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H. R. 3344

IN THE SENATE OF THE UNITED STATES

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Received; read twice and referred to the Committee on Foreign Relations

AN ACT

To prioritize the efforts of and enhance coordination among United States agencies to encourage countries in Central and Eastern Europe to improve the security of their telecommunications networks, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Transatlantic Tele-
3 communications Security Act”.

4 **SEC. 2. SENSE OF CONGRESS; STATEMENT OF POLICY.**

5 (a) SENSE OF CONGRESS.—It is the sense of Con-
6 gress that—

7 (1) fifth and future generation’s telecommuni-
8 cation networks in allied and partner countries
9 based on common, secure, transparent, democratic
10 standards have the potential to increase cultural, po-
11 litical, and economic exchanges leading to mutual
12 job creation, closer citizen relations, and stronger
13 democratic institutions;

14 (2) Russia’s unprovoked, unjustified, and illegal
15 invasion of Ukraine and the People’s Republic of
16 China’s tacit support for Russian Federation’s ac-
17 tions demonstrate the importance of secure tele-
18 communication infrastructure in Central and East-
19 ern European nations;

20 (3) the United States has national security and
21 economic interests in assisting Central and Eastern
22 European countries to improve the security of their
23 telecommunication networks by reducing dependence
24 on covered telecommunication equipment or services
25 that are often offered with predatory economic in-

1 ducements and replacing them with secure tele-
2 communication equipment or services;

3 (4) China's Belt and Road Initiative and the
4 17+1 Initiative seek to undermine Central and
5 Eastern Europe's infrastructure resilience and sov-
6 ereignty through predatory inducements from state-
7 linked providers of telecommunication equipment or
8 services such as Huawei Technologies Company and
9 ZTE Corporation;

10 (5) China's 2017 National Intelligence Law ob-
11 ligates Chinese businesses to fully cooperate with
12 state intelligence work, and thereby compromises the
13 integrity of any network that utilizes equipment
14 from Chinese companies because providers could be
15 forced to hand over sensitive data or shut down net-
16 works at the command of China;

17 (6) Russia's campaign to elect a Russian na-
18 tional, who is a former Huawei Technologies Com-
19 pany executive, to serve as the Secretary-General of
20 the International Telecommunication Union (ITU) is
21 indicative of China and Russia's efforts to use inter-
22 national organizations to promote their interests and
23 their malign influence;

24 (7) at global fora such as the ITU, the United
25 States Government should actively support can-

1 didates that espouse democratic values, internet
2 freedoms, and secure telecommunication networks;

3 (8) the United States International Develop-
4 ment Finance Corporation’s development priorities,
5 as described in section 1412 of the Better Utiliza-
6 tion of Investments Leading to Development Act of
7 2018, properly includes a focus on less developed
8 countries;

9 (9) the United States should assemble a coal-
10 tion of democratic and like-minded allies and part-
11 ners to counter the rise of global malign actors such
12 as China and Russia and build resilience in Central
13 and Eastern Europe against malign influences; and

14 (10) in order to ensure robust military coordi-
15 nation and interoperability with the North Atlantic
16 Treaty Organization (NATO) and transatlantic al-
17 lies and partners, the United States should ensure
18 that allies and partners’ telecommunication networks
19 are secure and free from potential threats in accord-
20 ance with the 2019 NATO London Declaration.

21 (b) STATEMENT OF POLICY.—It is the policy of the
22 United States—

23 (1) to strengthen the transatlantic alliance
24 based on shared values in the face of rising malign
25 influence from the People’s Republic of China and

1 the Russian Federation, countries that seek to un-
2 dermine democratic institutions and values;

3 (2) to encourage public and private sector in-
4 vestment in European telecommunication infrastruc-
5 ture projects to ensure secure telecommunication
6 and to catalyze economic advancement through the
7 highest standards of transparency, accessibility, and
8 competition;

9 (3) to provide economically feasible alternatives
10 to financing from providers of covered telecommuni-
11 cation equipment or services;

12 (4) to engage in diplomacy with European allies
13 and partners to strengthen the United States and
14 European private sector efforts to develop common
15 telecommunication technology and industry stand-
16 ards, and in turn promote them globally;

17 (5) to support the Three Seas Initiative orga-
18 nized by 12 Central and Eastern European countries
19 of the European Union to increase infrastructure re-
20 siliency and reduce reliance on malign actors, includ-
21 ing in the telecommunication space;

