

117TH CONGRESS  
2D SESSION

# S. 4112

To address issues involving the economic statecraft of the United States,  
and for other purposes.

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IN THE SENATE OF THE UNITED STATES

APRIL 28, 2022

Mr. MENENDEZ introduced the following bill; which was read twice and  
referred to the Committee on Foreign Relations

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## A BILL

To address issues involving the economic statecraft of the  
United States, 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 (a) SHORT TITLE.—This Act may be cited as the  
5 “Economic Statecraft for the Twenty-First Century Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for  
7 this Act is as follows:

Sec. 1. Short title.  
Sec. 2. Findings.

### TITLE I—CONFRONT

#### Subtitle A—Economic Coercion

Sec. 101. Mandatory disclosure of Chinese debt in aid-related applications.

- Sec. 102. Coordination with the Organisation for Economic Co-operation and Development on Chinese engagement.
- Sec. 103. Countering Chinese Economic Coercion Task Force.
- Sec. 104. Strategy to counter Chinese economic coercion on countries and entities that support Taiwan.

#### Subtitle B—Investment Security

- Sec. 111. Provision of assistance to allies and partners with respect to reviewing foreign investment.

#### Subtitle C—Anti-competition

- Sec. 121. Improvement of anti-counterfeiting measures.
- Sec. 122. Intellectual property violators list.
- Sec. 123. Report on subsidies provided by Government of People's Republic of China.

#### Subtitle D—Supply Chains

- Sec. 131. Definitions.
- Sec. 132. Department of State diplomatic strategy on semiconductor manufacturing equipment export controls.
- Sec. 133. Prohibition on commercial export of semiconductor manufacturing equipment to People's Republic of China.
- Sec. 134. Annual semiconductor industry monitoring report on the People's Republic of China.
- Sec. 135. Supply chain coordination.
- Sec. 136. Statement of policy on international cooperation to secure critical mineral supply chains.
- Sec. 137. Prioritization of efforts and assistance to secure critical mineral supply chains.
- Sec. 138. Leveraging international support.

### TITLE II—COMPETE

#### Subtitle A—Infrastructure

- Sec. 201. Sense of Congress on the Build Back Better World initiative.
- Sec. 202. Office of Strategic Investments in United States International Development Finance Corporation.
- Sec. 203. Prohibition on transfer of sovereign loan guarantees to United States International Development Finance Corporation.
- Sec. 204. Strategy for promoting and strengthening nearshoring.
- Sec. 205. Sense of Congress on the Blue Dot Initiative.
- Sec. 206. Sense of Congress on the Three Seas Initiative.

#### Subtitle B—Energy

- Sec. 211. Sense of Congress regarding United States engagement at the World Economic Forum.
- Sec. 212. Clean energy efforts of the United States International Development Finance Corporation.
- Sec. 213. Consistency in United States policy on development finance and climate change.
- Sec. 214. Energy diplomacy and security within the Department of State.
- Sec. 215. United States and European Union cooperation on climate finance for developing countries.

Subtitle C—Technology

- Sec. 221. United States leadership and representation in standards-setting bodies.
- Sec. 222. Sense of Congress on cooperation with the G20 Digital Economy Working Group.
- Sec. 223. Statement of policy on artificial intelligence and the global economy.
- Sec. 224. Diplomatic strategy for artificial intelligence.
- Sec. 225. International collaboration on research and development.

Subtitle D—International Financial Institutions and Multilateral Economic Organizations

- Sec. 231. Statement of policy on United States leadership at international financial institutions.
- Sec. 232. Loans to the Poverty Reduction and Growth Trust of the International Monetary Fund.
- Sec. 233. Clearing World Bank Group arrears.
- Sec. 234. 10th general capital increase for the Inter-American Development Bank.
- Sec. 235. Participation of Taiwan in Inter-American Development Bank.
- Sec. 236. Increased United States cooperation with Asia-Pacific Economic Cooperation.

Subtitle E—Resilience

- Sec. 241. Sense of Congress regarding United States leadership in recovery and resiliency.
- Sec. 242. Sense of Congress regarding improving resilience capacities through foreign assistance.
- Sec. 243. Office of Economic Resiliency.
- Sec. 244. Establishment of Resilience Trust Fund at the World Bank.

**1 SEC. 2. FINDINGS.**

2 Congress makes the following findings:

- 3 (1) As of 2020, the United States accounts for
- 4 nearly 25 percent of the world's gross domestic
- 5 product, amounting to approximately
- 6 \$20,953,000,000,000. The United States has major
- 7 business dealings on almost every continent with in-
- 8 volvement in multilateral financial systems, bilateral
- 9 and multilateral economic partnerships, and a robust
- 10 economy that held nearly 30 percent of the world's
- 11 share of research and development in 2019.

1           (2) Since World War II, the United States has  
2       been a leader in the global economy, as dem-  
3       onstrated by its membership in economic-focused  
4       multilateral organizations such as the World Bank,  
5       the International Finance Corporation, the Inter-  
6       national Labour Organization, and the Group of  
7       Twenty (G20). The United States has leveraged its  
8       economic advantage to ensure its national security in  
9       countless instances, such as through the investment  
10      of billions of dollars used to rebuild Europe and re-  
11      store world order following World War II.

12          (3) The robust economy of the United States is  
13      directly tied to its ability to engage economically,  
14      diplomatically, and militarily with allies and adver-  
15      saries. In a 2019 Pew Research study, of the coun-  
16      tries surveyed, 46 percent of Asia-Pacific countries,  
17      37 percent of European countries, and 47 percent of  
18      Middle Eastern countries view the United States as  
19      the world's leading economic power. African coun-  
20      tries that had an overall more favorable impression  
21      of the People's Republic of China have consequently  
22      been engaging in greater economic partnerships with  
23      the People's Republic of China, amounting to ap-  
24      proximately \$2,960,000,000 in 2020.

1           (4) According to the Organisation for Economic  
2       Co-operation and Development, about 70 percent of  
3       global economic activity occurs through global value  
4       chains. Driven by a greater outsourcing of service  
5       industry work and greater financial and business  
6       service linkages with Europe, the United States has  
7       increased its engagement with global value chains in  
8       both the manufacturing and services industries. Al-  
9       though the United States has attempted to encour-  
10      age value-based practices in international business  
11      through business advisories, public diplomacy, and  
12      other economic tools, countries like the People's Re-  
13      public of China do not operate with such value-ori-  
14      ented business operations.

15           (5) In 2020, exports made up 10 percent of the  
16      United States economy, and the United States uti-  
17      lizes export controls to safeguard its economic edge  
18      and national security interests. As has been seen in  
19      the case of export controls imposed through the En-  
20      tity List maintained by the Bureau of Industry and  
21      Security of the Department of Commerce to restrict  
22      dual-use trade with the People's Republic of China,  
23      such controls curtail potential militant activity by  
24      the People's Liberation Army in the South China  
25      Sea, human rights abuses, and the use of semicon-

1        ductor technology for military purposes. The ex-  
2        panded usage of export controls can continue to ben-  
3        efit United States economic security.

4            (6) International financial institutions such as  
5        the World Bank, the International Monetary Fund,  
6        the Inter-American Development Bank, and the Af-  
7        rican Development Bank have key roles in encour-  
8        aging regional cooperation, sustaining economic de-  
9        velopment, reducing global greenhouse gas emis-  
10       sions, and reducing global poverty. Those values are  
11       in line with United States international development  
12       practices, a commonality that can be leveraged for  
13       greater coordinated cooperation in the future, espe-  
14       cially in the wake of the COVID–19 pandemic, in-  
15       cluding as follows:

16            (A) To meet the needs of developing coun-  
17        tries that need to repay debt amounting to ap-  
18        proximately \$860,000,000,000 in 2020, United  
19        States cooperation with key multilateral organi-  
20        zations in the smooth rollout of the Debt Serv-  
21        ice Suspension Initiative Refresher can ensure  
22        global economic recovery from the pandemic  
23        while mitigating the risk of loan default.

24            (B) The rise in debt transparency has be-  
25        come a critical issue as more countries become

1           unaware of the full extent of their sovereign  
2           debt as a result of predatory lending and poor  
3           debt management. The continued support by  
4           the United States of international financial in-  
5           stitutions can facilitate reforms that go beyond  
6           the 2003 proposal of the International Mone-  
7           tary Fund for a Sovereign Debt Restructuring  
8           Mechanism.

9           (7) Despite the impact of the COVID–19 pan-  
10          demic, which has had devastating effects on global  
11          supply chains and economic productivity, the econ-  
12          omy of the People’s Republic of China continues to  
13          grow. As a result, global investors are looking more  
14          toward the People’s Republic of China, instead of  
15          the United States, for potential economic activity  
16          and are willing to turn a blind eye to the People’s  
17          Republic of China’s human rights violations, includ-  
18          ing its use of forced labor in the Xinjiang Uyghur  
19          Autonomous Region.

20          (8) The United States, as a major economic  
21          leader, has a role in preventing predatory economic  
22          practices, such as loans to developing countries from  
23          the Government of the People’s Republic of China  
24          through the Belt and Road Initiative. As the Peo-  
25          ple’s Republic of China has come to fill the role of

1 an economic leader to many developing countries  
 2 with its lending, the United States stands to lose  
 3 economically from its trading partners being stuck  
 4 in billion dollar debt traps. Furthermore, such pred-  
 5 atory practices have come to the United States with  
 6 the increase of foreign investment in the United  
 7 States from \$4,400,000,000,000 to  
 8 \$4,630,000,000,000 over the course of 2020.

## 9 **TITLE I—CONFRONT**

### 10 **Subtitle A—Economic Coercion**

#### 11 **SEC. 101. MANDATORY DISCLOSURE OF CHINESE DEBT IN** 12 **AID-RELATED APPLICATIONS.**

13 (a) IN GENERAL.—The United States International  
 14 Development Finance Corporation, the United States  
 15 Agency for International Development, the Trade and De-  
 16 velopment Agency, the Millennium Challenge Corporation,  
 17 and other independent and executive branch agencies re-  
 18 sponsible for disbursing foreign aid and development as-  
 19 sistance shall require all applicants for United States aid  
 20 to disclose any debt the applicant may owe to any entity  
 21 known to be owned or controlled by the Government of  
 22 the People’s Republic of China, including loan amounts,  
 23 duration, rates, and contractual provisions.

24 (b) LIMITATION.—United States foreign aid and de-  
 25 velopment assistance may not be used to amortize any



1 loan principal owed to any entity known to be owned or  
 2 controlled by the Government of the People's Republic of  
 3 China.

4 **SEC. 102. COORDINATION WITH THE ORGANISATION FOR**  
 5 **ECONOMIC CO-OPERATION AND DEVELOP-**  
 6 **MENT ON CHINESE ENGAGEMENT.**

7 (a) IN GENERAL.—The Secretary of State shall co-  
 8 ordinate with willing Organisation for Economic Co-oper-  
 9 ation and Development member countries—

10 (1) to study the effects of the People's Republic  
 11 of China's Belt and Road Initiative and other preda-  
 12 tory economic practices;

13 (2) to create a shared set of facts and promote  
 14 more transparency with respect to such practices, in-  
 15 cluding a joint stocktaking of the People's Republic  
 16 of China's distortive economic practices, such as  
 17 subsidies and other forms of market-distorting state  
 18 intervention in the People's Republic of China's  
 19 economy, and the negative global spillovers from  
 20 such practices;

21 (3) to establish a solid definitional foundation  
 22 for future dialogues on the People's Republic of Chi-  
 23 na's unfair economic practices and a clear under-  
 24 standing of common concerns and priorities among  
 25 member countries; and

1 (4) to issue joint informational reports that  
2 contain the results of such data gathering efforts.

3 **SEC. 103. COUNTERING CHINESE ECONOMIC COERCION**  
4 **TASK FORCE.**

5 (a) ESTABLISHMENT.—Not later than 180 days after  
6 the date of the enactment of this Act, the President shall  
7 establish an interagency task force, which shall be known  
8 as the “Countering Economic Coercion Task Force” (re-  
9 ferred to in this section as the “Task Force”).

