

117TH CONGRESS  
2D SESSION

# S. 5154

To promote the African Continental Free Trade Area, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

NOVEMBER 30 (legislative day, NOVEMBER 29), 2022

Mr. VAN HOLLEN introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To promote the African Continental Free Trade Area, and  
for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Strengthening the Af-  
5 rican Continental Free Trade Area Act of 2022” or the  
6 “Strengthening the AfCFTA Act of 2022”.

7 **SEC. 2. FINDINGS.**

8 Congress finds the following:

9 (1) By 2035, the gross domestic product of Af-  
10 rican countries is projected to increase by  
11 \$450,000,000,000 with the implementation of the

1 AfCFTA and lift 30,000,000 Africans out of ex-  
 2 treme poverty while boosting the wages of African  
 3 women and unskilled workers in particular, accord-  
 4 ing to World Bank estimates.

5 (2) According to the World Bank, the total  
 6 intracontinental exports from African countries  
 7 would increase by 81 percent under the AfCFTA.  
 8 By economic sector, the AfCFTA is expected to be  
 9 especially important for expanding manufacturing,  
 10 by increasing intracontinental manufacturing exports  
 11 by 110 percent, which will diversify African econo-  
 12 mies and decrease the reliance of such economies  
 13 upon extracting natural resources.

14 (3) The AfCFTA will also increase African  
 15 manufacturing exports to the rest of the world by 46  
 16 percent. As a result of the AfCFTA creating new  
 17 commercial opportunities and diversifying global  
 18 supply chains, the rest of the world's gross domestic  
 19 product is expected to increase by \$76,000,000,000.

### 20 **SEC. 3. STATEMENT OF POLICY.**

21 It is the policy of the United States to—

22 (1) support the African Union's Agenda 2063  
 23 efforts to promote regional economic development,  
 24 diversification, and integration by stimulating great-  
 25 er trade and investment among African countries

1 and between Africa and the global trade partners of  
2 Africa, notably including greater collaboration with  
3 the United States;

4 (2) partner with the African Union Commis-  
5 sion, African Union entities such as the African  
6 Continental Free Trade Area Secretariat, regional  
7 economic communities, and other intergovernmental  
8 African organizations to bolster trade and invest-  
9 ment at the regional, intracontinental, and inter-  
10 national levels;

11 (3) increase opportunities for trade and invest-  
12 ment between African countries and United States  
13 businesses, including those owned by members of the  
14 African diaspora, thereby contributing to potential  
15 United States economic growth; and

16 (4) promote the goals of the African Conti-  
17 nental Free Trade Area (AfCFTA), formed by the  
18 Agreement Establishing the African Continental  
19 Free Trade Area, done at Kigali, Rwanda on March  
20 21, 2018, to simplify and expedite trade and invest-  
21 ment among African countries and expand commer-  
22 cial opportunities for underserved groups, women,  
23 and youth entrepreneurs.

1 **SEC. 4. STRATEGY TO PROMOTE THE AFRICAN CONTI-**  
2 **NENTAL FREE TRADE AREA.**

3 (a) DEVELOPMENT OF STRATEGY.—

4 (1) UNITED STATES TRADE REPRESENTA-  
5 TIVE.—The President shall, using existing inter-  
6 agency trade policy development and coordination  
7 authority and mechanisms, direct the United States  
8 Trade Representative to develop a 10-year Federal  
9 strategy to promote the AfCFTA to achieve the fol-  
10 lowing goals:

11 (A) Improving the efficacy, efficiency, and  
12 coordination of development aid and technical  
13 assistance from the United States focusing on  
14 trade capacity building that is provided to Afri-  
15 can countries, regional communities, and inter-  
16 governmental or multinational entities, includ-  
17 ing to the AfCFTA Secretariat.

18 (B) Implementing trade policy priorities of  
19 the AfCFTA developed in coordination with  
20 continental, regional, and country partners in  
21 Africa.

