharan Afri-
3 can countries, each sub-Saharan African coun-
4 try shall not, in making debt payments de-
5 scribed in subclause (i), pay in any calendar
6 year an aggregate amount greater than an
7 amount equal to 5 percent of the export earn-
8 ings of the country for the prior calendar year.

9 (B) Encouraging sub-Saharan African
10 countries to adhere to their United Nations
11 20/20 Initiative commitment to support invest-
12 ment in human development by directing at
13 least 20 percent of savings from debt cancella-
14 tion to basic social services, with appropriate
15 input from civil society in developing basic serv-
16 ice plans as called for in the 20/20 Initiative.

17 (C) Targeting United States assistance
18 and trade initiatives so as to encourage local
19 processing of raw materials, using environ-
20 mentally protective techniques rather than seek-
21 ing export of raw commodities for processing in
22 other countries, will increase sub-Saharan Afri-
23 can employment, create an industrial base, and
24 encourage sustainable rates of resource extrac-
25 tion.

1 (D) Targeting United States assistance
2 and trade opportunities to sub-Saharan African
3 nations that allocate the levels recommended in
4 the Lagos Plan—25 percent to food production
5 and security and 30 percent to health, edu-
6 cation and other vital social services will in-
7 crease the equity and sustainability of develop-
8 ment.

9 (E) United States representatives at all
10 multilateral banks and other international eco-
11 nomic institutions should vote for and otherwise
12 support these policies and others aimed at solu-
13 tions that do not contribute to exacerbating so-
14 cial and environmental ills.

15 (F) United States corporations and foreign
16 corporations operating in sub-Saharan Africa
17 and doing business with the United States must
18 operate under the same core environmental
19 standards as those used in the operations and
20 facilities of those corporations in the United
21 States or other developed countries.

22 (G) United States policy toward sub-Saha-
23 ran Africa provides an opportunity to redress
24 issues of racial inequities in the United States.
25 United States economic policy toward sub-Saha-

ran Africa must provide African Americans with the opportunities and potential benefits of new economic relations between the United States and Africa.

(6) It is the policy of the United States Government to assist sub-Saharan African countries in efforts to make safe and efficacious pharmaceuticals and medical technologies as widely available as possible.

TITLE I—CANCELLATION OF DEBT OWED BY SUB-SAHARAN AFRICAN COUNTRIES

SEC. 101. DECLARATIONS OF POLICY.

The Congress makes the following declarations:

(1)(A) For the majority of people in sub-Saharan Africa to be able to benefit from new trade, investment, and other economic opportunities provided by this Act, and amendments made by this Act, the pre-existing burden of external debt of sub-Saharan African countries must be eliminated.

(B) This fresh start will allow operation of local credit markets and eliminate distortions currently hindering development in sub-Saharan Africa.

(2) The cancellation of debt provisions contained in this title, and amendments made by this

1 title, shall serve to help establish a more level play-
2 ing field on which sub-Saharan African countries
3 may move forward under the provisions of this Act.

4 **SEC. 102. CANCELLATION OF DEBT OWED TO THE UNITED**
5 **STATES GOVERNMENT BY SUB-SAHARAN AF-**
6 **RICAN COUNTRIES.**

7 The Foreign Assistance Act of 1961 (22 U.S.C. 2151
8 et seq.) is amended by adding at the end the following:

9 **“PART VI—CANCELLATION OF DEBT OWED TO**
10 **THE UNITED STATES BY SUB-SAHARAN AFRI-**
11 **CAN COUNTRIES.**

12 **“SEC. 901. CANCELLATION OF DEBT.**

13 “(a) IN GENERAL.—The President shall cancel all
14 amounts owed to the United States (or any agency of the
15 United States) by sub-Saharan African countries defined
16 in section 603 of the Human Rights, Opportunity, Part-
17 nership, and Empowerment for Africa Act as a result of—

18 “(1) concessional loans made or credits ex-
19 tended under any provision of law, including the pro-
20 visions of law described in subsection (b)(1); and

21 “(2) nonconcessional loans made, guarantees
22 issued, or credits extended under any of provisions
23 of law, including the provisions of law described in
24 subsection (b)(2).

25 “(b) PROVISIONS OF LAW.—

1 “(1) CONCESSIONAL PROVISIONS OF LAW.—The
2 provisions of law described in this paragraph are the
3 following:

4 “(A) Part I of this Act, chapter 4 of part
5 II of this Act, or predecessor foreign economic
6 assistance legislation.

7 “(B) Title I of the Agricultural Trade De-
8 velopment and Assistance Act of 1954 (7
9 U.S.C. 1701 et seq.).

10 “(2) NONCONCESSIONAL PROVISIONS OF
11 LAW.—The provisions of law described in this para-
12 graph are the following:

13 “(A) Sections 221 and 222 of this Act.

14 “(B) The Arms Export Control Act (22
15 U.S.C. 2751 et seq.).

16 “(C) Section 5(f) of the Commodity Credit
17 Corporation Charter Act.

18 “(D)(i) Section 201 of the Agricultural
19 Trade Act of 1978 (7 U.S.C. 5621).

20 “(ii) Section 202 of such Act (7 U.S.C.
21 5622).

22 “(E) The Export-Import Bank Act of
23 1945 (12 U.S.C. 635 et seq.).

1 “(c) TERMINATION OF AUTHORITY.—The authority
2 to cancel debt under this section shall terminate on Sep-
3 tember 30, 2002.

4 **“SEC. 902. ADDITIONAL REQUIREMENTS.**

5 “(a) REDUCTION OF DEBT NOT CONSIDERED TO BE
6 ASSISTANCE.—A reduction of debt under section 901 shall
7 not be considered to be assistance for purposes of any pro-
8 vision of law limiting assistance to a country.

9 “(b) INAPPLICABILITY OF CERTAIN PROHIBITIONS
10 RELATING TO REDUCTION OF DEBT.—The authority to
11 provide for reduction of debt under section 901 may be
12 exercised notwithstanding section 620(r) of this Act.

13 **“SEC. 903. REPORTS TO THE CONGRESS.**

14 “(a) IN GENERAL.—Not later than December 31,
15 1999, and December 31 of each of the next 3 years, the
16 President shall prepare and transmit to the appropriate
17 congressional committees an annual report concerning the
18 cancellation of debt under section 901 for the prior fiscal
19 year.

20 “(b) DEFINITION.—In this section, the term ‘appro-
21 priate congressional committees’ means—

22 “(1) the Committee on Banking and Financial
23 Services and the Committee on International Rela-
24 tions of the House of Representatives; and

1 “(2) the Committee on Foreign Relations of the
2 Senate.

3 **“SEC. 904. AUTHORIZATION OF APPROPRIATIONS.**

4 “For the cost (as defined in section 502(5) of the
5 Federal Credit Reform Act of 1990) for the cancellation
6 of debt under section 901, there are authorized to be ap-
7 propriated to the President such sums as may be nec-
8 essary for each of the fiscal years 2000 through 2002.”.