10 (b) DUTIES.—

11 (1) IN GENERAL.—The Task Force shall—

12 (A) oversee the development and imple-  
13 mentation of an integrated United States Gov-  
14 ernment strategy to respond to coercive eco-  
15 nomic practices of the People’s Republic of  
16 China that are abusive, arbitrary, pretextual,  
17 and contrary to international rules, which shall  
18 include—

19 (i) systematically monitoring and eval-  
20 uating—

21 (I) the costs of such practices on  
22 United States businesses and overall  
23 United States economic performance;

24 (II) instances in which such prac-  
25 tices taken against a non-Chinese en-

1                   tity have benefitted United States  
2                   parties; and

3                   (III) the impacts such practices  
4                   have had on United States national  
5                   interests;

6                   (ii) facilitating coordination among  
7                   Federal departments and agencies when  
8                   responding to such practices; and

9                   (iii) proactively deterring such eco-  
10                  nomic coercion;

11                  (B) consult with United States allies and  
12                  partners regarding—

13                   (i) the feasibility and desirability of  
14                   collectively identifying, assessing, and re-  
15                   sponding to the People’s Republic of Chi-  
16                   na’s coercive economic practices;

17                   (ii) actions that could be taken to ex-  
18                   pand international coordination; and

19                   (iii) establishing a consistent, coher-  
20                   ent, and collective international response to  
21                   such coercive practices, including a long-  
22                   term deterrence to such practices;

23                  (C) effectively engage the United States  
24                  private sector, particularly sectors, groups, or  
25                  other entities that are susceptible to such coer-

cive economic practices, to identify their concerns regarding such practices; and

(D) develop and implement a process for regularly sharing relevant information, including classified information, to the extent appropriate and practicable, on such coercive economic practices with United States allies, partners, and the private sector.

(2) CONSULTATION.—In carrying out its duties under this subsection, the Task Force should regularly consult, to the extent necessary and appropriate, with—

(A) relevant stakeholders in the private sector;

(B) Federal departments and agencies that are not represented on the Task Force; and

(C) United States allies and partners.

(c) MEMBERSHIP.—The President shall—

(1) appoint the Chair of the Task Force from among the staff of the National Security Council;

(2) appoint the Vice Chair of the Task Force from among the staff of the National Economic Council; and

(3) direct the head of each of the following Federal departments and agencies to appoint personnel,

1 at the level of Assistant Secretary or higher, to partici-  
2 cipate in the Task Force:

3 (A) The Department of State.

4 (B) The Department of Commerce.

5 (C) The Department of the Treasury.

6 (D) The Department of Justice.

7 (E) The Office of the United States Trade  
8 Representative.

9 (F) The Department of Agriculture.

10 (G) The Office of the Director of National  
11 Intelligence and other appropriate elements of  
12 the intelligence community (as defined in sec-  
13 tion 3 of the National Security Act of 1947 (50  
14 U.S.C. 3003)).

15 (H) The Securities and Exchange Commis-  
16 sion.

17 (I) The United States International Devel-  
18 opment Finance Corporation.

19 (J) Any other department or agency des-  
20 ignated by the President.

21 (d) REPORTS.—

22 (1) INITIAL REPORT.—Not later than 1 year  
23 after the date of the enactment of this Act, the Task  
24 Force shall submit a report to the appropriate con-  
25 gressional committees that includes—

1 (A) a comprehensive review of the array of  
2 economic tools the Government of the People's  
3 Republic of China employs or could employ to  
4 coerce other governments, non-Chinese compa-  
5 nies (including United States companies), and  
6 multilateral institutions and organizations, in-  
7 cluding the Government of the People's Repub-  
8 lic of China's continued efforts to codify infor-  
9 mal practices into its domestic law;

10 (B) the strategy developed pursuant to  
11 subsection (b)(1)(A);

12 (C) an interagency definition of the Peo-  
13 ple's Republic of China's coercive economic  
14 practices that captures—

15 (i) the use of informal or extralegal  
16 coercive economic practices; and

17 (ii) the illegitimate use of formal eco-  
18 nomic tools;

19 (D) a comprehensive review of the array of  
20 economic and diplomatic tools that the United  
21 States Government employs or could employ to  
22 respond to economic coercion against the  
23 United States and United States allies and  
24 partners;

25 (E) a list of unilateral or multilateral—

1 (i) proactive measures to defend or  
2 deter against the People's Republic of Chi-  
3 na's coercive economic practices; and

4 (ii) actions taken in response to the  
5 Government of the People's Republic of  
6 China's general use of coercive economic  
7 practices;

8 (F) an assessment of areas in which  
9 United States allies and partners are vulnerable  
10 to the People's Republic of China's coercive eco-  
11 nomic practices; and

12 (G) a description of the gaps in existing  
13 resources or capabilities of Federal departments  
14 and agencies—

15 (i) to respond effectively to the Peo-  
16 ple's Republic of China's coercive economic  
17 practices directed at United States entities;  
18 and

19 (ii) to assist United States allies and  
20 partners in their responses to such prac-  
21 tices.

22 (2) INTERIM REPORTS.—

23 (A) FIRST INTERIM REPORT.—Not later  
24 than 1 year after the date on which the report  
25 is submitted pursuant to paragraph (1), the

1 Task Force shall submit a report to the appro-  
2 priate congressional committees that includes—

3 (i) updates to the information re-  
4 quired under subparagraphs (A) through  
5 (G) of paragraph (1); and

6 (ii) a description of the activities con-  
7 ducted by the Task Force to implement  
8 the strategy required under subsection  
9 (b)(1)(A).

10 (B) SECOND INTERIM REPORT.—Not later  
11 than 1 year after the date on which the report  
12 is submitted pursuant to subparagraph (A), the  
13 Task Force shall submit a report to the appro-  
14 priate congressional committees that includes  
15 an update to the elements required under the  
16 previously submitted report.

17 (3) FINAL REPORT.—Not later than 30 days  
18 after the date on which the report required under  
19 paragraph (2)(B) is submitted to the appropriate  
20 congressional committees, the Task Force shall sub-  
21 mit a final report to the appropriate congressional  
22 committees and make such report available to the  
23 public on the website of the Executive Office of the  
24 President. The final report shall include—



1 (A) an analysis of the Government of the  
 2 People's Republic of China's coercive economic  
 3 practices, including the cost of such practices to  
 4 United States businesses;

5 (B) a description of areas of particular vul-  
 6 nerability for United States businesses and the  
 7 businesses of United States partners and allies;

8 (C) recommendations on the best means  
 9 for continuing the effort to counter such coer-  
 10 cive practices; and

11 (D) a list of the cases that have been made  
 12 public pursuant to subsection (e).

13 (4) FORM.—

14 (A) INITIAL AND INTERIM REPORTS.—The  
 15 reports required under paragraphs (1), (2)(A),  
 16 and (2)(B) shall be submitted in unclassified  
 17 form, but may include classified annexes.

18 (B) FINAL REPORT.—The report required  
 19 under paragraph (3) shall be submitted in un-  
 20 classified form, but may include a classified  
 21 annex.

22 (e) PUBLICLY AVAILABLE LIST.—

23 (1) IN GENERAL.—Not later than 120 days  
 24 after the date of the enactment of this Act, and  
 25 every 180 days thereafter until its termination pur-

1       suant to subsection (f), the Task Force, to the ex-  
2       tent practicable, shall make available to the public  
3       on the website of the Executive Office of the Presi-  
4       dent a list of instances during the most recent 6-  
5       month period that the Government of the People's  
6       Republic of China has directed coercive economic  
7       practices against a non-Chinese entity.

8               (2) UPDATES.—The list required under para-  
9       graph (1)—

10                   (A) shall be updated every 180 days; and

11                   (B) shall be managed by the Secretary of  
12       State after the Task Force is terminated pursu-  
13       ant to subsection (f).

14       (f) SUNSET.—

15               (1) IN GENERAL.—The Task Force shall be ter-  
16       minated at the end of the 60-day period beginning  
17       on the date on which the final report required under  
18       subsection (d)(3) is submitted to the appropriate  
19       congressional committees and made publicly avail-  
20       able.

21               (2) ADDITIONAL ACTIONS.—During the 60-day  
22       period referred to in paragraph (1), the Task Force  
23       may conclude its activities, including providing testi-  
24       mony to Congress concerning its final report.

1 **SEC. 104. STRATEGY TO COUNTER CHINESE ECONOMIC CO-**  
 2 **ERCION ON COUNTRIES AND ENTITIES THAT**  
 3 **SUPPORT TAIWAN.**

4 (a) IN GENERAL.—Not later than 90 days after the  
 5 date of the enactment of this Act, and every 180 days  
 6 thereafter for the following 5 years, the Secretary of State  
 7 shall submit to Congress a description of the strategy  
 8 being used by the Department of State to respond to the  
 9 Government of the People’s Republic of China’s increased  
 10 economic coercion against countries who have strength-  
 11 ened their ties with, or support for, Taiwan.

12 (b) ASSISTANCE FOR LITHUANIA.—The Secretary of  
 13 State shall provide assistance to Lithuania to support its  
 14 supply chain resilience efforts.

15 **Subtitle B—Investment Security**

16 **SEC. 111. PROVISION OF ASSISTANCE TO ALLIES AND PART-**  
 17 **NERS WITH RESPECT TO REVIEWING FOR-**  
 18 **EIGN INVESTMENT.**

19 The Infrastructure Transaction and Assistance Net-  
 20 work, in consultation with the Committee on Foreign In-  
 21 vestment in the United States and the Office of Technical  
 22 Assistance of the Department of the Treasury, shall, to  
 23 protect the national security of the United States and  
 24 countries that are allies or partners of the United States,  
 25 establish a formal process for—

1           (1) the exchange of information relating to for-  
 2           eign investment with the governments of such coun-  
 3           tries; and

4           (2) the provision of assistance to those coun-  
 5           tries with respect to—

6                   (A) reviewing foreign investment trans-  
 7                   actions in such countries;

8                   (B) determining the beneficial ownership  
 9                   of parties to such transactions; and

10                   (C) identifying trends in investment and  
 11                   technology that could pose risks to the national  
 12                   security of the United States and such coun-  
 13                   tries.

## 14           **Subtitle C—Anti-competition**

### 15   **SEC. 121. IMPROVEMENT OF ANTI-COUNTERFEITING MEAS-** 16           **URES.**

17           (a) INCREASED INSPECTIONS.—

18                   (1) REPORT ON SEIZURES OF COUNTERFEIT  
 19                   GOODS.—Not later than one year after the date of  
 20                   the enactment of this Act, and annually thereafter,  
 21                   the Commissioner of U.S. Customs and Border Pro-  
 22                   tection shall submit to the Committee on Finance of  
 23                   the Senate and the Committee on Ways and Means  
 24                   of the House of Representatives a report on seizures  
 25                   by U.S. Customs and Border Protection of counter-

1       feit goods during the one-year period preceding sub-  
2       mission of the report, including the number of such  
3       seizures disaggregated by category of good, source  
4       country, and mode of transport.

5           (2) INCREASED INSPECTIONS OF GOODS FROM  
6       CERTAIN COUNTRIES.—The Commissioner shall in-  
7       crease inspections of imports of goods from each  
8       source country identified in the report required by  
9       subsection (a) as one of the top source countries of  
10      counterfeit goods, as determined by the Commis-  
11      sioner.

12      (b) PUBLICATION OF CRITERIA FOR NOTORIOUS  
13      MARKETS LIST.—Not later than 2 years after the date  
14      of the enactment of this Act, and not less frequently than  
15      every 5 years thereafter, the United States Trade Rep-  
16      resentative shall publish in the Federal Register criteria  
17      for determining that a market is a notorious market for  
18      purposes of inclusion of that market in the list developed  
19      by the Trade Representative pursuant to section 182(e)  
20      of the Trade Act of 1974 (19 U.S.C. 2242(e)) (commonly  
21      known as the “Notorious Markets List”).

22      **SEC. 122. INTELLECTUAL PROPERTY VIOLATORS LIST.**

23      (a) IN GENERAL.—Not later than one year after the  
24      date of the enactment of this Act, and not less frequently  
25      than annually thereafter for 5 years, the Secretary of

1 State, in coordination with the Secretary of Commerce,  
2 the Attorney General, the United States Trade Represent-  
3 ative, and the Director of National Intelligence, shall cre-  
4 ate a list (referred to in this section as the “intellectual  
5 property violators list”) that identifies—

6 (1) all centrally administered state-owned enter-  
7 prises incorporated in the People’s Republic of  
8 China that have benefitted from—

9 (A) a significant act or series of acts of in-  
10 tellectual property theft that subjected an eco-  
11 nomic sector of the United States or a company  
12 incorporated in the United States to harm; or

13 (B) an act or government policy of involun-  
14 tary or coerced technology transfer of intellec-  
15 tual property ultimately owned by a company  
16 incorporated in the United States; and

17 (2) any corporate officer of, or principal share-  
18 holder with controlling interests in, an entity de-  
19 scribed in paragraph (1).

20 (b) RULES FOR IDENTIFICATION.—To determine  
21 whether there is a credible basis for determining that an  
22 entity should be included on the intellectual property viola-  
23 tors list, the Secretary of State, in coordination with the  
24 Secretary of Commerce, the United States Trade Rep-

1 representative, and the Director of National Intelligence,  
2 shall consider—

3           (1) any finding by a court in the United States  
4           that the entity has violated relevant United States  
5           laws intended to protect intellectual property rights;  
6           or

7           (2) substantial and credible information re-  
8           ceived from any entity described in subsection (c) or  
9           other interested persons.

