

¶17.7 RECORDED VOTE

A recorded vote by electronic device was ordered in the Committee of the Whole on the following amendment submitted by Ms. WATERS:

In subsection (a) of section 4 (Eligibility Requirements), insert after paragraph (12) the following:

A country need not meet all the requirements set forth in paragraphs (1) through (12) in order to be eligible under this subsection.

It was decided in the { Yeas 81
negative } Nays 334

¶17.8 [Roll No. 44]

AYES—81

Abercrombie	Frank (MA)	Millender-
Barrett (WI)	Gejdenson	McDonald
Berman	Gephardt	Miller (CA)
Bishop	Gutierrez	Mink
Bonior	Hastings (FL)	Moran (VA)
Brown (CA)	Hefner	Nadler
Brown (FL)	Hilliard	Olver
Brown (OH)	Hoyer	Owens
Campbell	Jackson (IL)	Pastor
Carson	Jackson-Lee	Payne
Clay	(TX)	Pelosi
Clayton	Jefferson	Rangel
Clyburn	Johnson, E. B.	Rivers
Conyers	Kaptur	Roybal-Allard
Crane	Kennedy (MA)	Rush
Cummings	Kennedy (RI)	Sanders
Davis (IL)	Kildee	Scott
Davis (VA)	Kilpatrick	Serrano
DeFazio	Kucinich	Stark
Delahunt	Lewis (GA)	Stokes
DeLauro	Maloney (CT)	Thompson
Dixon	Markey	Thurman
Dooley	Martinez	Towns
Engel	Matsui	Velazquez
Farr	McKinney	Waters
Fattah	Meehan	Watt (NC)
Filner	Meek (FL)	Wynn
Ford	Meeks (NY)	

NOES—334

Ackerman	Chabot	Fossella
Aderholt	Chambliss	Fowler
Allen	Christensen	Fox
Andrews	Clement	Franks (NJ)
Archer	Coble	Frelinghuysen
Armey	Coburn	Frost
Bachus	Collins	Galleghy
Baesler	Combest	Ganske
Baker	Condit	Gekas
Baldacci	Cook	Gibbons
Ballenger	Cooksey	Gilchrest
Barcia	Costello	Gillmor
Barr	Cox	Gilman
Barrett (NE)	Coyne	Goode
Bartlett	Cramer	Goodlatte
Barton	Crapo	Goodling
Bass	Cubin	Gordon
Bateman	Cunningham	Goss
Becerra	Danner	Graham
Bentsen	Davis (FL)	Granger
Bereuter	Deal	Green
Berry	DeGette	Greenwood
Bilbray	DeLay	Gutknecht
Bilirakis	Diaz-Balart	Hall (OH)
Blagojevich	Dickey	Hall (TX)
Bliley	Dicks	Hamilton
Blumenauer	Dingell	Hansen
Blunt	Doggett	Hastert
Boehler	Doolittle	Hastings (WA)
Boehner	Doyle	Hayworth
Bonilla	Dreier	Hefley
Borski	Duncan	Herger
Boswell	Dunn	Hill
Boucher	Edwards	Hilleary
Boyd	Ehlers	Hinchey
Brady	Ehrlich	Hinojosa
Bryant	Emerson	Hobson
Bunning	English	Hoekstra
Burr	Ensign	Holden
Burton	Eshoo	Hooley
Buyer	Etheridge	Horn
Callahan	Evans	Hostettler
Calvert	Everett	Houghton
Camp	Ewing	Hulshof
Canady	Fawell	Hunter
Cannon	Fazio	Hutchinson
Cardin	Foley	Hyde
Castle	Forbes	Inglis

Istook	Morella	Shaw
Jenkins	Murtha	Shays
Johnson (CT)	Myrick	Sherman
Johnson (WI)	Neal	Shimkus
Johnson, Sam	Nethercutt	Shuster
Jones	Neumann	Sisisky
Kanjorski	Ney	Skaggs
Kasich	Northup	Skeen
Kelly	Norwood	Skelton
Kennelly	Nussle	Slaughter
Kim	Oberstar	Smith (MI)
Kind (WI)	Obey	Smith (NJ)
King (NY)	Ortiz	Smith (OR)
Kingston	Oxley	Smith (TX)
Klecza	Packard	Smith, Adam
Klink	Pallone	Smith, Linda
Klug	Pappas	Snowbarger
Knollenberg	Parker	Snyder
Kolbe	Pascrell	Solomon
LaFalce	Paul	Souder
LaHood	Paxon	Spratt
Lampson	Pease	Stabenow
Lantos	Peterson (MN)	Stearns
Largent	Peterson (PA)	Stenholm
Latham	Petri	Strickland
LaTourette	Pickering	Stump
Lazio	Pickett	Stupak
Leach	Pitts	Sununu
Levin	Pombo	Talent
Lewis (CA)	Pomeroy	Tanner
Lewis (KY)	Porter	Tauscher
Linder	Portman	Tauzin
Lipinski	Price (NC)	Taylor (MS)
Livingston	Pryce (OH)	Taylor (NC)
LoBiondo	Quinn	Thomas
Lofgren	Rahall	Thornberry
Lowey	Ramstad	Thune
Lucas	Regula	Tiahrt
Luther	Reyes	Tierney
Maloney (NY)	Riggs	Traficant
Manzullo	Riley	Turner
Mascara	Roemer	Upton
McCarthy (MO)	Rogan	Vento
McCarthy (NY)	Rogers	Visclosky
McColum	Rohrabacher	Walsh
McCrery	Ros-Lehtinen	Wamp
McDade	Rothman	Watkins
McDermott	Roukema	Watts (OK)
McGovern	Royce	Weldon (FL)
McHale	Ryun	Weldon (PA)
McHugh	Sabo	Weller
McInnis	Salmon	Wexler
McIntosh	Sanchez	Weygand
McIntyre	Sandlin	White
McKeon	Sanford	Whitefield
McNulty	Sawyer	Wicker
Menendez	Saxton	Wise
Metcalf	Scarborough	Wolf
Mica	Schaefer, Dan	Woolsey
Miller (FL)	Schaffer, Bob	Yates
Minge	Schumer	Young (AK)
Moakley	Sensenbrenner	Young (FL)
Mollohan	Sessions	
Moran (KS)	Shadegg	

NOT VOTING—15

Chenoweth	John	Rodriguez
Deutsch	Manton	Schiff
Furse	Poshard	Spence
Gonzalez	Radanovich	Torres
Harman	Redmond	Waxman

So the amendment was not agreed to.

¶17.9 RECORDED VOTE

A recorded vote by electronic device was ordered in the Committee of the Whole on the following amendment, as modified, submitted by Mr. BEREUTER:

Add at the end of section 4 the following:

(e) DESIGNATION OF MOROCCO.—The President may designate Morocco as eligible to participate in programs, projects, or activities, or receive assistance or other benefits under this Act if the President determines that Morocco otherwise meets the requirements of this section and that the designation is in the national interest of the United States. If so designated, Morocco shall be deemed to be an eligible country in sub-Saharan Africa under subsection (a) for purposes of this Act, if, within 1 year after such designation, a law is enacted approving the designation.

It was decided in the { Yeas 156
negative } Nays 258

¶17.10 [Roll No. 45]

AYES—156

Armey	Gillmor	Northup
Barr	Gilman	Owens
Barrett (NE)	Goodlatte	Oxley
Bass	Goss	Pappas
Bateman	Graham	Paxon
Bereuter	Greenwood	Pease
Berman	Gutierrez	Peterson (PA)
Bilbray	Gutknecht	Petri
Bilirakis	Hall (OH)	Pickett
Blagojevich	Hall (TX)	Pitts
Bliley	Hamilton	Pomeroy
Blumenauer	Hastert	Portman
Boehler	Hastings (WA)	Pryce (OH)
Boehner	Hayworth	Quinn
Brown (CA)	Hill	Ramstad
Buyer	Hobson	Rivers
Callahan	Hoekstra	Rogan
Calvert	Horn	Ros-Lehtinen
Camp	Hostettler	Roukema
Canady	Houghton	Ryun
Cannon	Hoyer	Salmon
Cardin	Hyde	Saxton
Castle	Johnson (CT)	Scarborough
Chambliss	Kasich	Schaefer, Dan
Clay	Kelly	Schaffer, Bob
Clayton	Kim	Sensenbrenner
Clyburn	Kind (WI)	Sessions
	Kingston	Shadegg
	Cox	Shays
	Crane	Sherman
	Davis (VA)	Shimkus
	DeLay	Shuster
	Diaz-Balart	Skaggs
	Doggett	Skeen
	Doolittle	Smith (MI)
	Dreier	Smith (NJ)
	Ehlers	Smith (OR)
	Ehrlich	Smith (TX)
	English	Snowbarger
	Eshoo	Snyder
	Ewing	Solomon
	Fawell	Sununu
	Foley	Thune
	Forbes	Tiahrt
	McIntosh	Walsh
	Fossella	Watkins
	Fox	Waxman
	Franks (NJ)	Wexler
	Frelinghuysen	White
	Gedensson	Whitefield
	Gekas	Wicker
	Gibbons	Wise
	Gilchrest	Wolf
		Woolsey
		Yates
		Young (AK)
		Young (FL)

NOES—258

Abercrombie	Coble	Fowler
Ackerman	Collins	Frank (MA)
Aderholt	Combest	Frost
Allen	Condit	Galleghy
Andrews	Conyers	Ganske
Archer	Cook	Gephardt
Bachus	Costello	Goode
Baesler	Coyne	Goodling
Baker	Cramer	Gordon
Baldacci	Crapo	Granger
Ballenger	Cubin	Green
Barcia	Cummings	Hall (TX)
Barrett (WI)	Cunningham	Hansen
Bartlett	Danner	Hastings (FL)
Barton	Davis (FL)	Hefley
Becerra	Davis (IL)	Hefner
Bentsen	Deal	Herger
Berry	DeFazio	Hilleary
Bishop	DeGette	Hilliard
Blunt	Delahunt	Hinchey
Bonilla	DeLauro	Hinojosa
Bonior	Dickey	Holden
Borski	Dicks	Hooley
Boswell	Dingell	Hulshof
Boucher	Dixon	Hunter
Boyd	Dooley	Hutchinson
Brady	Doyle	Inglis
Brown (FL)	Duncan	Istook
Brown (OH)	Edwards	Jackson (IL)
Bryant	Emerson	Jackson-Lee
Bunning	Engel	(TX)
Burr	Ensign	Jefferson
Burton	Etheridge	Jenkins
Cardin	Evans	Johnson (WI)
Carson	Everett	Johnson, E. B.
Castle	Farr	Johnson, Sam
Chambliss	Fattah	Jones
Clay	Fazio	Kanjorski
Clayton	Filner	Kaptur
Clyburn	Ford	Kennedy (MA)

