113TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPT. 113–433
Part 1

ELECTRIFY AFRICA ACT OF 2014

MAY 2, 2014.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. ROYCE, from the Committee on Foreign Affairs, submitted the following

R E P O R T

[To accompany H.R. 2548]

[Including cost estimate of the Congressional Budget Office]

The Committee on Foreign Affairs, to whom was referred the bill (H.R. 2548) to establish a comprehensive United States Government policy to assist countries in sub-Saharan Africa to develop an appropriate mix of power solutions for more broadly distributed electricity access in order to support poverty alleviation and drive economic growth, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill as amended do pass.

TABLE OF CONTENTS

39–006

THE AMENDMENT

The amendments are as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Electrify Africa Act of 2014".

SEC. 2. PURPOSE.

The purpose of this Act is to encourage the efforts of countries in sub-Saharan Africa to improve access to affordable and reliable electricity in Africa in order to unlock the potential for economic growth, job creation, food security, improved health, education and environmental outcomes, and poverty reduction.

SEC. 3. FINDINGS.

Congress finds that—

(1) 589,000,000 people in sub-Saharan Africa, or 68 percent of the population, did not have access to electricity, as of 2010;

(2) in sub-Saharan Africa, electricity services are highly unreliable and they are at least twice as expensive for those with electricity access compared to other emerging markets;

(3) lack of access to electricity services disproportionally affects women and girls, who often shoulder the burden of seeking sources of heat and light such as dung, wood or charcoal and are often more exposed to the associated negative health impacts. Women and girls also face an increased risk of assault from walking long distances to gather fuel sources;

(4) access to electricity creates opportunities, including entrepreneurship, for people to work their way out of poverty;

(5) a lack of electricity contributes to the high use of inefficient and often highly polluting fuel sources for indoor cooking, heating, and lighting that produce toxic fumes resulting in more than 3,000,000 annual premature deaths from respiratory disease, more annual deaths than from HIV/AIDS and malaria in sub-Saharan Africa;

(6) electricity access is crucial for the cold storage of vaccines and anti-retroviral and other lifesaving medical drugs, as well as the operation of modern lifesaving medical equipment;

(7) electricity access can be used to improve food security by enabling post-harvest processing, pumping, irrigation, dry grain storage, milling, refrigeration, and other uses;

(8) reliable electricity access can provide improved lighting options and information and communication technologies, including Internet access and mobile phone charging, that can greatly improve health, social, and education outcomes, as well as economic and commercial possibilities;

(9) sub-Saharan Africa's consumer base of nearly one billion people is rapidly growing and will create increasing demand for United States goods, services, and technologies, but the current electricity deficit in sub-Saharan Africa limits this demand by restricting economic growth on the continent;

(10) approximately 30 African countries face endemic power shortages, and nearly 70 percent of surveyed African businesses cite unreliable power as a major constraint to growth;

(11) the Millennium Challenge Corporation's work in the energy sector shows high projected economic rates of return that translate to sustainable economic growth and that the highest returns are projected when infrastructure improvements are coupled with significant legislative, regulatory, institutional, and policy reforms;

(12) in many countries, weak governance capacity, regulatory bottlenecks, legal constraints, and lack of transparency and accountability can stifle the ability of private investment to assist in the generation and distribution of electricity; and

(13) without new policies and more effective investments in electricity sector capacity to increase and expand electricity access in sub-Saharan Africa, over 70 percent of the rural population, and 48 percent of the total population, will potentially remain without access to electricity by 2030.

SEC. 4. STATEMENT OF POLICY.

Congress declares that it is the policy of the United States—

(1) in consultation with sub-Saharan African governments, to encourage the private sector, international community, African Regional Economic Communities, philanthropies, civil society, and other governments to promote—

(A) the installation of at least an additional 20,000 megawatts of electrical power in sub-Saharan Africa by 2020 to support poverty reduction, promote development outcomes, and drive economic growth;

(B) first-time direct access to electricity for at least 50,000,000 people in sub-Saharan Africa by 2020 in both urban and rural areas;

(C) efficient institutional platforms with accountable governance to provide electrical service to rural and underserved areas; and

(D) the necessary in-country legislative, regulatory and policy reforms to make such expansion of electricity access possible; and

(2) to encourage private sector and international support for construction of hydroelectric dams in sub-Saharan Africa that—

(A) offer low-cost clean energy consistent with—

(i) the national security interests of the United States; and

(ii) best international practices regarding social and environmental safeguards, including—

(I) engagement of local communities regarding the design, implementation, monitoring, and evaluation of such projects;

(II) the consideration of energy alternatives, including distributed renewable energy; and

(III) the development of appropriate mitigation measures; and

(B) support partner country efforts.

SEC. 5. DEVELOPMENT OF A COMPREHENSIVE, MULTIYEAR STRATEGY.

(a) STRATEGY.—The President shall establish a comprehensive, integrated, multiyear policy, partnership, and funding strategy to encourage countries in sub-Saharan Africa to develop an appropriate mix of power solutions, including renewable energy, to provide sufficient electricity access to people living in rural and urban areas in order to alleviate poverty and drive economic growth. Such strategy shall maintain sufficient flexibility and remain responsive to technological innovation in the power sector.

(b) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the President shall transmit to the appropriate congressional committees a report setting forth the strategy described in subsection (a).

(2) REPORT CONTENTS.—The report required by paragraph (1) shall include a discussion of the elements described in paragraph (3), and should include a discussion of any additional elements relevant to the strategy described in subsection (a).

(3) REPORT ELEMENTS.—The elements referred to in paragraph (2) are the following:

(A) The general and specific objectives of the strategy described in subsection (a), the criteria for determining success of the strategy, a description of the manner in which the strategy will support partner country efforts to increase production and improve access to electricity, and criteria and indicators used to select partner countries for focused engagement on the power sector.

(B) Development, by partner country governments, of plans and regulations at the national, regional, and local level to increase power production, strengthen existing electrical transmission and distribution infrastructure, bolster accountable governance and oversight, and improve access to electricity.

