

112TH CONGRESS
2D SESSION

H. R. 4221

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

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2012

Mr. SMITH of New Jersey (for himself and Mr. RUSH) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committees on Financial Services, Ways and Means, and Small Business, 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 create jobs in the United States by increasing United States exports to Africa by at least 200 percent in real dollar value within 10 years, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Increasing American
5 Jobs Through Greater Exports to Africa Act of 2012”.

1 **SEC. 2. FINDINGS; PURPOSE.**

2 (a) FINDINGS.—Congress makes the following find-
3 ings:

4 (1) Export growth helps United States business
5 grow and create American jobs. In 2010, 60 percent
6 of American exports came from small- and medium-
7 sized businesses.

8 (2) On January 31, 2011, the President man-
9 dated an executive review across agencies to deter-
10 mine where the United States Government could be-
11 come more competitive and helpful to business, in-
12 cluding help with promoting exports.

13 (3) Several United States Government agencies
14 are involved in export promotion. Coordination of
15 the efforts of these agencies through the Trade Pro-
16 motion Coordinating Committee lacks sufficient stra-
17 tegic implementation and accountability.

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

1 at \$17,400,000,000 and the United States at
2 \$13,000,000,000. Official export credit support by
3 emerging market economies such as Brazil, China,
4 and India are significant as well.

5 (5) Between 2008 and 2010, China alone pro-
6 vided more than \$110,000,000,000 in loans to the
7 developing world, and, in 2009, China surpassed the
8 United States as the leading trade partner of Afri-
9 can countries. The Export-Import Bank of the
10 United States substantially increased lending to
11 United States businesses focused on Africa from
12 \$400,000,000 in 2009 to an anticipated
13 \$1,000,000,000 in 2011, but the Export-Import
14 Bank of China dwarfed this effort with an estimated
15 \$12,000,000,000 worth of financing.

16 (6) Other countries such as India, Turkey, Rus-
17 sia, and Brazil are also aggressively seeking markets
18 in Africa using their national export banks to pro-
19 vide concessional assistance.

20 (7) The Chinese practice of concessional financ-
21 ing runs contrary to the principles of the Organiza-
22 tion of Economic Co-operation and Development re-
23 lated to open market rates, undermines naturally
24 competitive rates, and can allow governments in Af-

1 rica to overlook the troubling record on labor prac-
2 tices, human rights, and environmental impact.

3 (8) The African continent is undergoing a pe-
4 riod of rapid growth and middle class development,
5 as seen from major indicators such as Internet use
6 and clean water access. In 2000, only 6.7 percent of
7 the population of Africa had access to the Internet.
8 In 2009, 27.1 percent of the population had Internet
9 access. Seventy-eight percent of Africa’s rural popu-
10 lation now has access to clean water.

11 (9) Economists have designated Africa as the
12 “next frontier market”, with profitability and growth
13 rates among many African firms exceeding global
14 averages in recent years. Countries in Africa have a
15 collective spending power of almost \$9,000,000,000
16 and a gross domestic product of
17 \$1,600,000,000,000, which are projected to double
18 in the next 10 years.

19 (10) Sub-Saharan Africa is projected to have
20 the fastest growing economies in the world over the
21 next 5 years, with 7 of the 10 fastest growing econo-
22 mies located in sub-Saharan Africa.

23 (11) When countries such as China assist with
24 large-scale government projects, they also gain an
25 upper hand in relations with African leaders and ac-

1 cess to valuable commodities such as oil and copper,
2 typically without regard to environmental, human
3 rights, labor, or governance standards.

4 (12) Unless the United States can offer com-
5 petitive financing for its firms in Africa, it will be
6 deprived of opportunities to participate in African
7 efforts to close the continent’s significant infrastruc-
8 ture gap that amounts to an estimated
9 \$100,000,000,000.

10 (b) PURPOSE.—The purpose of this Act is to create
11 jobs in the United States by expanding programs that will
12 result in increasing United States exports to Africa by 200
13 percent in real dollar value within 10 years.

14 **SEC. 3. DEFINITIONS.**

15 In this Act:

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

19 (2) AFRICAN DIASPORA.—The term “African
20 diaspora” means the people of African origin living
21 in the United States, irrespective of their citizenship
22 and nationality, who are willing to contribute to the
23 development of Africa.