Kennedy (RI)	Murtha	Skelton
Kennelly	Myrick	Slaughter
Kildee	Nadler	Smith, Adam
Kilpatrick	Neal	Smith, Linda
King (NY)	Ney	Souder
Kleczka	Norwood	Spence
Klink	Nussle	Spratt
Kolbe	Oberstar	Stabenow
Kucinich	Obey	Stearns
Lampson	Olver	Stenholm
Lantos	Ortiz	Stokes
Largent	Packard	Strickland
Levin	Pallone	Stump
Lewis (GA)	Parker	Stupak
Lewis (KY)	Pascrell	Talent
Linder	Pastor	Tanner
Lipinski	Paul	Tauscher
Livingston	Payne	Tauzin
LoBiondo	Pelosi	Taylor (MS)
Lofgren	Pickering	Taylor (NC)
Lowe	Pombo	Thomas
Maloney (CT)	Porter	Thompson
Maloney (NY)	Price (NC)	Thornberry
Markey	Rahall	Thurman
Martinez	Rangel	Tierney
Mascara	Regula	Torres
Matsui	Reyes	Towns
McCarthy (MO)	Riggs	Traficant
McCarthy (NY)	Riley	Turner
McCrery	Roemer	Upton
McDermott	Rogers	Velazquez
McGovern	Rohrabacher	Vento
McHale	Rothman	Visclosky
McIntyre	Royal-Allard	Wamp
McKeon	Royce	Waters
McKinney	Rush	Watt (NC)
McNulty	Sabo	Watts (OK)
Meehan	Sanchez	Weldon (FL)
Meeks (NY)	Sanders	Weldon (PA)
Menendez	Sandlin	Weller
Metcalfe	Sanford	Weygand
Millender-	Sawyer	Wise
McDonald	Schumer	Wolf
Miller (CA)	Scott	Woolsey
Mink	Serrano	Wynn
Moakley	Shaw	Yates
Mollohan	Sisisky	

NOT VOTING—16

Chenoweth	Manton	Rodriguez
Deutsch	Meek (FL)	Schiff
Furse	Peterson (MN)	Stark
Gonzalez	Poshard	Waxman
Harman	Radanovich	
John	Redmond	

So the amendment, as modified, was not agreed to.

After some further time, The SPEAKER pro tempore, Mr. EWING, assumed the Chair.

When Mr. WICKER, Acting Chairman, pursuant to House Resolution 383, reported the bill back to the House with an amendment adopted by the Committee.

The previous question having been ordered by said resolution.

The following amendment, reported from the Committee of the Whole House on the state of the Union, was agreed to:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "African Growth and Opportunity Act".

SEC. 2. FINDINGS.

The Congress finds that it is in the mutual economic interest of the United States and sub-Saharan Africa to promote stable and sustainable economic growth and development in sub-Saharan Africa. To that end, the United States seeks to facilitate market-led economic growth in, and thereby the social and economic development of, the countries of sub-Saharan Africa. In particular, the United States seeks to assist sub-Saharan African countries, and the private sector in those countries, to achieve economic self-reliance by—

(1) strengthening and expanding the private sector in sub-Saharan Africa, especially women-owned businesses;

(2) encouraging increased trade and investment between the United States and sub-Saharan Africa;

(3) reducing tariff and nontariff barriers and other trade obstacles;

(4) expanding United States assistance to sub-Saharan Africa's regional integration efforts;

(5) negotiating free trade areas;

(6) establishing a United States-Sub-Saharan Africa Trade and Investment Partnership;

(7) focusing on countries committed to accountable government, economic reform, and the eradication of poverty;

(8) establishing a United States-Sub-Saharan Africa Economic Cooperation Forum; and

(9) continuing to support development assistance for those countries in sub-Saharan Africa attempting to build civil societies.

SEC. 3. STATEMENT OF POLICY.

The Congress supports economic self-reliance for sub-Saharan African countries, particularly those committed to—

(1) economic and political reform;

(2) market incentives and private sector growth;

(3) the eradication of poverty; and

(4) the importance of women to economic growth and development.

SEC. 4. ELIGIBILITY REQUIREMENTS.

(a) IN GENERAL.—A sub-Saharan African country shall be eligible to participate in programs, projects, or activities, or receive assistance or other benefits under this Act if the President determines that the country does not engage in gross violations of internationally recognized human rights and has established, or is making continual progress toward establishing, a market-based economy, such as the establishment and enforcement of appropriate policies relating to—

(1) promoting free movement of goods and services between the United States and sub-Saharan Africa and among countries in sub-Saharan Africa;

(2) promoting the expansion of the production base and the transformation of commodities and nontraditional products for exports through joint venture projects between African and foreign investors;

(3) trade issues, such as protection of intellectual property rights, improvements in standards, testing, labeling and certification, and government procurement;

(4) the protection of property rights, such as protection against expropriation and a functioning and fair judicial system;

(5) appropriate fiscal systems, such as reducing high import and corporate taxes, controlling government consumption, participation in bilateral investment treaties, and the harmonization of such treaties to avoid double taxation;

(6) foreign investment issues, such as the provision of national treatment for foreign investors and other measures to create an environment conducive to domestic and foreign investment;

(7) supporting the growth of regional markets within a free trade area framework;

(8) governance issues, such as eliminating government corruption, minimizing government intervention in the market such as price controls and subsidies, and streamlining the business license process;

(9) supporting the growth of the private sector, in particular by promoting the emergence of a new generation of African entrepreneurs;

(10) encouraging the private ownership of government-controlled economic enterprises through divestiture programs;

(11) removing restrictions on investment; and

(12) observing the rule of law, including equal protection under the law and the right to due process and a fair trial.

(b) ADDITIONAL FACTORS.—In determining whether a sub-Saharan African country is eligible under subsection (a), the President shall take into account the following factors:

(1) An expression by such country of its desire to be an eligible country under subsection (a).

(2) The extent to which such country has made substantial progress toward—

(A) reducing tariff levels;

(B) binding its tariffs in the World Trade Organization and assuming meaningful binding obligations in other sectors of trade; and

(C) eliminating nontariff barriers to trade.

(3) Whether such country, if not already a member of the World Trade Organization, is actively pursuing membership in that organization.

(4) Where applicable, the extent to which such country is in material compliance with its obligations to the International Monetary Fund and other international financial institutions.

(5) The extent to which such country has a recognizable commitment to reducing poverty, increasing the availability of health care and educational opportunities, the expansion of physical infrastructure in a manner designed to maximize accessibility, increased access to market and credit facilities for small farmers and producers, and improved economic opportunities for women as entrepreneurs and employees, and promoting and enabling the formation of capital to support the establishment and operation of micro-enterprises.

(6) Whether or not such country is cooperating with the United States in efforts to eliminate slavery in Africa.

(7) Whether or not such country engages in activities that undermine United States national security or foreign policy interests.

(c) CONTINUING COMPLIANCE.—

(1) MONITORING AND REVIEW OF CERTAIN COUNTRIES.—The President shall monitor and review the progress of sub-Saharan African countries in order to determine their current or potential eligibility under subsection (a). Such determinations shall be based on quantitative factors to the fullest extent possible and shall be included in the annual report required by section 15.

(2) INELIGIBILITY OF CERTAIN COUNTRIES.—A sub-Saharan African country described in paragraph (1) that has not made continual progress in meeting the requirements with which it is not in compliance shall be ineligible to participate in programs, projects, or activities, or receive assistance or other benefits, under this Act.

(d) VIOLATIONS OF HUMAN RIGHTS AND INELIGIBLE COUNTRIES.—It is the sense of the Congress that a sub-Saharan African country should not be eligible to participate in programs, projects, or activities, or receive assistance or other benefits under this Act if the government of that country is determined by the President to engage in a consistent pattern of gross violations of internationally recognized human rights.

SEC. 5. ADDITIONAL AUTHORITIES AND INCREASED FLEXIBILITY TO PROVIDE ASSISTANCE UNDER THE DEVELOPMENT FUND FOR AFRICA.

(a) USE OF SUSTAINABLE DEVELOPMENT ASSISTANCE TO SUPPORT FURTHER ECONOMIC GROWTH.—It is the sense of the Congress that sustained economic growth in sub-Saharan Africa depends in large measure upon the development of a receptive environment for trade and investment, and that to achieve this objective the United States Agency for International Development should continue to support programs which help to create this environment. Investments in human resources, development, and implementation of free market policies, including policies to liberalize agricultural markets and improve food security, and the support for the rule of

law and democratic governance should continue to be encouraged and enhanced on a bilateral and regional basis.

(b) DECLARATIONS OF POLICY.—The Congress makes the following declarations:

(1) The Development Fund for Africa established under chapter 10 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2293 et seq.) has been an effective tool in providing development assistance to sub-Saharan Africa since 1988.

(2) The Development Fund for Africa will complement the other provisions of this Act and lay a foundation for increased trade and investment opportunities between the United States and sub-Saharan Africa.

(3) Assistance provided through the Development Fund for Africa will continue to support programs and activities that promote the long term economic development of sub-Saharan Africa, such as programs and activities relating to the following:

(A) Strengthening primary and vocational education systems, especially the acquisition of middle-level technical skills for operating modern private businesses and the introduction of college level business education, including the study of international business, finance, and stock exchanges.

(B) Strengthening health care systems.

(C) Strengthening family planning service delivery systems.

(D) Supporting democratization, good governance and civil society and conflict resolution efforts.

(E) Increasing food security by promoting the expansion of agricultural and agriculture-based industrial production and productivity and increasing real incomes for poor individuals.

(F) Promoting an enabling environment for private sector-led growth through sustained economic reform, privatization programs, and market-led economic activities.

(G) Promoting decentralization and local participation in the development process, especially linking the rural production sectors and the industrial and market centers throughout Africa.

(H) Increasing the technical and managerial capacity of sub-Saharan African individuals to manage the economy of sub-Saharan Africa.

(I) Ensuring sustainable economic growth through environmental protection.

(4) The African Development Foundation has a unique congressional mandate to empower the poor to participate fully in development and to increase opportunities for gainful employment, poverty alleviation, and more equitable income distribution in sub-Saharan Africa. The African Development Foundation has worked successfully to enhance the role of women as agents of change, strengthen the informal sector with an emphasis on supporting micro and small sized enterprises, indigenous technologies, and mobilizing local financing. The African Development Foundation should develop and implement strategies for promoting participation in the socioeconomic development process of grassroots and informal sector groups such as nongovernmental organizations, cooperatives, artisans, and traders into the programs and initiatives established under this Act.

(c) ADDITIONAL AUTHORITIES.—

(1) IN GENERAL.—Section 496(h) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(h)) is amended—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following:

“(3) DEMOCRATIZATION AND CONFLICT RESOLUTION CAPABILITIES.—Assistance under this section may also include program assistance—

“(A) to promote democratization, good governance, and strong civil societies in sub-Saharan Africa; and

“(B) to strengthen conflict resolution capabilities of governmental, intergovernmental, and nongovernmental entities in sub-Saharan Africa.”

(2) CONFORMING AMENDMENT.—Section 496(h)(4) of such Act, as amended by paragraph (1), is further amended by striking “paragraphs (1) and (2)” in the first sentence and inserting “paragraphs (1), (2), and (3)”.