(C) Administration plans to support partner country efforts to increase new access to electricity, including a description of how the strategy will address commercial and residential needs, as well as urban and rural access.

(D) Administration strategy to support partner country efforts to reduce government waste, fraud, and corruption, and improve existing power generation through improvement of existing transmission and distribution systems, as well as the use of a broad power mix, including renewable energy, and the use of a distributed generation model.

(E) Administration policy to support partner country efforts to attract private sector investment and public sector resources.

(F) A description of the Administration's strategy for the transfer of relevant technology, skills, and information to increase local participation in the long-term maintenance and management of the power sector to ensure investments are sustainable and transparent, including details of the programs to be undertaken to maximize United States contributions in the areas of technical assistance and training.

(G) An identification of the relevant executive branch agencies that will be involved in carrying out the strategy, the level and distribution of resources that will be dedicated on an annual basis among such agencies, timely and comprehensive publication of aid information and available transmission of resource data consistent with Administration commitments to implement the transparency measures specified in the International Aid Transparency Initiative by December 2015, the assignment of priorities to such agencies, a description of the role of each such agency, and the types of programs that each such agency will undertake.

(H) A description of the mechanisms that will be utilized by the Administration, including the International Aid Transparency Initiative, to coordinate the efforts of the relevant executive branch agencies in carrying out the strategy to avoid duplication of efforts, enhance coordination, and ensure that each agency undertakes programs primarily in those areas where each such agency has the greatest expertise, technical capabilities, and potential for success.

(I) A description of the mechanisms that will be established by the Administration for monitoring and evaluating the strategy and its implementation, including procedures for learning and sharing best practices among relevant executive branch agencies, as well as among participating countries, and for terminating unsuccessful programs.

(J) A description of the Administration's engagement plan, consistent with international best practices, to ensure local and affected communities are informed, consulted, and benefit from projects encouraged by the United States, as well as the environmental and social impacts of the projects.

(K) A description of the mechanisms that will be utilized to ensure greater coordination between the United States and foreign governments, international organizations, African regional economic communities, international fora, the private sector, and civil society organizations.

(L) A description of how United States leadership will be used to enhance the overall international response to prioritizing electricity access for sub-Saharan Africa and to strengthen coordination among relevant international forums such as the Post-2015 Development Agenda and the G8 and G20, as well as the status of efforts to support reforms that are being undertaken by partner country governments.

(M) An outline of how the Administration intends to partner with foreign governments, the international community, and other public sector entities, civil society groups, and the private sector to assist sub-Saharan African countries to conduct comprehensive project feasibility studies and facilitate project development.

(N) A description of how the Administration intends to help facilitate transnational and regional power and electrification projects where appropriate.

SEC. 6. USAID.

(a) LOAN GUARANTEES.—It is the sense of Congress that in pursuing the policy goals described in section 4, the Administrator of USAID should identify and prioritize—

(1) loan guarantees to local sub-Saharan African financial institutions that would facilitate the involvement of such financial institutions in power projects in sub-Saharan Africa; and

(2) partnerships and grants for research, development, and deployment of technology that would increase access to electricity in sub-Saharan Africa.

(b) GRANTS.—It is the sense of Congress that the Administrator of USAID should consider providing grants to—

(1) support the development and implementation of national, regional, and local energy and electricity policy plans;

(2) expand distribution of electricity access to the poorest; and

(3) build a country's capacity to plan, monitor and regulate the energy and electricity sector.

(c) USAID DEFINED.—In this section, the term "USAID" means the United States Agency for International Development.

SEC. 7. LEVERAGING INTERNATIONAL SUPPORT.

In pursuing the policy goals described in section 4, the President should direct the United States' representatives to appropriate international bodies to use the influence of the United States, consistent with the broad development goals of the United States, to advocate that each such body—

(1) commit to significantly increase efforts to promote investment in well-designed power sector and electrification projects in sub-Saharan Africa that increase energy access, in partnership with the private sector and consistent with the host countries' absorptive capacity;

(2) address energy needs of individuals and communities where access to an electricity grid is impractical or cost-prohibitive;

(3) enhance coordination with the private sector in sub-Saharan Africa to increase access to electricity;

(4) provide technical assistance to the regulatory authorities of sub-Saharan African governments to remove unnecessary barriers to investment in otherwise commercially viable projects; and

(5) utilize clear, accountable, and metric-based targets to measure the effectiveness of such projects.

SEC. 8. OVERSEAS PRIVATE INVESTMENT CORPORATION.

(a) IN GENERAL.—The Overseas Private Investment Corporation should—

(1) in carrying out its programs and pursuing the policy goals described in section 4, place a priority on supporting investment in the electricity sector of sub-Saharan Africa, including renewable energy, and implement procedures for expedited review of and, where appropriate, approval of, applications by eligible investors for loans, loan guarantees, and insurance for such investments;

(2) support investments in projects and partner country strategies to the extent permitted by its authorities, policies, and programs, that will—

(A) maximize the number of people with new access to electricity to support economic development;

(B) improve the generation, transmission, and distribution of electricity;

(C) provide reliable and low-cost electricity, including renewable energy and on-grid, off-grid, and multi-grid solutions, to people living in rural and urban communities;

(D) consider energy needs of individuals where access to an electricity grid is impractical or cost-prohibitive;

(E) reduce transmission and distribution losses and improve end-use efficiency; and

(F) reduce energy-related impediments to business and investment opportunity and success;

(3) encourage locally-owned, micro, small- and medium-sized enterprises and cooperative service providers to participate in investment activities in sub-Saharan Africa; and

(4) publish in an accessible digital format measurable development impacts of its investments, including appropriate quantifiable metrics to measure energy access at the individual household, enterprise, and community level; and

(5) publish in an accessible digital format the amount, type, location, duration, and measurable results, with links to relevant reports and displays on an interactive map, where appropriate, of all OPIC investments and financings.