9 **SEC. 103. ADVOCACY OF CANCELLATION OF DEBT OWED TO**
10 **FOREIGN GOVERNMENTS BY SUB-SAHARAN**
11 **AFRICAN COUNTRIES.**

12 (a) ADVOCACY OF CANCELLATION OF DEBT.—The
13 Secretary of State shall provide written notification to
14 each foreign government that has provided loans, guaran-
15 tees, or credits to the government of a sub-Saharan Afri-
16 can country (and such loans, guarantees, or credits are
17 outstanding) that it is the policy of the United States to
18 fully and unconditionally cancel all debts owed by each
19 such sub-Saharan African country to the United States.
20 In addition, the Secretary shall urge in writing each such
21 foreign government to follow the example of the United
22 States and fully and unconditionally cancel all debts owed
23 by sub-Saharan African countries to each such foreign
24 government.

1 (b) REPORT.—Not later than 9 months after the date
2 of the enactment of this Act, the Secretary of State shall
3 prepare and submit to the Congress a report containing—

4 (1) a description of each written notification
5 provided to foreign governments under the first sen-
6 tence of subsection (a);

7 (2) a description of the response of each such
8 foreign government to such notification; and

9 (3) a description of the amount (if any) owed
10 to the United States by any foreign government op-
11 posing the United States policy advocated pursuant
12 to subsection (a).

13 **SEC. 104. ADVOCACY OF CANCELLATION OF DEBT OWED TO**
14 **THE INTERNATIONAL MONETARY FUND AND**
15 **THE INTERNATIONAL BANK FOR RECON-**
16 **STRUCTION AND DEVELOPMENT BY SUB-SA-**
17 **HARAN AFRICAN COUNTRIES.**

18 Title XVI of the International Financial Institutions
19 Act (22 U.S.C. 262c–262p–5) is amended by redesignat-
20 ing section 1622 as section 1623 and by inserting after
21 section 1621 the following:

1 **“SEC. 1622. ADVOCACY OF CANCELLATION OF DEBT OWED**
2 **TO THE INTERNATIONAL MONETARY FUND**
3 **AND THE INTERNATIONAL BANK FOR RECON-**
4 **STRUCTION AND DEVELOPMENT BY SUB-SA-**
5 **HARAN AFRICAN COUNTRIES.**

6 “(a) IN GENERAL.—The Secretary of Treasury shall
7 instruct the United States Executive Directors at the
8 International Monetary Fund and the International Bank
9 for Reconstruction and Development to use the voice, vote,
10 and influence of the United States to advocate that their
11 respective institutions—

12 “(1) fully and unconditionally cancel all debts
13 owed by any country in sub-Saharan Africa (as de-
14 fined in section 603 of the Human Rights, Oppor-
15 tunity, Partnership, and Empowerment for Africa
16 Act) to such institution; and

17 “(2) encourage each country benefiting from
18 such debt cancellation to allocate 20 percent of the
19 national budget of the country, including savings
20 from such debt cancellation, to basic services, as the
21 country has committed to do under the United Na-
22 tions 20/20 Initiative, with appropriate input from
23 civil society in developing basic service plans.

24 “(b) ADVOCACY OF POLICY TO PREVENT SUB-SAHA-
25 RAN AFRICAN COUNTRIES FROM PAYING MORE THAN 5
26 PERCENT OF ANNUAL EXPORT EARNINGS FOR DEBT

1 SERVICE ON IMF OR WORLD BANK LOANS.—The Sec-
2 retary of Treasury shall instruct the United States Execu-
3 tive Directors at the International Monetary Fund and the
4 International Bank for Reconstruction and Development,
5 until their respective institutions have fully and uncondi-
6 tionally canceled all debts owed to such institutions by any
7 country in sub-Saharan Africa (within the meaning of sub-
8 section (a)(1)) to use the voice, vote, and influence of the
9 United States to advocate that their respective institutions
10 not be party to, and that no future loan from their respec-
11 tive institutions be used to finance in whole or part the
12 implementation of, any agreement which requires the gov-
13 ernment of any such country, during any 12-month period
14 beginning on the date of the enactment of this section or
15 any anniversary of such date, to pay an amount exceeding
16 5 percent of the annual export earnings of the country
17 during the year toward the servicing of foreign loans.

18 “(c) ADVOCACY METHODS.—The Secretary of Treas-
19 ury shall instruct the United States Executive Directors
20 at the International Monetary Fund and the International
21 Bank for Reconstruction and Development to carry out
22 such instructions by all appropriate means, including by
23 letter to the country representative members governing
24 bodies of their respective institutions, and by requesting
25 formal votes on these matters.

1 “(d) REPORT.—Within 1 year after the date of the
2 enactment of this section, the Secretary of the Treasury
3 shall submit to the Committees on International Relations
4 and on Banking and Financial Services of the House of
5 Representatives and the Committees on Foreign Relations
6 of the Senate a report that contains—

7 “(1) a description of the response by foreign
8 governments to the policies advocated pursuant to
9 this section;

10 “(2) the result of any votes taken pursuant to
11 requests made under subsection (c);

12 “(3) the amount (if any) owed to the United
13 States by any country opposing any such policy; and

14 “(4) a copy of the letter referred to in sub-
15 section (c).”.

16 **SEC. 105. CANCELLATION OF DEBT OWED TO UNITED**
17 **STATES LENDERS BY SUB-SAHARAN AFRICAN**
18 **COUNTRIES.**

19 (a) REPORT.—Not later than January 1, 2000, the
20 Secretary of the Treasury shall submit to the Congress
21 a report on the amount of debt owed to any United States
22 person by any country in sub-Saharan Africa. The report
23 shall specify the amount owed to each such person by each
24 such country, the face value and market value of the debt,
25 and the amount of interest paid to date on the debt.

1 (b) ACQUISITION OF THE DEBT BY THE UNITED
 2 STATES.—Not later than September 1, 2000, the Sec-
 3 retary of the Treasury shall acquire each debt obligation
 4 owed to any United States person by any country in sub-
 5 Saharan Africa. It is the sense of the Congress that the
 6 price at which such an obligation is acquired should be
 7 the market value of the debt obligation as of January 1,
 8 1999.

9 (c) DEBT CANCELLATION.—On the acquisition of a
 10 debt obligation pursuant to this section, the debt obliga-
 11 tion is hereby canceled.

12 **SEC. 106. STUDY ON REPAYMENT OF DEBT IN LOCAL CUR-**
 13 **RENCIES BY SUB-SAHARAN AFRICAN COUN-**
 14 **TRIES.**

15 Section 603 of the Foreign Operations, Export Fi-
 16 nancing, and Related Programs Appropriations Act, 1999
 17 (as contained in section 101(d) of division A of the Omni-
 18 bus Consolidated and Emergency Supplemental Appro-
 19 priations Act, 1999) is amended—

20 (1) in subsection (e)—

21 (A) by striking “and” at the end of para-
 22 graph (3);

23 (B) by redesignating paragraph (4) as
 24 paragraph (5); and

1 (C) by inserting after paragraph (3) the
 2 following:

3 “(4) the viability and desirability of having each
 4 indebted country in sub-Saharan Africa (as defined
 5 in section 603 of the Human Rights, Opportunity,
 6 Partnership, and Empowerment for Africa Act)
 7 repay foreign loans made to the country (whether
 8 made bilaterally, multilaterally, or privately) in the
 9 currency of the indebted country; and”;

10 (2) in subsection (g), by adding at the end the
 11 following:

12 “(6) The matters described in subsection
 13 (e)(4).”.