SEC. 6. UNITED STATES-SUB-SAHARAN AFRICA TRADE AND ECONOMIC COOPERATION FORUM.

(a) DECLARATION OF POLICY.—The President shall convene annual high-level meetings between appropriate officials of the United States Government and officials of the governments of sub-Saharan African countries in order to foster close economic ties between the United States and sub-Saharan Africa.

(b) ESTABLISHMENT.—Not later than 12 months after the date of the enactment of this Act, the President, after consulting with the governments concerned, shall establish a United States-Sub-Saharan Africa Trade and Economic Cooperation Forum (hereafter in this section referred to as the “Forum”).

(c) REQUIREMENTS.—In creating the Forum, the President shall meet the following requirements:

(1) The President shall direct the Secretary of Commerce, the Secretary of the Treasury, the Secretary of State, and the United States Trade Representative to host the first annual meeting with the counterparts of such Secretaries from the governments of sub-Saharan African countries eligible under section 4, the Secretary General of the Organization of African Unity, and government officials from other appropriate countries in Africa, to discuss expanding trade and investment relations between the United States and sub-Saharan Africa and the implementation of this Act including encouraging joint ventures between small and large businesses.

(2)(A) The President, in consultation with the Congress, shall encourage United States nongovernmental organizations to host annual meetings with nongovernmental organizations from sub-Saharan Africa in conjunction with the annual meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(B) The President, in consultation with the Congress, shall encourage United States representatives of the private sector to host annual meetings with representatives of the private sector from sub-Saharan Africa in conjunction with the annual meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(3) The President shall, to the extent practicable, meet with the heads of governments of sub-Saharan African countries eligible under section 4 not less than once every two years for the purpose of discussing the issues described in paragraph (1). The first such meeting should take place not later than twelve months after the date of the enactment of this Act.

(d) DISSEMINATION OF INFORMATION BY USIA.—In order to assist in carrying out the purposes of the Forum, the United States Information Agency shall disseminate regularly, through multiple media, economic information in support of the free market economic reforms described in this Act.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

(f) LIMITATION ON USE OF FUNDS.—None of the funds authorized under this section may be used to create or support any nongovern-

mental organization for the purpose of expanding or facilitating trade between the United States and sub-Saharan Africa.

SEC. 7. UNITED STATES-SUB-SAHARAN AFRICA FREE TRADE AREA.

(a) DECLARATION OF POLICY.—The Congress declares that a United States-Sub-Saharan Africa Free Trade Area should be established, or free trade agreements should be entered into, in order to serve as the catalyst for increasing trade between the United States and sub-Saharan Africa and increasing private sector development in sub-Saharan Africa.

(b) PLAN REQUIREMENT.—

(1) IN GENERAL.—The President, taking into account the provisions of the treaty establishing the African Economic Community and the willingness of the governments of sub-Saharan African countries to engage in negotiations to enter into free trade agreements, shall develop a plan for the purpose of entering into one or more trade agreements with sub-Saharan African countries eligible under section 4 in order to establish a United States-Sub-Saharan Africa Free Trade Area (hereafter in this section referred to as the “Free Trade Area”).

(2) ELEMENTS OF PLAN.—The plan shall include the following:

(A) The specific objectives of the United States with respect to the establishment of the Free Trade Area and a suggested timetable for achieving those objectives.

(B) The benefits to both the United States and sub-Saharan Africa with respect to the Free Trade Area.

(C) A mutually agreed-upon timetable for establishing the Free Trade Area.

(D) The implications for and the role of regional and sub-regional organizations in sub-Saharan Africa with respect to the Free Trade Area.

(E) Subject matter anticipated to be covered by the agreement for establishing the Free Trade Area and United States laws, programs, and policies, as well as the laws of participating eligible African countries and existing bilateral and multilateral and economic cooperation and trade agreements, that may be affected by the agreement or agreements.

(F) Procedures to ensure the following:

(i) Adequate consultation with the Congress and the private sector during the negotiation of the agreement or agreements for establishing the Free Trade Area.

(ii) Consultation with the Congress regarding all matters relating to implementation of the agreement or agreements.

(iii) Approval by the Congress of the agreement or agreements.

(iv) Adequate consultations with the relevant African governments and African regional and subregional intergovernmental organizations during the negotiations of the agreement or agreements.

(c) REPORTING REQUIREMENT.—Not later than 12 months after the date of the enactment of this Act, the President shall prepare and transmit to the Congress a report containing the plan developed pursuant to subsection (b).

SEC. 8. ELIMINATING TRADE BARRIERS AND ENCOURAGING EXPORTS.

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

(1) The lack of competitiveness of sub-Saharan Africa in the global market, especially in the manufacturing sector, make it a limited threat to market disruption and no threat to United States jobs.

(2) Annual textile and apparel exports to the United States from sub-Saharan Africa represent less than 1 percent of all textile and apparel exports to the United States, which totaled \$45,932,000,000 in 1996.

(3) Sub-Saharan Africa has limited textile manufacturing capacity. During 1998 and the

succeeding 4 years, this limited capacity to manufacture textiles and apparel is projected to grow at a modest rate. Given this limited capacity to export textiles and apparel, it will be very difficult for these exports from sub-Saharan Africa, during 1998 and the succeeding 9 years, to exceed 3 percent annually of total imports of textile and apparel to the United States. If these exports from sub-Saharan Africa remain around 3 percent of total imports, they will not represent a threat to United States workers, consumers, or manufacturers.

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

(1) it would be to the mutual benefit of the countries in sub-Saharan Africa and the United States to ensure that the commitments of the World Trade Organization and associated agreements are faithfully implemented in each of the member countries, so as to lay the groundwork for sustained growth in textile and apparel exports and trade under agreed rules and disciplines;

(2) reform of trade policies in sub-Saharan Africa with the objective of removing structural impediments to trade, consistent with obligations under the World Trade Organization, can assist the countries of the region in achieving greater and greater diversification of textile and apparel export commodities and products and export markets; and

(3) the President should support textile and apparel trade reform in sub-Saharan Africa by, among other measures, providing technical assistance, sharing of information to expand basic knowledge of how to trade with the United States, and encouraging business-to-business contacts with the region.

(c) TREATMENT OF QUOTAS.—

(1) KENYA AND MAURITIUS.—Pursuant to the Agreement on Textiles and Clothing, the United States shall eliminate the existing quotas on textile and apparel exports to the United States—

(A) from Kenya within 30 days after that country adopts an efficient visa system to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and

(B) from Mauritius within 30 days after that country adopts such a visa system. The Customs Service shall provide the necessary technical assistance to Kenya and Mauritius in the development and implementation of those visa systems.

(2) OTHER SUB-SAHARAN COUNTRIES.—The President shall continue the existing no quota policy for countries in sub-Saharan Africa. The President shall submit to the Congress, not later than March 31 of each year, a report on the growth in textiles and apparel exports to the United States from countries in sub-Saharan Africa in order to protect United States consumers, workers, and textile manufacturers from economic injury on account of the no quota policy.

(d) CUSTOMS PROCEDURES AND ENFORCEMENT.—

(1) ACTIONS BY COUNTRIES AGAINST TRANSHIPMENT AND CIRCUMVENTION.—The President should ensure that any country in sub-Saharan Africa that intends to export textile and apparel goods to the United States—

(A) has in place a functioning and effective visa system and domestic laws and enforcement procedures to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and

(B) will cooperate fully with the United States to address and take action necessary to prevent circumvention, as provided in Article 5 of the Agreement on Textiles and Clothing.

(2) PENALTIES AGAINST EXPORTERS.—If the President determines, based on sufficient evidence, that an exporter has willfully falsified information regarding the country of origin, manufacture, processing, or assembly

of a textile or apparel article for which duty-free treatment under section 503(a)(1)(C) of the Trade Act of 1974 is claimed, then the President shall deny to such exporter, and any successors of such exporter, for a period of 2 years, duty-free treatment under such section for textile and apparel articles.

(3) APPLICABILITY OF UNITED STATES LAWS AND PROCEDURES.—All provisions of the laws, regulations, and procedures of the United States relating to the denial of entry of articles or penalties against individuals or entities for engaging in illegal transshipment, fraud, or other violations of the customs laws shall apply to imports from Sub-Saharan countries.

(4) MONITORING AND REPORTS TO CONGRESS.—The Customs Service shall monitor and the Commissioner of Customs shall submit to the Congress, not later than March 31 of each year, a report on the effectiveness of the visa systems described in subsection (c)(1) and paragraph (1) of this subsection and on measures taken by countries in Sub-Saharan Africa which export textiles or apparel to the United States to prevent circumvention as described in Article 5 of the Agreement on Textiles and Clothing.

(e) DEFINITION.—For purposes of this section, the term "Agreement on Textiles and Clothing" means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

SEC. 9. GENERALIZED SYSTEM OF PREFERENCES.

(a) PREFERENTIAL TARIFF TREATMENT FOR CERTAIN ARTICLES.—Section 503(a)(1) of the Trade Act of 1974 (19 U.S.C. 2463(a)(1)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

"(C) ELIGIBLE COUNTRIES IN SUB-SAHARAN AFRICA.—The President may provide duty-free treatment for any article set forth in paragraph (1) of subsection (b) that is the growth, product, or manufacture of an eligible country in sub-Saharan Africa that is a beneficiary developing country, if, after receiving the advice of the International Trade Commission in accordance with subsection (e), the President determines that such article is not import-sensitive in the context of imports from eligible countries in sub-Saharan Africa. This subparagraph shall not affect the designation of eligible articles under subparagraph (B)."

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

"(C) ELIGIBLE COUNTRIES IN SUB-SAHARAN AFRICA.—For purposes of determining the percentage referred to in subparagraph (A) in the case of an article of an eligible country in sub-Saharan Africa that is a beneficiary developing country—

"(i) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A); and

"(ii) the cost or value of the materials included with respect to that article that are produced in any beneficiary developing country that is an eligible country in sub-Saharan Africa shall be applied in determining such percentage."

(c) WAIVER OF COMPETITIVE NEED LIMITATION.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

"(D) LEAST-DEVELOPED BENEFICIARY DEVELOPING COUNTRIES AND ELIGIBLE COUNTRIES IN

SUB-SAHARAN AFRICA.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any eligible country in sub-Saharan Africa."

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

"SEC. 505. DATE OF TERMINATION.

"(a) COUNTRIES IN SUB-SAHARAN AFRICA.—No duty-free treatment provided under this title shall remain in effect after June 30, 2008, with respect to beneficiary developing countries that are eligible countries in sub-Saharan Africa.

"(b) OTHER COUNTRIES.—No duty-free treatment provided under this title shall remain in effect after June 30, 1998, with respect to beneficiary developing countries other than those provided for in subsection (a)."

(e) DEFINITION.—Section 507 of the Trade Act of 1974 (19 U.S.C. 2467) is amended by adding at the end the following:

"(6) ELIGIBLE COUNTRY IN SUB-SAHARAN AFRICA.—The terms 'eligible country in sub-Saharan Africa' and 'eligible countries in sub-Saharan Africa' mean a country or countries that the President has determined to be eligible under section 4 of the African Growth and Opportunity Act."