(b) AMENDMENTS.—Title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended—

(1) in section 233 (22 U.S.C. 2193)—

(A) in subsection (b), by inserting after the sixth sentence the following new sentence: "Of the eight such Directors, not more than five should be of the same political party."; and

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

"(e) INVESTMENT ADVISORY COUNCIL.—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 use of an investment advisory council to assist the Board in developing and implementing policies, programs, and financial instruments with respect to sub-Saharan Africa. In addition, the investment advisory council 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 investment advisory council shall terminate on December 31, 2017.";

(2) in section 234(c) (22 U.S.C. 2194(c)), by inserting "eligible investors or" after "involve";

(3) in section 235(a)(2) (22 U.S.C. 2195), by striking "2007" and inserting "2017";

(4) in section 237(d) (22 U.S.C. 2197(d))—

(A) in paragraph (2), by inserting ", systems infrastructure costs," after "outside the Corporation"; and

(B) in paragraph (3), by inserting ", systems infrastructure costs," after "project-specific transaction costs"; and

(5) by amending section 239(e) (22 U.S.C. 2199(e)) to read as follows:

"(e) INSPECTOR GENERAL.—The Board shall appoint and maintain an Inspector General in the Corporation, in accordance with the Inspector General Act of 1978 (5 U.S.C. App.).".

(c) ANNUAL CONSUMER SATISFACTION SURVEY AND REPORT.—

(1) SURVEY.—

(A) IN GENERAL.—For each of calendar years 2014 through 2016, the Overseas Private Investment Corporation shall conduct a survey of private entities that sponsor or are involved in projects that are insured, reinsured, guaranteed, or financed by the Corporation regarding the level of satisfaction of such entities with the operations and procedures of the Corporation with respect to such projects.

(B) PRIORITY.—The survey shall be primarily focused on United States small businesses and businesses that sponsor or are involved in projects with a cost of less than $20,000,000 (as adjusted for inflation).

(2) REPORT.—

(A) IN GENERAL.—Not later than each of July 1, 2015, July 1, 2016, and July 1, 2017, the Corporation should submit to the congressional committees specified in subparagraph (C) a report on the results of the survey required under paragraph (1).

(B) MATTERS TO BE INCLUDED.—The report should include the Corporation's plans to revise its operations and procedures based on concerns raised in the results of the survey, if appropriate.

(C) FORM.—The report shall be submitted in unclassified form and shall not disclose any confidential business information.

(D) CONGRESSIONAL COMMITTEES SPECIFIED.—The congressional committees specified in this subparagraph are—

(i) the Committee on Appropriations and the Committee on Foreign Affairs of the House of Representatives; and

(ii) the Committee on Appropriations and the Committee on Foreign Relations of the Senate.

SEC. 9. TRADE AND DEVELOPMENT AGENCY.

(a) IN GENERAL.—The Director of the Trade and Development Agency should—

(1) promote United States private sector participation in energy sector development projects in sub-Saharan Africa through project preparation activities, including feasibility studies at the project, sector, and national level, technical assistance, pilot projects, reverse trade missions, conferences and workshops; and

(2) seek opportunities to fund project preparation activities that involve increased access to electricity, including power generation and trade capacity building.

(b) FOCUS.—In pursuing the policy goals described in section 4, project preparation activities described in subsection (a) should focus on power generation, including renewable energy, improving the efficiency of transmission and distribution grids, including on-grid, off-grid and mini-grid solutions, and promoting energy efficiency and demand-side management.

SEC. 10. PROGRESS REPORT.

Not later than three years after the date of the enactment of this Act, the President shall transmit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate, and post through appropriate digital means, a report on progress made toward achieving the policy goals described in section 4, including the following:

(1) The number, type, and status of policy, regulatory, and legislative changes implemented in partner countries to support increased electricity generation and access, and strengthen effective, accountable governance of the electricity sector since United States engagement.

(2) A list of power sector and electrification projects United States Government instruments are supporting to achieve the policy goals described in section 4, and for each such project—

(A) a description of how each such project fits into the national power plans of the partner country;

(B) the total cost of each such project and predicted United States Government contributions, and actual grants and other financing provided to such projects, broken down by United States Government funding source, including from the Overseas Private Investment Corporation, the United States Agency for International Development, the Department of the Treasury, and other appropriate United States Government departments and agencies;

(C) the predicted electrical power capacity of each project upon completion, with metrics appropriate to the scale of electricity access being supplied, as well as total megawatts installed;

(D) compliance with international best practices and expected environmental and social impacts from each project;

(E) the estimated number of women, men, poor communities, businesses, schools, and health facilities that have gained electricity connections as a result of each project at the time of such report; and

(F) the current operating electrical power capacity in wattage of each project.

Amend the title so as to read:

A bill to establish a comprehensive United States Government policy to encourage the efforts of countries in sub-Saharan Africa to develop an appropriate mix of power solutions, including renewable energy, for more broadly distributed electricity access in order to support poverty reduction, promote development outcomes, and drive economic growth, and for other purposes.

SUMMARY AND PURPOSE

H.R. 2548, the Electrify Africa Act of 2014, is a response to the massive power shortage plaguing nearly 600 million people in the sub-Saharan region. Recognizing that lack of electricity limits economic opportunities and adversely affects humanitarian conditions, the Act sets out a comprehensive, sustainable, and market-based approach to bring people facing endemic power shortages in sub-Saharan Africa into the global economy. To achieve this purpose, the bill directs the President to establish a multiyear strategy to develop an appropriate mix of power solutions. The bill describes several mechanisms by which the United States can aid the efforts of private-sector and public-sector organizations seeking to expand electricity access in the region, including USAID grants and loan guarantees and OPIC investment prioritization. Finally, the bill establishes oversight mechanisms and reporting requirements to mitigate waste, fraud, or abuse.

The purpose of the legislation is to provide a clear strategic framework that encourages the efforts of the private sector and countries in sub-Saharan Africa to improve access to affordable, reliable electricity in order to unlock the potential for economic growth and community well-being.