14 **SEC. 107. ALLOCATION OF PERCENTAGE OF NATIONAL**
 15 **BUDGETS OF SUB-SAHARAN AFRICAN COUN-**
 16 **TRIES FOR BASIC SERVICES.**

17 The Secretary of State shall encourage the govern-
 18 ment of each sub-Saharan African country to allocate 20
 19 percent of its national budget, including the savings from
 20 the cancellation of debt owed by the country to the United
 21 States (pursuant to part VI of the Foreign Assistance Act
 22 of 1961, as added by section 102 of this Act), to other
 23 foreign countries (as called for in section 103 of this Act),
 24 to the International Monetary Fund and the International
 25 Bank for Reconstruction and Development (as called for

1 in section 1622 of the International Financial Institutions
2 Act, as added by section 104 of this Act), and to United
3 States persons (as called for in section 105 of this Act),
4 for the provision of basic services to individuals in each
5 such country, as provided for in the United Nations 20/
6 20 Initiative. In providing such basic services, each such
7 government should seek input from appropriate non-
8 governmental organizations.

9 **SEC. 108. SENSE OF THE CONGRESS RELATING TO LEVEL**
10 **OF INTERIM DEBT PAYMENTS PRIOR TO**
11 **FULL DEBT CANCELLATION BY SUB-SAHARAN**
12 **AFRICAN COUNTRIES.**

13 It is the sense of the Congress that, prior to the full
14 and unconditional cancellation of all debts owed by sub-
15 Saharan African countries to the United States (pursuant
16 to part VI of the Foreign Assistance Act of 1961, as added
17 by section 102 of this Act), to other foreign countries (as
18 called for in section 103 of this Act), and to United States
19 persons (as called for in section 105 of this Act), each
20 sub-Saharan African country should not, in making debt
21 payments described in the prior provisions of law, pay in
22 any calendar year an aggregate amount greater than an
23 amount equal to 5 percent of the export earnings of the
24 country for the prior calendar year.

1 **TITLE II—TRADE PROVISIONS**
2 **RELATING TO SUB-SAHARAN**
3 **AFRICA**

4 **SEC. 201. ENCOURAGING MUTUALLY BENEFICIAL TRADE**
5 **AND INVESTMENT.**

6 (a) FINDINGS.—The Congress makes the following
7 findings:

8 (1) A mutually beneficial United States-Sub-Sa-
9 haran Africa trade policy will grant new access to
10 the United States market for a broad range of goods
11 produced in Africa, by Africans, and include safe-
12 guards to ensure that the corporations manufactur-
13 ing these goods respect the rights of their employees
14 and the local environment. Such trade opportunities
15 will promote equitable economic development and
16 thus increase demand in African countries for
17 United States goods and service exports.

18 (2) Recognizing that the global system of textile
19 and apparel quotas under the MultiFiber Arrange-
20 ment will be phased out under the Uruguay Round
21 Agreements over the next 5 years with the total ter-
22 mination of the quota system in 2005, the grant of
23 additional access to the United States market in
24 these sectors is a short-lived benefit. Indeed, exclu-
25 sive focus on this sector may create incentives for in-

1 vestment in Africa in a sector that will become un-
2 competitive for Africa when the quota system termi-
3 nates and Chinese textile and apparel production
4 predominates world markets.

5 (b) TREATMENT OF QUOTAS.—

6 (1) KENYA AND MAURITIUS.—Pursuant to the
7 Agreement on Textiles and Clothing, the United
8 States shall eliminate the existing quotas on textile
9 and apparel exports to the United States from
10 Kenya and Mauritius, respectively, not later than 30
11 days after each country demonstrates the following:

12 (A) The country does not engage in signifi-
13 cant violations of internationally recognized
14 human rights.

15 (B)(i) The country is providing for effec-
16 tive enforcement of internationally recognized
17 worker rights throughout the country (including
18 in export processing zones) as determined under
19 paragraph (5), including the core labor stand-
20 ards enumerated in the appropriate treaties of
21 the International Labor Organization,
22 including—

23 (I) the right of association;

24 (II) the right to organize and bargain
25 collectively;

1 (III) a prohibition on the use of any
2 form of coerced or compulsory labor;

3 (IV) the international minimum age
4 for the employment of children (age 15);
5 and

6 (V) acceptable conditions of work with
7 respect to minimum wages, hours of work,
8 and occupational safety and health.

9 (ii) The government of the country ensures
10 that the Secretary of Labor, the head of the na-
11 tional labor agency of the government of that
12 country, and the head of the International Con-
13 federation of Free Trade Unions-Africa Region
14 Office (ICFTU-AFRO) each has access to all
15 appropriate records and other information of all
16 business enterprises in the country.

17 (C) The country is taking adequate meas-
18 ures to prevent illegal transshipment of goods
19 that is carried out by rerouting, false declara-
20 tion concerning country of origin or place of or-
21 igin, falsification of official documents, evasion
22 of United States rules of origin for textile and
23 apparel goods, or any other means, in accord-
24 ance with the requirements of subsection (d).

1 (D) The cost or value of the textile or ap-
2 parel product produced in the country, or any
3 2 or more sub-Saharan African countries, plus
4 the direct costs of processing operations per-
5 formed in the country or such countries, is not
6 less than 60 percent of the appraised value of
7 the product at the time it is entered into the
8 customs territory of the United States.

9 (E) Not less than 90 percent of employees
10 in business enterprises producing the textile
11 and apparel goods are citizens of that country,
12 or any 2 or more sub-Saharan African coun-
13 tries.

14 (F) The country is taking adequate meas-
15 ures to prevent being used as a transit point for
16 the shipment of goods in violation of the Agree-
17 ment on Textiles and Clothing or any other ap-
18 plicable textile agreement.

19 (2) OTHER SUB-SAHARAN COUNTRIES.—The
20 President shall continue the existing no quota policy
21 for each other country in sub-Saharan Africa if the
22 country is in compliance with the requirements ap-
23 plicable to Kenya and Mauritius under subpara-
24 graphs (A) through (F) of paragraph (1).

1 (3) TECHNICAL ASSISTANCE.—The Customs
2 Service shall provide the necessary technical assist-
3 ance to sub-Saharan African countries in the devel-
4 opment and implementation of adequate measures
5 against the illegal transshipment of goods.

6 (4) OFFSETTING REDUCTION OF CHINESE
7 QUOTA.—When the quota for either Kenya or Mau-
8 ritius is first eliminated, the quota for textile and
9 apparel products from the People’s Republic of
10 China for each calendar year in each product cat-
11 egory shall be reduced by the amount equal to the
12 volume of imports of all textile and apparel products
13 in that product category from all sub-Saharan Afri-
14 can countries into the United States in the preced-
15 ing calendar year, plus 5 percent of that amount.