(f) EFFECTIVE DATE.—The amendments made by this section take effect on July 1, 1998.

SEC. 10. INTERNATIONAL FINANCIAL INSTITUTIONS AND DEBT REDUCTION.

(a) BETTER MECHANISMS TO FURTHER GOALS FOR SUB-SAHARAN AFRICA.—It is the sense of the Congress that the Secretary of the Treasury should instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Monetary Fund, and the African Development Bank to use the voice and votes of the Executive Directors to encourage vigorously their respective institutions to develop enhanced mechanisms which further the following goals in eligible countries in sub-Saharan Africa:

(1) Strengthening and expanding the private sector, especially among women-owned businesses.

(2) Reducing tariffs, nontariff barriers, and other trade obstacles, and increasing economic integration.

(3) Supporting countries committed to accountable government, economic reform, the eradication of poverty, and the building of civil societies.

(4) Supporting deep debt reduction at the earliest possible date with the greatest amount of relief for eligible poorest countries under the "Heavily Indebted Poor Countries" (HIPC) debt initiative.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that relief provided to countries in sub-Saharan Africa which qualify for the Heavily Indebted Poor Countries debt initiative should primarily be made through grants rather than through extended-term debt, and that interim relief or interim financing should be provided for eligible countries that establish a strong record of macro-economic reform.

(c) EXECUTIVE BRANCH INITIATIVES.—The Congress supports and encourages the implementation of the following initiatives of the executive branch:

(1) AMERICAN-AFRICAN BUSINESS PARTNERSHIP.—The Agency for International Development devoting up to \$1,000,000 annually to help catalyze relationships between United States firms and firms in sub-Saharan Africa through a variety of business associations and networks.

(2) TECHNICAL ASSISTANCE TO PROMOTE REFORMS.—The Agency for International Development providing up to \$5,000,000 annually in short-term technical assistance programs to

help the governments of sub-Saharan African countries to—

(A) liberalize trade and promote exports;
(B) bring their legal regimes into compliance with the standards of the World Trade Organization in conjunction with membership in that Organization; and

(C) make financial and fiscal reforms, as well as the United States Department of Agriculture providing support to promote greater agribusiness linkages.

(3) **AGRICULTURAL MARKET LIBERALIZATION.**—The Agency for International Development devoting up to \$15,000,000 annually as part of the multi-year Africa Food Security Initiative to help address such critical agricultural policy issues as market liberalization, agricultural export development, and agribusiness investment in processing and transporting agricultural commodities.

(4) **TRADE PROMOTION.**—The Trade Development Agency increasing the number of reverse trade missions to growth-oriented countries in sub-Saharan Africa.

(5) **TRADE IN SERVICES.**—Efforts by United States embassies in the countries in sub-Saharan Africa to encourage their host governments—

(A) to participate in the ongoing negotiations on financial services in the World Trade Organization;

(B) to revise their existing schedules to the General Agreement on Trade in Services of the World Trade Organization in light of the successful conclusion of negotiations on basic telecommunications services; and

(C) to make further commitments in their schedules to the General Agreement on Trade in Services in order to encourage the removal of tariff and nontariff barriers and to foster competition in the services sector in those countries.

SEC. 11. SUB-SAHARAN AFRICA EQUITY AND INFRASTRUCTURE FUNDS.

(a) **INITIATION OF FUNDS.**—It is the sense of the Congress that the Overseas Private Investment Corporation should, within 12 months after the date of the enactment of this Act, exercise the authorities it has to initiate 2 or more equity funds in support of projects in the countries in sub-Saharan Africa.

(b) **STRUCTURE AND TYPES OF FUNDS.**—

(1) **STRUCTURE.**—Each fund initiated under subsection (a) should be structured as a partnership managed by professional private sector fund managers and monitored on a continuing basis by the Corporation.

(2) **CAPITALIZATION.**—Each fund should be capitalized with a combination of private equity capital, which is not guaranteed by the Corporation, and debt for which the Corporation provides guaranties.

(3) **TYPES OF FUNDS.**—

(A) **EQUITY FUND FOR SUB-SAHARAN AFRICA.**—One of the funds should be an equity fund, with assets of up to \$150,000,000, the primary purpose of which is to achieve long-term capital appreciation through equity investments in support of projects in countries in sub-Saharan Africa.

(B) **INFRASTRUCTURE FUND.**—One or more of the funds, with combined assets of up to \$500,000,000, should be used in support of infrastructure projects in countries of sub-Saharan Africa. The primary purpose of any such fund would be to achieve long-term capital appreciation through investing in financing for infrastructure projects in sub-Saharan Africa, including for the expansion of businesses in sub-Saharan Africa, restructurings, management buyouts and buyins, businesses with local ownership, and privatizations.

(4) **EMPHASIS.**—The Corporation shall ensure that the funds are used to provide support in particular to women entrepreneurs and to innovative investments that expand

opportunities for women and maximize employment opportunities for poor individuals.

SEC. 12. OVERSEAS PRIVATE INVESTMENT CORPORATION AND EXPORT-IMPORT BANK INITIATIVES.

(a) **OVERSEAS PRIVATE INVESTMENT CORPORATION.**—

(1) **ADVISORY COMMITTEE.**—Section 233 of the Foreign Assistance Act of 1961 is amended by adding at the end the following:

“(e) **ADVISORY COMMITTEE.**—The Board shall take prompt measures to increase the loan, guarantee, and insurance programs, and financial commitments, of the Corporation in sub-Saharan Africa, including through the establishment and use of an advisory committee to assist the Board in developing and implementing policies, programs, and financial instruments with respect to sub-Saharan Africa. In addition, the advisory committee shall make recommendations to the Board on how the Corporation can facilitate greater support by the United States for trade and investment with and in sub-Saharan Africa. The advisory committee shall terminate 4 years after the date of the enactment of this subsection.”

(2) **REPORTS TO THE CONGRESS.**—Within 6 months after the date of the enactment of this Act, and annually for each of the 4 years thereafter, the Board of Directors of the Overseas Private Investment Corporation shall submit to the Congress a report on the steps that the Board has taken to implement section 233(e) of the Foreign Assistance Act of 1961 (as added by paragraph (1)) and any recommendations of the advisory board established pursuant to such section.

(b) **EXPORT-IMPORT BANK.**—

(1) **ADVISORY COMMITTEE FOR SUB-SAHARAN AFRICA.**—Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)) is amended by inserting after paragraph (12) the following:

“(13)(A) The Board of Directors of the Bank shall take prompt measures, consistent with the credit standards otherwise required by law, to promote the expansion of the Bank’s financial commitments in sub-Saharan Africa under the loan, guarantee, and insurance programs of the Bank.

“(B)(i) The Board of Directors shall establish and use an advisory committee to advise the Board of Directors on the development and implementation of policies and programs designed to support the expansion described in subparagraph (A).

“(ii) The advisory committee shall make recommendations to the Board of Directors on how the Bank can facilitate greater support by United States commercial banks for trade with sub-Saharan Africa.

“(iii) The advisory committee shall terminate 4 years after the date of the enactment of this subparagraph.”

(2) **REPORTS TO THE CONGRESS.**—Within 6 months after the date of the enactment of this Act, and annually for each of the 4 years thereafter, the Board of Directors of the Export-Import Bank of the United States shall submit to the Congress a report on the steps that the Board has taken to implement section 2(b)(13)(B) of the Export-Import Bank Act of 1945 (as added by paragraph (1)) and any recommendations of the advisory committee established pursuant to such section.

SEC. 13. ESTABLISHMENT OF ASSISTANT UNITED STATES TRADE REPRESENTATIVE FOR SUB-SAHARAN AFRICA.

(a) **ESTABLISHMENT.**—The President shall establish a position of Assistant United States Trade Representative within the Office of the United States Trade Representative to focus on trade issues relating to sub-Saharan Africa.

(b) **FUNDING AND STAFF.**—The President shall ensure that the Assistant United States Trade Representative appointed pursuant to

subsection (a) has adequate funding and staff to carry out the duties described in subsection (a), subject to the availability of appropriations.

SEC. 14. EXPANSION OF THE UNITED STATES AND FOREIGN COMMERCIAL SERVICE IN SUB-SAHARAN AFRICA.

(a) **SENSE OF THE CONGRESS.**—It is the sense of the Congress that the United States and Foreign Commercial Service should expand its presence in sub-Saharan Africa by increasing the number of posts and the number of personnel it allocates to sub-Saharan Africa.

(b) **REPORTING REQUIREMENT.**—Not later than 120 days after the date of the enactment of this Act, the Secretary of Commerce, in consultation with the Secretary of State, should report to the Congress on the feasibility of expanding the presence in sub-Saharan Africa of the United States and Foreign Commercial Service.

SEC. 15. REPORTING REQUIREMENT.

The President shall submit to the Congress, not later than 1 year after the date of the enactment of this Act, and not later than the end of each of the next 4 1-year periods thereafter, a report on the implementation of this Act.

SEC. 16. SUB-SAHARAN AFRICA DEFINED.

For purposes of this Act, the terms “sub-Saharan Africa”, “sub-Saharan African country”, “country in sub-Saharan Africa”, and “countries in sub-Saharan Africa” refer to the following:

Republic of Angola (Angola)
 Republic of Botswana (Botswana)
 Republic of Burundi (Burundi)
 Republic of Cape Verde (Cape Verde)
 Republic of Chad (Chad)
 Democratic Republic of Congo
 Republic of the Congo (Congo)
 Republic of Djibouti (Djibouti)
 State of Eritrea (Eritrea)
 Gabonese Republic (Gabon)
 Republic of Ghana (Ghana)
 Republic of Guinea-Bissau (Guinea-Bissau)
 Kingdom of Lesotho (Lesotho)
 Republic of Madagascar (Madagascar)
 Republic of Mali (Mali)
 Republic of Mauritius (Mauritius)
 Republic of Namibia (Namibia)
 Federal Republic of Nigeria (Nigeria)
 Democratic Republic of Sao Tome and Principe (Sao Tome and Principe)
 Republic of Sierra Leone (Sierra Leone)
 Somalia
 Kingdom of Swaziland (Swaziland)
 Republic of Togo (Togo)
 Republic of Zimbabwe (Zimbabwe)
 Republic of Benin (Benin)
 Burkina Faso (Burkina)
 Republic of Cameroon (Cameroon)
 Central African Republic
 Federal Islamic Republic of the Comoros (Comoros)
 Republic of Cote d’Ivoire (Cote d’Ivoire)
 Republic of Equatorial Guinea (Equatorial Guinea)
 Ethiopia
 Republic of the Gambia (Gambia)
 Republic of Guinea (Guinea)
 Republic of Kenya (Kenya)
 Republic of Liberia (Liberia)
 Republic of Malawi (Malawi)
 Islamic Republic of Mauritania (Mauritania)
 Republic of Mozambique (Mozambique)
 Republic of Niger (Niger)
 Republic of Rwanda (Rwanda)
 Republic of Senegal (Senegal)
 Republic of Seychelles (Seychelles)
 Republic of South Africa (South Africa)
 Republic of Sudan (Sudan)
 United Republic of Tanzania (Tanzania)
 Republic of Uganda (Uganda)
 Republic of Zambia (Zambia)

SEC. 17. CLARIFICATION OF DEDUCTION FOR SEVERANCE PAY.