22 (2) ELEMENTS.—The strategy developed pursu-  
23 ant to paragraph (1) shall include policy or program  
24 plans to accomplish the following:

25 (A) Increasing the volume and velocity of  
26 goods and services trade between African coun-

tries by improving customs operations, which  
may include—

(i) providing support for increased automation or online processing of customs and cross-border trade-related tasks; and

(ii) supporting efforts—

(I) to ensure adequate access to reliable electrical power supplies and internet access to foster digitalization where necessary; and

(II) to provide paper-based or other applicable technical alternatives at border crossings where electricity or internet access is unreliable or unavailable, including in coordination with the Power Africa initiative of the United States where applicable.

(B) Expanding trade capacities and supporting trade-related infrastructure development, prioritizing major intra-African trade corridors.

(C) Supporting the implementation and success of the AfCFTA and its goals as identified in consultation with African counterparts

1 at the continental, regional, and country level,  
2 including by—

3 (i) advancing African regional and  
4 intracontinental alignment of trade-related  
5 legal and administrative procedures;

6 (ii) strengthening the technical capac-  
7 ity of the AfCFTA Secretariat; and

8 (iii) promoting the development and  
9 expansion of African regional economic  
10 communities as they pertain to fostering  
11 trade, including through direct consulta-  
12 tion and partnership with the AfCFTA  
13 Secretariat.

14 (D) Improving the efficacy of trade capac-  
15 ity building by the United States to support the  
16 implementation of the AfCFTA, as appropriate,  
17 by preventing duplication of or incompatibility  
18 between the assistance activities of other major  
19 donors (such as nongovernmental organizations,  
20 other countries, and intergovernmental organi-  
21 zations) and the policies and projects included  
22 in the strategy.

23 (E) Enabling more effective and inclusive  
24 participation of stakeholders, including those  
25 representing workers, environmental sustain-

ability, women, youth, or marginalized or underrepresented groups, in the negotiation and implementation of the AfCFTA.

(F) Increasing trade and investment by the United States to expand African regional value chains, especially as it relates to increasing manufacturing and production in Africa in industries expected to grow with the implementation of the AfCFTA.

(G) Evaluating the industries in which the United States has a comparative advantage in Africa relative to other countries and promoting trade and investment within those industries, especially in industries expected to grow with the implementation of the AfCFTA.

(3) BIENNIAL UPDATES.—The strategy required under paragraph (1) shall be updated biennially.

(4) PRIOR APPROVAL.—The strategy required under paragraph (1) and any update to that strategy under paragraph (3) may only be developed through prior consultation with, and submitted with the approval of, the Trade Policy Staff Committee.

(5) CONSULTATION.—In developing the strategy required under paragraph (1) and any update to

1       that strategy under paragraph (3), the United  
2       States Trade Representative shall, as appropriate  
3       and practicable, consult with—

4               (A) stakeholders in the United States and  
5               in Africa from the private sector, civil society,  
6               and African diaspora;

7               (B) relevant African Union entities such as  
8               the AfCFTA Secretariat;

9               (C) State, local, and Tribal governments;  
10              and

11              (D) development agencies and entities of  
12              the United States not represented on the Trade  
13              Policy Staff Committee, such as the Prosper  
14              Africa Initiative, the Millennium Challenge Cor-  
15              poration, and the United States International  
16              Development Finance Corporation.

17       (b) INITIAL REPORT.—Not later than 270 days after  
18       the date of the enactment of this Act, the President shall  
19       (subject to the prior approval required under subsection  
20       (a)(4)) submit to the relevant congressional committees an  
21       initial report that includes the strategy required under  
22       subsection (a) and an implementation plan for that strat-  
23       egy that includes each of the following:

24              (1) The rationale, objectives, and anticipated  
25              manner of implementation of the strategy.

1           (2) The anticipated role of each agency rep-  
2           resented in the Trade Policy Staff Committee in the  
3           implementation of the strategy.

4           (3) A summary of the current trade capacity-  
5           building programs, projects, and activities of the  
6           United States in support of the AfCFTA as of the  
7           date of the submission of the report, and the rela-  
8           tionships between such programs, projects, and ac-  
9           tivities and the objectives of the strategy.