16 (5) DETERMINATION OF COMPLIANCE WITH
17 INTERNATIONALLY RECOGNIZED WORKER RIGHTS.—

18 (A) DETERMINATION.—

19 (i) IN GENERAL.—For purposes of
20 carrying out paragraph (1)(B), the Sec-
21 retary of Labor, in consultation with the
22 individuals described in clause (ii), shall
23 determine whether or not each sub-Saha-
24 ran African country is providing for effec-
25 tive enforcement of internationally recog-

1 nized worker rights throughout the country
2 (including in export processing zones)
3 under such paragraph.

4 (ii) INDIVIDUALS DESCRIBED.—The
5 individuals described in this clause are the
6 head of the national labor agency of the
7 government of the sub-Saharan African
8 country in question and the head of the
9 International Confederation of Free Trade
10 Unions-Africa Region Office (ICFTU-
11 AFRO).

12 (B) CONTINUING COMPLIANCE.—In the
13 case of a country for which the Secretary of
14 Labor has made an initial determination under
15 subparagraph (A) that the country is in compli-
16 ance with the requirements of paragraph
17 (1)(B), the Secretary, in consultation with the
18 individuals described in subparagraph (A),
19 shall, not less than once every 3 years there-
20 after, conduct a review and make a determina-
21 tion with respect to that country to ensure con-
22 tinuing compliance with the requirements of
23 paragraph (1)(B).

24 (C) REPORT.—Not later than 6 months
25 after the date of the enactment of this Act, and

1 on an annual basis thereafter, the Secretary of
2 Labor shall prepare and submit to the Congress
3 a report containing—

4 (i) a description of each determination
5 made under this paragraph during the pre-
6 ceding year; and

7 (ii) a description of the position taken
8 by each of the individuals described in sub-
9 paragraph (A)(ii) with respect to each such
10 determination.

11 (6) REPORT.—The President shall publish in
12 the Federal Register and submit to the Congress,
13 not later than March 31 of each year, a report on
14 the growth in textiles and apparel exports to the
15 United States from countries in sub-Saharan Africa
16 in order to inform United States consumers, work-
17 ers, and textile manufacturers about the effects of
18 the no quota policy.

19 (c) TREATMENT OF TARIFFS.—The President shall
20 provide an additional benefit of a 50 percent tariff reduc-
21 tion for any textile and apparel product of a sub-Saharan
22 African country that meets the requirements of subpara-
23 graphs (A) through (F) of subsection (b)(1) and (d) and
24 that is imported directly into the United States from such
25 sub-Saharan African country if the business enterprise, or

1 a subcontractor of the enterprise, producing the product
2 is in compliance with the following:

3 (1) Citizens of 1 or more sub-Saharan African
4 countries own not less than 51 percent of such busi-
5 ness enterprise.

6 (2) If the business enterprise involves a joint-
7 venture arrangement with, or related to as a subsidi-
8 ary, trust, or subcontractor, a business enterprise
9 organized under the laws of the United States, the
10 European Union, Japan, or any other developed
11 country (or group of developed countries), or operat-
12 ing in such countries, the business enterprise shall
13 comply with the environmental standards that would
14 apply to a similar operation in the United States,
15 the European Union, Japan, or any other developed
16 country (or group of developed countries), as the
17 case may be.

18 (d) CUSTOMS PROCEDURES AND ENFORCEMENT.—

19 (1) OBLIGATIONS OF IMPORTERS AND PARTIES
20 ON WHOSE BEHALF APPAREL AND TEXTILES ARE
21 IMPORTED.—

22 (A) IN GENERAL.—Notwithstanding any
23 other provision of law, all imports to the United
24 States of textile and apparel goods pursuant to
25 this Act shall be accompanied by—

1 (i)(I) the name and address of the
2 manufacturer or producer of the goods,
3 and any other information with respect to
4 the manufacturer or producer that the
5 Customs Service may require; and

6 (II) if there is more than one manu-
7 facturer or producer, or if there is a con-
8 tractor or subcontractor of the manufac-
9 turer or producer with respect to the man-
10 ufacture or production of the goods, the in-
11 formation required under subclause (I)
12 with respect to each such manufacturer,
13 producer, contractor, or subcontractor, in-
14 cluding a description of the process per-
15 formed by each such entity;

16 (ii) a certification by the importer of
17 record that the importer has exercised rea-
18 sonable care to ascertain the true country
19 of origin of the textile and apparel goods
20 and the accuracy of all other information
21 provided on the documentation accompany-
22 ing the imported goods, as well as a certifi-
23 cation of the specific action taken by the
24 importer to ensure reasonable care for pur-
25 poses of this paragraph; and

1 (iii) a certification by the importer
2 that the goods being entered do not violate
3 applicable trademark, copyright, and pat-
4 ent laws.

5 (B) LIABILITY.—The importer of record
6 and the final retail seller of the merchandise
7 shall be jointly liable for any material false
8 statement, act, or omission made with the in-
9 tention or effect of—

10 (i) circumventing any quota that ap-
11 plies to the merchandise; or

12 (ii) avoiding any duty that would oth-
13 erwise be applicable to the merchandise.

14 (2) OBLIGATIONS OF COUNTRIES TO TAKE AC-
15 TION AGAINST TRANSSHIPMENT AND CIRCUMVEN-
16 TION.—The President shall ensure that any country
17 in sub-Saharan Africa that intends to export textile
18 and apparel goods to the United States—

19 (A) has in place adequate measures to
20 guard against unlawful transshipment of textile
21 and apparel goods and the use of counterfeit
22 documents; and

23 (B) will cooperate fully with the United
24 States to address and take action necessary to
25 prevent circumvention of any provision of this

1 section or of any agreement regulating trade in
2 apparel and textiles between that country and
3 the United States.

4 (3) STANDARDS OF PROOF.—

5 (A) FOR IMPORTERS AND RETAILERS.—

6 (i) IN GENERAL.—The Customs Serv-
7 ice shall seek imposition of a penalty
8 against an importer or retailer for a viola-
9 tion of any provision of this section if the
10 Customs Service determines, after appro-
11 priate investigation, that there is a sub-
12 stantial likelihood that the violation oc-
13 curred.

14 (ii) USE OF BEST AVAILABLE INFOR-
15 MATION.—If an importer or retailer fails to
16 cooperate with the Customs Service in an
17 investigation to determine if there has been
18 a violation of any provision of this section,
19 the Customs Service shall base its deter-
20 mination on the best available information.

21 (B) FOR COUNTRIES.—

22 (i) IN GENERAL.—The President may
23 determine that a country is not taking ade-
24 quate measures to prevent illegal trans-
25 shipment of goods or to prevent being used

1 as a transit point for the shipment of
2 goods in violation of this section if the
3 Customs Service determines, after con-
4 sultations with the country concerned, that
5 there is a substantial likelihood that such
6 a violation of this section occurred.

7 (ii) USE OF BEST AVAILABLE INFOR-
8 MATION.—

9 (I) IN GENERAL.—If a country
10 fails to cooperate with the Customs
11 Service in an investigation to deter-
12 mine if an illegal transshipment has
13 occurred, the Customs Service shall
14 base its determination on the best
15 available information.

