

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 1777  
OFFERED BY MR. SMITH OF NEW JERSEY**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Increasing American  
3 Jobs Through Greater Exports to Africa Act of 2013”.

**4 SEC. 2. FINDINGS; PURPOSE.**

5 (a) FINDINGS.—Congress makes the following find-  
6 ings:

7 (1) Export growth helps United States busi-  
8 nesses grow and create American jobs. In 2011,  
9 United States exports supported 9,700,000 jobs and  
10 97.8 percent of United States exports came from  
11 small- and medium-sized businesses in 2010.

12 (2) The more than 20 Federal agencies that are  
13 involved in export promotion and financing are not  
14 sufficiently coordinated to adequately expand United  
15 States commercial exports to Africa.

16 (3) The President has taken steps to improve  
17 how the United States Government supports Amer-  
18 ican businesses by mandating an executive review

1 across agencies and a new Doing Business in Africa  
2 initiative, but a substantially greater high-level focus  
3 on Africa is needed.

4 (4) Many other countries have trade promotion  
5 programs that aggressively compete against United  
6 States exports in Africa and around the world. For  
7 example, in 2010, medium- and long-term official ex-  
8 port credit general volumes from the Group of 7  
9 countries (Canada, France, Germany, Italy, Japan,  
10 the United Kingdom, and the United States) totaled  
11 \$65,400,000,000. Germany provided the largest level  
12 of support at \$22,500,000,000, followed by France  
13 at \$17,400,000,000 and the United States at  
14 \$13,000,000,000. Official export credit support by  
15 emerging market economies such as Brazil, China,  
16 and India are significant as well.

17 (5) Between 2008 and 2010, China alone pro-  
18 vided more than \$110,000,000,000 in loans to the  
19 developing world, and, in 2009, China surpassed the  
20 United States as the leading trade partner of Afri-  
21 can countries. In the last 10 years, African trade  
22 with China has increased from \$11,000,000,000 to  
23 \$166,000,000,000.

24 (6) Other countries such as India, Turkey, Rus-  
25 sia, and Brazil are also aggressively seeking markets

1 in Africa using their national export banks to pro-  
2 vide concessional assistance.

3 (7) The Chinese practice of concessional financ-  
4 ing runs contrary to the principles of the Organiza-  
5 tion of Economic Co-operation and Development re-  
6 lated to open market rates, undermines naturally  
7 competitive rates, and can allow governments in Af-  
8 rica to overlook the troubling record on labor prac-  
9 tices, human rights, and environmental impact.

10 (8) As stated in a recent report entitled “Em-  
11 bracing Africa’s Economic Potential” by Senator  
12 Chris Coons, “Economic growth in Africa has risen  
13 dramatically, but the continent’s vast economic po-  
14 tential has not yet been fully realized by the U.S.  
15 Government or the American private sector.”.

16 (9) The African continent is undergoing a pe-  
17 riod of rapid growth and middle class development,  
18 as seen from major indicators such as Internet use,  
19 clean water access, and real income growth. In the  
20 last decade alone, the percentage of the population  
21 with access to the Internet has doubled. Seventy-  
22 eight percent of Africa’s rural population now has  
23 access to clean water. Over the past 10 years, real  
24 income per person in Africa has grown by more than  
25 30 percent.

1           (10) Economists have designated Africa as the  
2           “next frontier market”, with profitability of many  
3           African firms and growth rates of African countries  
4           exceeding global averages in recent years. Countries  
5           in Africa have a collective spending power of almost  
6           \$9,000,000,000 and a gross domestic product of  
7           \$1,600,000,000,000, which are projected to double  
8           in the next 10 years.

9           (11) In the past 10 years, Africa has been  
10          home to 6 of the 10 fastest growing economies in  
11          the world. Sub-Saharan Africa is projected to have  
12          the fastest growing economies in the world over the  
13          next 10 years, with 7 of the 10 fastest growing  
14          economies located in sub-Saharan Africa.

15          (12) When countries such as China assist with  
16          large-scale government projects, they also gain an  
17          upper hand in relations with African leaders and ac-  
18          cess to valuable commodities such as oil and copper,  
19          typically without regard to environmental, human  
20          rights, labor, or governance standards.

21          (13) Unless the United States can offer com-  
22          petitive financing for its firms in Africa, it will be  
23          deprived of opportunities to participate in African  
24          efforts to close the continent’s significant infrastruc-

1       ture gap that amounts to an estimated  
2       \$100,000,000,000.

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

7 **SEC. 3. DEFINITIONS.**

8       In this Act:

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

12          (2) AFRICAN DIASPORA.—The term “African  
13       diaspora” means the people of African origin living  
14       in the United States, irrespective of their citizenship  
15       and nationality, who are willing to contribute to the  
16       development of Africa.