22 (6) to enhance telecommunication security and
23 freedom around the globe by engaging in elections at
24 the ITU and promoting the candidacies of individ-
25 uals that will promote democratic values, the rule of

1 law, technological freedoms, and telecommunication
2 security;

3 (7) to support the people of Ukraine, Moldova,
4 Georgia, and the Western Balkan countries in their
5 desire for integration into Euro-Atlantic institutions
6 and economies through enhanced cross-border tele-
7 communication infrastructure connectivity; and

8 (8) to ensure that frontline NATO allies have
9 telecommunication services that cannot be controlled
10 by China or Russia, especially considering Russia’s
11 illegal and unjustifiable invasion of Ukraine.

12 **SEC. 3. INTERNATIONAL TELECOMMUNICATION UNION SE-**
13 **CURITY CAMPAIGN DIRECTOR.**

14 (a) APPOINTMENT.—Not later than 30 days after the
15 date of the enactment of this Act, the Secretary of State
16 shall appoint, from among existing personnel of the De-
17 partment of State, an International Telecommunication
18 Union Security Campaign Director (in this section re-
19 ferred to as the “Director”).

20 (b) DUTIES.—The Director shall—

21 (1) lead efforts to promote candidates for elec-
22 tions at the International Telecommunication Union
23 (ITU) who will support and defend democratic val-
24 ues, internet freedom, and telecommunication secu-
25 rity;

1 (2) coordinate with other officials of the De-
2 partment of State, the Department of Commerce,
3 the Federal Communications Commission, and other
4 Federal departments and agencies to ensure efforts
5 described in paragraph (1) are carried out in an or-
6 ganized, nimble, efficient, and effective manner;

7 (3) work with stakeholders in the private sector
8 to harmonize efforts and to galvanize focus on elec-
9 tions at the ITU;

10 (4) use diplomatic tools of the Department of
11 State to bolster support for candidates for elections
12 at the ITU who will support and defend democratic
13 values, internet freedom, and telecommunication se-
14 curity;

15 (5) brief Congress regularly on the implementa-
16 tion of the duties described in paragraphs (1)
17 through (4) and, if appropriate, on requests for ad-
18 ditional legislative authority necessary to enhance
19 telecommunication security and freedom around the
20 globe as described in section 2(b)(6); and

21 (6) report to the Assistant Secretary of State
22 for International Organization Affairs regularly on
23 development, progress, or setbacks with respect to
24 support to the people of Ukraine, Moldova, Georgia,

1 and the Western Balkan countries as described in
2 section 2(b)(7).

3 (c) SUNSET.—This section shall terminate on Octo-
4 ber 31, 2022.

5 **SEC. 4. PRIORITIZATION OF EFFORTS AND ASSISTANCE**
6 **FOR TELECOMMUNICATION INFRASTRUC-**
7 **TURE PROJECTS IN CENTRAL AND EASTERN**
8 **EUROPE.**

9 (a) IN GENERAL.—In carrying out the policy de-
10 scribed in section 2(b), the Secretary of State, in consulta-
11 tion with the Secretary of Commerce, the Chief Executive
12 Officer of the United States International Development
13 Finance Corporation, the Director of the Trade and Devel-
14 opment Agency, the head of the Federal Communications
15 Commission, and the heads of other relevant Federal de-
16 partments and agencies, shall, as appropriate, prioritize
17 and expedite the efforts of the Department of State and
18 those departments and agencies in supporting the efforts
19 of the European Commission and the governments of Cen-
20 tral and Eastern European countries to improve the secu-
21 rity of their telecommunication networks, including
22 through providing diplomatic and political support to the
23 European Commission and Central and Eastern European
24 countries, as necessary—

1 (1) to ensure European telecommunication net-
2 works are built securely, consistent with democratic
3 values and principles such as privacy, including
4 through early-stage project support and late-stage
5 project support for the construction or improvement
6 of telecommunication and related infrastructure;

7 (2) to remove covered telecommunication equip-
8 ment or services and replace such equipment or serv-
9 ices with secure telecommunication equipment or
10 services;

11 (3) to support the development of telecommuni-
12 cation networks that are inclusive, transparent, eco-
13 nomically viable, financially, environmentally, and
14 socially sustainable, compliant with international
15 standards, laws, and regulations, and supplied by
16 providers of secure telecommunication equipment or
17 services; and

18 (4) to facilitate international coordination on
19 cross-border telecommunication infrastructure con-
20 struction and security standards to ensure cross-bor-
21 der telecommunications are secure.