16 (II) EXAMPLES.—Actions indi-
17 cating failure of a country to cooper-
18 ate under subclause (I) include—

19 (aa) denying or unreason-
20 ably delaying entry of officials of
21 the Customs Service to inves-
22 tigate violations of, or promote
23 compliance with, this section or
24 any textile agreement;

1 (bb) providing appropriate
2 United States officials with inac-
3 curate or incomplete information,
4 including information required
5 under the provisions of this sec-
6 tion; and

7 (cc) denying appropriate
8 United States officials access to
9 information or documentation re-
10 lating to production capacity of,
11 and outward processing done by,
12 manufacturers, producers, con-
13 tractors, or subcontractors within
14 the country.

15 (4) PENALTIES.—

16 (A) FOR IMPORTERS AND RETAILERS.—
17 The penalty for a violation of any provision of
18 this section by an importer or retailer of textile
19 and apparel goods—

20 (i) for a first offense (except as pro-
21 vided in clause (iii)), shall be a civil pen-
22 alty in an amount equal to 200 percent of
23 the declared value of the merchandise plus
24 forfeiture of the merchandise;

1 (ii) for a second offense (except as
2 provided in clause (iii)), shall be a civil
3 penalty in an amount equal to 400 percent
4 of the declared value of the merchandise
5 plus forfeiture of the merchandise, and, in
6 addition shall be prosecuted as an offense
7 punishable by a fine of not more than
8 \$100,000, imprisonment for not more than
9 1 year, or both; and

10 (iii) for a third or subsequent offense,
11 or for a first or second offense if the viola-
12 tion of the provision of this section is com-
13 mitted knowingly and willingly, shall be
14 prosecuted as an offense punishable by a
15 fine of not more than \$1,000,000, impris-
16 onment for not more than 5 years, or both,
17 and, in addition, shall result in forfeiture
18 of the merchandise.

19 (B) FOR COUNTRIES.—The failure of a
20 country to undertake the measures or the co-
21 operation required by this section shall result in
22 an automatic imposition of a quota, based on
23 the first 12 of the prior 24 months of ship-
24 ments of apparel or textile product category or
25 categories involved, or the imposition of duty on

1 apparel or textile products, as necessary to se-
2 cure future cooperation.

3 (5) APPLICABILITY OF UNITED STATES LAWS
4 AND PROCEDURES.—All provisions of the laws, regu-
5 lations, and procedures of the United States relating
6 to the denial of entry of articles or penalties against
7 individuals or entities for engaging in illegal trans-
8 shipment, fraud, or other violations of the customs
9 law, shall apply to imports of textiles and apparel
10 from sub-Saharan African countries, in addition to
11 the specific provisions of this section.

12 (6) MONITORING AND REPORTS TO CON-
13 GRESS.—The Customs Service shall monitor and the
14 Commissioner of Customs shall submit to the Con-
15 gress, not later than March 31 of each year, a report
16 on the measures taken by countries in sub-Saharan
17 Africa which export textiles or apparel goods to the
18 United States to prevent transshipment as provided
19 in this section and circumvention of this section or
20 of any agreement regulating trade in textiles and ap-
21 parel between that country and the United States.

22 (d) DEFINITION.—For purposes of this section, the
23 term “Agreement on Textiles and Clothing” means the
24 Agreement on Textiles and Clothing referred to in section

1 101(d)(4) of the Uruguay Round Agreements Act (19
2 U.S.C. 3511(d)(4)).

3 **SEC. 202. GENERALIZED SYSTEM OF PREFERENCES.**

4 (a) PREFERENTIAL TARIFF TREATMENT FOR CER-
5 TAIN ARTICLES.—Section 503(a)(1) of the Trade Act of
6 1974 (19 U.S.C. 2463(a)(1)) is amended—

7 (1) by redesignating subparagraph (C) as sub-
8 paragraph (D); and

9 (2) by inserting after subparagraph (B) the fol-
10 lowing:

11 “(C) ELIGIBLE COUNTRIES IN SUB-SAHA-
12 RAN AFRICA.—

13 “(i) IN GENERAL.—(I) Subject to
14 clause (ii), the President may provide duty-
15 free treatment for any article described in
16 subclause (II) that is imported directly into
17 the United States from a sub-Saharan Af-
18 rican country.

19 “(II)(aa) An article described in this
20 subclause is an article set forth in para-
21 graph (1) of subsection (b), or an article
22 set forth in the product list of the Lome
23 Treaty, that is the growth, product, or
24 manufacture of a sub-Saharan African
25 country that is a beneficiary developing

1 country and that is in compliance with the
2 requirements of subsections (b) and (d) of
3 section 201 of the Human Rights, Oppor-
4 tunity, Partnership, and Empowerment for
5 Africa Act, with respect to such article, if,
6 after receiving the advice of the Inter-
7 national Trade Commission in accordance
8 with subsection (e), the President deter-
9 mines that such article is not import-sen-
10 sitive in the context of imports from sub-
11 Saharan African countries. This subpara-
12 graph shall not affect the designation of el-
13 igible articles under subparagraph (B).

14 “(bb) In addition to meeting the re-
15 quirements of division (aa), in the case of
16 an article that is the product or manufac-
17 ture of the oil or mineral extraction indus-
18 try, and the business enterprise that pro-
19 duces or manufactures the article is in-
20 volved in a joint-venture arrangement with,
21 or related to as a subsidiary, trust, or sub-
22 contractor, a business enterprise organized
23 under the laws of the United States, the
24 European Union, Japan, or any other de-
25 veloped country (or group of developed

1 countries), or operating in such countries,
2 then the business enterprise complies with
3 the environmental standards that would
4 apply to a similar operation in the United
5 States, the European Union, Japan, or any
6 other developed country (or group of devel-
7 oped countries), as the case may be.

8 “(ii) RULE OF CONSTRUCTION.—For
9 purposes of clause (i), in applying subpara-
10 graphs (A) through (F) of section
11 201(b)(1) and section 201(d) of the
12 Human Rights, Opportunity, Partnership,
13 and Empowerment for Africa Act, any ref-
14 erence to textile and apparel goods or
15 products shall be deemed to refer to the
16 article provided duty-free treatment under
17 clause (i).”.

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

21 “(C) ELIGIBLE COUNTRIES IN SUB-SAHA-
22 RAN AFRICA.—For purposes of determining the
23 percentage referred to in subparagraph (A) in
24 the case of an article of a sub-Saharan African

1 country that is a beneficiary developing
2 country—

3 “(i) if the cost or value of materials
4 produced in the customs territory of the
5 United States is included with respect to
6 that article, an amount not to exceed 15
7 percent of the appraised value of the arti-
8 cle at the time it is entered that is attrib-
9 uted to such United States cost or value
10 may be applied toward determining the
11 percentage referred to in subparagraph
12 (A); and

13 “(ii) the cost or value of the materials
14 included with respect to that article that
15 are produced in any beneficiary developing
16 country that is a sub-Saharan African
17 country shall be applied in determining
18 such percentage.”.

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

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

23 “(a) SUB-SAHARAN AFRICAN COUNTRIES.—No duty-
24 free treatment provided under this title shall remain in

1 effect after June 30, 2005, with respect to beneficiary de-
 2 veloping countries that are sub-Saharan African countries.