BACKGROUND AND NEED FOR LEGISLATION

Nearly 600 million people in sub-Saharan Africa lack access to electricity. This endemic power shortage has devastating effects on the region, including economic stagnation, hazardous health conditions, and constraints on educational opportunities. United States government actions to encourage expanded electricity access will allow these nations to flourish and contribute to the global economy. H.R. 2548 is motivated by a genuine desire to address this need and is consistent with U.S. humanitarian, economic and national security interests.

Unlocking Economic Potential

The African Growth and Opportunity Act (AGOA) provides African countries with liberal access to U.S. markets. Despite this favorable trade environment, many sub-Saharan African nations have been unable to meaningfully participate in the international economy. For example, in the first eleven months of 2013, Liberia exported only $3,000 worth of goods. Lack of electricity access is one of the most significant constraints on economic growth. Seventy percent of surveyed African businesses cite unreliable power as a major obstacle. Even where trade conditions are ripe, the cost of running a plant on a diesel generator in a nation without an energy grid is prohibitive.

Lack of electricity not only prevents African nations from participating in the global economy as manufacturers, but also prevents the people of sub-Saharan Africa from taking part in the market as consumers. With improved access to electricity, United States' goods, services, and technology can reach the nearly one billion people in sub-Saharan Africa. Communities will be able to purchase and utilize modern technology, including Internet access and cellular telephones.

China has already recognized this significant opportunity. Where the United States has left a void for economic investment in Africa, China has stepped in to direct nearly $2 billion towards energy projects on the continent, leveraging Chinese companies. If the United States wishes to tap into this potential consumer base and effectively compete, it must act. The Millennium Challenge Corporation's work in the energy sector shows high projected economic rates of return that translate into sustainable economic growth. With U.S.-supported efforts to overcome the weak governance capacity, regulatory bottlenecks, and legal constraints, private investment in the sub-African energy sector can, and will, flourish.

Allowing Communities to Flourish

In addition to economic considerations, increased electricity access in sub-Saharan African countries will eliminate hazardous health and welfare conditions. Without electricity, cold storage of vaccines is almost impossible, and doctors are unable to utilize lifesaving technology. Because of power shortages, women spend long days searching for wood, charcoal, and dung, placing themselves in danger to provide heat and light for their families. Men and women farm for sustenance, unable to safely store excess produce for trade or profit, and children study with light from highly-flammable kerosene lamps. Resultant health risks are extremely high. Toxic fumes from highly inefficient and polluting sources cause more than 3 million deaths per year in sub-Saharan Africa– more than HIV/AIDS and malaria combined.

Supporting a Range of Energy Solutions for Diverse Circumstances

H.R. 2548 recognizes that there is no "one size fits all" energy solution for the countries in sub-Saharan Africa. It supports an appropriate mix of non-renewable and renewable energy options to address the dire need for electricity, while recognizing the potential environmental impacts of this technology.

The Electrify Africa Act acknowledges that sub-Saharan Africa has abundant resources to fuel renewable sources of energy, including sunlight, wind, geothermal, and water. Electrify Africa declares that it is U.S. policy to support hydroelectric dams that offer low-cost clean energy consistent with U.S. national security interests and best international practices regarding social and environmental safeguards. The Committee also recognizes that non-renewable energy options including natural gas, oil and clean coal are readily available in sub-Saharan Africa.

H.R. 2548 encourages increasing access to rural and off-grid communities with a variety of approaches. A substantial proportion of the population in Sub-Saharan Africa and will continue to live in rural communities, which are often the last to benefit from large, centralized power grid systems. H.R. 2548 recognizes that rural communities cannot be forgotten in the push to increase electricity access, and that mini-grid and off-grid technologies can be well suited for these areas.

Strategic Framework and Tools

H.R. 2548 provides a comprehensive means to address issues stemming from electricity shortages. It declares that the United States, in consultation with sub-Saharan African governments, will encourage: (i) the installation of an additional 20,000 megawatts of electrical power in the region by 2020, (ii) the provision of first-time access to electricity for at least 50 million people by 2020, and (iii) any reforms necessary to facilitate these goals. Developed prior to the announcement of the Administration's Power Africa Initiative, Electrify Africa provides a framework for investment in Africa's energy sector that includes much needed oversight and transparency mechanisms. The strategic framework required through the Electrify Africa Act helps provide the transparency to the private sector and recipient countries that will allow them to direct their own resources to help increase energy access. The Electrify Africa Act lays out a plan poised to endure long after the Administration's Power Africa initiative concludes.

Given the ability of the Overseas Private Investment Corporation (OPIC) to catalyze investment in sub-Saharan Africa's electricity sector, H.R. 2548 requires OPIC to prioritize such investments, while implementing numerous reforms. The Committee fully expects OPIC, during its limited three-year reauthorization, to use its range of financing tools to promote investment in electricity generation and distribution across sub-Saharan Africa in coordination with other implementing agencies. Reform measures imposed through the Electrify Africa Act include: 1) requiring that OPIC become more transparent and digitally post its investments, including their impact; 2) require that an Inspector General be appointed for OPIC; 3) making the Board of OPIC bipartisan for the first time; and 4) reactivating the investment advisory council to allow individuals outside of government to share insights on how to improve investments in sub-Saharan Africa.

HEARINGS

During the 113th Congress, the Committee held the following hearings related to the content of H.R. 2548:

July 18, 2013, Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations hearing on "Resources in Africa" (Corinna Gilfillan, Global Witness USA; Mohammed Amin Adam, Centre for Energy Policy; Anquan Boldin, Oxfam America; Tutu Alicante of EG Justice); and

May 7, 2013, Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations hearing on "Increasing American Jobs through Greater Exports to Africa" (Stephen Lande, Manchester Trade; Peter C. Hansen, Law Office of Peter C. Hansen, LLC; Sharon T. Freeman, All American Small Business Exporters Association; Barbara Keating, Computer Fronteirs).