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

4 (4) APPROPRIATE CONGRESSIONAL COMMIT-
5 TEES.—The term “appropriate congressional com-
6 mittees” means—

7 (A) the Committee on Appropriations, the
8 Committee on Banking, Housing, and Urban
9 Affairs, and the Committee on Foreign Rela-
10 tions of the Senate; and

11 (B) the Committee on Appropriations, the
12 Committee on Energy and Commerce, the Com-
13 mittee on Financial Services, the Committee on
14 Foreign Affairs, and the Committee on Ways
15 and Means of the House of Representatives.

16 (5) DEVELOPMENT AGENCIES.—The term “de-
17 velopment agencies” includes the Department of
18 State, including the United States Agency for Inter-
19 national Development (USAID), the Millennium
20 Challenge Corporation (MCC), the Overseas Private
21 Investment Corporation (OPIC), and the United
22 States Trade and Development Agency (USTDA).

23 (6) TRADE POLICY STAFF COMMITTEE.—The
24 term “Trade Policy Staff Committee” means the
25 Trade Policy Staff Committee established pursuant

1 to section 2002.2 of title 15, Code of Federal Regu-
2 lations, and is composed of representatives of Fed-
3 eral agencies in charge of developing and coordi-
4 nating United States positions on international trade
5 and trade-related investment issues.

6 (7) MULTILATERAL DEVELOPMENT BANKS.—
7 The term “multilateral development banks” has the
8 meaning given that term in section 1701(c)(4) of the
9 International Financial Institutions Act (22 U.S.C.
10 262r(c)(4)) and includes the African Development
11 Foundation.

12 (8) SUB-SAHARAN REGION.—The term “sub-Sa-
13 haran region” refers to the 48 countries listed in
14 section 107 of the African Growth and Opportunity
15 Act (19 U.S.C. 3706) and includes the Republic of
16 South Sudan.

17 (9) TRADE PROMOTION COORDINATING COM-
18 MITTEE.—The term “Trade Promotion Coordinating
19 Committee” means the Trade Promotion Coordi-
20 nating Committee established by Executive Order
21 12870 (58 Fed. Reg. 51753).

22 (10) UNITED STATES AND FOREIGN COMMER-
23 CIAL SERVICE.—The term “United States and For-
24 eign Commercial Service” means the United States
25 and Foreign Commercial Service established by sec-

1 tion 2301 of the Export Enhancement Act of 1988
2 (15 U.S.C. 4721).

3 **SEC. 4. STRATEGY.**

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

8 (b) **FOCUS OF STRATEGY.**—The strategy required by
9 subsection (a) shall focus on—

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

14 (2) coordinating United States commercial in-
15 terests with development priorities in Africa;

16 (3) developing relationships between the govern-
17 ments of countries in Africa and United States busi-
18 nesses that have an expertise in such issues as infra-
19 structure development, technology, telecommuni-
20 cations, energy, and agriculture;

21 (4) improving the competitiveness of United
22 States businesses in Africa, including the role the
23 African diaspora can play in enhancing such com-
24 petitiveness;

1 (5) exploring ways that African diaspora remit-
2 tances can help governments in Africa tackle eco-
3 nomic, development, and infrastructure financing
4 needs;

5 (6) promoting economic integration in Africa
6 through working with the subregional economic com-
7 munities, supporting efforts for deeper integration
8 through the development of customs unions within
9 western and central Africa and within eastern and
10 southern Africa, eliminating time-consuming border
11 formalities into and within these areas, and sup-
12 porting regionally based infrastructure projects;

13 (7) encouraging a greater understanding among
14 United States business and financial communities of
15 the opportunities Africa holds for United States ex-
16 ports; and

17 (8) monitoring—

18 (A) market loan rates and the availability
19 of capital for United States business investment
20 in Africa;

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

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

1 (c) CONSULTATIONS.—In developing the strategy re-
2 quired by subsection (a), the President shall consult
3 with—

4 (1) Congress;

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

7 (3) the multilateral development banks;

8 (4) each agency that participates in the Trade
9 Policy Staff Committee;

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

11 (6) each of the development agencies;

12 (7) any other Federal agencies with responsi-
13 bility for export promotion or financing and develop-
14 ment; and

15 (8) the private sector, including businesses,
16 nongovernmental organizations, and African dias-
17 pora groups.