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

20          (4) APPROPRIATE CONGRESSIONAL COMMIT-  
21       TEES.—The term “appropriate congressional com-  
22       mittees” means—

23           (A) the Committee on Appropriations, the  
24       Committee on Banking, Housing, and Urban  
25       Affairs, the Committee on Foreign Relations,

1           and the Committee on Finance of the Senate;  
2           and

3                   (B) the Committee on Appropriations, the  
4           Committee on Energy and Commerce, the Com-  
5           mittee on Financial Services, the Committee on  
6           Foreign Affairs, and the Committee on Ways  
7           and Means of the House of Representatives.

8           (5) DEVELOPMENT AGENCIES.—The term “de-  
9           velopment agencies” includes the Department of  
10          State, the United States Agency for International  
11          Development (USAID), the Millennium Challenge  
12          Corporation (MCC), the Overseas Private Invest-  
13          ment Corporation (OPIC), the United States Trade  
14          and Development Agency (USTDA), the United  
15          States Department of Agriculture (USDA), and rel-  
16          evant multilateral development banks.

17          (6) TRADE POLICY STAFF COMMITTEE.—The  
18          term “Trade Policy Staff Committee” means the  
19          Trade Policy Staff Committee established pursuant  
20          to section 2002.2 of title 15, Code of Federal Regu-  
21          lations, and is composed of representatives of Fed-  
22          eral agencies in charge of developing and coordi-  
23          nating United States positions on international trade  
24          and trade-related investment issues.

1           (7) MULTILATERAL DEVELOPMENT BANKS.—  
2           The term “multilateral development banks” has the  
3           meaning given that term in section 1701(c)(4) of the  
4           International Financial Institutions Act (22 U.S.C.  
5           262r(c)(4)) and includes the African Development  
6           Foundation.

7           (8) SUB-SAHARAN REGION.—The term “sub-Sa-  
8           haran region” refers to the 49 countries listed in  
9           section 107 of the African Growth and Opportunity  
10          Act (19 U.S.C. 3706) and includes the Republic of  
11          South Sudan.

12          (9) TRADE PROMOTION COORDINATING COM-  
13          MITTEE.—The term “Trade Promotion Coordinating  
14          Committee” means the Trade Promotion Coordi-  
15          nating Committee established by Executive Order  
16          12870 (58 Fed. Reg. 51753).

17          (10) UNITED STATES AND FOREIGN COMMER-  
18          CIAL SERVICE.—The term “United States and For-  
19          eign Commercial Service” means the United States  
20          and Foreign Commercial Service established by sec-  
21          tion 2301 of the Export Enhancement Act of 1988  
22          (15 U.S.C. 4721).

23 **SEC. 4. STRATEGY.**

24          (a) IN GENERAL.—Not later than 180 days after the  
25          date of the enactment of this Act, the President shall es-

1 tablish a comprehensive United States strategy for public  
2 and private investment, trade, and development in Africa.

3 (b) FOCUS OF STRATEGY.—The strategy required by  
4 subsection (a) shall focus on—

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

9 (2) promoting the alignment of United States  
10 commercial interests with development priorities in  
11 Africa;

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

17 (4) improving the competitiveness of United  
18 States businesses in Africa, including the role the  
19 African diaspora can play in enhancing such com-  
20 petitiveness;

21 (5) exploring ways that African diaspora remit-  
22 tances can help communities in Africa tackle eco-  
23 nomic, development, and infrastructure financing  
24 needs;



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

9           (7) encouraging a greater understanding among  
10 United States business and financial communities of  
11 the opportunities Africa holds for United States ex-  
12 ports;

13           (8) fostering partnership opportunities between  
14 United States and African small- and medium-sized  
15 enterprises; and

16           (9) monitoring—

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

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

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

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

4 (1) Congress;

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

7 (3) the relevant multilateral development banks,  
8 in coordination with the Secretary of the Treasury  
9 and the respective United States Executive Directors  
10 of such banks;

11 (4) each agency that participates in the Trade  
12 Policy Staff Committee;

13 (5) the President's National Export Council;

14 (6) each of the development agencies;

15 (7) any other Federal agencies with responsi-  
16 bility for export promotion or financing and develop-  
17 ment; and

18 (8) the private sector, including businesses,  
19 nongovernmental organizations, and African dias-  
20 pora groups.

21 (d) SUBMISSION TO CONGRESS.—

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

1           (2) PROGRESS REPORT.—Not later than 3  
2           years after the date of the enactment of this Act, the  
3           President shall submit to Congress a report on the  
4           implementation of the strategy required by sub-  
5           section (a).