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) SUB-SAHARAN AFRICAN COUNTRY.—The
 11 term ‘sub-Saharan African country’ and ‘sub-Saha-
 12 ran African countries’ mean a country or countries
 13 in sub-Saharan Africa, as defined in section 603 of
 14 the Human Rights, Opportunity, Partnership, and
 15 Empowerment for Africa Act.”.

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

18 **SEC. 203. ADDITIONAL ENFORCEMENT.**

19 A citizen of the United States shall have a cause of
 20 action in the United States district court in the district
 21 in which he or she lives or in any other appropriate district
 22 to seek compliance with the standards set forth under sub-
 23 paragraphs (A) through (F) of section 201(b)(1), section
 24 201(c), and section 201(d) of this Act with respect to any
 25 sub-Saharan African country, including a cause of action

1 in an appropriate United States district court for other
 2 appropriate equitable relief. In addition to any other relief
 3 sought in such an action, a citizen may seek three times
 4 the value of any damages caused by the failure of a coun-
 5 try or company to comply. The amount of damages de-
 6 scribed in the preceding sentence shall be paid by the busi-
 7 ness enterprise (or business enterprises) the operations or
 8 conduct of which is responsible for the failure to meet the
 9 standards set forth under subparagraphs (A) through (F)
 10 of section 201(b)(1), section 201(c), and section 201(d)
 11 of this Act.

12 **TITLE III—DEVELOPMENT AS-**
 13 **SISTANCE FOR SUB-SAHARAN**
 14 **AFRICAN COUNTRIES**

15 **SEC. 301. FINDINGS.**

16 Section 496(a)(1) of the Foreign Assistance Act of
 17 1961 (22 U.S.C. 2293(a)(1)) is amended by striking
 18 “drought and famine” and inserting “drought, famine,
 19 and the HIV/AIDS epidemic”.

20 **SEC. 302. PRIVATE AND VOLUNTARY ORGANIZATIONS.**

21 Section 496(e) of the Foreign Assistance Act of 1961
 22 (22 U.S.C. 2293(e)) is amended—

23 (1) by redesignating paragraph (2) as para-
 24 graph (3); and

1 (2) by inserting after paragraph (1) the follow-
2 ing:

3 “(2) CAPACITY BUILDING.—In addition to as-
4 sistance provided under subsection (h), the United
5 States Agency for International Development shall
6 provide capacity building assistance through
7 participatory planning to private and voluntary orga-
8 nizations that are involved in providing assistance
9 for sub-Saharan Africa under this chapter.”.

10 **SEC. 303. TYPES OF ASSISTANCE.**

11 Section 496(h) of the Foreign Assistance Act of 1961
12 (22 U.S.C. 2293(h)) is amended by adding at the end the
13 following:

14 “(4) PROHIBITION ON MILITARY ASSISTANCE.—
15 Assistance under this section—

16 “(A) may not include military training or
17 weapons; and

18 “(B) may not be obligated or expended for
19 military training or the procurement of weap-
20 ons.”.

21 **SEC. 304. CRITICAL SECTORAL PRIORITIES.**

22 (a) AGRICULTURE, FOOD SECURITY AND NATURAL
23 RESOURCES.—Section 496(i)(1) of the Foreign Assistance
24 Act of 1961 (22 U.S.C. 2293(i)(1)) is amended—

25 (1) in the heading, to read as follows:

1 “(1) AGRICULTURE, FOOD SECURITY AND NAT-
2 URAL RESOURCES.—”;

3 (2) in subparagraph (A)—

4 (A) in the heading, to read as follows:

5 “(A) AGRICULTURE AND FOOD SEC-
6 RITY.—”;

7 (B) in the first sentence—

8 (i) by striking “agricultural produc-
9 tion in ways” and inserting “food security
10 by promoting agriculture policies”; and

11 (ii) by striking “, especially food pro-
12 duction,”; and

13 (3) in subparagraph (B), in the matter preced-
14 ing clause (i), by striking “agricultural production”
15 and inserting “food security and sustainable re-
16 source use”.

17 (b) HEALTH.—Section 496(i)(2) of the Foreign As-
18 sistance Act of 1961 (22 U.S.C. 2293(i)(2)) is amended
19 by striking “(including displaced children)” and inserting
20 “(including displaced children and improving HIV/AIDS
21 prevention and treatment programs)”.

22 (c) VOLUNTARY FAMILY PLANNING SERVICES.—Sec-
23 tion 496(i)(3) of the Foreign Assistance Act of 1961 (22
24 U.S.C. 2293(i)(3)) is amended by adding at the end before

1 the period the following: “and access to prenatal
2 healthcare”.

3 (d) EDUCATION.—Section 496(i)(4) of the Foreign
4 Assistance Act of 1961 (22 U.S.C. 2293(i)(4)) is amended
5 by adding at the end before the period the following: “and
6 vocational education, with particular emphasis on primary
7 education and vocational education for women”.

8 (e) INCOME-GENERATING OPPORTUNITIES.—Section
9 496(i)(5) of the Foreign Assistance Act of 1961 (22
10 U.S.C. 2293(i)(5)) is amended—

11 (1) by striking “labor-intensive”; and

12 (2) by adding at the end before the period the
13 following: “, including development of manufacturing
14 and processing industries and microcredit projects”.

15 **SEC. 305. MINIMUM LEVELS OF ASSISTANCE FOR CERTAIN**
16 **CRITICAL SECTORS.**

17 Section 496(j) of the Foreign Assistance Act of 1961
18 (22 U.S.C. 2293(j)) is amended—

19 (1) in the matter preceding paragraph (1), by
20 striking “10 percent” and inserting “15 percent”;

21 (2) by redesignating paragraphs (1) through
22 (3) as paragraphs (2) through (4), respectively;

23 (3) by inserting before paragraph (2) (as so re-
24 designated) the following:

1 “(1) The activities described in subsection
2 (i)(1)(A).”;

3 (4) in paragraph (2) (as redesignated), by strik-
4 ing “, including identifiable components of agricul-
5 tural production projects”; and

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

7 “(5) The activities described in subsection
8 (i)(4).”.

9 **SEC. 306. REPORTING REQUIREMENTS.**

10 Section 496 of the Foreign Assistance Act of 1961
11 (22 U.S.C. 2293) is amended by adding at the end the
12 following:

13 “(p) **REPORTING REQUIREMENTS.**—The Adminis-
14 trator of the United States Agency for International De-
15 velopment shall, on a semiannual basis, prepare and sub-
16 mit to the Congress a report containing—

17 “(1) a description of how, and the extent to
18 which, the Agency has consulted with nongovern-
19 mental organizations in sub-Saharan Africa regard-
20 ing the use of amounts made available for sub-Saha-
21 ran African countries under this chapter;

22 “(2) the extent to which the provision of such
23 amounts has been successful in increasing food secu-
24 rity and access to health and education services
25 among the people of sub-Saharan Africa;

1 “(3) the extent to which the provision of such
2 amounts has been successful in capacity building
3 among local nongovernmental organizations; and

4 “(4) a description of how, and the extent to
5 which, the provision of such amounts has furthered
6 the goals of sustainable economic and agricultural
7 development, gender equity, environmental protec-
8 tion, and respect for workers’ rights in sub-Saharan
9 Africa.”.