During the 112th Congress, the Committee held the following hearings and briefings related to the content of H.R. 2548:

June 20, 2012, Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations hearing on "The African Growth and Opportunity Act: Ensuring Success (Anthony Carroll, Manchester Trade, Ltd.; Paul Ryberg, African Coalition for Trade; Jaswinder Bedi, African Cotton and Textile Industries Federation; Stephen Hayes, The Corporate Council on Africa);

March 29, 2012, the Subcommittee on Africa, Global Health, Global Human Rights, and International Organizations hearing on "Assessing China's Role and Influence in Africa" (Hon. David Shinn, Elliot School of International Affairs, George Washington University; Donald Y. Yamamoto, Bureau of African Affairs. U.S. Dept. of State; Carolyn Bartholomew, United States-China Economic and Security Review Commission; J. Peter Pham, Michael S. Ansari Africa Center, Atlantic Council; Stephen Hayes, The Corporate Council of Africa); and

March 18, 2013, the Subcommittee on Terrorism, Nonproliferation, and Trade held a briefing on the Overseas Private Investment Corporation with President Elizabeth Littlefield, Executive Vice President Mimi Alemayehou, and Vice President and Chief Financial Officer Allan Villabroza.

COMMITTEE CONSIDERATION

On February 27, 2014, the Foreign Affairs Committee marked up the bill, H.R. 2548, pursuant to notice, in open session. An amendment in the nature of a substitute, offered by the Chairman, and a second-degree amendment from Rep. Mark Meadows requiring an OPIC report on customer satisfaction, were agreed to in separate voice votes. The bill, as amended, was agreed to by voice vote.

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII of rules of the House of Representatives, the Committee reports that findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of House Rule X, are incorporated in the descriptive portions of this report, particularly in the "Background and Purpose" and "Section-by-Section Analysis" sections.

NEW BUDGET AUTHORITY, TAX EXPENDITURES, AND FEDERAL MANDATES

In compliance with clause 3(c)(2) of House Rule XIII and the Unfunded Mandates Reform Act (P.L. 104–4), the Committee adopts as its own the estimate of new budget authority, entitlement authority, tax expenditure or revenues, and Federal mandates contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 12, 2014.

Hon. EDWARD R. ROYCE, *Chairman,*
Committee on Foreign Affairs,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2548, the Electrify Africa Act of 2014.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Sunita D'Monte, who can be reached at 226–2840.

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure

cc: Honorable Eliot L. Engel
Ranking Member

H.R. 2548—Electrify Africa Act of 2014

As ordered reported by the House Committee on Foreign Affairs on February 27, 2014

SUMMARY

H.R. 2548 would extend through 2017 the authority of the Overseas Private Investment Corporation (OPIC) to provide loans and insurance to help U.S. companies invest and expand in overseas markets. It also would require the Administration to encourage the private sector, other nations, international organizations, and nonprofits to increase access to electricity in sub-Saharan Africa. CBO estimates that implementing the legislation would save $86 million over the 2014–2019 period, assuming appropriation actions consistent with the bill. Pay-as-you-go procedures do not apply because enacting this legislation would not affect direct spending or revenues.

H.R. 2548 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 2548 is shown in the following table. The costs of this legislation fall within budget function 150 (international affairs).

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 2548 will be enacted in 2014, that the necessary amounts will be appropriated each year, and that outlays will follow historical spending patterns for the affected programs.

By Fiscal Year, in Millions of Dollars

	2014	2015	2016	2017	2018	2019	2014–2019
CHANGES IN SPENDING SUBJECT TO APPROPRIATION							
Reauthorizing OPIC							
Administrative Expenses							
Estimated Authorization Level	0	2	32	41	41	10	126
Estimated Outlays	0	2	27	39	40	14	122
Positive Subsidy Costs for Loans							
Estimated Authorization Level	0	27	28	28	0	0	83
Estimated Outlays	0	1	5	13	17	16	52
Negative Subsidies for Loans							
Estimated Authorization Level	0	–18	–64	–80	–74	–29	–265
Estimated Outlays	0	–18	–64	–80	–74	–29	–265
Insurance Programs							
Estimated Authorization Level	0	–1	–2	–2	0	0	–5
Estimated Outlays	0	*	–1	–2	–1	–1	–5
Subtotal for Reauthorizing OPIC							
Estimated Authorization Level	0	10	–6	–13	–33	–19	–61
Estimated Outlays	0	–15	–33	–30	–18	*	–96
Inspector General							
Estimated Authorization Level	*	2	2	2	2	2	10
Estimated Outlays	*	1	2	2	2	2	9
Promoting Access to Electricity							
Estimated Authorization Level	*	*	*	*	*	*	1
Estimated Outlays	*	*	*	*	*	*	1
Total Changes							
Estimated Authorization Level	*	12	–4	–11	–31	–17	–50
Estimated Outlays	*	–14	–31	–28	–16	2	–86

Note: OPIC = Overseas Private Investment Corporation; * = between –$500,000 and $500,000.

Reauthorizing OPIC

OPIC assists U.S. companies to expand and invest overseas by providing direct loans, loan guarantees, and insurance. OPIC's authority to enter into new agreements expires at the end of fiscal year 2014; however, under current law, it would continue to operate for some years after that date to service its existing contracts. Section 8 would extend OPIC's authority to enter into new contracts through 2017.

The bill would not authorize the appropriation of specific amounts. CBO assumes that appropriations would continue for both the administrative costs and the subsidy costs of new loans and guarantees as defined in the Federal Credit Reform Act (FCRA).[1] Some of the loans OPIC provides yield a net budgetary savings under the cost formula specified in FCRA, which requires that the expected government cash flows be discounted using the rates on Treasury securities of comparable maturity. In recent years, OPIC has generated sufficient receipts through such loans with negative subsidies to more than offset its other costs.

