

117TH CONGRESS
2D SESSION

S. 5154

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

IN THE SENATE OF THE UNITED STATES

NOVEMBER 30 (legislative day, NOVEMBER 29), 2022

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

A BILL

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

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

3 **SECTION 1. SHORT TITLE.**

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

7 **SEC. 2. FINDINGS.**

8 Congress finds the following:

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

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

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

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

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

21 It is the policy of the United States to—

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

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

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

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

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

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

3 (a) DEVELOPMENT OF STRATEGY.—

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

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

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

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

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

1 tries by improving customs operations, which
2 may include—

3 (i) providing support for increased au-
4 tomation or online processing of customs
5 and cross-border trade-related tasks; and

6 (ii) supporting efforts—

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

11 (II) to provide paper-based or
12 other applicable technical alternatives
13 at border crossings where electricity
14 or internet access is unreliable or un-
15 available, including in coordination
16 with the Power Africa initiative of the
17 United States where applicable.

18 (B) Expanding trade capacities and sup-
19 porting trade-related infrastructure develop-
20 ment, prioritizing major intra-African trade cor-
21 ridors.

22 (C) Supporting the implementation and
23 success of the AfCFTA and its goals as identi-
24 fied in consultation with African counterparts

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

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

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

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

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

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

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

4 (F) Increasing trade and investment by the
5 United States to expand African regional value
6 chains, especially as it relates to increasing
7 manufacturing and production in Africa in in-
8 dustries expected to grow with the implementa-
9 tion of the AfCFTA.

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

16 (3) BIENNIAL UPDATES.—The strategy re-
17 quired under paragraph (1) shall be updated bienni-
18 ally.

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

24 (5) CONSULTATION.—In developing the strat-
25 egy required under paragraph (1) and any update to

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

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

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

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

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

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

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

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

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

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

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

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

24 (c) BIENNIAL REPORT.—

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

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

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

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

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

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

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

6 (d) FINAL REPORT.—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2 Nothing in this Act may be construed to—

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

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

11 **SEC. 7. DEFINITIONS.**

12 In this Act:

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

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

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

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

1 Committee on Appropriations of the House of
2 Representatives.

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

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