10 **SEC. 307. AUTHORIZATION OF APPROPRIATIONS FOR DE-**
11 **VELOPMENT FUND FOR AFRICA.**

12 (a) IN GENERAL.—Section 497 of the Foreign Assist-
13 ance Act of 1961 (22 U.S.C. 2294) is amended by insert-
14 ing before the first sentence the following: “There is au-
15 thorized to be appropriated to carry out this chapter for
16 fiscal year 2000 and each subsequent year an amount not
17 less than the amount appropriated to carry out this chap-
18 ter for fiscal year 1994.”.

19 (b) ADDITIONAL REQUIREMENT.—Amounts appro-
20 priated under the Foreign Operations, Export Financing,
21 and Related Programs Appropriations Act pursuant to the
22 authorization of appropriations established under the first
23 sentence of section 497 of the Foreign Assistance Act of
24 1961 (22 U.S.C. 2294), as added by subsection (a), shall
25 be appropriated to a separate account under the heading

1 “Development Fund for Africa” and not to the account
2 under the heading “Development Assistance”.

3 **TITLE IV—SUB-SAHARAN AFRICA**
4 **EQUITY AND INFRASTRUC-**
5 **TURE FUNDS**

6 **SEC. 401. SUB-SAHARAN AFRICA EQUITY AND INFRASTRUC-**
7 **TURE FUNDS.**

8 (a) INITIATION OF FUNDS.—The Overseas Private
9 Investment Corporation shall, not later than 12 months
10 after the date of the enactment of this Act, exercise the
11 authorities it has to initiate 1 or more equity funds in
12 support of projects in the countries in sub-Saharan Africa,
13 in addition to any existing equity fund for sub-Saharan
14 Africa established by the Corporation before the date of
15 the enactment of this Act.

16 (b) STRUCTURE AND TYPES OF FUNDS.—

17 (1) STRUCTURE.—Each fund initiated under
18 subsection (a) shall be structured as a partnership
19 managed by professional private sector fund man-
20 agers and monitored on a continuing basis by the
21 Corporation.

22 (2) CAPITALIZATION.—Each fund shall be cap-
23 italized with a combination of private equity capital,
24 which is not guaranteed by the Corporation, and
25 debt for which the Corporation provides guaranties.

1 (3) TYPES OF FUNDS.—One or more of the
2 funds, with combined assets of up to \$500,000,000,
3 shall be used in support of infrastructure projects in
4 countries of sub-Saharan Africa, including basic
5 health services (including AIDS prevention and
6 treatment), including hospitals, potable water, sani-
7 tation, schools, electrification of rural areas, and
8 publicly-accessible transportation in sub-Saharan Af-
9 rican countries.

10 (c) ADDITIONAL REQUIREMENTS.—The Corporation
11 shall ensure that—

12 (1) not less than 70 percent of trade financing
13 and investment insurance provided through the eq-
14 uity funds established under subsection (a), and
15 through any existing equity fund for sub-Saharan
16 Africa established by the Corporation before the date
17 of the enactment of this Act, are allocated to small,
18 women- and minority-owned businesses—

19 (A) of which not less than 60 percent of
20 the ownership is comprised of citizens of sub-
21 Saharan African countries and 40 percent of
22 the ownership is comprised of citizens of the
23 United States; and

24 (B) that have assets of not more than
25 \$1,000,000; and

1 (2) not less than 50 percent of the funds allo-
 2 cated to energy projects are used for renewal or al-
 3 ternative energy projects.

4 **TITLE V—OVERSEAS PRIVATE**
 5 **INVESTMENT CORPORATION**
 6 **AND EXPORT-IMPORT BANK**
 7 **INITIATIVES**

8 **SEC. 501. OVERSEAS PRIVATE INVESTMENT CORPORATION**
 9 **INITIATIVES.**

10 Section 233 of the Foreign Assistance Act of 1961
 11 is amended by adding at the end the following:

12 “(e) ADVISORY COMMITTEE.—

13 “(1) ESTABLISHMENT.—The Board shall estab-
 14 lish and work with an advisory committee to assist
 15 the Board in developing and implementing policies,
 16 programs, and financial instruments with respect to
 17 sub-Saharan Africa, including with respect to equity
 18 and infrastructure funds established under title IV
 19 of the Human Rights, Opportunity, Partnership,
 20 and Empowerment for Africa Act.

21 “(2) MEMBERSHIP.—

22 “(A) IN GENERAL.—The advisory commit-
 23 tee established under paragraph (1) shall con-
 24 sist of 15 members, of which 7 members shall
 25 be employees of the United States Government

1 and 8 members shall be representatives of the
2 private sector.

3 “(B) APPOINTMENT.—The members of the
4 advisory committee shall be appointed as fol-
5 lows:

6 “(i) The Speaker and Minority Leader
7 of the House of Representatives and the
8 Majority and Minority Leaders of the Sen-
9 ate shall each appoint 2 members who are
10 representatives of the private sector and 1
11 member who is an employee of the United
12 States Government.

13 “(ii) The Speaker and Minority Lead-
14 er of the House of Representatives and the
15 Majority and Minority Leaders of the Sen-
16 ate shall jointly appoint the remaining 3
17 members who are employees of the United
18 States Government.

19 “(C) ADDITIONAL REQUIREMENTS.—Of
20 the 8 members of advisory committee who are
21 representatives of the private sector—

22 “(i) at least 4 members shall be rep-
23 resentatives of not-for-profit public interest
24 organizations;

1 “(ii) at least 1 member shall be a rep-
2 resentative of an organization with exper-
3 tise in development issues;

4 “(iii) at least 1 member shall be a
5 representative of an organization with ex-
6 pertise in human rights issues;

7 “(iv) at least 1 member shall be a rep-
8 resentative of an organization with exper-
9 tise in environmental issues; and

10 “(v) at least 1 member shall be a rep-
11 resentative of an organization with exper-
12 tise in international labor rights.

13 “(D) TERMS.—Each member of the advi-
14 sory committee shall be appointed for a term of
15 2 years.

16 “(3) MEETINGS.—

17 “(A) OPEN TO PUBLIC.—Meetings of the
18 advisory committee shall be open to the public.

19 “(B) ADVANCE NOTICE.—The advisory
20 committee shall provide advance notice in the
21 Federal Register of any meeting of the commit-
22 tee, shall provide notice of all proposals or
23 projects to be considered by the committee at
24 the meeting, and shall solicit written comments

1 from the public relating to such proposals or
2 projects.

3 “(C) DECISIONS.—Any decision of the ad-
4 visory committee relating to a proposal or
5 project shall be published in the Federal Reg-
6 ister with an explanation of the extent to which
7 the committee considered public comments re-
8 ceived with respect to the proposal or project,
9 if any.

10 “(4) ENVIRONMENTAL IMPACT ASSESS-
11 MENTS.—The Corporation shall carry out environ-
12 mental impact assessments with respect to any pro-
13 posal or project not later than 120 days before the
14 advisory committee, or the Board, considers such
15 proposal or project, whichever occurs earlier.”.