10          (4) Any gaps, inefficiencies, or unmet needs  
11          identified in the course of preparing the summary  
12          described in paragraph (3).

13          (5) Qualitative and quantitative goals and  
14          metrics for the implementation of the strategy, in-  
15          cluding the criteria to be used in monitoring and  
16          evaluating progress towards the objectives of the  
17          strategy.

18          (6) Recommendations, in consultation with the  
19          Director of the Office of Management and Budget,  
20          relating to programmatic or appropriations measures  
21          that could potentially enhance the implementation of  
22          the strategy, including legislative or executive policy  
23          changes for such enhanced implementation.

24          (c) BIENNIAL REPORT.—

1           (1) IN GENERAL.—Not later than each of 2, 4,  
2           6, and 8 years after the date of the submission of  
3           the initial report required by subsection (b), the  
4           President shall submit to the relevant congressional  
5           committees a report containing revisions and up-  
6           dates to the strategy required under subsection (a)  
7           and an assessment of the progress made in imple-  
8           menting the strategy as described in such initial re-  
9           port.

10           (2) ELEMENTS.—Each report required by para-  
11           graph (1) shall include each of the following:

12                   (A) A description of the obligation and ex-  
13                   penditure of all amounts made available to  
14                   carry out the strategy required under sub-  
15                   section (a) during the preceding 2 fiscal years,  
16                   disaggregated by fiscal year, account, and activ-  
17                   ity.

18                   (B) Notable successes and challenges relat-  
19                   ing to the implementation of the strategy.

20                   (C) An evaluation of the progress toward  
21                   achieving the qualitative and quantitative goals  
22                   and metrics included in the initial report re-  
23                   quired by subsection (b) pursuant to paragraph  
24                   (5) of that subsection.

1 (D) Any updates and revisions made to the  
2 criteria described in subsection (b)(5) and in-  
3 cluded in the initial report.

4 (E) Updated recommendations as de-  
5 scribed in subsection (b)(6).

6 (d) FINAL REPORT.—

7 (1) IN GENERAL.—Not later than 10 years  
8 after the date of the submission of the initial report  
9 required by subsection (b), the President shall sub-  
10 mit to the relevant congressional committees a re-  
11 port that assesses progress of the strategy required  
12 by subsection (a) during the 10-year period pre-  
13 ceding the date of the report.

14 (2) ELEMENTS.—The report required by para-  
15 graph (1) shall include each of the following:

16 (A) An assessment of the progress made in  
17 the implementation of the strategy required by  
18 subsection (a) during the 10-year period pre-  
19 ceding the date of the report with respect to  
20 each of the goals described in subsection (a)(1),  
21 including with respect to the qualitative and  
22 quantitative goals and metrics included in the  
23 initial report pursuant to subsection (b)(5) and  
24 using the criteria described in such subsection  
25 (b)(5).

1 (B) An assessment of the successes, chal-  
2 lenges, and effectiveness of the strategy.

3 (C) Recommended legislative or adminis-  
4 trative policy changes relevant to addressing  
5 any gaps, policy or program shortcomings, or  
6 other outstanding challenges relating to the  
7 goals of the strategy, along with descriptions of  
8 prospective follow-up activities necessary to ad-  
9 dress those challenges.

10 (D) Recommendations relating to fostering  
11 further synergies between implementation of ac-  
12 tivities, as relevant and appropriate, relating to  
13 the African Growth and Opportunity Act (19  
14 U.S.C. 3701 et seq.), the AfCFTA, and any  
15 other trade policy initiatives of the United  
16 States towards Africa, including types of activi-  
17 ties and expected outcomes based on the imple-  
18 mentation of the strategy.

19 (E) A detailed description of the expendi-  
20 ture of all amounts authorized to implement the  
21 strategy throughout the 10-year period, includ-  
22 ing amounts appropriated pursuant to the au-  
23 thorization under section 5(c), disaggregated by  
24 fiscal year, account, and activity.