10          (c) CONSULTATION.—In carrying out this section, the  
11 Secretary of State, in coordination with the Secretary of  
12 Commerce, the United States Trade Representative, and  
13 the Director of National Intelligence, may consult, as nec-  
14 essary and appropriate, with—

15           (1) other Federal agencies, including inde-  
16           pendent agencies;

17           (2) entities in the private sector;

18           (3) civil society organizations with relevant ex-  
19           pertise; and

20           (4) the Governments of Australia, Canada,  
21           countries in the European Union, Japan, New Zea-  
22           land, South Korea, and the United Kingdom.

23          (d) REPORT.—

24           (1) IN GENERAL.—Not later than one year  
25           after the date of the enactment of this Act, and an-

1 nually thereafter for 5 years, the Secretary of State  
2 shall publish in the Federal Register a report that—

3 (A) lists the entities described in sub-  
4 section (a)(1);

5 (B) describes the circumstances sur-  
6 rounding acts or policies described in subsection  
7 (a)(1)(B), including any role of the Government  
8 of the People’s Republic of China;

9 (C) assesses, to the extent practicable, the  
10 economic advantage derived by entities de-  
11 scribed in subsection (a)(1); and

12 (D) assesses whether each entity described  
13 in subsection (a)(1) is using or has used stolen  
14 intellectual property in commercial activity in  
15 Australia, Canada, the European Union, Japan,  
16 New Zealand, South Korea, the United King-  
17 dom, or the United States.

18 (2) FORM.—The report published under para-  
19 graph (1) shall be unclassified, but may include a  
20 classified annex.

21 (3) DECLASSIFICATION AND RELEASE.—The  
22 Director of National Intelligence may authorize the  
23 declassification of information, as appropriate, to in-  
24 form the contents of the report published under  
25 paragraph (1).



1 (e) REQUIREMENT TO PROTECT CONFIDENTIAL  
2 BUSINESS INFORMATION.—

3 (1) IN GENERAL.—The Secretary of State and  
4 the head of any other Federal agency involved in the  
5 production of the intellectual property violators list  
6 shall protect from disclosure any proprietary infor-  
7 mation submitted by a private sector party and  
8 marked as confidential business information, unless  
9 the party submitting the information—

10 (A) had notice, at the time of submission,  
11 that such information would be disclosed by the  
12 Secretary; or

13 (B) subsequently consents to the disclosure  
14 of such information.

15 (2) NONCONFIDENTIAL VERSION OF REPORT.—

16 If confidential business information is provided by a  
17 private sector party in connection with the produc-  
18 tion of the intellectual property violators list, the  
19 Secretary of State shall publish a nonconfidential  
20 version of the report under subsection (d) in the  
21 Federal Register that summarizes or deletes, if nec-  
22 essary, the confidential business information.

23 (3) TREATMENT AS TRADE SECRETS.—Propri-  
24 etary information submitted by a private sector  
25 party under this section—

1 (A) shall be considered to be trade secrets  
 2 and commercial or financial information exempt  
 3 under subsection (b)(4) of section 552 of title  
 4 5, United States Code, from being made avail-  
 5 able to the public under subsection (a) of that  
 6 section; and

7 (B) shall be exempt from disclosure with-  
 8 out the express approval of the party.

9 **SEC. 123. REPORT ON SUBSIDIES PROVIDED BY GOVERN-**  
 10 **MENT OF PEOPLE'S REPUBLIC OF CHINA.**

11 (a) REPORT.—Not later than one year after the date  
 12 of the enactment of this Act, and annually thereafter for  
 13 5 years, the Secretary of State, in coordination with the  
 14 United States Trade Representative and the Secretary of  
 15 Commerce, shall submit to the appropriate congressional  
 16 committees a report that identifies—

17 (1) subsidies provided by the central govern-  
 18 ment of the People's Republic of China to enter-  
 19 prises in the People's Republic of China; and

20 (2) discriminatory treatment favoring enter-  
 21 prises in the People's Republic of China over foreign  
 22 market participants.

23 (b) ELEMENTS OF REPORT.—In compiling each re-  
 24 port under subsection (a), the Secretary of State shall con-  
 25 sider—

1 (1) regulatory and other policies enacted or pro-  
 2 moted by the central government of the People's Re-  
 3 public of China that—

4 (A) discriminate in favor of enterprises in  
 5 the People's Republic of China at the expense  
 6 of foreign market participants;

7 (B) shield centrally administered, state-  
 8 owned enterprises from competition; or

9 (C) otherwise suppress market-based com-  
 10 petition;

11 (2) financial subsidies, including favorable lend-  
 12 ing terms, from or promoted by the central govern-  
 13 ment of the People's Republic of China or centrally  
 14 administered, state-owned enterprises in the People's  
 15 Republic of China that materially benefit enterprises  
 16 in the People's Republic of China over foreign mar-  
 17 ket participants in contravention of generally accept-  
 18 ed market principles; and

19 (3) any subsidy that meets the definition of  
 20 subsidy under article 1 of the Agreement on Sub-  
 21 sidies and Countervailing Measures referred to in  
 22 section 101(d)(12) of the Uruguay Round Agree-  
 23 ments Act (19 U.S.C. 3511(d)(12)).

24 (c) FORM OF REPORT.—Each report required by sub-  
 25 section (a) may be submitted in classified form.

1 (d) CONSULTATION.—In carrying out this section,  
 2 the Secretary of State, in coordination with the Secretary  
 3 of Commerce and the United States Trade Representative,  
 4 may, as necessary and appropriate, consult with—

5 (1) other Federal agencies, including inde-  
 6 pendent agencies;

7 (2) the private sector; and

8 (3) civil society organizations with relevant ex-  
 9 pertise.

10 (e) APPROPRIATE CONGRESSIONAL COMMITTEES DE-  
 11 FINED.—In this section, the term “appropriate congres-  
 12 sional committees” means—

13 (1) the Committee on Foreign Relations and  
 14 the Committee on Finance of the Senate; and

15 (2) the Committee on Foreign Affairs and the  
 16 Committee on Ways and Means of the House of  
 17 Representatives.

## 18 **Subtitle D—Supply Chains**

### 19 **SEC. 131. DEFINITIONS.**

20 In this subtitle:

21 (1) COVERED ITEM.—The term “covered item”  
 22 includes semiconductor manufacturing equipment,  
 23 including extreme ultraviolet photolithography equip-  
 24 ment and argon fluoride immersion photolithography  
 25 equipment.

1           (2) CRITICAL MINERAL.—The term “critical  
2       mineral” has the meaning given the term in section  
3       7002(a) of the Energy Act of 2020 (30 U.S.C.  
4       1606(a)).

5           (3) EXPORT; IN-COUNTRY TRANSFER; REEX-  
6       PORT.—The terms “export”, “in-country transfer”,  
7       and “reexport” have the meanings given those terms  
8       in section 1742 of the Export Control Reform Act  
9       of 2018 (50 U.S.C. 4801).

10 **SEC. 132. DEPARTMENT OF STATE DIPLOMATIC STRATEGY**  
11                               **ON     SEMICONDUCTOR     MANUFACTURING**  
12                               **EQUIPMENT EXPORT CONTROLS.**

13       (a) REQUIRED STRATEGY.—Not later than 180 days  
14 after the date of the enactment of this Act, the Secretary  
15 of State, in consultation with the Secretary of Commerce,  
16 the heads of other relevant Federal agencies, and private  
17 sector entities, shall develop a strategy to diplomatically  
18 engage the governments of the Netherlands, Japan, and  
19 other appropriate countries for the purposes of coordi-  
20 nating, developing, and instituting controls on the export  
21 of covered items to the People’s Republic of China.

22       (b) ASPECTS OF THE STRATEGY.—The diplomatic  
23 strategy required by subsection (a) shall include—

1           (1) a review of United States technological as-  
2       sets and capabilities in semiconductor manufacturing  
3       equipment, including photolithography;

4           (2) an assessment of how export controls on  
5       semiconductor manufacturing equipment can be in-  
6       tegrated into a broader United States technology  
7       strategy that includes support for—

8               (A) research and development;

9               (B) investment screening;

10              (C) talent recruitment and retention;

11              (D) standard setting;

12              (E) international partnerships; and

13              (F) supply chain security;

14           (3) a plan of action to guide relevant United  
15       States engagement with the Netherlands, Japan,  
16       and other appropriate countries, including con-  
17       ducting bilateral and multilateral engagements to  
18       formulate export controls on semiconductor manu-  
19       facturing equipment;

20           (4) a plan of action to guide United States en-  
21       gagement with foreign entities that develop, con-  
22       struct, and export semiconductor manufacturing  
23       equipment;

1           (5) a review of the potential diplomatic, eco-  
2       nomic, and security effects of implementing export  
3       controls on semiconductor manufacturing equipment;

4           (6) an analysis of the impact of export controls  
5       on semiconductor manufacturing equipment on the  
6       semiconductor manufacturing industry and artificial  
7       intelligence chipmaking capabilities of the People's  
8       Republic of China;

9           (7) a review of the potential economic impacts  
10      on United States entities if export controls on semi-  
11      conductor manufacturing equipment are imple-  
12      mented; and

13          (8) specific, measurable metrics of success for  
14      United States diplomatic activities related to semi-  
15      conductor manufacturing equipment.

16      (c) OBJECTIVES OF THE STRATEGY.—The objectives  
17      of the diplomatic strategy required by subsection (a) are—

18          (1) to formulate a political arrangement among  
19      the United States, Japan, the Netherlands, and  
20      other appropriate countries for the control of exports  
21      of covered items to the People's Republic of China;

22          (2) to maintain United States and allied tech-  
23      nological advantages in semiconductor manufac-  
24      turing equipment;

1           (3) to protect the interests of United States and  
 2           allied companies operating in the field of semicon-  
 3           ductor manufacturing and semiconductor manufac-  
 4           turing equipment; and

5           (4) to ensure the United States continues to en-  
 6           gage with allies on efforts involving the development  
 7           and protection of a free, equitable, open, secure, and  
 8           stable digital domain.

9           (d) FORM.—The strategy required by subsection (a)  
 10          shall be submitted to the appropriate congressional com-  
 11          mittees in unclassified form, but may include a classified  
 12          annex.

13          (e) APPROPRIATE CONGRESSIONAL COMMITTEES DE-  
 14          FINED.—In this section, the term “appropriate congres-  
 15          sional committees” means—

16               (1) the Committee on Foreign Relations and  
 17               the Committee on Commerce, Science, and Trans-  
 18               portation; and

19               (2) the Committee on Foreign Affairs and the  
 20               Committee on Energy and Commerce.

21      **SEC. 133. PROHIBITION ON COMMERCIAL EXPORT OF SEMI-**  
 22                                      **CONDUCTOR MANUFACTURING EQUIPMENT**  
 23                                      **TO PEOPLE’S REPUBLIC OF CHINA.**

24          (a) IN GENERAL.—Following the completion of the  
 25          strategy required by section 132, the President shall pro-



hibit the export, reexport, and in-country transfer of covered items to the People’s Republic of China.

(b) ADDITIONAL CONTROLS.—The President may prescribe such additional regulations and export controls as are necessary to carry out the strategy required by section 132.

(c) WAIVERS.—The President may waive the application of controls under subsection (a) or (b) with respect to a covered item if the President certifies to the appropriate congressional committees that the export, reexport, or in-country transfer of the covered item is in the national security interests of the United States.

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

(1) the Committee on Foreign Relations, the Committee on Commerce, Science, and Transportation, and the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(2) the Committee on Foreign Affairs, the Committee on Energy and Commerce, and the Committee on Financial Services of the House of Representatives.

1 **SEC. 134. ANNUAL SEMICONDUCTOR INDUSTRY MONI-**  
2 **TORING REPORT ON THE PEOPLE'S REPUB-**  
3 **LIC OF CHINA.**

4 (a) REPORT REQUIRED.—Not later than May 1,  
5 2023, and annually thereafter, the Secretary of State and  
6 the Secretary of Commerce, in concurrence with the Sec-  
7 retary of the Treasury and the Director of the Central  
8 Intelligence Agency, shall submit to the appropriate con-  
9 gressional committees a report on the semiconductor man-  
10 ufacturing capabilities of the People's Republic of China.