[1] Under the Federal Credit Reform Act of 1990, the subsidy cost of a direct loan or loan guarantee is the net present value of estimated payments by the government to cover defaults and delinquencies, interest subsidies, or other expenses, offset by any payments to the government, including origination fees, other fees, penalties, and recoveries on defaulted loans. The net present value does not include the cost of market risk. Such subsidy costs are recorded in the budget when the loans are disbursed.

CBO estimates that implementing section 8 would yield net savings of $96 million over the 2015–2019 period, assuming appropriation actions consistent with the bill. The components of that estimate are discussed below.

Administrative Expenses. Based on information from OPIC, CBO estimates that under current law the agency would begin reduce its staffing in 2015 but severance payments would keep administrative expenses at the current level ($63 million) in that year. Thus, under the bill, CBO estimates that reauthorizing OPIC would require additional appropriations of only $2 million in 2015 for administrative expenses. Over the 2015–2017 period, CBO estimates that OPIC's total administrative expenses would grow by 2 percent each year. In 2018, when its authorization would expire, CBO estimates that severance payments associated with staff reductions would keep administrative expenses at the same level as in 2017 but that by 2019 the additional amounts needed would begin to decline. Assuming appropriation of the estimated amounts, CBO estimates that under section 8 administrative expenses would increase by $122 million over the 2015–2019 period.

Positive Subsidy Costs. CBO estimates that in 2015 OPIC would require appropriations of $27 million for the subsidy cost of new agreements (that amount is identical to the enacted level for 2014). Based on information from OPIC about its recent and projected growth, CBO estimates that over the 2015–2017 period the subsidy appropriations that OPIC would require would grow by 2 percent each year. Starting in 2018, when OPIC's authorization to provide new loans and insurance would expire, it would not need a subsidy appropriation. Assuming appropriation of the necessary amounts, CBO estimates that subsidy costs under section 8 would increase by $52 million over the 2015–2019 period.

Negative Subsidies. Some of OPIC's loan programs have lower default rates and higher fees than its other products and, thus, generate net collections to the government. Based on information from OPIC, CBO estimates that under section 8 it would collect an additional $18 million in 2015 and $265 million over the 2015–2019 period.

Insurance Programs. OPIC's insurance programs offer protection against political risks associated with investing overseas such as expropriation, political violence or civil strife, and currency inconvertibility. Information from OPIC suggests that most policies have terms of 20 years and that reauthorizing OPIC for three years would cause only small changes in net collections. CBO estimates that under section 8 OPIC would collect an additional $5 million over the 2015–2019 period.

Inspector General

Section 8 also would establish an Inspector General (IG) for OPIC. Currently, the IG for the United States Agency for International Development (USAID) covers OPIC's programs. Based on information from OPIC, CBO estimates that the agency would hire one IG and three support staff and would contract out certain functions such as financial auditing. After including costs for compensation, office space, travel, and other expenses and adjusting for lower costs for the USAID IG, CBO estimates that implementing that requirement would cost about $9 million over the 2015–2019 period, assuming appropriation of the necessary amounts.

Promoting Access to Electricity

H.R. 2548 would require the Administration to encourage the private sector, other nations, international organizations, and nonprofits to increase access to electricity in sub-Saharan Africa. In June 2013, the President announced a new initiative, dubbed "Power Africa," to double access to power in sub-Saharan Africa. Several federal entities, including OPIC, USAID, the United States Trade and Development Agency, the Millennium Challenge Corporation, and the Export-Import Bank are tasked with providing technical assistance, loans, insurance, grants, and other types of assistance to implement that initiative. Based on information from some of those entities, CBO expects that most of the bill's requirements relating to promoting access to electricity will be implemented under that initiative. CBO estimates that implementing new requirements, such as the development of a comprehensive strategy and subsequent reports to the Congress, would cost less than $500,000 each year and total $1 million over the 2014–2019 period, assuming the availability of appropriated amounts.

PAY–AS–YOU–GO CONSIDERATIONS:

None.

INTERGOVERNMENTAL AND PRIVATE–SECTOR IMPACT

H.R. 2548 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

ESTIMATE PREPARED BY:

Federal Costs: Sunita D'Monte
Impact on State, Local, and Tribal Governments: J'nell L. Blanco
Impact on the Private Sector: Paige Piper/Bach

ESTIMATE APPROVED BY:

Theresa Gullo
Deputy Assistant Director for Budget Analysis

Directed Rule Making

Pursuant to clause 3(c) of House Rule XIII, as modified by section 3(k) of H.Res. 5 during the 113th Congress, the Committee notes that H.R. 2548 contains no directed rule-making provisions.

Non-Duplication of Federal Programs

Pursuant to clause 3(c) of House Rule XIII, as modified by section 3(j)(2) of H.Res. 5 during the 113th Congress, the Committee states that no provision of this bill establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

PERFORMANCE GOALS AND OBJECTIVES

H.R. 2548 is intended to encourage efforts to expand access to electricity in sub-Saharan Africa. To achieve this goal, the Act requires the President to create a comprehensive plan in which the United States will work with the governments of sub-Saharan African countries and public-sector and private-sector organizations. The Act declares that the United States will encourage achievement of three objectives: (i) the installation of an additional 20,000 megawatts of electrical power in the region by 2020, (ii) the provision of first-time access to electricity for at least 50 million people by 2020, and (iii) any reforms necessary to facilitate these goals.

CONGRESSIONAL ACCOUNTABILITY ACT

H.R. 2548 does not apply to terms and conditions of employment or to access to public services or accommodations within the Legislative Branch.

NEW ADVISORY COMMITTEES

H.R. 2548 does not establish or authorize any new advisory committees.

EARMARK IDENTIFICATION

H.R. 2548 contains no congressional earmarks, limited tax benefits, or limited tariff benefits as described in clauses 9(e), 9(f), and 9(g) of House Rule XXI.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee finds the authority for this legislation in article I, section 8 of the Constitution.