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

10                   (A) has been successful in developing crit-  
11                   ical analyses of policies to increase exports to  
12                   Africa;

13                   (B) has been successful in increasing the  
14                   competitiveness of United States businesses in  
15                   Africa;

16                   (C) has been successful in creating jobs in  
17                   the United States, including the nature and  
18                   sustainability of such jobs;

19                   (D) has provided sufficient United States  
20                   Government support to meet third country com-  
21                   petition in the region;

22                   (E) has been successful in helping the Af-  
23                   rican diaspora in the United States participate  
24                   in economic growth in Africa;

1 (F) has been successful in promoting eco-  
2 nomic integration in Africa; and

3 (G) has made a meaningful contribution to  
4 the transformation of Africa and its full inte-  
5 gration into the 21st century world economy,  
6 not only as a supplier of primary products but  
7 also as full participant in international supply  
8 and distribution chains and as a consumer of  
9 international goods and services.

10 **SEC. 5. TRADE MISSION TO AFRICA.**

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

17 **SEC. 6. PERSONNEL.**

18 (a) UNITED STATES AND FOREIGN COMMERCIAL  
19 SERVICE.—

20 (1) IN GENERAL.—The Secretary of Commerce  
21 shall ensure that not less than 10 total existing  
22 United States and Foreign Commercial Service offi-  
23 cers are assigned to Africa for each of the first 5 fis-  
24 cal years beginning after the date of the enactment  
25 of this Act.

1           (2) ASSIGNMENT.—The Secretary shall, in con-  
2           sultation with the Trade Promotion Coordinating  
3           Committee and the Special Africa Export Strategy  
4           Coordinator, assign the United States and Foreign  
5           Commercial Service officers described in paragraph  
6           (1) to United States embassies in Africa after con-  
7           ducting a timely resource allocation analysis that  
8           represents a forward-looking assessment of future  
9           United States trade opportunities in Africa.

10           (3) MULTILATERAL DEVELOPMENT BANKS.—

11           (A) IN GENERAL.—As soon as practicable  
12           after the date of the enactment of this Act, the  
13           Secretary of Commerce shall, using existing  
14           staff, assign not less than 1 full-time United  
15           States and Foreign Commercial Service officer  
16           to the office of the United States Executive Di-  
17           rector at the World Bank and the African De-  
18           velopment Bank.

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

23                   (i) increasing the access of United  
24           States businesses to procurement contracts

1 with the multilateral development bank to  
2 which the officer is assigned; and

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

7 (b) OVERSEAS PRIVATE INVESTMENT CORPORA-  
8 TION.—

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

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

1           (3) CERTAIN COSTS NOT CONSIDERED ADMINIS-  
2           TRATIVE EXPENSES.—For purposes of this sub-  
3           section, systems infrastructure costs associated with  
4           activities authorized by title IV of chapter 2 of part  
5           I of the Foreign Assistance Act of 1961 (22 U.S.C.  
6           231 et seq.) shall not be considered administrative  
7           expenses.

8           (c) RULE OF CONSTRUCTION.—Nothing in this sec-  
9           tion shall be construed as permitting the reduction of De-  
10          partment of Commerce, Department of State, or Overseas  
11          Private Investment Corporation personnel or the alter-  
12          ation of planned personnel increases in other regions, ex-  
13          cept where a personnel decrease was previously anticipated  
14          or where decreased export opportunities justify personnel  
15          reductions.

16 **SEC. 7. TRAINING.**

17          The President shall develop a plan—

18               (1) to standardize the training received by  
19          United States and Foreign Commercial Service offi-  
20          cers, economic officers of the Department of State,  
21          and economic officers of the United States Agency  
22          for International Development with respect to the  
23          programs and procedures of the Overseas Private  
24          Investment Corporation, the Small Business Admin-

1       istration, and the United States Trade and Develop-  
2       ment Agency; and

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

5               (A) all United States and Foreign Com-  
6       mercial Service officers that are stationed over-  
7       seas receive the training described in paragraph  
8       (1); and

9               (B) in the case of a country to which no  
10       United States and Foreign Commercial Service  
11       officer is assigned, any economic officer of the  
12       Department of State stationed in that country  
13       shall receive that training.

14   **SEC. 8. SMALL BUSINESS ADMINISTRATION.**

15       Section 22(b) of the Small Business Act (15 U.S.C.  
16   649(b)) is amended in the matter preceding paragraph (1)  
17   by inserting “the Trade Promotion Coordinating Com-  
18   mittee,” after “Director of the United States Trade and  
19   Development Agency,”.