16 **SEC. 502. EXPORT-IMPORT BANK INITIATIVE.**

17 Section 2(b)(9) of the Export-Import Bank Act of
18 1945 (12 U.S.C. 635(b)(9)) is amended to read as follows:

19 “(9) For purposes of the funds allocated by the Bank
20 for projects in countries in sub-Saharan Africa (as defined
21 in section 603 of the Human Rights, Opportunity, Part-
22 nership, and Empowerment for Africa Act):

23 “(A) The Bank shall establish an advisory
24 committee to work with and assist the Board in
25 developing and implementing policies, pro-

1 grams, and financial instruments with respect
2 to such countries.

3 “(B) The members of the advisory commit-
4 tee shall be appointed as follows:

5 “(i) The Speaker and Minority Leader
6 of the House of Representatives and the
7 Majority and Minority Leaders of the Sen-
8 ate shall each appoint 2 members who are
9 representatives of the private sector and 1
10 member who is an officer or employee of
11 the Federal Government.

12 “(ii) The Speaker and Minority Lead-
13 er of the House of Representatives and the
14 Majority and Minority Leaders of the Sen-
15 ate shall jointly appoint the remaining 3
16 members who are officers or employees of
17 the Federal Government.

18 “(C)(i) At least half of the members of the
19 advisory committee who are representatives of
20 the private sector shall be representatives of
21 not-for-profit public interest organizations.

22 “(ii) At least 1 of such private sector rep-
23 resentatives shall be a representative of an or-
24 ganization with expertise in development issues.

1 “(iii) At least 1 of such private sector rep-
2 resentatives shall be a representative of an or-
3 ganization with expertise in human rights.

4 “(iv) At least 1 of such private sector rep-
5 resentatives shall be a representative of an or-
6 ganization with expertise in environmental
7 issues.

8 “(v) At least 1 of such private sector rep-
9 resentatives shall have expertise in international
10 labor rights.

11 “(D) Each member of the advisory com-
12 mittee shall serve for a term of 2 years.

13 “(E)(i) Members of the advisory committee
14 who are representatives of the private sector
15 shall not receive compensation by reason of
16 their service on the advisory committee.

17 “(ii) Members of the advisory committee
18 who are officers or employees of the Federal
19 Government may not receive additional pay, al-
20 lowances, or benefits by reason of their service
21 on the advisory committee.

22 “(F) Meetings of the advisory committee
23 shall be open to the public.

24 “(G) The advisory committee shall give
25 timely advance notice of each meeting of the

advisory committee, including a description of any matters to be considered at the meeting, shall establish a public docket, shall solicit written comments in advance on each proposal, and shall make each decision in writing with an explanation of disposition of the public comments.

“(H) The Bank shall complete and release to the public an environmental impact assessment with respect to a proposal or project with potential environmental effects, not later than 120 days before the advisory committee, or the Board, considers the proposal or project, whichever occurs earlier.

“(I) Section 14(a)(2) of the Federal Advisory Committee Act shall not apply to the advisory committee.”.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. REQUIREMENTS RELATING TO SUB-SAHARAN AFRICA INTELLECTUAL PROPERTY AND COMPETITION LAW.

Funds appropriated or otherwise made available to any department or agency of the United States may not be used to seek, through negotiation or otherwise, the revocation or revisions of any sub-Saharan African intellec-

1 tual property or competition law or policy that is designed
2 to promote access to pharmaceuticals or other medical
3 technologies and such law or policy, as the case may be,
4 complies with the Agreement on Trade-Related Aspects of
5 Intellectual Property Rights referred to in section
6 101(d)(15) of the Uruguay Round Agreements Act.

7 **SEC. 602. REVIEW AND REPORTING REQUIREMENTS.**

8 (a) REVIEW.—

9 (1) IN GENERAL.—Not later than 3 years after
10 the date of the enactment of this Act, the President
11 shall, through publication in the Federal Register,
12 provide notice and opportunity to the public for com-
13 ments on the success or failure of the implementa-
14 tion of this Act, or any amendments made by this
15 Act.

16 (2) PUBLIC AVAILABILITY.—Any comments re-
17 ceived under paragraph (1) shall be published in the
18 Federal Register.

19 (b) REPORTS.—Not later than 4 years after the date
20 of the enactment of this Act, the President shall prepare
21 and transmit to the Congress a report containing the pub-
22 lic comments received under section 701.

23 **SEC. 603. SUB-SAHARAN AFRICA DEFINED.**

24 In this Act, the terms “sub-Saharan Africa”, “sub-
25 Saharan African country”, “country in sub-Saharan Afri-

1 ca”, “sub-Saharan African countries”, and “countries in
2 sub-Saharan Africa” refer to the following:

- 3 Republic of Angola (Angola)
- 4 Republic of Botswana (Botswana)
- 5 Republic of Burundi (Burundi)
- 6 Republic of Cape Verde (Cape Verde)
- 7 Republic of Chad (Chad)
- 8 Democratic Republic of Congo
- 9 Republic of the Congo (Congo)
- 10 Republic of Djibouti (Djibouti)
- 11 State of Eritrea (Eritrea)
- 12 Gabonese Republic (Gabon)
- 13 Republic of Ghana (Ghana)
- 14 Republic of Guinea-Bissau (Guinea-Bissau)
- 15 Kingdom of Lesotho (Lesotho)
- 16 Republic of Madagascar (Madagascar)
- 17 Republic of Mali (Mali)
- 18 Republic of Mauritius (Mauritius)
- 19 Republic of Namibia (Namibia)
- 20 Federal Republic of Nigeria (Nigeria)
- 21 Democratic Republic of Sao Tomé and Príncipe
- 22 (Sao Tomé and Príncipe)
- 23 Republic of Sierra Leone (Sierra Leone)
- 24 Somalia
- 25 Kingdom of Swaziland (Swaziland)

- 1 Republic of Togo (Togo)
- 2 Republic of Zimbabwe (Zimbabwe)
- 3 Republic of Benin (Benin)
- 4 Burkina Faso (Burkina)
- 5 Republic of Cameroon (Cameroon)
- 6 Central African Republic
- 7 Federal Islamic Republic of the Comorors
- 8 (Comoros)
- 9 Republic of Côte d'Ivoire (Côte d'Ivoire)
- 10 Republic of Equatorial Guinea (Equatorial
- 11 Guinea)
- 12 Ethiopia
- 13 Republic of the Gambia (Gambia)
- 14 Republic of Guinea (Guinea)
- 15 Republic of Kenya (Kenya)
- 16 Republic of Liberia (Liberia)
- 17 Republic of Malawi (Malawi)
- 18 Islamic Republic of Mauritania (Mauritania)
- 19 Republic of Mozambique (Mozambique)
- 20 Republic of Niger (Niger)
- 21 Republic of Rwanda (Rwanda)
- 22 Republic of Senegal (Senegal)
- 23 Republic of Seychelles (Seychelles)
- 24 Republic of South Africa (South Africa)
- 25 Republic of Sudan (Sudan)

- 1 United Republic of Tanzania (Tanzania)
- 2 Republic of Uganda (Uganda)
- 3 Republic of Zambia (Zambia)