11 (b) CONTENTS.—The report required by subsection  
12 (a) shall include—

13 (1) a detailed assessment of the domestic semi-  
14 conductor manufacturing capabilities of the People's  
15 Republic of China;

16 (2) a detailed assessment of year-by-year tech-  
17 nological development efforts by the People's Repub-  
18 lic of China in the fields of semiconductor manufac-  
19 turing and artificial intelligence chipmaking, includ-  
20 ing relevant government plans and initiatives;

21 (3) a detailed assessment of engagement be-  
22 tween the People's Republic of China and other for-  
23 eign countries with respect to semiconductor manu-  
24 facturing equipment capabilities;

25 (4) an analysis of the impact of United States  
26 and allied export controls on covered items on devel-

1       opment of semiconductor manufacturing in the Peo-  
2       ple’s Republic of China; and

3               (5) an assessment of whether such export con-  
4       trols remain effective in curbing the development of  
5       semiconductor manufacturing equipment capabilities  
6       in the People’s Republic of China.

7       (c) FORM.—

8               (1) IN GENERAL.—The report required by sub-  
9       section (a) shall be submitted in unclassified form,  
10      but may include a classified annex.

11              (2) PUBLIC AVAILABILITY.—The unclassified  
12      portion of the report required by subsection (a) shall  
13      be made available on a publicly accessible internet  
14      website of the Federal Government.

15      (d) APPROPRIATE CONGRESSIONAL COMMITTEES  
16      DEFINED.—In this section, the term “appropriate con-  
17      gressional committees” means—

18              (1) the Committee on Foreign Relations, the  
19      Committee on Commerce, Science, and Transpor-  
20      tation, the Committee on Banking, Housing, and  
21      Urban Affairs, and the Select Committee on Intel-  
22      ligence of the Senate; and

23              (2) the Committee on Foreign Affairs, the  
24      Committee on Energy and Commerce, the Com-  
25      mittee on Financial Services, and the Permanent Se-

1 lect Committee on Intelligence of the House of Rep-  
2 resentatives.

3 **SEC. 135. SUPPLY CHAIN COORDINATION.**

4 (a) Not later than 180 days after the date of the en-  
5 actment of this Act, the Secretary of State, in consultation  
6 with the Secretary of Commerce, shall submit to the ap-  
7 propriate congressional committees a report on how the  
8 United States is coordinating with its partners and al-  
9 lies—

10 (1) to secure global supply chains, including  
11 supply chains for—

12 (A) semiconductor manufacturing and ad-  
13 vanced packaging;

14 (B) large capacity batteries, including bat-  
15 teries for electric vehicles;

16 (C) critical minerals; and

17 (D) pharmaceuticals and active pharma-  
18 ceutical ingredients;

19 (2) to develop common standards for trans-  
20 parent, trusted, and sustainable supply chains; and

21 (3) to end reliance on the People’s Republic of  
22 China for such supply chains.

23 (b) APPROPRIATE CONGRESSIONAL COMMITTEES  
24 DEFINED.—In this section, the term “appropriate con-  
25 gressional committees” means—

1           (1) the Committee on Foreign Relations, the  
 2           Committee on Commerce, Science, and Transpor-  
 3           tation, the Committee on Banking, Housing, and  
 4           Urban Affairs, and the Select Committee on Intel-  
 5           ligence of the Senate; and

6           (2) the Committee on Foreign Affairs, the  
 7           Committee on Energy and Commerce, the Com-  
 8           mittee on Financial Services, and the Permanent Se-  
 9           lect Committee on Intelligence of the House of Rep-  
 10          resentatives.

11 **SEC. 136. STATEMENT OF POLICY ON INTERNATIONAL CO-**  
 12 **OPERATION TO SECURE CRITICAL MINERAL**  
 13 **SUPPLY CHAINS.**

14          It is the policy of the United States to partner, con-  
 15          sult, and coordinate with foreign governments (at the na-  
 16          tional and subnational levels), civil society, international  
 17          organizations, international financial institutions, sub-  
 18          national communities, commercial and recreational mining  
 19          industry leaders, and the private sector, in a concerted ef-  
 20          fort—

21                 (1) to increase knowledge and raise awareness  
 22                 of the links between mining and refining of critical  
 23                 minerals, national security, climate change, and  
 24                 clean energy development;

1           (2) to improve, in countries in which such min-  
2           ing and refining is conducted, resource mobilization  
3           and processing, transport, and mineral refining ca-  
4           pacity;

5           (3) to develop other strategies to maximize eco-  
6           nomic benefits from critical mineral resource devel-  
7           opment for the countries and communities in which  
8           such development takes place;

9           (4) to promote transparency and combat—

10                 (A) human rights abuses, exploitive labor  
11                 practices, and corruption within the critical  
12                 mineral extraction industry; and

13                 (B) the influence the industry has on poor  
14                 governance, democratic backsliding, and de-  
15                 clines in the rule of law;

16           (5) to support—

17                 (A) strengthening systems and bilateral  
18                 and multilateral partnerships for reducing the  
19                 monopolization of critical minerals and the ex-  
20                 ploitation of workers in the critical mineral ex-  
21                 traction industry and reducing corruption as a  
22                 means—

23                         (i) to ensure the availability of critical  
24                         minerals at competitive market-rate costs;

1 (ii) to uphold adequate labor stand-  
 2 ards to ensure critical minerals are not  
 3 produced at the expense of the lives and  
 4 livelihoods of workers in the critical min-  
 5 eral extraction industry; and

6 (iii) to maintain the integrity of insti-  
 7 tutions governing the extraction and re-  
 8 finement of critical minerals;

9 (B) deployment of and access to advanced  
 10 technologies to recycle critical minerals to ex-  
 11 tend use and application beyond a single use;  
 12 and

13 (C) implementation of management meas-  
 14 ures to track and report instances of corruption  
 15 and exploitation in the critical mineral extrac-  
 16 tion industry; and

17 (6) to work cooperatively with international  
 18 partners—

19 (A) to ensure that the Extractive Indus-  
 20 tries Transparency Initiative has full  
 21 unimpeded and uninfluenced access to global  
 22 critical mineral industrial operations;

23 (B) to establish—

24 (i) an alliance to counter any state or  
 25 private monopolization on the control, sup-

ply chains, or industrial processing and extraction of critical mineral resources;

(ii) measurable targets for reducing corruption and exploitation of workers in the critical mineral extraction industry; and

(iii) action plans to achieve such targets and a mechanism to provide regular reporting;

(C) to promote consumer education, awareness, and outreach on exploitation of workers in the critical mineral extraction industry; and

(D) to share best practices in materials management and industrial systems operations to maximize the benefit of critical mineral resources.

**SEC. 137. PRIORITIZATION OF EFFORTS AND ASSISTANCE  
TO SECURE CRITICAL MINERAL SUPPLY  
CHAINS.**

(a) IN GENERAL.—The Secretary of State shall, in coordination with the heads of other relevant Federal agencies—

(1) lead and coordinate efforts to implement the policy described in section 136; and



1           (2) develop strategies and implement programs  
 2           that prioritize engagement and cooperation with for-  
 3           eign governments, subnational, national, and local  
 4           stakeholders and the private sector to expedite ef-  
 5           forts and assistance in foreign countries—

6                   (A) to partner with, encourage, and advise  
 7           national and subnational governments on the  
 8           development and execution, where practicable,  
 9           of projects, programs, and initiatives—

10                       (i) to improve the capacity, security,  
 11                       and standards of operations of critical min-  
 12                       erals supply chains;

13                       (ii) to monitor and track how well  
 14                       critical minerals supply chains are func-  
 15                       tioning internationally, based on uniform  
 16                       and transparent standards developed in co-  
 17                       operation with municipal, industrial, and  
 18                       civil society stakeholders; and

19                       (iii) to conduct outreach campaigns to  
 20                       raise public awareness of the importance of  
 21                       proper management and oversight of crit-  
 22                       ical mineral supply chains;

23                       (B) to partner with and provide technical  
 24           assistance to investors and national and inter-  
 25           national institutions, including private sector

actors, to develop new business opportunities and solutions to uphold the highest standards in critical mineral supply chains and implement best practices in foreign countries by—

(i) improving and expanding the capacity of foreign industries to responsibly employ extractive industry management practices;

(ii) improving and expanding the capacity and transparency of tracking mechanisms for critical minerals to reduce exploitation and corruption;

(iii) eliminating incentives that undermine responsible supply chain management; and

(iv) building the capacity of countries—

(I) to reduce, monitor, regulate, and manage the extraction, refinement, and transport of critical minerals appropriately and transparently; and

(II) to encourage private investment in critical mineral extraction and refinement.

1 (b) PRIORITIZATION.—In carrying out subsection (a),  
 2 the Secretary of State, in coordination with the heads of  
 3 other relevant Federal agencies, shall prioritize assistance  
 4 to countries and regional organizations in regions with—

- 5 (1) rapidly developing economies; and
- 6 (2) past instances of human rights abuses, ex-  
 7 ploitation, and corruption.

8 (c) EFFECTIVENESS MEASUREMENT.—In prioritizing  
 9 and expediting efforts and assistance under this section,  
 10 the Secretary of State, in consultation with the heads of  
 11 other relevant Federal agencies, shall use clear, account-  
 12 able, and metric-based targets to measure the effectiveness  
 13 of assistance in achieving the policy described in section  
 14 136.

15 **SEC. 138. LEVERAGING INTERNATIONAL SUPPORT.**

16 In implementing the policy described in section 136,  
 17 the President shall direct the Secretary of State and the  
 18 heads of other relevant Federal agencies, to use the voice,  
 19 vote, and influence of the United States, consistent with  
 20 the broad development goals of the United States—

- 21 (1) to work with countries and the private sec-  
 22 tor to break up the monopolization of critical min-  
 23 eral industries;
- 24 (2) to commit to promoting transparent private  
 25 sector development in the critical minerals sector;

1           (3) to enhance coordination with the private  
2           sector to increase access to critical minerals;

3           (4) to provide technical assistance to the regu-  
4           latory authorities of countries that are members of  
5           the body to remove unnecessary barriers to invest-  
6           ment; and

7           (5) to utilize clear, accountable, and metric-  
8           based targets to measure the effectiveness of such  
9           actions.

## 10                   **TITLE II—COMPETE**

### 11                   **Subtitle A—Infrastructure**

#### 12   **SEC. 201. SENSE OF CONGRESS ON THE BUILD BACK BET-** 13                   **TER WORLD INITIATIVE.**

14           It is the sense of Congress that—

15           (1) the United States should exercise leadership  
16           in the Build Back Better World initiative of the  
17           Group of Seven (G7) to mobilize public and private  
18           sector capital and expertise toward meeting the in-  
19           frastructure needs of low- and middle-income coun-  
20           tries, estimated to exceed \$40,000,000,000,000, over  
21           the next two decades;

22           (2) the initiative should also advance strategic  
23           objectives, including—

24                   (A) strengthening partnerships with  
25           emerging market and developing countries to

1 promote quality, transparent infrastructure in-  
2 vestment that also supports good governance  
3 and the rule of law;

4 (B) combating climate change through sus-  
5 tainable infrastructure projects that aid partner  
6 countries in the transition to net zero emis-  
7 sions, reduce their vulnerabilities to climate  
8 change, and improve their resilience;

9 (C) promoting public health and health se-  
10 curity through infrastructure projects that in-  
11 crease the availability, accessibility, and afford-  
12 ability of health care in partner countries;

13 (D) increasing internal and external con-  
14 nections in digital, transportation, and energy  
15 infrastructure in partner countries;

16 (E) improving education, economic oppor-  
17 tunities, and standards of living in marginalized  
18 communities in partner countries, including for  
19 women and girls, racial and ethnic minorities,  
20 individuals with disabilities, individuals who are  
21 lesbian, gay, bisexual, transgender, or queer  
22 (commonly referred to as “LGBTQ+”), and in-  
23 dividuals with low incomes; and

1 (F) providing partners a principled, sus-  
2 tainable alternative to exploitative, coercive, and  
3 harmful infrastructure investments; and

4 (3) the United States should establish a Build  
5 Back Better World Task Force—

6 (A) to coordinate its development finance  
7 agencies, such as the United States Inter-  
8 national Development Finance Corporation, Ex-  
9 port-Import Bank of the United States, the  
10 Trade and Development Agency, the Millen-  
11 nium Challenge Corporation, and the United  
12 States Agency for International Development;

13 (B) to engage international partners such  
14 as the G7, multilateral development banks,  
15 international financial institutions, multi-  
16 national corporations and banks, non-govern-  
17 mental organizations, and other industrial-coun-  
18 try partners;

19 (C) to leverage other development finance  
20 institutions, such as the Blue Dot Network, the  
21 Infrastructure Transaction and Assistance Net-  
22 work, and the Transaction Advisory Fund; and

23 (D) to produce strategic guidance that  
24 identifies international infrastructure projects  
25 and details implementation plans, including—

- 1 (i) an explanation of how each infra-  
2 structure project advances the strategic ob-  
3 jectives described in paragraph (2);
- 4 (ii) a description of consultations, cri-  
5 teria, and justification for such projects;
- 6 (iii) distribution of such projects  
7 across economic sectors and geographical  
8 regions;
- 9 (iv) budget estimates, proposed  
10 sources of financing, and required appro-  
11 priations for such projects;
- 12 (v) lists of timelines and contractual  
13 parties and their respective rights and re-  
14 sponsibilities with respect to such projects;  
15 and
- 16 (vi) certification that such projects—  
17 (I) meet specified standards,  
18 such as those of the Blue Dot Net-  
19 work; and  
20 (II) will not have negative im-  
21 pacts on the environment, local com-  
22 munities, national sovereignty, or eco-  
23 nomic growth.