22 (b) PROJECT SELECTION.—

23 (1) IN GENERAL.—The Secretary of State, the
24 Chief Executive Officer of the United States Inter-
25 national Development Finance Corporation, and the

1 Director of the Trade and Development Agency shall
2 jointly identify telecommunication infrastructure
3 projects that would advance the United States na-
4 tional security and be appropriate for United States
5 assistance under this section.

6 (2) PROJECT ELIGIBILITY.—A project is eligible
7 for United States assistance under this section if—

8 (A) the project—

9 (i) improves telecommunication net-
10 works through either hard infrastructure,
11 such as telecommunication lines, towers,
12 antennas, or other equipment, or soft in-
13 frastructure, such as innovative software
14 development or cloud services;

15 (ii) is inclusive, transparent, economi-
16 cally viable, financially, environmentally,
17 and socially sustainable, compliant with
18 international standards, laws, and regula-
19 tions, and supplied with secure tele-
20 communication equipment or services solely
21 by providers of secure telecommunication
22 equipment or services; and

23 (iii) does not use covered tele-
24 communication equipment or services or
25 removes covered telecommunication equip-

1 ment or services and replaces such equip-
2 ment or services with secure telecommuni-
3 cation equipment or services; and

4 (B) the project is located in a covered
5 country.

6 (3) PREFERENCE.—In selecting among projects
7 that are eligible under paragraph (2), the heads of
8 the Federal departments and agencies specified in
9 subsection (a) shall give preference to projects
10 that—

11 (A) are located in Ukraine;

12 (B) can attract funding from the private
13 sector, an international financial institution, the
14 government of the country in which the project
15 will be carried out, or the European Commis-
16 sion;

17 (C) have been designated as available for
18 funding through the Three Seas Initiative In-
19 vestment Fund;

20 (D) are to be carried out in the Three Seas
21 Initiative member nations;

22 (E) are to be carried out in NATO mem-
23 ber states that meet or are making progress to-
24 ward meeting their commitments to upholding
25 the rule of law and preserving democratic insti-

tutions in accordance with the preamble and Article 2 of the North Atlantic Treaty;

(F) are to be carried out in NATO member states that meet or are making demonstrable progress toward meeting their defense spending commitments in accordance with the 2014 NATO Wales Summit Declaration; or

(G) have the potential to advance United States economic interests.

(c) TYPES OF ASSISTANCE.—

(1) DIPLOMATIC AND POLITICAL SUPPORT.—

The Secretary of State shall provide diplomatic and political support to the covered countries, as necessary, including by using the diplomatic and political influence and expertise of the Department of State to build the capacity of covered countries to resolve any impediments to the development of projects selected under subsection (b).

(2) INTERNATIONAL FINANCIAL INSTITUTIONS

SUPPORT.—The Secretary of State shall seek to encourage international financial institutions, including the European Bank for Reconstruction and Development, the European Investment Bank, and the International Monetary Fund, the Foreign, Commonwealth, and Development Office of the Govern-

1 ment of the United Kingdom, the Agency for Inter-
2 national Cooperation of the Government of Ger-
3 many, and the Development Agency of the Govern-
4 ment of France to invest in telecommunication infra-
5 structure resilience in Central and Eastern Europe.

6 (3) EARLY-STAGE PROJECT SUPPORT.—The Di-
7 rector of the Trade and Development Agency shall
8 provide early-stage project support with respect to
9 projects selected under subsection (b), as necessary.

10 (4) LATE-STAGE PROJECT SUPPORT.—The
11 heads of the Federal departments and agencies spec-
12 ified in subsection (a) that provide late-stage project
13 support shall do so, with respect to projects selected
14 under subsection (b), as necessary.