(a) IN GENERAL.—Section 404(a) of the Internal Revenue Code of 1986 (relating to deduction for contributions of an employer to an employee's trust or annuity plan and compensation under a deferred-payment plan) is amended by adding at the end the following new paragraph:

“(11) DETERMINATIONS RELATING TO SEVERANCE PAY.—For purposes of determining under this section—

“(A) whether severance pay is deferred compensation; and

“(B) when severance pay is paid, no amount shall be treated as received by the employee, or paid, until it is actually received by the employee.”.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply to taxable years ending after October 8, 1997.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendment made by subsection (a) to change its method of accounting for its first taxable year ending after October 8, 1997—

(A) such change shall be treated as initiated by the taxpayer;

(B) such change shall be treated as made with the consent of the Secretary of the Treasury; and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account in such first taxable year.

SEC. 18. DONATION OF OBSOLETE AIR TRAFFIC CONTROL EQUIPMENT TO ELIGIBLE SUB-SAHARAN AFRICAN COUNTRIES.

It is the sense of the Congress that, to the extent appropriate, the United States Government should make every effort to donate to governments of sub-Saharan African countries (determined to be eligible under section 4 of this Act) obsolete air traffic control equipment, including appropriate related reimbursable technical assistance for such equipment.

The bill, as amended, was ordered to be engrossed and read a third time, was read a third time by title.

Mr. BISHOP moved to recommit the bill to the Committee on Ways and Means with instructions to report the bill back to the House forthwith with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the “African Growth and Opportunity Act”.

SEC. 2. FINDINGS.

The Congress finds that it is in the mutual economic interest of the United States and sub-Saharan Africa to promote stable and sustainable economic growth and development in sub-Saharan Africa. To that end, the United States seeks to facilitate market-led economic growth in, and thereby the social and economic development of, the countries of sub-Saharan Africa. In particular, the United States seeks to assist sub-Saharan African countries, and the private sector in those countries, to achieve economic self-reliance by—

(1) strengthening and expanding the private sector in sub-Saharan Africa, especially women-owned businesses;

(2) encouraging increased trade and investment between the United States and sub-Saharan Africa;

(3) reducing tariff and nontariff barriers and other trade obstacles;

(4) expanding United States assistance to sub-Saharan Africa's regional integration efforts;

(5) establishing a United States-Sub-Saharan Africa Trade and Investment Partnership;

(6) focusing on countries committed to accountable government, economic reform, and the eradication of poverty;

(7) establishing a United States-Sub-Saharan Africa Economic Cooperation Forum; and

(8) continuing to support development assistance for those countries in sub-Saharan Africa attempting to build civil societies.

SEC. 3. STATEMENT OF POLICY.

The Congress supports economic self-reliance for sub-Saharan African countries, particularly those committed to—

(1) economic and political reform;

(2) market incentives and private sector growth;

(3) the eradication of poverty; and

(4) the importance of women to economic growth and development.

SEC. 4. ELIGIBILITY REQUIREMENTS.

(a) IN GENERAL.—For each fiscal year, the President shall determine, on a case-by-case basis after providing an opportunity for public comment, whether each sub-Saharan African country is eligible to participate in programs, projects, or activities, or receive assistance or other benefits under this Act. The President's determination shall be based on the establishment and enforcement of appropriate policies relating to—

(1) promoting free movement of goods and services between the United States and sub-Saharan Africa and among countries in sub-Saharan Africa;

(2) promoting the expansion of the production base and the transformation of commodities and nontraditional products for exports through joint venture projects between African and foreign investors;

(3) trade issues, such as protection of intellectual property rights, particularly intellectual property rights with respect to textile and apparel goods, improvements in standards, testing, labeling, and certification;

(4) the protection of property rights, such as protection against expropriation and a functioning and fair judicial system;

(5) participation in bilateral investment treaties and the harmonization of such treaties to avoid double taxation;

(6) supporting the growth of regional markets within a free trade area framework;

(7) governance issues, such as eliminating government corruption, minimizing government intervention in the market such as price controls and subsidies, and streamlining the business license process;

(8) encouraging private ownership of government-controlled economic enterprises;

(9) removing restrictions on investment;

(10) engaging in a cooperative effort with the United States Customs Service to monitor and enforce policies necessary to implement the special access program authorized by section 8, including penalties for transshipment of textile and apparel goods in contravention of United States law, and providing to the Customs Service entry into that country, and access to accurate information in that country, in order to monitor and enforce such policies;

(11) progress on human and worker rights, such as the protection of internationally recognized worker rights as defined in section 507(4) of the Trade Act of 1974, especially restrictions on child labor; and

(12) reducing tariffs and eliminating nontariff barriers to United States textile and apparel goods.

(b) ADDITIONAL FACTORS.—In determining whether a sub-Saharan African country is eligible under subsection (a), the President shall take into account the following factors:

(1) An expression by such country of its desire to be an eligible country under subsection (a).

(2) The extent to which such country has made substantial progress toward—

(A) reducing tariff levels;

(B) binding its tariffs in the World Trade Organization and assuming meaningful binding obligations in other sectors of trade; and

(C) eliminating nontariff barriers to trade.

(3) Whether such country, if not already a member of the World Trade Organization, is actively pursuing membership in that Organization.

(4) The extent to which such country has a recognizable commitment to reducing poverty, increasing the availability of health care and educational opportunities, the expansion of physical infrastructure in a manner designed to maximize accessibility, increased access to market and credit facilities for small farmers and producers, and improved economic opportunities for women as entrepreneurs and employees, and promoting and enabling the formation of capital to support the establishment and operation of micro-enterprises.

(5) Whether or not such country engages in activities that undermine United States national security or foreign policy interests.

(c) CONTINUING COMPLIANCE.—

(1) MONITORING AND REVIEW OF CERTAIN COUNTRIES.—The President shall monitor and review the progress of sub-Saharan African countries in order to determine their current or potential eligibility under subsection (a). Such determinations shall be based on quantitative factors to the fullest extent possible and shall be included in the annual report required by section 16.

(2) INELIGIBILITY OF CERTAIN COUNTRIES.—A sub-Saharan African country described in paragraph (1) that has not made continual progress in meeting the requirements with which it is not in compliance shall be ineligible to participate in programs, projects, or activities, or receive assistance or other benefits, under this Act.

(3) INELIGIBILITY OF COUNTRIES NOT COOPERATING WITH UNITED STATES CUSTOMS.—The President shall not renew the eligibility of a sub-Saharan African country which does not fully cooperate with the United States Customs Service in the enforcement of laws against transshipment of textile and apparel goods as set forth in subsection (a)(10).

(d) VIOLATIONS OF HUMAN RIGHTS AND INELIGIBLE COUNTRIES.—It is the sense of the Congress that a sub-Saharan African country should not be eligible to participate in programs, projects, or activities, or receive assistance or other benefits under this Act if the government of that country is determined by the President to engage in a consistent pattern of gross violations of internationally recognized human rights.

(e) EXCEPTION.—This section does not apply with respect to the amendments made by section 10 of this Act.

SEC. 5. ADDITIONAL AUTHORITIES AND INCREASED FLEXIBILITY TO PROVIDE ASSISTANCE UNDER THE DEVELOPMENT FUND FOR AFRICA.

(a) USE OF SUSTAINABLE DEVELOPMENT ASSISTANCE TO SUPPORT FURTHER ECONOMIC GROWTH.—It is the sense of the Congress that sustained economic growth in sub-Saharan Africa depends in large measure upon the development of a receptive environment for trade and investment, and that to achieve this objective the United States Agency for International Development should continue to support programs which help to create this environment. Investments in human resources, development, and implementation of free market policies, including policies to liberalize agricultural markets and improve food security, and the support for the rule of law and democratic governance should continue to be encouraged and enhanced on a bilateral and regional basis.

(b) DECLARATIONS OF POLICY.—The Congress makes the following declarations:

(1) The Development Fund for Africa established under chapter 10 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2293 et seq.) has been an effective tool in providing development assistance to sub-Saharan Africa since 1988.

(2) The Development Fund for Africa will complement the other provisions of this Act and lay a foundation for increased trade and investment opportunities between the United States and sub-Saharan Africa.

(3) Assistance provided through the Development Fund for Africa will continue to support programs and activities that promote the long term economic development of sub-Saharan Africa, such as programs and activities relating to the following:

(A) Strengthening primary and vocational education systems, especially the acquisition of middle-level technical skills for operating modern private businesses and the introduction of college level business education, including the study of international business, finance, and stock exchanges.

(B) Strengthening health care systems.

(C) Strengthening family planning service delivery systems.

(D) Supporting democratization, good governance and civil society and conflict resolution efforts.

(E) Increasing food security by promoting the expansion of agricultural and agriculture-based industrial production and productivity and increasing real incomes for poor individuals.

(F) Promoting an enabling environment for private sector-led growth through sustained economic reform, privatization programs, and market-led economic activities.

(G) Promoting decentralization and local participation in the development process, especially linking the rural production sectors and the industrial and market centers throughout Africa.

(H) Increasing the technical and managerial capacity of sub-Saharan African individuals to manage the economy of sub-Saharan Africa.

(I) Ensuring sustainable economic growth through environmental protection.

(4) The African Development Foundation has a unique congressional mandate to empower the poor to participate fully in development and to increase opportunities for gainful employment, poverty alleviation, and more equitable income distribution in sub-Saharan Africa. The African Development Foundation has worked successfully to enhance the role of women as agents of change, strengthen the informal sector with an emphasis on supporting micro and small sized enterprises, indigenous technologies, and mobilizing local financing. The African Development Foundation should develop and implement strategies for promoting participation in the socioeconomic development process of grassroots and informal sector groups such as nongovernmental organizations, cooperatives, artisans, and traders into the programs and initiatives established under this Act.

(c) ADDITIONAL AUTHORITIES.—

(1) IN GENERAL.—Section 496(h) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(h)) is amended—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following:

“(3) DEMOCRATIZATION AND CONFLICT RESOLUTION CAPABILITIES.—Assistance under this section may also include program assistance—

“(A) to promote democratization, good governance, and strong civil societies in sub-Saharan Africa; and

“(B) to strengthen conflict resolution capabilities of governmental, intergovernmental, and nongovernmental entities in sub-Saharan Africa.”

(2) CONFORMING AMENDMENT.—Section 496(h)(4) of such Act, as amended by paragraph (1), is further amended by striking “paragraphs (1) and (2)” in the first sentence and inserting “paragraphs (1), (2), and (3)”.