1 **SEC. 202. OFFICE OF STRATEGIC INVESTMENTS IN UNITED**  
 2 **STATES INTERNATIONAL DEVELOPMENT FI-**  
 3 **NANCE CORPORATION.**

4 The BUILD Act of 2018 (22 U.S.C. 9601 et seq.)  
 5 is amended—

6 (1) in section 1413 (22 U.S.C. 9613)—

7 (A) in subsection (a), by inserting “a Stra-  
 8 tegic Investments Officer,” after “Development  
 9 Officer,”;

10 (B) in subsection (g)(2)(F), by striking  
 11 “subsection (i)” and inserting “subsection (j)”;

12 (C) by redesignating subsections (h) and  
 13 (i) as subsections (i) and (j), respectively;

14 (D) by inserting after subsection (g) the  
 15 following new subsection:

16 “(h) STRATEGIC INVESTMENTS OFFICER.—

17 “(1) APPOINTMENT.—Subject to the approval  
 18 of the Board, the Chief Executive Officer shall ap-  
 19 point a Strategic Investments Officer from among  
 20 individuals with experience in international economic  
 21 policy, who—

22 “(A) shall report directly to the Board;  
 23 and

24 “(B) shall be removable only by a majority  
 25 vote of the Board.



1           “(2) DUTIES.—The Strategic Investments Offi-  
2       cer shall—

3           “(A) coordinate efforts to develop the Cor-  
4       poration’s initiatives—

5           “(i) to counter predatory state-di-  
6       rected investment and coercive economic  
7       practices of adversaries of the United  
8       States; and

9           “(ii) to preserve the sovereignty of  
10      partner countries;

11          “(B) coordinate the Corporation’s strategic  
12      investment policies and implementation efforts  
13      with the Department of State, the Export-Im-  
14      port Bank of the United States, the Trade and  
15      Development Agency, and other relevant United  
16      States Government departments and agencies,  
17      including by directly liaising with missions of  
18      the Department of State to ensure that depart-  
19      ments, agencies, and missions have training,  
20      awareness, and access to the Corporation’s tools  
21      with respect to strategic investment policy and  
22      projects;

23          “(C) manage the responsibilities of the  
24      Corporation under section 1442(b)(5) and para-  
25      graphs (1)(C) and (3)(C) of section 1443(b);

1 “(D) support the Chief Development Offi-  
 2 cer in coordinating and implementing the activi-  
 3 ties of the Corporation under section 1445; and

4 “(E) be an ex officio member of the Devel-  
 5 opment Advisory Council established under sub-  
 6 section (j), and attend each meeting of the  
 7 Council.”;

8 (E) in subsection (i)(3)(C), as so redesign-  
 9 nated, by striking “subsection (i)” and insert-  
 10 ing “subsection (j)”; and

11 (F) by adding at the end the following new  
 12 subsection:

13 “(k) STRATEGIC INVESTMENTS ADVISORY COUN-  
 14 CIL.—

15 “(1) IN GENERAL.—There is established a Stra-  
 16 tegic Investments Advisory Council (in this sub-  
 17 section referred to as the ‘Council’) to advise the  
 18 Board on strategic investment objectives of the Cor-  
 19 poration.

20 “(2) MEMBERSHIP.—Members of the Council  
 21 shall be appointed by the Board, on the rec-  
 22 ommendation of the Chief Executive Officer and the  
 23 Strategic Investment Officer, and shall be composed  
 24 of not more than 9 members from the Department  
 25 of State, the Department of Commerce, the Depart-

ment of Defense, the Department of the Treasury,  
the Department of Energy, and the Office of Science  
and Technology Policy.

“(3) FUNCTIONS.—The Board shall call upon  
members of the Council, either collectively or indi-  
vidually, to advise the Board regarding the extent to  
which the Corporation is meeting the strategic in-  
vestment goals of the United States and any sugges-  
tions for improvements with respect to such goals,  
including opportunities in countries and project de-  
velopment and implementation challenges and oppor-  
tunities.

“(4) FEDERAL ADVISORY COMMITTEE ACT.—  
The Council shall not be subject to the Federal Ad-  
visory Committee Act (5 U.S.C. App.).”;

(2) in section 1442 (22 U.S.C. 9652)—

(A) in subsection (b)—

(i) in paragraph (3), by striking “;  
and” and inserting a semicolon;

(ii) in paragraph (4)(B), by striking  
the period at the end and inserting “;  
and”; and

(iii) by adding at the end the fol-  
lowing new paragraph:

“(5) develop standards for, and a method for ensuring, appropriate strategic investment metrics of the Corporation’s portfolio.”; and

(B) in subsection (d), by striking “1413(i)” and inserting “1413(j)”; and

(3) in section 1443 (22 U.S.C. 9653)—

(A) in subsection (a)—

(i) in paragraph (3), by striking “; and” and inserting a semicolon;

(ii) in paragraph (4), by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following new paragraph:

“(5) the impact of the strategic investments made by the Corporation, which shall be included in a classified annex.”; and

(B) in subsection (b)—

(i) in paragraph (1)—

(I) in subparagraph (A), by striking “; and” and inserting a semicolon;

(II) in subparagraph (B), by adding “and” at the end; and

(III) by adding at the end the following new subparagraph:

“(C) the impact of the Corporation’s strategic investment efforts on United States foreign policy goals;”; and

(ii) in paragraph (3)—

(I) in subparagraph (A), by striking “; and” and inserting a semicolon; and

(II) by adding at the end the following new subparagraph:

“(C) outcomes of the strategic investments portfolio, and whether or not such investments are meeting the foreign policy objectives of the United States; and”.

**SEC. 203. PROHIBITION ON TRANSFER OF SOVEREIGN  
LOAN GUARANTEES TO UNITED STATES  
INTERNATIONAL DEVELOPMENT FINANCE  
CORPORATION.**

(a) IN GENERAL.—Section 1463(c)(1) of the Better Utilization of Investments Leading to Development Act of 2018 (22 U.S.C. 9683(c)(1)) is amended by striking “the Corporation or any other appropriate department or agency of the United States Government” and inserting “any appropriate department or agency of the United States Government (other than the Corporation)”.

1 (b) EFFECTIVE DATE.—The amendment made by  
2 subsection (a) shall take effect as if included in the enact-  
3 ment of the Better Utilization of Investments Leading to  
4 Development Act of 2018 (22 U.S.C. 9601 et seq.).

5 **SEC. 204. STRATEGY FOR PROMOTING AND STRENGTH-**  
6 **ENING NEARSHORING.**

7 (a) FINDINGS.—Congress makes the following find-  
8 ings:

9 (1) In 2019, the People’s Republic of China  
10 was the top supplier of goods imported into the  
11 United States, providing significant quantities of  
12 rare earth minerals, pharmaceutical ingredients,  
13 medical equipment, and other goods vital to the eco-  
14 nomic prosperity and national security of the United  
15 States.

16 (2) The COVID–19 pandemic and production  
17 outages and shipping disruptions in the People’s Re-  
18 public of China have jeopardized worldwide access to  
19 critical goods, contributing to an unprecedented, on-  
20 going supply chain crisis that has exposed the severe  
21 risks of concentrating global supply chains in the  
22 People’s Republic of China and demonstrated the  
23 need for the United States to increase supply chain  
24 resiliency and diversity through reshoring and  
25 nearshoring initiatives.

1           (3) Relocating supply chains from the People's  
2       Republic of China to Latin America and the Carib-  
3       bean is in the commercial and security interests of  
4       the United States and offers several significant ad-  
5       vantages for the United States Government and  
6       United States entities, including—

7           (A) reduced transit times to markets in the  
8       United States, which will lower freight costs,  
9       enable quicker adaptability to fluctuating con-  
10      sumer demand, and lessen the large carbon  
11      footprint of current supply chains;

12          (B) having supply chains located in coun-  
13      tries with which the United States has long-  
14      standing bilateral ties and shared democratic  
15      values, lessening the risk of geopolitical disrup-  
16      tions to supply chains; and

17          (C) having supply chains located in coun-  
18      tries with existing comparative advantages for  
19      sourcing and manufacturing key critical goods  
20      that cannot be entirely sourced from or manu-  
21      factured in the United States, including rare  
22      earth minerals, pharmaceuticals, medical goods,  
23      and semiconductors.

24          (4) Switching 15 percent of United States im-  
25      ports from its top 10 source countries outside of the

1 Western Hemisphere to countries in Latin America  
2 and the Caribbean would increase the exports of the  
3 region by approximately \$72,000,000,000 annually,  
4 helping the region recover from the effects of the  
5 COVID–19 pandemic while also reducing pressures  
6 encouraging migration to the United States.

7 (b) STATEMENT OF POLICY.—It shall be the policy  
8 of the United States—

9 (1) to work with allies and partners of the  
10 United States in the Western Hemisphere to achieve  
11 more resilient, diverse, and secure supply chains;

12 (2) to pursue nearshoring initiatives to relocate  
13 supply chains to Latin America and the Caribbean,  
14 particularly for products unlikely to be sourced or  
15 manufactured in the United States, while simulta-  
16 neously pursuing reshoring initiatives to increase do-  
17 mestic production in the United States; and

18 (3) to engage with regional governments, multi-  
19 lateral development banks, and the private sector to  
20 develop and advance joint efforts to incentivize enti-  
21 ties to relocate supply chains to, and strengthen sup-  
22 ply chains within, the Western Hemisphere.

23 (c) STRATEGY.—The Secretary of State, in coordina-  
24 tion with the heads of other relevant Federal agencies, as  
25 determined by the Secretary, shall develop and implement



1 a strategy to increase supply chain resiliency and security  
2 by promoting and strengthening nearshoring efforts to re-  
3 locate supply chains from the People's Republic of China  
4 to the Western Hemisphere.

5 (d) ELEMENTS.—The strategy required under sub-  
6 section (c) shall—

7 (1) be informed by consultations with the gov-  
8 ernments of allies and partners of the United States  
9 in the Western Hemisphere and labor organizations  
10 and trade unions in the United States;

11 (2) provide a description of how reshoring and  
12 nearshoring initiatives can be pursued in a com-  
13plementary fashion to strengthen the national inter-  
14ests of the United States;

15 (3) include an assessment of—

16 (A) the status and effectiveness of current  
17 efforts by regional governments, multilateral de-  
18 velopment banks, and the private sector to pro-  
19 mote nearshoring to the Western Hemisphere;

20 (B) major challenges hindering those ef-  
21 forts; and

22 (C) how the United States can strengthen  
23 the effectiveness of those efforts;

24 (4) identify countries in Latin America and the  
25 Caribbean with comparative advantages for sourcing

1 and manufacturing critical goods and countries with  
2 the greatest nearshoring opportunities;

3 (5) identify how activities by the United States  
4 Agency for International Development and the  
5 United States International Development Finance  
6 Corporation can effectively be leveraged to strength-  
7 en and promote nearshoring to Latin America and  
8 the Caribbean;

9 (6) advance diplomatic initiatives to secure spe-  
10 cific national commitments by governments in Latin  
11 America and the Caribbean to undertake efforts to  
12 create favorable conditions for nearshoring in the re-  
13 gion, including commitments—

14 (A) to develop formalized national  
15 nearshoring strategies;

16 (B) to address corruption and rule of law  
17 concerns;

18 (C) to modernize digital and physical infra-  
19 structure;

20 (D) to lower trade barriers;

21 (E) to improve ease of doing business; and

22 (F) to finance and incentivize nearshoring  
23 initiatives;

24 (7) advance diplomatic initiatives to harmonize  
25 standards and regulations, expedite customs oper-

1        ations, and facilitate economic integration in Latin  
2        America and the Caribbean; and

3            (8) develop and implement programs to finance,  
4        incentivize, or otherwise promote nearshoring to the  
5        Western Hemisphere in accordance with the assess-  
6        ments and identifications made pursuant to para-  
7        graphs (3), (4), and (5), including, at minimum,  
8        programs—

9            (A) to develop physical and digital infra-  
10        structure;

11            (B) to promote transparency in procure-  
12        ment processes;

13            (C) to provide technical assistance in im-  
14        plementing national nearshoring strategies;

15            (D) to mobilize private investment; and

16            (E) to secure commitments by private sec-  
17        tor entities to relocate supply chains from the  
18        People's Republic of China to the Western  
19        Hemisphere.