Letters of Jurisdiction

JEB HENSARLING, TX, CHAIRMAN

United States House of Representatives
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

MAXINE WATERS, CA, RANKING MEMBER

April 28, 2014

HAND-DELIVERED

Chairman Edward R. Royce
House Committee on Foreign Affairs
2170 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Royce:

On February 27, 2014, the Committee on Foreign Affairs ordered H.R. 2548, the Electrify Africa Act of 2013, as amended, to be reported favorably to the House. As a result of your having consulted with the Committee on Financial Services concerning provisions of the bill that fall within our Rule X jurisdiction, I agree to discharge our committee from further consideration of the bill so that it may proceed expeditiously to the House Floor.

The Committee on Financial Services takes this action with our mutual understanding that, by foregoing consideration of H.R. 2548, as amended, at this time, we do not waive any jurisdiction over the subject matter contained in this or similar legislation, and that our committee will be appropriately consulted and involved as the bill or similar legislation moves forward so that we may address any remaining issues that fall within our Rule X jurisdiction. Our committee also reserves the right to seek appointment of an appropriate number of conferees to any House-Senate conference involving this or similar legislation, and requests your support for any such request.

Finally, I would appreciate your response to this letter confirming this understanding with respect to H.R. 2548, as amended, and would ask that a copy of our exchange of letters on this matter be included in your committee's report to accompany the legislation and/or in the *Congressional Record* during floor consideration thereof.

Sincerely,

JEB HENSARLING
Chairman

cc: The Honorable John A. Boehner
The Honorable Maxine Waters
The Honorable Eliot L. Engel
Mr. Thomas J. Wickham, Jr.

One Hundred Thirteenth Congress
U.S. House of Representatives
Committee on Foreign Affairs
2170 Rayburn House Office Building
Washington, DC 20515
www.foreignaffairs.house.gov

April 28, 2014

The Honorable Jeb Hensarling
Chairman, Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Hensarling:

Thank you for consulting with the Committee on Foreign Affairs on the provisions of H.R 2548, the Electrify Africa Act, within the Rule X jurisdiction of the Committee on Financial Services, and for agreeing to be discharged from further consideration of that bill so that it may proceed expeditiously to the House Floor.

I agree that your forgoing further action on this measure does not in any way diminish or alter the jurisdiction of the Committee on Financial Services, or prejudice its jurisdictional prerogatives on this bill or similar legislation in the future. I would support your effort to seek appointment of an appropriate number of conferees to any House-Senate conference involving this legislation.

I will place our letters on H.R. 2548 into the Foreign Affairs Committee report on the bill, as well as in the *Congressional Record* during floor consideration. I appreciate your cooperation, and look forward to continuing to work with the Committee on Financial Services as this measure moves through the legislative process.

Sincerely,

EDWARD R. ROYCE
Chairman

cc: The Honorable John Boehner, Speaker
The Honorable Eliot L. Engel
The Honorable Maxine Waters
Mr. Thomas J. Wickham, Jr., Parliamentarian

SECTION-BY-SECTION ANALYSIS

Section 1. Short Title. The Electrify Africa Act of 2014.

Section 2. Purpose. To improve access to affordable and reliable electricity in sub-Saharan Africa.

Section 3. Findings. Almost 70% of the population in sub-Saharan Africa (589 million people) does not have access to electricity. Roughly 30 African countries face endemic power shortages. Business leaders in the region say this lack of affordable and reliable power is one of the biggest constraints to economic growth. It also presents serious environmental and health risks.

Section 4. Statement of Policy. Declares the United States, in consultation with sub-Saharan African governments, will encourage: (i) the installation of an additional 20,000 megawatts of electrical power in the region by 2020, (ii) the provision of first-time access to electricity for at least 50 million people by 2020, and (iii) any reforms necessary to facilitate these goals. Declares that U.S. policy encourages private sector and international support for the construction of hydroelectric dams that offer low-cost clean energy consistent with U.S. national security interests and best international practices regarding social and environmental safeguards.

Section 5. Development of a Comprehensive, Multiyear Strategy. Requires the Administration to create a multiyear strategy to develop an appropriate mix of power solutions, including renewable energy, in order to provide access to electricity in sub-Saharan Africa. Requires the President, within 180 days of the bill's enactment, to outline this strategy to Congress in a report detailing, among other things: (i) strategy objectives, (ii) criteria for selecting partner countries, (iii) plans to attract public and private-sector investment, (iv) plans to coordinate with local governments to localize responsibility for long-term management and maintenance, (v) a list of U.S. agencies involved in implementation, and (vi) mechanisms for monitoring the strategy's implementation.

Section 6. USAID. States that USAID should prioritize loan guarantees and research grants that will facilitate power projects in sub-Saharan Africa. Encourages USAID to consider providing grants to support and expand electricity access.

Section 7. Leveraging International Support. States that U.S. representatives to appropriate international bodies should encourage those bodies to: (i) increase efforts to promote investment in the sub-Saharan electricity sector, (ii) coordinate with private sector actors for increased electricity access, and (iii) assist sub-Saharan African governments in removing regulatory barriers to investment in commercially viable electricity projects.

Section 8. Overseas Private Investment Corporation. Requires the Overseas Private Investment Corporation (OPIC) to prioritize investment in the sub-Saharan electricity sector, and to expedite review of electricity projects in the region. Amends existing law to (i) require a bipartisan board, in that no more than five of eight Directors may be from the same political party, (ii) re-establish a temporary investment advisory council to assist OPIC in developing energy programs in sub-Saharan Africa, (iii) reauthorize OPIC until 2017, and (iv) require the appointment of an OPIC Inspector General. Requires OPIC to publish, in digital form, a list of investments and their impact at the community level. The Committee expects the list of investments to be comprehensive and not just limited to investments in electricity.

Section 9. Trade and Development Agency. States that the Director of the Trade and Development Agency should promote private sector participation in energy sector projects in sub-Saharan Africa, including through feasibility studies and pilot projects, and seek opportunities to fund projects that increase access to electricity.