SEC. 6. UNITED STATES-SUB-SAHARAN AFRICA TRADE AND ECONOMIC COOPERATION FORUM.

(a) DECLARATION OF POLICY.—The President shall convene annual high-level meetings between appropriate officials of the United States Government and officials of the governments of sub-Saharan African countries in order to foster close economic ties between the United States and sub-Saharan Africa.

(b) ESTABLISHMENT.—Not later than 12 months after the date of the enactment of this Act, the President, after consulting with the governments concerned, shall establish a United States-Sub-Saharan Africa Trade and Economic Cooperation Forum (hereafter in this section referred to as the “Forum”).

(c) REQUIREMENTS.—In creating the Forum, the President shall meet the following requirements:

(1) The President shall direct the Secretary of Commerce, the Secretary of the Treasury, the Secretary of State, and the United States Trade Representative to host the first annual meeting with the counterparts of such Secretaries from the governments of sub-Saharan African countries eligible under section 4, the Secretary General of the Organization of African Unity, and government officials from other appropriate countries in Africa, to discuss expanding trade and investment relations between the United States and sub-Saharan Africa and the implementation of this Act.

(2)(A) The President, in consultation with the Congress, shall encourage United States nongovernmental organizations to host annual meetings with nongovernmental organizations from sub-Saharan Africa in conjunction with the annual meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(B) The President, in consultation with the Congress, shall encourage United States representatives of the private sector to host annual meetings with representatives of the private sector from sub-Saharan Africa in conjunction with the annual meetings of the Forum for the purpose of discussing the issues described in paragraph (1).

(3) The President shall, to the extent practicable, meet with the heads of governments of sub-Saharan African countries eligible under section 4 not less than once every two years for the purpose of discussing the issues described in paragraph (1). The first such meeting should take place not later than twelve months after the date of the enactment of this Act.

(d) DISSEMINATION OF INFORMATION BY USIA.—In order to assist in carrying out the purposes of the Forum, the United States Information Agency shall disseminate regularly, through multiple media, economic information in support of the free market economic reforms described in this Act.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

(f) LIMITATION ON USE OF FUNDS.—None of the funds authorized under this section may be used to create or support any nongovernmental organization for the purpose of expanding or facilitating trade between the United States and sub-Saharan Africa.

SEC. 7. UNITED STATES-SUB-SAHARAN AFRICA FREE TRADE AREA.

(a) DECLARATION OF POLICY.—The Congress declares that the President should investigate the establishment of a United States-Sub-Saharan Africa Free Trade Area as a result of a fully reciprocal free trade agreement, if the President determines that increased trade and private sector development have led to open market economies in the countries of sub-Saharan Africa.

(b) PLAN REQUIREMENT.—

(1) IN GENERAL.—The President, taking into account the provisions of the treaty establishing the African Economic Community and the willingness of the governments of sub-Saharan African countries to engage in negotiations to enter into free trade agreements, may develop a plan for the purpose of entering into one or more trade agreements with sub-Saharan African countries eligible under section 4 in order to establish a United States-Sub-Saharan Africa Free Trade Area (hereafter in this section referred to as the “Free Trade Area”).

(2) ELEMENTS OF PLAN.—The plan may include the following:

(A) The specific objectives of the United States with respect to the establishment of the Free Trade Area and a suggested timetable for achieving those objectives.

(B) The benefits to both the United States and sub-Saharan Africa with respect to the Free Trade Area.

(C) A mutually agreed-upon timetable for establishing the Free Trade Area.

(D) The implications for and the role of regional and sub-regional organizations in sub-Saharan Africa with respect to the Free Trade Area.

(E) Subject matter anticipated to be covered by the agreement for establishing the Free Trade Area and United States laws, programs, and policies, as well as the laws of participating eligible African countries and existing bilateral and multilateral and economic cooperation and trade agreements, that may be affected by the agreement or agreements.

(F) Procedures to ensure the following:

(i) Adequate consultation with the Congress and the private sector during the negotiation of the agreement or agreements for establishing the Free Trade Area.

(ii) Consultation with the Congress regarding all matters relating to implementation of the agreement or agreements.

(iii) Approval by the Congress of the agreement or agreements.

(iv) Adequate consultations with the relevant African governments and African regional and subregional intergovernmental organizations during the negotiations of the agreement or agreements.

(c) REPORTING REQUIREMENT.—The President shall prepare and transmit to the Congress a report containing the results of his investigation under subsection (a).

SEC. 8. SPECIAL ACCESS PROGRAM FOR TEXTILE AND APPAREL ARTICLES FROM ELIGIBLE COUNTRIES.

(a) SPECIAL ACCESS PROGRAM.—

(1) ESTABLISHMENT.—The President, in consultation with representatives of the domestic textile and apparel industry and with representatives of countries in sub-Saharan Africa that are eligible under section 4 and after providing an opportunity for public comment, shall establish a special access program for imports of textile and apparel articles from such eligible countries in sub-Saharan Africa under which specified levels of imports of eligible textile and apparel articles would not be subject to duties or quotas.

(2) PROGRAM MODELED ON EXISTING PROGRAMS.—The program under paragraph (1) should be modeled on existing programs providing for similar preferential tariff and

quota treatment, such as the program in effect for countries in the Caribbean Basin, consistent with the international obligations of the United States under the Agreement on Textiles and Clothing and other trade agreements.

(b) ELIGIBLE GOODS.—

(1) IN GENERAL.—Textile and apparel articles are eligible for the special access program established under subsection (a) only if the articles are—

(A) textile or apparel articles assembled in an eligible sub-Saharan African country from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States, that are—

(i) entered under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States; or

(ii) entered under chapter 61 or 62 of the Harmonized Tariff Schedule of the United States, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of such Schedule but for the fact that the articles were subjected to stone-washing, enzyme-washing, acid-washing, perma-pressing, oven-baking, bleaching, garment-dyeing, embroidery, or other similar processes; or

(B) handloomed, handmade, or folklore articles of an eligible sub-Saharan African country identified under paragraph (2) that are certified as such by the competent authority of such country.

(2) DETERMINATION OF HANDLOOMED, HANDMADE, OR FOLKLORE GOODS.—For purposes of paragraph (1)(B), the President, after consultation with the eligible sub-Saharan African country concerned, shall determine which, if any, particular textile and apparel goods of the country shall be treated as being handloomed, handmade, or folklore goods of a kind described in section 2.3(a), (b), or (c) or Appendix 3.1.B.11 of Annex 300-B of the North American Free Trade Agreement.

(3) ACTIONS BY PRESIDENT TO PREVENT MARKET DISRUPTION.—The President may impose the prevailing general column I rates of duty, restrict the quantity of imports, or both, with respect to imports of eligible goods under this subsection from any eligible sub-Saharan African country if such action is necessary to prevent market disruption or the threat thereof.

(c) REPORT.—The President shall include as part of the first annual report under section 16 a report on the establishment of the special access program under subsection (a) and shall report to the Congress annually thereafter on the implementation of the program and its effect on the textile and apparel industry in the United States.

(d) DEFINITION.—For purposes of this section, the term "Agreement on Textiles and Clothing" means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

SEC. 9. PENALTIES FOR VIOLATIONS OF CUSTOMS LAWS INVOLVING TEXTILE AND APPAREL GOODS.

(a) PENALTIES.—Section 592 of the Tariff Act of 1930 (19 U.S.C. 1592) is amended by adding at the end the following:

"(g) PENALTIES INVOLVING TEXTILE AND APPAREL GOODS.—

"(1) FRAUD.—Notwithstanding subsection (c), the civil penalty for a fraudulent violation of subsection (a) based on a claim that textile and apparel goods are products of countries in sub-Saharan Africa—

"(A) shall, subject to subparagraph (B), be double the amount that would otherwise apply under subsection (c)(1); and

"(B) shall be an amount not to exceed 300 percent of the declared value in the United States of the merchandise if the violation

has the effect of circumventing any quota on textile and apparel goods.

"(2) GROSS NEGLIGENCE.—Notwithstanding subsection (c), the civil penalty for a grossly negligent violation of subsection (a) based on a claim that textile and apparel goods are products of countries in sub-Saharan Africa—

"(A) shall, subject to subparagraphs (B) and (C), be double the amount that would otherwise apply under subsection (c)(2);

"(B) shall, if the violation has the effect of circumventing any quota of the United States on textile and apparel goods, and subject to subparagraph (C), be 200 percent of the declared value of the merchandise; and

"(C) shall, if the violation is a third or subsequent offense occurring within 3 years, be the penalty for a fraudulent violation under paragraph (1) (A) or (B), whichever is applicable.

"(3) NEGLIGENCE.—Notwithstanding subsection (c), the civil penalty for a negligent violation of subsection (a) based on a claim that textile and apparel goods are products of countries in sub-Saharan Africa—

"(A) shall, subject to subparagraphs (B) and (C), be double the amount that would otherwise apply under subsection (a)(3);

"(B) shall, if the violation has the effect of circumventing any quota of the United States on textile and apparel goods, and subject to subparagraph (C), be 100 percent of the declared value of the merchandise; and

"(C) shall, if the violation is a third or subsequent offense occurring within 3 years, be the penalty for a grossly negligent violation under paragraph (2) (A) or (B), whichever is applicable."

(b) MITIGATION.—Section 618 of the Tariff Act of 1930 (19 U.S.C. 1618) is amended—

(1) by striking "Whenever" and inserting "(a) IN GENERAL.—Whenever", and

(2) by adding at the end the following new subsection:

"(b) MITIGATION RULES RELATING TO TEXTILE AND APPAREL GOODS.—

"(1) GENERAL RULE.—Notwithstanding any other provision of law, the Secretary of the Treasury may remit or mitigate any fine or penalty imposed pursuant to section 592 based on a claim that textile and apparel goods are products of countries in sub-Saharan Africa only if—

"(A) in the case of a first offense, the violation is due to either negligence or gross negligence; and

"(B) in the case of a second or subsequent offense, prior disclosure (as defined in section 592(c)(4)) is made within 180 days after the entry of the goods.

"(2) SPECIAL RULE FOR PRIOR DISCLOSURES AFTER 180 DAYS.—In the case of a second or subsequent offense where prior disclosure (as defined in section 592(c)(4)) is made after 180 days after the entry of the goods, the Secretary of the Treasury may remit or mitigate not more than 50 percent of such fines or penalties."

(c) SEIZURE AND FORFEITURE.—Section 596(c)(2) of the Tariff Act of 1930 (19 U.S.C. 1595a(c)(2)) is amended—

(1) in subparagraph (E), by striking "or" after the semicolon;

(2) in subparagraph (F), by striking the period and inserting "; or"; and

(3) by inserting after subparagraph (F) the following:

"(G) it consists of textile or apparel goods that are claimed to be products of countries in sub-Saharan Africa introduced into the United States for entry, transit, or exportation, and

"(i) the merchandise or its container bears false or fraudulent markings with respect to the country of origin, unless the importer of the merchandise demonstrates that the markings were made in order to comply with

the rules of origin of the country that is the final destination of the merchandise, or

"(ii) the merchandise or its container is introduced or attempted to be introduced into the United States by means of, or such introduction or attempt is aided or facilitated by means of, a material false statement, act, or omission with the intention or effect of—

"(I) circumventing any quota that applies to the merchandise, or

"(II) undervaluing the merchandise."