20        (e) COORDINATION WITH MULTILATERAL DEVELOP-  
21        MENT BANKS.—In implementing the strategy required  
22        under subsection (c), the Secretary of State and the heads  
23        of other relevant Federal agencies, as determined by the  
24        Secretary, shall coordinate with the United States Execu-  
25        tive Director to the Inter-American Development Bank

1 and the United States Executive Director to the World  
2 Bank.

3 (f) ANNUAL REPORT.—Not later than 180 days after  
4 the date of the enactment of this Act, and annually there-  
5 after for 5 years, the Secretary of State shall submit to  
6 the Committee on Foreign Relations of the Senate and  
7 the Committee on Foreign Affairs of the House of Rep-  
8 resentatives the strategy required under subsection (c)  
9 and a description of progress made in the implementation  
10 of that strategy.

11 **SEC. 205. SENSE OF CONGRESS ON THE BLUE DOT INITIA-**  
12 **TIVE.**

13 It is the sense of Congress that—

14 (1) the Blue Dot Network helps public and pri-  
15 vate investors finance infrastructure projects that  
16 are inclusive, transparent, sustainable, environ-  
17 mentally and socially responsible, and compliant  
18 with international standards, laws, and regulations;

19 (2) the Blue Dot Network helps mitigate  
20 threats such as the predatory infrastructure invest-  
21 ment practices of the People’s Republic of China  
22 and critical shortfalls in global infrastructure financ-  
23 ing;

24 (3) the Blue Dot Network advances the inter-  
25 ests of the United States through setting principal

1 international standards, but also requires sufficient  
 2 investments in other tools of economic statecraft  
 3 such as the United States International Develop-  
 4 ment Finance Corporation and the Millennium Chal-  
 5 lenge Corporation to be effective;

6 (4) the United States International Develop-  
 7 ment Finance Corporation should deepen its co-  
 8 operation with Japan Bank for International Co-  
 9 operation and the Department of Foreign Affairs  
 10 and Trade of Australia to promote the Blue Dot  
 11 Network and finance certified projects;

12 (5) the Organisation for Economic Co-operation  
 13 and Development must continue to update and re-  
 14 fine its methodologies and metrics for infrastructure  
 15 project certification based on guidelines such as the  
 16 Group of Twenty (G20) Principles for Quality Infra-  
 17 structure Investment;

18 (6) the Blue Dot Network must complement  
 19 other principled development finance initiatives such  
 20 as the Infrastructure Technology and Assistance  
 21 Network and the Transaction Advisory Fund of the  
 22 Infrastructure Transaction and Assistance Network;

23 (7) future development finance initiatives  
 24 should build on the foundations of the initiatives de-  
 25 scribed in paragraph (6); and

1           (8) the governments of other countries com-  
2           mitted to good governance, international law, and in-  
3           frastructure investment should work with the Blue  
4           Dot Network to certify infrastructure projects and  
5           attract public and private sector investments.

6 **SEC. 206. SENSE OF CONGRESS ON THE THREE SEAS INI-**  
7 **TIATIVE.**

8           It is the sense of Congress that—

9           (1) the Three Seas Initiative promotes security,  
10          economic integration, modernization, and prosperity  
11          in Central and Eastern Europe through critical in-  
12          vestments energy, transportation, and digital infra-  
13          structure;

14          (2) the United States International Develop-  
15          ment Finance Corporation should finalize its ap-  
16          proved investment of \$300,000,000 and approve an  
17          additional \$700,000,000 investment in the Three  
18          Seas Initiative to fulfill its 2020 commitments;

19          (3) Central and Eastern Europe must develop  
20          better north-south infrastructure and economic inte-  
21          gration to break the dominance by the Russian Fed-  
22          eration of east-west trade corridors and regional en-  
23          ergy supplies;

24          (4) in the wake of the premeditated,  
25          unprovoked, and unjustified invasion of Ukraine by

1 the Russian Federation, the Three Seas Initiative  
2 has never been more important for the security of its  
3 12 participants: Austria, Bulgaria, Croatia, the  
4 Czech Republic, Estonia, Hungary, Latvia, Lith-  
5 uania, Poland, Romania, Slovakia, and Slovenia;

6 (5) the Three Seas Initiative should prioritize  
7 construction of regional liquid natural gas terminals  
8 that can help diversify the region's energy supplies  
9 and reduce the malign influence of the Russian Fed-  
10 eration;

11 (6) the People's Republic of China's  
12 \$14,000,000,000 of infrastructure investments in  
13 the region have degraded the environment, eroded  
14 the rule of law, infringed upon state sovereignty, and  
15 pose a national security threat;

16 (7) the Digital Economy Cooperation Initiative  
17 should cooperate with the Three Seas Initiative to  
18 further modernize the region's economy and develop  
19 the regions digital, communications, and financial  
20 infrastructure;

21 (8) the European Union has made substantial  
22 contributions to the objectives of the Three Seas Ini-  
23 tiative and should continue to do so through mecha-  
24 nisms such as the Connecting Europe Facility; and

1           (9) the United States should encourage regional  
 2           initiatives such as the Three Seas Initiative to galva-  
 3           nize public and private sector investments in re-  
 4           gional infrastructure projects that adhere to environ-  
 5           mental, equitable, social, and sustainable standards.

## 6                                   **Subtitle B—Energy**

### 7   **SEC. 211. SENSE OF CONGRESS REGARDING UNITED** 8                                   **STATES ENGAGEMENT AT THE WORLD ECO-** 9                                   **NOMIC FORUM.**

10          It is the sense of Congress that the Secretary of  
 11          State, the Secretary of the Treasury, the Administrator  
 12          of the United States Agency for International Develop-  
 13          ment, and the Chief Executive Officer of the United States  
 14          International Development Finance Corporation should  
 15          make climate finance commitments at the World Eco-  
 16          nomic Forum.

### 17   **SEC. 212. CLEAN ENERGY EFFORTS OF THE UNITED STATES** 18                                   **INTERNATIONAL DEVELOPMENT FINANCE** 19                                   **CORPORATION.**

20          (a) IN GENERAL.—The Chief Executive Officer of the  
 21          United States International Development Finance Cor-  
 22          poration shall strive to reduce the net carbon footprint of  
 23          the Corporation’s entire investment portfolio to zero by  
 24          2028.



1 (b) PRIORITY.—In carrying out the goal described in  
 2 subsection (a), the Chief Executive Officer shall prioritize  
 3 projects in countries struggling with transitioning from  
 4 carbon intensive electricity to clean energy.

5 (c) REPORT.—The Chief Executive Officer shall sub-  
 6 mit a report to Congress that describes the Corporation’s  
 7 efforts to meet the goals described in subsections (a) and  
 8 (b).

9 **SEC. 213. CONSISTENCY IN UNITED STATES POLICY ON DE-**  
 10 **VELOPMENT FINANCE AND CLIMATE**  
 11 **CHANGE.**

12 It is the policy of the United States to ensure that  
 13 its engagement with multilateral international financial in-  
 14 stitution’s is consistent with United States policy to re-  
 15 duce greenhouse gas emissions in order to achieve world-  
 16 wide net-zero carbon emissions by 2050.

17 **SEC. 214. ENERGY DIPLOMACY AND SECURITY WITHIN THE**  
 18 **DEPARTMENT OF STATE.**

19 Section 1(c) of the State Department Basic Authori-  
 20 ties Act of 1956 (22 U.S.C. 2651a(c)) is amended—

21 (1) in paragraph (1), by striking “24” and in-  
 22 serting “25”;

23 (2) by redesignating paragraph (5) as para-  
 24 graph (6); and

1           (3) by inserting after paragraph (4) the fol-  
 2       lowing:

3           “(5) ASSISTANT SECRETARY OF STATE FOR EN-  
 4       ERGY RESOURCES.—Subject to the numerical limita-  
 5       tion specified in paragraph (1), there is authorized  
 6       to be established in the Department of State an As-  
 7       sistant Secretary of State for Energy Resources who  
 8       shall be responsible to the Secretary of State for  
 9       matters pertaining to the formulation and implemen-  
 10      tation of international policies—

11                   “(A) to protect United States energy secu-  
 12                   rity interests; and

13                   “(B) to promote responsible global clean  
 14                   energy production.”.

15   **SEC. 215. UNITED STATES AND EUROPEAN UNION CO-**  
 16                   **OPERATION ON CLIMATE FINANCE FOR DE-**  
 17                   **VELOPING COUNTRIES.**

18       (a) SENSE OF CONGRESS.—It is the sense of Con-  
 19      gress that the United States should restore its historic alli-  
 20      ance with countries of the European Union regarding cli-  
 21      mate action by renewing the commitment to advancing  
 22      shared values, principles, goals, and global cooperation for  
 23      addressing climate change and achieving the goals of the  
 24      decision of the 21st Conference of Parties to the United  
 25      Nations Framework Convention on Climate Change adopt-

1 ed in Paris December 12, 2015 (commonly known as the  
2 “Paris Agreement”).

3 (b) DISCRETIONARY CLEAN ENERGY DEVELOPMENT  
4 FINANCE FUND.—The Chief Executive Officer of United  
5 States International Development Finance Corporation  
6 shall partner with the European Bank for Reconstruction  
7 and Development to establish the Discretionary Clean En-  
8 ergy Development Finance Fund.

9 (c) ENERGY TRANSITION ASSISTANCE FOR EASTERN  
10 EUROPE.—Title V of the Support for East European De-  
11 mocracy (SEED) Act of 1989 (22 U.S.C. 5451 et seq.)  
12 is amended by adding at the end the following:

13 **“SEC. 504. ASSISTANCE FOR EASTERN EUROPEAN COUN-**  
14 **TRIES TRANSITIONING FROM FOSSIL FUELS**  
15 **TO CLEAN ENERGY.**

16 “(a) AUTHORIZATION OF ASSISTANCE.—The Admin-  
17 istrator of the United States Agency for International De-  
18 velopment, in consultation with the Secretary of State, the  
19 Secretary of Energy, and the Secretary of Commerce, is  
20 authorized to establish a program to support workers and  
21 communities in Eastern European countries that are  
22 struggling with the transition from fossil fuel dependent  
23 economies to clean energy economies.

24 “(b) AUTHORIZATION OF APPROPRIATIONS.—There  
25 is authorized to be appropriated, for each of the fiscal

1 years 2023 through 2027, such sums as may be necessary  
 2 to carry out the program authorized under subsection  
 3 (a).”.

4 (d) UNITED STATES-EUROPEAN UNION WORKING  
 5 GROUP.—The Secretary of State, in consultation with the  
 6 Secretary of Commerce and the Secretary of Energy, shall  
 7 seek to establish a formal United States-European Union  
 8 Working Group that will develop a strategy to respond to  
 9 the People’s Republic of China’s Belt and Road Initiative.

## 10 **Subtitle C—Technology**

### 11 **SEC. 221. UNITED STATES LEADERSHIP AND REPRESENTA-** 12 **TION IN STANDARDS-SETTING BODIES.**

13 (a) STATEMENT OF POLICY.—It is the policy of the  
 14 United States to ensure that the United States leads in  
 15 the innovation of critical and emerging technologies, such  
 16 as next-generation telecommunications, artificial intel-  
 17 ligence, quantum computing, semiconductors, and bio-  
 18 technology, by—

19 (1) providing necessary investment and concrete  
 20 incentives for the private sector to accelerate devel-  
 21 opment of such technologies;

22 (2) modernizing export controls and investment  
 23 screening regimes and associated policies and regula-  
 24 tions;

1           (3) enhancing United States leadership in tech-  
2           nical standards-setting bodies and avenues for devel-  
3           oping norms regarding the use of emerging critical  
4           technologies;

5           (4) reducing United States barriers and in-  
6           creasing incentives for collaboration with allies and  
7           partners on the research and co-development of crit-  
8           ical technologies;

9           (5) collaborating with allies and partners to  
10          protect critical technologies by—

11                (A) crafting multilateral export control  
12          measures;

13                (B) building capacity for defense tech-  
14          nology security;

15                (C) safeguarding chokepoints in supply  
16          chains; and

17                (D) ensuring diversification; and

18          (6) designing major defense capabilities for ex-  
19          port to allies and partners.