Section 10. Progress Report. Requires the President, within three years of this bill's enactment, to submit to the House Foreign Affairs Committee and the Senate Foreign Relations Committee, and post in digital form, a report detailing progress towards the bill's goals, along with any associated costs of implementation.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

FOREIGN ASSISTANCE ACT OF 1961

* * * * * * *

PART I—

* * * * * * *

CHAPTER 2—OTHER PROGRAMS

* * * * * * *

TITLE IV—OVERSEAS PRIVATE INVESTMENT CORPORATION

* * * * * * *

SEC. 233. ORGANIZATION AND MANAGEMENT.—(a) * * *

(b) BOARD OF DIRECTORS.—All powers of the Corporation shall vest in and be exercised by or under the authority of its Board of Directors ("the Board") which shall consist of fifteen Directors, including the Chairman, with eight Directors constituting a quorum for the transaction of business. Eight Directors shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and shall not be officials or employees of the Government of the United States. At least two of the eight Directors appointed under the preceding sentence shall be experienced in small business, one in organized labor, and one in cooperatives. Each such Director shall be appointed for a term of no more than three years. The terms of no more than three such Directors shall expire in any one year. Such Directors shall serve until their successors are appointed and qualified and may be reappointed. *Of the eight such Directors, not more than five should be of the same political party.*

The other Directors shall be principal officers of the Government of the United States whose duties relate to the programs of the Corporation, including the President of the Corporation, the Administrator of the Agency for International Development, the United States Trade Representative, and one such officer of the Department of Labor, designated by and serving at the pleasure of the President of the United States. The United States Trade Representative may designate a Deputy United States Trade Representative to serve on the Board in place of the United States Trade Representative.

There shall be a Chairman and a Vice Chairman of the Board, both of whom shall be designated by the President of the United States from among the Directors of the Board other than those appointed under the second sentence of the first paragraph of this subsection.

All Directors who are not officers of the Corporation or officials of the Government of the United States shall be compensated at a rate equivalent to that of level IV of the Executive Schedule (5 U.S.C. 5315) when actually engaged in the business of the Corporation and may be paid per diem in lieu of subsistence at the applicable rate prescribed in the standardized Government travel regulations, as amended, from time to time, while away from their homes or usual places of business.

* * * * * * *

(e) INVESTMENT ADVISORY COUNCIL.—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 use of an investment advisory council to assist the Board in developing and implementing policies, programs, and financial instruments with respect to sub-Saharan Africa. In addition, the investment advisory council 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 investment advisory council shall terminate on December 31, 2017.

SEC. 234. INVESTMENT INSURANCE AND OTHER PROGRAMS.—The Corporation is hereby authorized to do the following:

(a) * * *

* * * * * * *

(c) DIRECT INVESTMENT.—To make loans in United States dollars repayable in dollars or loans in foreign currencies (including, without regard to section 1415 of the Supplemental Appropriation Act, 1953, such foreign currencies which the Secretary of the Treasury may determine to be excess to the normal requirements of the United States and the Director of the Bureau of the Budget may allocate) to firms privately owned or of mixed private and public ownership upon such terms and conditions as the Corporation may determine. Loans may be made under this subsection only for projects that are sponsored by or significantly involve *eligible investors or* United States small business or cooperatives.

The Corporation may designate up to 25 percent of any loan under this subsection for use in the development or adaptation in the United States of new technologies or new products or services that are to be used in the project for which the loan is made and are likely to contribute to the economic or social development of less developed countries.

No loan may be made under this subsection to finance any operation for the extraction of oil or gas. The aggregate amount of loans under this subsection to finance operations for the mining or other extraction of any deposit of ore or other nonfuel minerals may not in any fiscal year exceed $4,000,000.

* * * * * * *

SEC. 235. ISSUING AUTHORITY, DIRECT INVESTMENT AUTHORITY AND RESERVES.—

(a) ISSUING AUTHORITY.—

(1) * * *

(2) TERMINATION OF AUTHORITY.—The authority of subsections (a), (b), and (c) of section 234 shall continue until September 30, ⟦2007⟧ *2017*.

*   *   *   *   *   *   *

SEC. 237. GENERAL PROVISIONS RELATING TO INSURANCE GUARANTY, AND FINANCING PROGRAM.—(a) * * *

*   *   *   *   *   *   *

(d) FEES.—

(1) * * *

(2) CREDIT TRANSACTION COSTS.—Project-specific transaction costs incurred by the Corporation relating to loan obligations or loan guarantee commitments covered by the provisions of the Federal Credit Reform Act of 1990, including the costs of project-related travel and expenses for legal representation provided by persons outside the Corporation*, systems infrastructure costs,* and other similar expenses which are charged to the borrower, shall be paid out of the appropriate finance account established pursuant to section 505(b) of such Act.

(3) NONCREDIT TRANSACTION COSTS.—Fees paid for the project-specific transaction costs*, systems infrastructure costs,* and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 (other than those covered in paragraph (2)), including financing, insurance, reinsurance, missions, seminars, conferences, and other preinvestment services, shall be available for obligation for the purposes for which they were collected, notwithstanding any other provision of law.

*   *   *   *   *   *   *

SEC. 239. GENERAL PROVISIONS AND POWERS.—(a) * * *

*   *   *   *   *   *   *

⟦(e) The Inspector General of the Agency for International Development (1) may conduct reviews, investigations, and inspections of all phases of the Corporation's operations and activities and (2) shall conduct all security activities of the Corporation relating to personnel and the control of classified material. With respect to his responsibilities under this subsection, the Inspector General shall report to the Board. The agency primarily responsible for administering part I shall be reimbursed by the Corporation for all expenses incurred by the Inspector General in connection with his responsibilities under this subsection.⟧

(e) INSPECTOR GENERAL.—The Board shall appoint and maintain an Inspector General in the Corporation, in accordance with the Inspector General Act of 1978 (5 U.S.C. App.).

*   *   *   *   *   *   *

○