(d) CERTIFICATES OF ORIGIN.—Notwithstanding any other provision of law, all importations of textile and apparel goods that are claimed to be products of countries in sub-Saharan Africa shall be accompanied by—

(1)(A) the name and address of the manufacturer or producer of the goods, and any other information with respect to the manufacturer or producer that the Customs Service may require; and

(B) if there is more than one manufacturer or producer, or there is a contractor or subcontractor of the manufacturer or producer with respect to the manufacture or production of the goods, the information required under subparagraph (A) with respect to each such manufacturer, producer, contractor, or subcontractor, including a description of the process performed by each such entity;

(2) a certification by the importer that the importer has exercised reasonable care to ascertain the true country of origin of the textile and apparel goods and the accuracy of all other information provided on the documentation accompanying the imported goods, as well as a certification of the specific action taken by the importer to ensure reasonable care for purposes of this paragraph; and

(3) a certification by the importer that the goods being entered do not violate applicable trademark, copyright, and patent laws.

Information provided under this subsection shall be sufficient to demonstrate compliance with the United States rules of origin for textile and apparel goods.

SEC. 10. GENERALIZED SYSTEM OF PREFERENCES.

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

"SEC. 505. DATE OF TERMINATION.

"(a) COUNTRIES IN SUB-SAHARAN AFRICA.—No duty-free treatment provided under this title shall remain in effect after June 30, 2008, with respect to beneficiary developing countries that are countries in sub-Saharan Africa.

"(b) OTHER COUNTRIES.—No duty-free treatment provided under this title shall remain in effect after June 30, 1998, with respect to beneficiary developing countries other than those provided for in subsection (a)."

(b) DEFINITION.—Section 507 of the Trade Act of 1974 (19 U.S.C. 2467) is amended by adding at the end the following:

"(6) COUNTRIES IN SUB-SAHARAN AFRICA.—The term 'countries in sub-Saharan Africa' has the meaning given that term in section 17 of the African Growth and Opportunity Act."

(c) EFFECTIVE DATE.—The amendments made by this section take effect on July 1, 1998.

SEC. 11. INTERNATIONAL FINANCIAL INSTITUTIONS AND DEBT REDUCTION.

(a) BETTER MECHANISMS TO FURTHER GOALS FOR SUB-SAHARAN AFRICA.—It is the sense of the Congress that the Secretary of the Treasury should instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Monetary Fund, and the African Development Bank to use the voice and votes of the Executive Directors to en-

encourage vigorously their respective institutions to develop enhanced mechanisms which further the following goals in eligible countries in sub-Saharan Africa:

(1) Strengthening and expanding the private sector, especially among women-owned businesses.

(2) Reducing tariffs, nontariff barriers, and other trade obstacles, and increasing economic integration.

(3) Supporting countries committed to accountable government, economic reform, the eradication of poverty, and the building of civil societies.

(4) Supporting deep debt reduction at the earliest possible date with the greatest amount of relief for eligible poorest countries under the "Heavily Indebted Poor Countries" (HIPC) debt initiative.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that relief provided to countries in sub-Saharan Africa which qualify for the Heavily Indebted Poor Countries debt initiative should primarily be made through grants rather than through extended-term debt, and that interim relief or interim financing should be provided for eligible countries that establish a strong record of macroeconomic reform.

(c) EXECUTIVE BRANCH INITIATIVES.—The Congress supports and encourages the implementation of the following initiatives of the executive branch:

(1) AMERICAN-AFRICAN BUSINESS PARTNERSHIP.—The Agency for International Development devoting up to \$1,000,000 annually to help catalyze relationships between United States firms and firms in sub-Saharan Africa through a variety of business associations and networks.

(2) TECHNICAL ASSISTANCE TO PROMOTE REFORMS.—The Agency for International Development providing up to \$5,000,000 annually in short-term technical assistance programs to help the governments of sub-Saharan African countries to—

(A) liberalize trade and promote exports;

(B) bring their legal regimes into compliance with the standards of the World Trade Organization in conjunction with membership in that Organization; and

(C) make financial and fiscal reforms, as well as the United States Department of Agriculture providing support to promote greater agribusiness linkages.

(3) AGRICULTURAL MARKET LIBERALIZATION.—The Agency for International Development devoting up to \$15,000,000 annually as part of the multi-year Africa Food Security Initiative to help address such critical agricultural policy issues as market liberalization, agricultural export development, and agribusiness investment in processing and transporting agricultural commodities.

(4) TRADE PROMOTION.—The Trade Development Agency increasing the number of reverse trade missions to growth-oriented countries in sub-Saharan Africa.

(5) TRADE IN SERVICES.—Efforts by United States embassies in the countries in sub-Saharan Africa to encourage their host governments—

(A) to participate in the ongoing negotiations on financial services in the World Trade Organization;

(B) to revise their existing schedules to the General Agreement on Trade in Services of the World Trade Organization in light of the successful conclusion of negotiations on basic telecommunications services; and

(C) to make further commitments in their schedules to the General Agreement on Trade in Services in order to encourage the removal of tariff and nontariff barriers and to foster competition in the services sector in those countries.

SEC. 12. SUB-SAHARAN AFRICA EQUITY AND INFRASTRUCTURE FUNDS.

(a) INITIATION OF FUNDS.—It is the sense of the Congress that the Overseas Private Investment Corporation should, within 12 months after the date of the enactment of this Act, exercise the authorities it has to initiate 2 or more equity funds in support of projects in the countries in sub-Saharan Africa.

(b) STRUCTURE AND TYPES OF FUNDS.—

(1) STRUCTURE.—Each fund initiated under subsection (a) should be structured as a partnership managed by professional private sector fund managers and monitored on a continuing basis by the Corporation.

(2) CAPITALIZATION.—Each fund should be capitalized with a combination of private equity capital, which is not guaranteed by the Corporation, and debt for which the Corporation provides guaranties.

(3) TYPES OF FUNDS.—

(A) EQUITY FUND FOR SUB-SAHARAN AFRICA.—One of the funds should be an equity fund, with assets of up to \$150,000,000, the primary purpose of which is to achieve long-term capital appreciation through equity investments in support of projects in countries in sub-Saharan Africa.

(B) INFRASTRUCTURE FUND.—One or more of the funds, with combined assets of up to \$500,000,000, should be used in support of infrastructure projects in countries of sub-Saharan Africa. The primary purpose of any such fund would be to achieve long-term capital appreciation through investing in financing for infrastructure projects in sub-Saharan Africa, including for the expansion of businesses in sub-Saharan Africa, restructurings, management buyouts and buyins, businesses with local ownership, and privatizations.

(4) EMPHASIS.—The Corporation shall ensure that the funds are used to provide support in particular to women entrepreneurs and to innovative investments that expand opportunities for women and maximize employment opportunities for poor individuals.

SEC. 13. OVERSEAS PRIVATE INVESTMENT CORPORATION AND EXPORT-IMPORT BANK INITIATIVES.

(a) OVERSEAS PRIVATE INVESTMENT CORPORATION.—

(1) ADVISORY COMMITTEE.—Section 233 of the Foreign Assistance Act of 1961 is amended by adding at the end the following:

“(e) ADVISORY COMMITTEE.—The Board shall take prompt measures to increase the loan, guarantee, and insurance programs, and financial commitments, of the Corporation in sub-Saharan Africa, including through the establishment and use of an advisory committee to assist the Board in developing and implementing policies, programs, and financial instruments with respect to sub-Saharan Africa. In addition, the advisory committee shall make recommendations to the Board on how the Corporation can facilitate greater support by the United States for trade and investment with and in sub-Saharan Africa. The advisory committee shall terminate 4 years after the date of the enactment of this subsection.”

(2) REPORTS TO THE CONGRESS.—Within 6 months after the date of the enactment of this Act, and annually for each of the 4 years thereafter, the Board of Directors of the Overseas Private Investment Corporation shall submit to the Congress a report on the steps that the Board has taken to implement section 233(e) of the Foreign Assistance Act of 1961 (as added by paragraph (1)) and any recommendations of the advisory board established pursuant to such section.

(b) EXPORT-IMPORT BANK.—

(1) ADVISORY COMMITTEE FOR SUB-SAHARAN AFRICA.—Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)) is amended

by inserting after paragraph (12) the following:

“(13)(A) The Board of Directors of the Bank shall take prompt measures, consistent with the credit standards otherwise required by law, to promote the expansion of the Bank's financial commitments in sub-Saharan Africa under the loan, guarantee, and insurance programs of the Bank.

“(B)(i) The Board of Directors shall establish and use an advisory committee to advise the Board of Directors on the development and implementation of policies and programs designed to support the expansion described in subparagraph (A).

“(ii) The advisory committee shall make recommendations to the Board of Directors on how the Bank can facilitate greater support by United States commercial banks for trade with sub-Saharan Africa.

“(iii) The advisory committee shall terminate 4 years after the date of the enactment of this subparagraph.”

(2) REPORTS TO THE CONGRESS.—Within 6 months after the date of the enactment of this Act, and annually for each of the 4 years thereafter, the Board of Directors of the Export-Import Bank of the United States shall submit to the Congress a report on the steps that the Board has taken to implement section 2(b)(13)(B) of the Export-Import Bank Act of 1945 (as added by paragraph (1)) and any recommendations of the advisory committee established pursuant to such section.

SEC. 14. ESTABLISHMENT OF ASSISTANT UNITED STATES TRADE REPRESENTATIVE FOR SUB-SAHARAN AFRICA.

(a) ESTABLISHMENT.—The President shall establish a position of Assistant United States Trade Representative within the Office of the United States Trade Representative to focus on trade issues relating to sub-Saharan Africa.

(b) FUNDING AND STAFF.—The President shall ensure that the Assistant United States Trade Representative appointed pursuant to subsection (a) has adequate funding and staff to carry out the duties described in subsection (a), subject to the availability of appropriations.

SEC. 15. EXPANSION OF THE UNITED STATES AND FOREIGN COMMERCIAL SERVICE IN SUB-SAHARAN AFRICA.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that the United States and Foreign Commercial Service should expand its presence in sub-Saharan Africa by increasing the number of posts and the number of personnel it allocates to sub-Saharan Africa.

(b) REPORTING REQUIREMENT.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Commerce, in consultation with the Secretary of State, should report to the Congress on the feasibility of expanding the presence in sub-Saharan Africa of the United States and Foreign Commercial Service.

SEC. 16. REPORTING REQUIREMENT.

The President shall submit to the Congress, not later than 1 year after the date of the enactment of this Act, and not later than the end of each of the next 4 1-year periods thereafter, a report on the implementation of this Act.

SEC. 17. SUB-SAHARAN AFRICA DEFINED.