20          (b) SENSE OF CONGRESS.—It is the sense of Con-  
21          gress that—

22                (1) the United States must lead in international  
23          bodies that set the governance norms and rules for  
24          critical digitally enabled technologies in order to en-

1       sure that those technologies operate within a free,  
2       secure, interoperable, and stable digital domain;

3           (2) the United States, along with allies and  
4       partners, should lead an international effort that uti-  
5       lizes all of the economic and diplomatic tools at its  
6       disposal to combat the expanding use of information  
7       and communications technology products and serv-  
8       ices to surveil, repress, and manipulate populations  
9       (also known as “digital authoritarianism”);

10          (3) the United States should lead a global effort  
11       to ensure that freedom of information, including the  
12       ability to safely consume or publish information  
13       without fear of undue reprisals, is maintained as the  
14       digital domain becomes an increasingly integral  
15       mechanism for communication;

16          (4) the United States should lead a global effort  
17       to develop and adopt a set of common principles and  
18       standards for critical technologies to ensure that the  
19       use of such technologies cannot be abused by malign  
20       actors, whether those actors are governments or  
21       other entities, and that those actors do not threaten  
22       democratic governance or human rights;

23          (5) the United States and its allies and part-  
24       ners should maintain participation and leadership at  
25       international standards-setting bodies for 5th and

1 future generation mobile telecommunications sys-  
2 tems and infrastructure;

3 (6) the United States should work with its allies  
4 and partners to encourage and facilitate the develop-  
5 ment of secure supply chains and networks for 5th  
6 and future generation mobile telecommunications  
7 systems and infrastructure; and

8 (7) the maintenance of a high standard of secu-  
9 rity in telecommunications and cyberspace between  
10 the United States and its allies and partners is a na-  
11 tional security interest of the United States.

12 (c) ENHANCING REPRESENTATION AND LEADERSHIP  
13 OF UNITED STATES AT INTERNATIONAL STANDARDS-  
14 SETTING BODIES.—

15 (1) IN GENERAL.—The President shall—

16 (A) establish an interagency working group  
17 to provide assistance and technical expertise to  
18 enhance the representation and leadership of  
19 the United States at international bodies that  
20 set standards for equipment, systems, software,  
21 and virtually defined networks that support 5th  
22 and future generation mobile telecommuni-  
23 cations systems and infrastructure, such as the  
24 International Telecommunication Union and the  
25 3rd Generation Partnership Project; and

1 (B) work with allies, partners, and the pri-  
2 vate sector to increase productive engagement  
3 with respect to the standards described in sub-  
4 paragraph (A).

5 (2) INTERAGENCY WORKING GROUP.—The  
6 interagency working group described in paragraph  
7 (1) shall—

8 (A) be chaired by the Secretary of State or  
9 a designee of the Secretary of State; and

10 (B) consist of the head (or designee) of  
11 each Federal department or agency the Presi-  
12 dent determines appropriate.

13 (3) BRIEFINGS.—

14 (A) IN GENERAL.—Not later than 180  
15 days after the date of the enactment of this  
16 Act, and subsequently thereafter as provided  
17 under subparagraph (B), the interagency work-  
18 ing group described in paragraph (1) shall pro-  
19 vide a strategy to the Committee on Foreign  
20 Relations of the Senate and the Committee on  
21 Foreign Affairs of the House of Representatives  
22 that addresses—

23 (i) promotion of United States leader-  
24 ship at international standards-setting bod-  
25 ies for equipment, systems, software, and



1 virtually defined networks relevant to 5th  
2 and future generation mobile telecommuni-  
3 cations systems and infrastructure, taking  
4 into account the different processes fol-  
5 lowed by the various international stand-  
6 ard-setting bodies;

7 (ii) diplomatic engagement with allies  
8 and partners to share security risk infor-  
9 mation and findings pertaining to equip-  
10 ment that supports or is used in 5th and  
11 future generation mobile telecommuni-  
12 cations systems and infrastructure and co-  
13 operation on mitigating such risks;

14 (iii) China's presence and activities at  
15 international standards-setting bodies rel-  
16 evant to 5th and future generation mobile  
17 telecommunications systems and infra-  
18 structure, including information on the dif-  
19 ferences in the scope and scale of China's  
20 engagement at such bodies compared to  
21 engagement by the United States or its al-  
22 lies and partners and the security risks  
23 raised by Chinese proposals in such stand-  
24 ards-setting bodies; and

1 (iv) engagement with private sector  
2 communications and information service  
3 providers, equipment developers, academia,  
4 federally funded research and development  
5 centers, and other private sector stake-  
6 holders to propose and develop secure  
7 standards for equipment, systems, soft-  
8 ware, and virtually defined networks that  
9 support 5th and future generation mobile  
10 telecommunications systems and infra-  
11 structure.

12 (B) SUBSEQUENT BRIEFINGS.—Upon re-  
13 ceiving a request from the appropriate congres-  
14 sional committees, or as determined appropriate  
15 by the chair of the interagency working group  
16 described in paragraph (1), the interagency  
17 working group shall provide such committees an  
18 updated briefing that covers the matters de-  
19 scribed in clauses (i) through (iv) of subpara-  
20 graph (A).

21 **SEC. 222. SENSE OF CONGRESS ON COOPERATION WITH**  
22 **THE G20 DIGITAL ECONOMY WORKING**  
23 **GROUP.**

24 It is the sense of Congress that—

1           (1) the Group of Twenty (G20) Digital Econ-  
2           omy Working Group advances national and inter-  
3           national interests through promoting principled and  
4           practical standards; and

5           (2) the United States should continue to sup-  
6           port, engage, and exercise leadership in the working  
7           group—

8                   (A) to maximize the benefits and minimize  
9                   the harms of the \$70,000,000,000 and growing  
10                  global digital economy;

11                  (B) to increase international digital  
12                  connectivity and trade;

13                  (C) to modernize the global economy with  
14                  new technologies such as blockchain, artificial  
15                  intelligence, and machine learning;

16                  (D) to protect cross border data flow and  
17                  data free flow with trust;

18                  (E) to promote social inclusion through  
19                  digital quality control, consumer protection,  
20                  child protection, and equitable access to new  
21                  technologies;

22                  (F) to improve efficiency and interoper-  
23                  ability for technologies and regulations in the  
24                  public sector;

1 (G) to advance the past initiatives of the  
2 working group such Smart Cities, Digital Secu-  
3 rity, and the Connecting Humanity 2030 Initia-  
4 tive; and

5 (H) to enable progress toward the United  
6 Nations Sustainable Development Goals.

7 **SEC. 223. STATEMENT OF POLICY ON ARTIFICIAL INTEL-**  
8 **LIGENCE AND THE GLOBAL ECONOMY.**

9 It is the policy of the United States—

10 (1) to prioritize diplomacy and international en-  
11 gagement in the artificial intelligence strategies and  
12 policies of the United States;

13 (2) to prioritize artificial intelligence issues in  
14 United States diplomacy;

15 (3) to collaborate with allies and partners to—

16 (A) research, develop, produce, and invest  
17 in artificial intelligence technologies that sup-  
18 port economic prosperity, collective security, de-  
19 mocracy, and human rights;

20 (B) promote commitments and inter-  
21 national law related to artificial intelligence  
22 that reflect shared values;

23 (C) ensure that artificial intelligence tech-  
24 nologies are safe, secure, and trustworthy;

1 (D) create and maintain artificial intel-  
2 ligence-related technical and institutional infra-  
3 structure;

4 (E) share artificial intelligence-related  
5 data, technology, and knowledge, subject to ap-  
6 propriate safeguards and restrictions;

7 (F) prevent the unwanted transfer of sen-  
8 sitive artificial intelligence-related technical in-  
9 formation;

10 (G) coordinate artificial intelligence-related  
11 export controls and investment screening proce-  
12 dures; and

13 (H) educate and train new cohorts of arti-  
14 ficial intelligence researchers, developers, and  
15 practitioners;

16 (4) to incorporate perspectives and expertise  
17 from industry, academia, and civil society into  
18 United States diplomatic activities related to artifi-  
19 cial intelligence;

20 (5) to engage with bilateral and multilateral or-  
21 ganizations active in artificial intelligence research,  
22 development, and policy; and

23 (6) to use diplomacy and foreign assistance to  
24 support activities for deploying artificial intelligence  
25 that create broadly shared prosperity, account for

1 relevant artificial intelligence safety and security  
2 concerns, and uphold human rights and democratic  
3 values.

4 **SEC. 224. DIPLOMATIC STRATEGY FOR ARTIFICIAL INTEL-**  
5 **LIGENCE.**

6 (a) IN GENERAL.—Not later than 1 year after the  
7 date of the enactment of this Act, and every 2 years there-  
8 after, the Secretary of State shall develop and submit to  
9 the appropriate congressional committees a strategy for  
10 United States diplomacy related to artificial intelligence.

11 (b) CONTENTS.—Each strategy required by sub-  
12 section (a) shall include the following:

13 (1) A review of relevant prior and ongoing ini-  
14 tiatives, the outcomes of those initiatives, and key  
15 ongoing challenges to those initiatives.

16 (2) The objectives and priorities that will be  
17 used to guide the diplomacy of the United States  
18 Government related to artificial intelligence, includ-  
19 ing objectives and priorities related to each of the  
20 following:

21 (A) Promoting human rights and demo-  
22 cratic values in the development and deploy-  
23 ment of artificial intelligence technologies, in-  
24 cluding by advancing relevant international law  
25 and principles.

1 (B) Deterring and disrupting malicious  
2 and oppressive uses of artificial intelligence.

3 (C) Fostering United States collaboration  
4 with allies and partners in artificial intelligence  
5 research and development.

6 (D) Developing appropriate technical  
7 standards, metrics, and measurement tech-  
8 niques for artificial intelligence.

9 (E) Mitigating safety risks of artificial in-  
10 telligence.

11 (F) Maintaining secure supply chains for  
12 artificial intelligence technology and its inputs,  
13 including computing hardware.

14 (G) Ensuring the integrity of the artificial  
15 intelligence research and development activities  
16 of the United States and its allies and partners.

17 (H) Ensuring the equitable deployment  
18 and adoption of artificial intelligence tech-  
19 nology, including through trade, foreign assist-  
20 ance, and development finance.

21 (I) Involving the private sector and civil  
22 society.

23 (J) Responding to the artificial intelligence  
24 activities and strategies of other countries, in-  
25 cluding the People's Republic of China.

1           (3) Specific, measurable indicators of progress  
2           corresponding to the objectives and priorities de-  
3           scribed in paragraph (2).

4           (4) For each strategy other than the first strat-  
5           egy required by subsection (a), an assessment of  
6           whether and how progress with respect to each of  
7           the indicators identified in the preceding strategy  
8           was realized.

9           (5) A detailed implementation plan, including  
10          timelines, designations of lead and supporting imple-  
11          menting entities of the United States Government,  
12          budgetary estimates (as applicable), and descriptions  
13          of any additional budgetary resources, technical ex-  
14          pertise, legal authorities, or personnel needed for im-  
15          plementation of the strategy.

16          (6) Any other matters the Secretary considers  
17          relevant.

18          (c) CONSULTATION.—In preparing each strategy re-  
19          quired by subsection (a), the Secretary of State shall con-  
20          sult with—

21               (1) the Secretary of Defense;

22               (2) the Secretary of Homeland Security;

23               (3) the Secretary of Commerce;

24               (4) the Secretary of Energy;



1           (5) the Director of the National Science Foun-  
2       dation;

3           (6) the Director of the Office of Science and  
4       Technology Policy;

5           (7) the heads of such other relevant Federal  
6       agencies and departments as the Secretary of State  
7       considers appropriate; and

8           (8) such nongovernmental partners as the Sec-  
9       retary considers appropriate.

10       (d) FORM.—Each strategy required by subsection (a)  
11   shall be submitted in unclassified form, but may include  
12   a classified annex.

13       (e) PUBLICATION.—The Secretary of State shall  
14   make each strategy required by subsection (a) (without  
15   its classified annex, if any) available on a publicly acces-  
16   sible website.

17       (f) DEFINITION OF APPROPRIATE CONGRESSIONAL  
18   COMMITTEES.—In this section, the term “appropriate  
19   congressional committees” means the Committee on For-  
20   eign Relations of the Senate and the Committee on For-  
21   eign Affairs of the House of Representatives.

22   **SEC. 225. INTERNATIONAL COLLABORATION ON RESEARCH**  
23                           **AND DEVELOPMENT.**

24       (a) FINDINGS.—Congress finds the following:

1           (1) Innovation in artificial intelligence and  
2 other emerging technology domains has become in-  
3 creasingly global. According to the Organisation for  
4 Economic Co-operation and Development, worldwide  
5 spending on research and development more than  
6 tripled between 2000 and 2020. The United States  
7 accounted for almost 70 percent of such spending in  
8 1960, but less than  $\frac{1}{3}$  in 2018.

9           (2) Many allies and partners of the United  
10 States are technological powers in their own right,  
11 with robust research and development activities and  
12 world-leading capabilities in fields such as artificial  
13 intelligence, semiconductors, robotics, and bio-  
14 technology.