18 (d) SUBMISSION TO CONGRESS.—

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

23 (2) PROGRESS REPORT.—Not later than 3
24 years after the date of the enactment of this Act, the
25 President shall submit to Congress a report on the

1 implementation of the strategy required by sub-
2 section (a).

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

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

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

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

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

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

22 (F) has been successful in promoting eco-
23 nomic integration in Africa; and

24 (G) has made a meaningful contribution to
25 the transformation of Africa and its full inte-

1 gration into the 21st century world economy,
2 not only as a supplier of primary products but
3 also as full participant in international supply
4 and distribution chains.

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

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

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

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

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

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

21 **SEC. 7. PERSONNEL.**

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

24 (1) IN GENERAL.—As soon as practicable after
25 the date of the enactment of this Act, the Secretary

1 of Commerce shall ensure that not less than 14 total
2 United States and Foreign Commercial Service offi-
3 cers are assigned to Africa.

4 (2) ASSIGNMENT.—The Secretary shall, in con-
5 sultation with the Trade Promotion Coordinating
6 Committee and the Special Africa Export Strategy
7 Coordinator, assign the United States and Foreign
8 Commercial Service officers described in paragraph
9 (1) to United States embassies in Africa.

10 (3) MULTILATERAL DEVELOPMENT BANKS.—

11 (A) IN GENERAL.—As soon as practicable
12 after the date of the enactment of this Act, the
13 Secretary of Commerce shall assign not less
14 than 1 full-time United States and Foreign
15 Commercial Service officer to the office of the
16 United States Executive Director at each multi-
17 lateral development bank.

18 (B) RESPONSIBILITIES.—Each United
19 States and Foreign Commercial Service officer
20 assigned under subparagraph (A) shall be re-
21 sponsible for—

22 (i) increasing the access of United
23 States businesses to procurement contracts
24 with the multilateral development bank to
25 which the officer is assigned; and

1 (ii) facilitating the access of United
2 States businesses to risk insurance, equity
3 investments, consulting services, and lend-
4 ing provided by that bank.

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

11 (1) Assign, in consultation with the Trade Pro-
12 motion Coordinating Committee and the Special Af-
13 rica Export Strategy Coordinator, not less than 3
14 full-time employees of the Bank to geographically
15 appropriate field offices in Africa.

16 (2) Increase the number of employees of the
17 Bank assigned to United States field offices of the
18 Bank to not less than 30, to be distributed as geo-
19 graphically appropriate through the United States.
20 Such offices shall coordinate with the related export
21 efforts undertaken by the Small Business Adminis-
22 tration regional field offices.

23 (3) Upgrade the Bank's equipment and soft-
24 ware to more expeditiously, effectively, and effi-

1 ciently process and track applications for financing
2 received by the Bank.

3 (c) OVERSEAS PRIVATE INVESTMENT CORPORA-
4 TION.—

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

16 (2) REPORT.—The Corporation shall report to
17 the appropriate congressional committees on whether
18 recent technology upgrades have resulted in more ef-
19 fective and efficient processing and tracking of appli-
20 cations for financing received by the Corporation.

21 **SEC. 8. TRAINING.**

22 The President shall develop a plan—

23 (1) to standardize the training received by
24 United States and Foreign Commercial Service offi-
25 cers, economic officers of the Department of State,

1 and economic officers of the United States Agency
2 for International Development with respect to the
3 programs and procedures of the Export-Import
4 Bank of the United States, the Overseas Private In-
5 vestment Corporation, the Small Business Adminis-
6 tration, and the United States Trade and Develop-
7 ment Agency; and

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

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

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

19 **SEC. 9. EXPORT-IMPORT BANK CAPITALIZATION.**

20 (a) IN GENERAL.—Section 6(a)(2) of the Export-Im-
21 port Bank Act of 1945 (12 U.S.C. 635e(a)(2)) is amend-
22 ed—

23 (1) in subparagraph (D), by striking “and”;

24 (2) in subparagraph (E), by striking “2011,”
25 and inserting “2011, \$95,000,000,000;” and

1 (3) by adding at the end the following:

2 “(F) during fiscal year 2012 and each fis-
3 cal year thereafter through fiscal year 2016,
4 \$150,000,000,000; and

5 “(G) subject to paragraph (4), during fis-
6 cal year 2017 and each fiscal year thereafter,
7 \$175,000,000,000.”.