For purposes of this Act, the terms “sub-Saharan Africa”, “sub-Saharan African country”, “country in sub-Saharan Africa”, and “countries in sub-Saharan Africa” refer to the following:

Republic of Angola (Angola)
 Republic of Botswana (Botswana)
 Republic of Burundi (Burundi)
 Republic of Cape Verde (Cape Verde)
 Republic of Chad (Chad)
 Democratic Republic of Congo
 Republic of the Congo (Congo)

- Republic of Djibouti (Djibouti)
- State of Eritrea (Eritrea)
- Gabonese Republic (Gabon)
- Republic of Ghana (Ghana)
- Republic of Guinea-Bissau (Guinea-Bissau)
- Kingdom of Lesotho (Lesotho)
- Republic of Madagascar (Madagascar)
- Republic of Mali (Mali)
- Republic of Mauritius (Mauritius)
- Republic of Namibia (Namibia)
- Federal Republic of Nigeria (Nigeria)
- Democratic Republic of Sao Tome and Principe (Sao Tome and Principe)
- Republic of Sierra Leone (Sierra Leone)
- Somalia
- Kingdom of Swaziland (Swaziland)
- Republic of Togo (Togo)
- Republic of Zimbabwe (Zimbabwe)
- Republic of Benin (Benin)
- Burkina Faso (Burkina)
- Republic of Cameroon (Cameroon)
- Central African Republic
- Federal Islamic Republic of the Comoros (Comoros)
- Republic of Cote d'Ivoire (Cote d'Ivoire)
- Republic of Equatorial Guinea (Equatorial Guinea)
- Ethiopia
- Republic of the Gambia (Gambia)
- Republic of Guinea (Guinea)
- Republic of Kenya (Kenya)
- Republic of Liberia (Liberia)
- Republic of Malawi (Malawi)
- Islamic Republic of Mauritania (Mauritania)
- Republic of Mozambique (Mozambique)
- Republic of Niger (Niger)
- Republic of Rwanda (Rwanda)
- Republic of Senegal (Senegal)
- Republic of Seychelles (Seychelles)
- Republic of South Africa (South Africa)
- Republic of Sudan (Sudan)
- United Republic of Tanzania (Tanzania)
- Republic of Uganda (Uganda)
- Republic of Zambia (Zambia)

SEC. 18. CLARIFICATION OF DEDUCTION FOR SEVERANCE PAY.

(a) IN GENERAL.—Section 404(a) of the Internal Revenue Code of 1986 (relating to deduction for contributions of an employer to an employee's trust or annuity plan and compensation under a deferred-payment plan) is amended by adding at the end the following new paragraph:

“(11) DETERMINATIONS RELATING TO SEVERANCE PAY.—For purposes of determining under this section—

“(A) whether severance pay is deferred compensation, and

“(B) when severance pay is paid, no amount shall be treated as received by the employee, or paid, until it is actually received by the employee.”

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply to taxable years ending after October 8, 1997.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendment made by subsection (a) to change its method of accounting for its first taxable year ending after October 8, 1997—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account in such first taxable year.

After debate,

By unanimous consent, the previous question was ordered on the motion to recommit with instructions.

The question being put, viva voce,

Will the House recommit said bill with instructions?

The SPEAKER pro tempore, Mr. EWING, announced that the nays had it.

Mr. BISHOP demanded a recorded vote on agreeing to said motion, which demand was supported by one-fifth of a quorum, so a recorded vote was ordered.

The vote was taken by electronic device.

It was decided in the { Yeas 193
negative } Nays 224

¶17.11 [Roll No.46]

AYES—193

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|--------------|---------------|---------------|
| Abercrombie | Forbes | Ney |
| Ackerman | Fowler | Norwood |
| Aderholt | Frank (MA) | Oberstar |
| Andrews | Ganske | Obey |
| Bachus | Gejdenson | Olver |
| Baesler | Gephardt | Ortiz |
| Baker | Gibbons | Pallone |
| Baldacci | Goode | Pappas |
| Ballenger | Goodlatte | Pascrell |
| Barcia | Goodling | Pastor |
| Barr | Gordon | Pelosi |
| Barrett (WI) | Graham | Peterson (MN) |
| Bass | Green | Pickering |
| Becerra | Gutierrez | Pickett |
| Berry | Hall (TX) | Pomeroy |
| Bishop | Hayworth | Price (NC) |
| Blagojevich | Hefner | Rahall |
| Bonilla | Hillery | Reyes |
| Bonior | Hinchee | Riley |
| Borski | Holden | Rivers |
| Boswell | Hunter | Rogers |
| Boucher | Inglis | Rohrabacher |
| Boyd | Jenkins | Ros-Lehtinen |
| Brown (CA) | Johnson (WI) | Roybal-Allard |
| Brown (OH) | Jones | Rush |
| Bryant | Kanjorski | Sanchez |
| Bunning | Kaptur | Sanders |
| Burr | Kennedy (MA) | Sanford |
| Burton | Kennedy (RI) | Sawyer |
| Callahan | Kennelly | Serrano |
| Canady | Kildee | Sherman |
| Cardin | Kingston | Sisisky |
| Carson | Klecza | Skelton |
| Chambliss | Klink | Slaughter |
| Clay | Kucinich | Spence |
| Clayton | LaFalce | Spratt |
| Clement | Lantos | Stark |
| Clyburn | Largent | Stearns |
| Coble | Lewis (GA) | Stenholm |
| Coburn | Lewis (KY) | Stokes |
| Collins | Lucas | Strickland |
| Combest | Luther | Stump |
| Condit | Maloney (CT) | Stupak |
| Conyers | Maloney (NY) | Talent |
| Cooksey | Markey | Tanner |
| Costello | Martinez | Tauzin |
| Coyne | Mascara | Taylor (MS) |
| Cramer | McCarthy (MO) | Thompson |
| Cunningham | McDade | Thornberry |
| Danner | McGovern | Tierney |
| Deal | McHale | Torres |
| DeFazio | McHugh | Trafigant |
| Delahunt | McIntosh | Velazquez |
| DeLauro | McIntyre | Vento |
| Dickey | McNulty | Wamp |
| Dingell | Meehan | Waters |
| Doyle | Miller (CA) | Watkins |
| Duncan | Mink | Watt (NC) |
| Emerson | Moakley | Watts (OK) |
| Engel | Mollohan | Weygand |
| Etheridge | Moran (KS) | Wicker |
| Evans | Murtha | Woolsey |
| Everett | Myrick | Yates |
| Farr | Nadler | |
| Filner | Neal | |

NOES—224

- | | | |
|--------------|------------|-------------|
| Allen | Bilirakis | Campbell |
| Archer | Bliley | Cannon |
| Armey | Blumenauer | Castle |
| Barrett (NE) | Blunt | Chabot |
| Bartlett | Boehler | Chenoweth |
| Barton | Boehner | Christensen |
| Bateman | Brady | Cook |
| Bentsen | Brown (FL) | Cox |
| Bereuter | Buyer | Crane |
| Berman | Calvert | Crapo |
| Bilbray | Camp | Cubin |

- | | | |
|---------------|----------------|---------------|
| Cummings | Jefferson | Pryce (OH) |
| Davis (FL) | Johnson (CT) | Quinn |
| Davis (IL) | Johnson, E. B. | Radanovich |
| Davis (VA) | Johnson, Sam | Ramstad |
| DeGette | Kasich | Rangel |
| DeLay | Kelly | Regula |
| Diaz-Balart | Kilpatrick | Riggs |
| Dicks | Kim | Roemer |
| Dixon | Kind (WI) | Rogan |
| Doggett | King (NY) | Rothman |
| Dooley | Klug | Roukema |
| Doolittle | Knollenberg | Royce |
| Dreier | Kolbe | Ryun |
| Dunn | LaHood | Sabo |
| Edwards | Lampson | Salmon |
| Ehlers | Latham | Sandlin |
| Ehrlich | LaTourette | Saxton |
| English | Lazio | Scarborough |
| Ensign | Leach | Schaefer, Dan |
| Eshoo | Levin | Schaffer, Bob |
| Ewing | Lewis (CA) | Scott |
| Fattah | Linder | Sensenbrenner |
| Fawell | Lipinski | Sessions |
| Fazio | Livingston | Shadegg |
| Foley | LoBiondo | Shaw |
| Ford | Lofgren | Shays |
| Fossella | Lowey | Shimkus |
| Fox | Manzullo | Shuster |
| Franks (NJ) | Matsui | Skaggs |
| Frelinghuysen | McCarthy (NY) | Skeen |
| Frost | McCollum | Smith (MI) |
| Gallegly | McCrery | Smith (NJ) |
| Gekas | McDermott | Smith (OR) |
| Gilchrest | McInnis | Smith (TX) |
| Gillmor | McKeon | Smith, Adam |
| Gilman | McKinney | Smith, Linda |
| Goss | MEEK (FL) | Snowbarger |
| Granger | Meeks (NY) | Snyder |
| Greenwood | Menendez | Souder |
| Gutknecht | Metcalf | Sununu |
| Hall (OH) | Mica | Tauscher |
| Hamilton | Millender- | Taylor (NC) |
| Hansen | McDonald | Thomas |
| Hastert | Miller (FL) | Thune |
| Hastings (FL) | Minge | Thurman |
| Hastings (WA) | Moran (VA) | Tiahrt |
| Hefley | Morella | Towns |
| Herger | Nethercutt | Turner |
| Hill | Neumann | Upton |
| Hilliard | Northup | Visclosky |
| Hinojosa | Nussle | Walsh |
| Hobson | Owens | Waxman |
| Hoekstra | Oxley | Weldon (FL) |
| Hoolley | Packard | Weldon (PA) |
| Horn | Parker | Weller |
| Hostettler | Paul | Wexler |
| Houghton | Paxon | White |
| Hoyer | Payne | Whitfield |
| Hulshof | Pease | Wise |
| Hutchinson | Peterson (PA) | Wolf |
| Hyde | Petri | Wynn |
| Istook | Pitts | Young (AK) |
| Jackson (IL) | Pombo | Young (FL) |
| Jackson-Lee | Porter | |
| (TX) | Portman | |

NOT VOTING—13

- | | | |
|----------|-----------|----------|
| Deutsch | Manton | Schumer |
| Furse | Poshard | Solomon |
| Gonzalez | Redmond | Stabenow |
| Harman | Rodriguez | |
| John | Schiff | |

So the motion to recommit with instructions was not agreed to.

The question being put, viva voce,

Will the House pass said bill?

The SPEAKER pro tempore, Mr. EWING, announced that the yeas had it.

Mr. DICKS demanded a recorded vote on passage of said bill which demand was supported by one-fifth of a quorum, so a recorded vote was ordered.

The vote was taken by electronic device.

It was decided in the { Yeas 233
affirmative } Nays 186

¶17.12 [Roll No. 47]

AYES—233

- | | | |
|----------|--------------|--------------|
| Ackerman | Armey | Barrett (WI) |
| Allen | Baker | Barton |
| Archer | Barrett (NE) | Bass |