1 (e) PUBLICATION.—Each report required by this sec-  
 2 tion shall be submitted in unclassified form and may in-  
 3 clude a classified annex. The unclassified portion of each  
 4 such report shall be posted on publicly available websites  
 5 of the Office of the United States Trade Representative.

6 **SEC. 5. AFCFTA TRADE CAPACITY BUILDING PROGRAM.**

7 (a) TRADE CAPACITY BUILDING IMPLEMENTA-  
 8 TION.—The Administrator of the United States Agency  
 9 for International Development shall establish an AfCFTA  
 10 Trade Capacity Building Program (in this section referred  
 11 to as the “Program”) to support the implementation of  
 12 the strategy required by section 4(a) through existing au-  
 13 thorities granted by the Foreign Assistance Act of 1961  
 14 (22 U.S.C. 2151 et seq.), in collaboration with continental,  
 15 regional, and country partners in Africa.

16 (b) MATTERS TO BE INCLUDED.—In carrying out  
 17 the Program, the Administrator—

18 (1) may designate the Prosper Africa Initiative  
 19 to administer the Program;

20 (2) may support multi-year and renewable ac-  
 21 tivities with the Program;

22 (3) shall consult with the United States Trade  
 23 Representative in making programmatic decisions;  
 24 and

1           (4) shall receive approval from the Trade Policy  
2       Staff Committee for all activities for which funds are  
3       planned to be made available (including any trans-  
4       fers to other Federal departments, agencies, or enti-  
5       ties) in a fiscal year from the Program before the  
6       start of such fiscal year.

7       (c) AUTHORIZATION OF APPROPRIATIONS.—There is  
8       authorized to be appropriated \$200,000,000 for each of  
9       fiscal years 2025 through 2034 for the United States  
10      Agency for International Development to carry out the  
11      Program. Amounts so authorized—

12           (1) shall be in addition to amounts otherwise  
13      authorized for existing projects, programs, and ac-  
14      tivities that support the goals of the Program;

15           (2) may also be made available for consulting  
16      or technical services, equipment, new personnel, or  
17      other project-related administrative expenses associ-  
18      ated with the development, implementation, and re-  
19      porting requirements of the strategy required by sec-  
20      tion 4(a); and

21           (3) are authorized to be transferred from the  
22      United States Agency for International Development  
23      to other appropriate Federal departments or agen-  
24      cies to the extent provided in advance by appropria-  
25      tions Acts.

1 **SEC. 6. RULE OF CONSTRUCTION.**

2 Nothing in this Act may be construed to—

3 (1) limit any authority or responsibility of the  
4 United States Trade Representative relating to the  
5 establishment or implementation of the trade policies  
6 of the United States (including under section 141 of  
7 the Trade Act of 1974 (19 U.S.C. 2171)); or

8 (2) transfer any such authority or responsibility  
9 to the Administrator of the United States Agency  
10 for International Development.

11 **SEC. 7. DEFINITIONS.**

12 In this Act:

13 (1) AfCFTA.—The term “AfCFTA” means the  
14 African Continental Free Trade Area authorized to  
15 be created under the Agreement Establishing the Af-  
16 rican Continental Free Trade Area, adopted by its  
17 African Union signatories in Kigali, Rwanda, on  
18 March 21, 2018.

19 (2) RELEVANT CONGRESSIONAL COMMIT-  
20 TEES.—The term “relevant congressional commit-  
21 tees” means the following:

22 (A) The Committee on Foreign Relations,  
23 the Committee on Finance, and the Committee  
24 on Appropriations of the Senate.

25 (B) The Committee on Foreign Affairs,  
26 the Committee on Ways and Means, and the

1           Committee on Appropriations of the House of  
2           Representatives.

3           (3) TRADE POLICY STAFF COMMITTEE.—The  
4           term “Trade Policy Staff Committee” means the  
5           interagency organization established under section  
6           242(a) of the Trade Expansion Act of 1962 (19  
7           U.S.C. 1872(a)).

○