8 (b) SPECIAL RULE FOR INCREASE IN APPLICABLE
9 AMOUNT.—Section 6(a) of the Export-Import Bank Act
10 of 1945 (12 U.S.C. 635e(a)) is amended by adding at the
11 end the following:

12 “(4) SPECIAL RULE FOR INCREASE IN APPLICA-
13 BLE AMOUNT.—

14 “(A) IN GENERAL.—Beginning in fiscal
15 year 2017, and each fiscal year thereafter, the
16 applicable amount under paragraph (1) shall be
17 \$175,000,000,000, if the Comptroller General
18 of the United States determines pursuant to
19 subparagraph (B) that the increase in the ap-
20 plicable amount under paragraph (1)(F) has
21 been effective in increasing viable loans to fur-
22 ther United States exports, including to Africa.

23 “(B) REPORT BY GAO.—The Comptroller
24 General of the United States shall conduct a
25 study of the operations of the Bank and the ef-

1 fectiveness of increasing the applicable amount
2 under this subsection. Not later than 18
3 months after the date of the enactment of this
4 Act, the Comptroller General shall submit a re-
5 port to Congress regarding the Comptroller
6 General’s determination on the effective use by
7 the Bank of the increase in the applicable
8 amount under this subsection.”.

9 (c) PERCENT TO BE USED FOR PROJECTS IN AFRI-
10 CA.—Section 6(a) of the Export-Import Bank Act of 1945
11 (12 U.S.C. 635e(a)), as amended by subsection (b), is
12 amended by adding at the end the following:

13 “(5) PERCENT OF INCREASE TO BE USED FOR
14 PROJECTS IN AFRICA.—Not less than 25 percent of
15 the amount by which the applicable amount under
16 paragraph (1) is increased under paragraph (2) (F)
17 or (G) over the applicable amount for fiscal year
18 2011 shall be used for loans, guarantees, and insur-
19 ance for projects in Africa.”.

20 (d) AVAILABILITY OF PORTION OF CAPITALIZATION
21 TO COMPETE AGAINST FOREIGN CONCESSIONAL
22 LOANS.—Not less than \$250,000,000 of the total bank
23 capitalization of the Export-Import Bank shall be avail-
24 able annually for loans that counter below-market rate,
25 preferential, tied aid, or other related non-market loans

1 offered by other nations for which United States compa-
2 nies are also competing or interested in competing.

3 **SEC. 10. TIED AID CREDIT FUND.**

4 (a) SENSE OF CONGRESS.—It is the sense of Con-
5 gress that the Export-Import Bank should use its Tied
6 Aid Credit Fund to aggressively help United States com-
7 panies compete for projects in which a foreign government
8 is using any type of below market, preferential, or tied
9 aid loan. The Bank shall make use of any loan products
10 available, including pursuant to section 9(d), to counter
11 these foreign offerings.

12 (b) REPORT.—Not later than 1 year after the date
13 of the enactment of this Act, and annually thereafter, the
14 Export-Import Bank shall report to the appropriate con-
15 gressional committees if the Bank has not used at least
16 \$220,000,000 in tied aid credit during the preceding fiscal
17 year. The report shall include—

18 (1) a description of all requests for grants from
19 the Tied-Aid Credit Fund or other similar funds (es-
20 tablished under section 10 of the Export-Import
21 Bank Act of 1945 (12 U.S.C. 635i–3)) received by
22 the Bank during that fiscal year;

23 (2) a description of similar concessional (below
24 market rate) loans made by other countries during
25 that fiscal year; and

1 agreement is being implemented in a manner that maxi-
2 mizes the positive effects for United States trade, export,
3 and labor interests as well as the economic development
4 of the countries in Africa.

○