15 (5) UNITED STATES INTERNATIONAL DEVELOP-
16 MENT FINANCE CORPORATION SUPPORT.—The
17 United States International Development Finance
18 Corporation is authorized to provide support for
19 projects under this section in covered countries that
20 are countries with upper-middle-income economies or
21 high-income economies (as those terms are defined
22 by the International Bank for Reconstruction and
23 Development and the International Development As-
24 sociation (collectively referred to as the “World
25 Bank”)), notwithstanding the restriction contained

1 in section 1412(c)(2) of the Better Utilization of In-
2 vestments Leading to Development Act of 2018 (22
3 U.S.C. 9612(c)(2)).

4 **SEC. 5. REPORT.**

5 (a) IN GENERAL.—Not later than 1 year after the
6 date of the enactment of this Act, and annually thereafter
7 for 5 years, the President shall submit to the appropriate
8 congressional committees a report on the progress made
9 in providing assistance for projects under section 4 that
10 includes—

11 (1) a description of the telecommunications in-
12 frastructure projects the United States has identi-
13 fied for such assistance; and

14 (2) for each such project—

15 (A) a description of the role of the United
16 States in the project, including in early-stage
17 project support and late-stage project support;

18 (B) the amount and form of debt financ-
19 ing, equity financing, and insurance provided by
20 the United States Government, the Three Seas
21 Initiative Investment Fund, and international
22 financial institutions, including the European
23 Bank for Reconstruction and Development, the
24 European Investment Bank, and the Inter-
25 national Monetary Fund, the Foreign, Com-

monwealth, and Development Office of the Government of the United Kingdom, the Agency for International Cooperation of the Government of Germany, and the Development Agency of the Government of France for the project;

(C) the contractual terms of the project that preclude the use of covered telecommunication equipment or services and steps taken to ensure providers of telecommunication equipment or services meet such contractual terms; and

(D) an update on the progress made on the project as of the date of the report.

(b) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term “appropriate congressional committees” means—

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

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

SEC. 6. DEFINITIONS.

In this Act:

(1) COVERED COUNTRY.—The term “covered country” includes—

1 (A) any member state of the North Atlan-
2 tic Treaty Organization that—

3 (i) shares a border with the Russian
4 Federation; and

5 (ii) according to World Bank official
6 data for 2020, has a Gross Domestic Prod-
7 uct per capita, adjusted for purchasing
8 power parity, of less than \$45,000; and

9 (B) any European country that—

10 (i) has not participated or aided in
11 Russia’s invasion of Ukraine; and

12 (ii) according to World Bank official
13 data for 2020, has a Gross Domestic Prod-
14 uct per capita, adjusted for purchasing
15 power parity, of less than \$34,000.

16 (2) COVERED TELECOMMUNICATION EQUIP-
17 MENT OR SERVICES.—The term “covered tele-
18 communication equipment or services” means any of
19 the following:

20 (A) Telecommunication equipment or serv-
21 ices produced or provided by Huawei Tech-
22 nologies Company or ZTE Corporation (or any
23 subsidiary or affiliate of such entities).

24 (B) Telecommunication equipment or serv-
25 ices produced or provided by an entity that the

1 Secretary of State, in consultation with the Di-
2 rector of National Intelligence, reasonably be-
3 lieves to be an entity owned or controlled by, or
4 otherwise connected to, the People’s Republic of
5 China or the Russian Federation.

6 (3) EARLY-STAGE PROJECT SUPPORT.—The
7 term “early-stage project support” includes—

8 (A) feasibility studies;

9 (B) resource evaluations;

10 (C) project appraisal and costing;

11 (D) pilot projects;

12 (E) commercial support, such as trade
13 missions, reverse trade missions, technical
14 workshops, international buyer programs, and
15 international partner searchers to link suppliers
16 to projects;

17 (F) technical assistance and other guid-
18 ance to improve the local regulatory environ-
19 ment and market frameworks to encourage
20 transparent competition and enhance tele-
21 communication security; and

22 (G) long-term telecommunication sector
23 planning.

24 (4) LATE-STAGE PROJECT SUPPORT.—The term
25 “late-stage project support” includes debt financing,

1 equity financing, insurance, and transaction advisory
2 services.

3 (5) SECURE TELECOMMUNICATION EQUIPMENT
4 OR SERVICES.—The term “secure telecommunication
5 equipment or services” means telecommunication
6 equipment or services that are not, and do not con-
7 tain, covered telecommunication equipment or serv-
8 ices.

Passed the House of Representatives April 27, 2022.

Attest: CHERYL L. JOHNSON,
Clerk.