15          (3) Adversaries of the United States, including  
16 the People's Republic of China, the Russian Federa-  
17 tion, and Iran, also emphasize technology and inno-  
18 vation in their geopolitical strategies. In particular,  
19 the Chinese Communist Party believes innovation is  
20 essential to its continued rule and is investing heav-  
21 ily in research and development as part of a strategy  
22 to "leapfrog" the United States into global leader-  
23 ship.

24          (4) The United States and its allies and part-  
25 ners collectively control a much larger share of re-

1 search and development activity than the People's  
 2 Republic of China. Together, the United States and  
 3 6 like-minded countries, namely, Japan, Germany,  
 4 South Korea, India, France, and the United King-  
 5 dom, account for more than  $\frac{1}{2}$  of global spending on  
 6 research and development, while the People's Repub-  
 7 lic of China accounts for approximately  $\frac{1}{4}$ .

8 (5) The National Science Board's "Vision  
 9 2030" report, issued in May 2020, states, "Staying  
 10 at the frontiers of discovery requires leaning into  
 11 internationalism, particularly given the nation's fall-  
 12 ing share of global knowledge production, paired  
 13 with the rising importance and impact of inter-  
 14 national collaboration and knowledge- and tech-  
 15 nology-intensive industries."

16 (6) Previously, in 2008, the National Science  
 17 Board reported, "The U.S. Government could play a  
 18 more effective role in supporting international S&E  
 19 (science and engineering) partnerships by developing  
 20 a coherent international S&E strategy to coordinate  
 21 the activities and objectives of the various Federal  
 22 agencies that play a role in such partnerships. . . .  
 23 No single U.S. agency is responsible for coordinating  
 24 or supporting international S&E partnerships, and

1        few U.S. agencies that do S&E work have explicit  
2        missions in international relations.”.

3            (7) As of March 2022, numerous Federal de-  
4        partments and offices administer joint research and  
5        development activities with international partners,  
6        including the Office of International Science and  
7        Engineering within the National Science Founda-  
8        tion, the Division of International Relations within  
9        the National Institutes of Health, and the Office of  
10       International Science & Technology Cooperation  
11       within the Department of Energy.

12       (b) SENSE OF CONGRESS.—It is the sense of Con-  
13       gress that—

14            (1) international collaboration on research and  
15        development is critical to maintaining United States  
16        leadership in artificial intelligence and other critical  
17        technologies; and

18            (2) Federal initiatives related to international  
19        collaboration on research and development should  
20        be—

21            (A) consistently and adequately funded;  
22        and

23            (B) coordinated across agencies to increase  
24        impact, minimize undue duplication, and ensure

1 alignment with policies and strategic objectives  
2 of the United States.

3 (c) GOVERNMENT ACCOUNTABILITY OFFICE RE-  
4 PORT.—Not later than 180 days after the date of the en-  
5 actment of this Act, the Comptroller General of the United  
6 States shall prepare and release to the public a report  
7 that—

8 (1) enumerates and describes all significant  
9 Federal initiatives related to international collabora-  
10 tion on research and development in emerging tech-  
11 nologies in existence as of the date on which the re-  
12 port is released;

13 (2) assesses whether those initiatives are  
14 equipped to achieve their stated goals;

15 (3) assesses whether those initiatives are prop-  
16 erly managed and coordinated within and across  
17 Federal agencies; and

18 (4) recommends appropriate actions with re-  
19 spect to paragraphs (1) through (3).

20 (d) INDEPENDENT REPORT.—

21 (1) IN GENERAL.—Not later than 180 days  
22 after the date of the enactment of this Act, the Sec-  
23 retary of State shall seek to enter into a contract  
24 with an appropriately qualified independent research  
25 entity, such as a federally funded research and de-

1        velopment center or other nonprofit organization, to  
2        produce a report on Federal activities related to  
3        international collaboration on research and develop-  
4        ment.

5            (2) ELEMENTS.—The report described in para-  
6        graph (1) shall—

7            (A) assess the effectiveness of Federal ac-  
8        tivities related to international collaboration  
9        conducted as of the date on which the report is  
10       produced;

11           (B) identify key opportunities for enhanced  
12       collaboration on research and development with  
13       allies and partners of the United States;

14           (C) identify key challenges to United  
15       States collaboration on research and develop-  
16       ment with allies and partners;

17           (D) propose a Federal strategy and cor-  
18       responding implementation plan for future Fed-  
19       eral activities related to international collabora-  
20       tion on research and development; and

21           (E) recommend other appropriate actions  
22       for the Secretary of State, other officials of the  
23       Department of State, Congress, and other rel-  
24       evant governmental and nongovernmental ac-  
25       tors, and identify any additional resources or

1           legal authorities necessary to carry out such ac-  
2           tions.

3           (3) COMPLETION.—The contract described in  
4           paragraph (1) shall require delivery of the report de-  
5           scribed in that paragraph not later than 1 year after  
6           the date on which the contract is executed.

7           (4) PUBLICATION.—The Secretary of State  
8           shall make the report described in paragraph (1)  
9           available on a publicly accessible website.

10 **Subtitle D—International Financial**  
11 **Institutions and Multilateral**  
12 **Economic Organizations**

13 **SEC. 231. STATEMENT OF POLICY ON UNITED STATES**  
14 **LEADERSHIP AT INTERNATIONAL FINANCIAL**  
15 **INSTITUTIONS.**

16       It is the policy of the United States—

17           (1) to recognize rising debt stock in emerging  
18           market and developing countries as a national secu-  
19           rity and economic security threat and raise its im-  
20           portance in multilateral fora;

21           (2) to leverage the voice and vote of the United  
22           States in international financial institutions to pre-  
23           vent future unsustainable debt stocks in emerging  
24           market and developing countries;

1           (3) to promote rule-writing standards for trans-  
2           parency and disclosure that hold both debtors and  
3           creditors accountable, allow accurate debt sustain-  
4           ability assessments, and promote better debt man-  
5           agement;

6           (4) to lead the international community in  
7           translating the G20 Common Framework for Debt  
8           Treatments beyond the Debt Service Suspension Ini-  
9           tiative (commonly known as the “Common Frame-  
10          work”) into tangible action, including effective  
11          standstill for debt payments and credit revisions for  
12          petitioner countries and finalizing the debt treat-  
13          ment for the petitioner countries, beginning with  
14          Chad, Ethiopia, and Zambia;

15          (5) to reduce timelines and increase confidence  
16          in outcomes for the Common Framework so that  
17          private creditors continue to provide sufficient fi-  
18          nances to petitioner countries and other countries  
19          witness the benefits of petitioning;

20          (6) to expand the Common Framework and  
21          offer its financial assistance to other heavily in-  
22          debted lower-middle-income countries, beyond those  
23          currently covered;

24          (7) to cooperate with counterparts in the Group  
25          of Twenty (G20), the International Monetary Fund,



1 private credit rating agencies, and regulators, to ex-  
2 plore and develop new bond and loan contract  
3 issuance standards that authorize temporary suspen-  
4 sions of debt services to both private and public  
5 creditors without triggering a default in crisis situa-  
6 tions;

7 (8) to engage with petitioner countries, before  
8 those countries exhaust their reserves, to strategize  
9 their ascension into the Common Framework and  
10 prevent further economic costs;

11 (9) to leverage the voice and vote of the United  
12 States in the International Monetary Fund and the  
13 World Bank so that the Fund and the Bank com-  
14 plete preliminary assessments of the debt relief  
15 needed by each country eligible for Common Frame-  
16 work treatment before such countries petition for  
17 debt relief;

18 (10) that assessments described in paragraph  
19 (9) should—

20 (A) include realistic growth and fiscal pro-  
21 jections;

22 (B) include implications of Common  
23 Framework debt relief; and

24 (C) be based on accurate and comprehen-  
25 sive debt data;

1           (11) to support the International Monetary  
 2           Fund lending into arrears for the Common Frame-  
 3           work in the case that private lenders fail to uphold  
 4           their initial commitments;

5           (12) to leverage the voice and vote of the  
 6           United States in international financial intuitions to  
 7           promote and finance international initiatives to pro-  
 8           cure and deploy more affordable and accessible  
 9           COVID–19 vaccinations and treatments for emerg-  
 10          ing market and developing countries;

11          (13) to address the near-term problems associ-  
 12          ated with the pandemic-induced global recession and  
 13          also longer term problems of unsustainable credit  
 14          lending and borrowing that victimizes emerging mar-  
 15          ket and developing countries; and

16          (14) to consider the impact of the monetary  
 17          policies of the United States and future increases in  
 18          interest rates on emerging market and developing  
 19          countries and mitigate related harms.

20 **SEC. 232. LOANS TO THE POVERTY REDUCTION AND**  
 21 **GROWTH TRUST OF THE INTERNATIONAL**  
 22 **MONETARY FUND.**

23 (a) AUTHORIZATION OF APPROPRIATIONS.—

24          (1) IN GENERAL.—There are authorized to be  
 25          appropriated to the Secretary of the Treasury for

1       fiscal year 2022 \$102,000,000, for contribution to  
2       the Poverty Reduction and Growth Trust or other  
3       special purpose vehicle of the International Monetary  
4       Fund.

5           (2) AVAILABILITY OF AMOUNTS.—Amounts ap-  
6       propriated pursuant to the authorization of appro-  
7       priations under paragraph (1) shall remain available  
8       until September 30, 2031.

9           (b) USE OF AMOUNTS.—Amounts appropriated pur-  
10      suant to the authorization of appropriations under sub-  
11      section (a) shall be available—

12           (1) to cover the cost (as defined in section 502  
13      of the Congressional Budget Act of 1974 (2 U.S.C.  
14      661a)) of loans made by the Secretary of the Treas-  
15      ury to the Poverty Reduction and Growth Trust or  
16      other special purpose vehicle of the International  
17      Monetary Fund; and

18           (2) to subsidize gross obligations for the prin-  
19      cipal amount of direct loans not to exceed  
20      15,000,000,000 Special Drawing Rights.

21           (c) NONAPPLICABILITY OF CERTAIN LIMITATION.—  
22      Section 5(f) of the Bretton Woods Agreements Act (22  
23      U.S.C. 286c(f)) shall not apply to any loans made pursu-  
24      ant to this section to the Poverty Reduction and Growth

1 Trust or other special purpose vehicle of the International  
 2 Monetary Fund on or before September 30, 2031.

3 (d) AUTHORIZATION OF CERTAIN TRANSACTIONS.—  
 4 The Exchange Stabilization Fund and the financing ac-  
 5 count corresponding to transactions with the International  
 6 Monetary Fund are authorized to enter into such trans-  
 7 actions as are necessary to effectuate loans made pursuant  
 8 to this section and denominated in Special Drawing Rights  
 9 to the Poverty Reduction and Growth Trust or other spe-  
 10 cial purpose vehicle of the International Monetary Fund.

11 **SEC. 233. CLEARING WORLD BANK GROUP ARREARS.**

12 Not later than 30 days after the date of the enact-  
 13 ment of this Act, the Secretary of the Treasury shall pro-  
 14 vide the World Bank Group with all necessary amounts  
 15 to address the United States arrears in contributions from  
 16 fiscal years 2019 and 2020.

17 **SEC. 234. 10TH GENERAL CAPITAL INCREASE FOR THE**  
 18 **INTER-AMERICAN DEVELOPMENT BANK.**

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

21 (1) the spread of SARS-CoV-2, the virus that  
 22 causes COVID-19, has had a significant impact on  
 23 economic, social, and humanitarian conditions  
 24 throughout Latin America and the Caribbean;

1           (2) the Inter-American Development Bank is  
 2           the preeminent multilateral development bank dedi-  
 3           cated to regional economic and social development  
 4           and the betterment of lives across Latin America  
 5           and the Caribbean;

6           (3) the Bank has played an integral role in sup-  
 7           porting member countries with the coordination and  
 8           implementation of policies to mitigate the effects of  
 9           the COVID–19 pandemic, the Venezuelan refugee  
 10          and migration crisis, and other crises in the Western  
 11          Hemisphere;

12          (4) a capital increase for the Bank would great-  
 13          ly increase its capacity to provide financing, institu-  
 14          tional knowledge, and technical support to foster re-  
 15          covery and inclusion initiatives between regional gov-  
 16          ernments, private sector entities, and international  
 17          organizations; and

18          (5) the United States, as a founding member of  
 19          the Bank, should support a capital stock increase to  
 20          ensure the Bank is prepared to offer additional sup-  
 21          port to member countries severely impacted by the  
 22          COVID–19 pandemic and other crises.

23          (b) TENTH GENERAL CAPITAL INCREASE.—

24               (1) SUPPORT FOR A GENERAL CAPITAL IN-  
 25          CREASE.—The President shall take steps to support

1 a tenth general capital increase for the Inter-Amer-  
2 ican Development Bank.

3 (2) DIPLOMATIC ENGAGEMENT.—The President  
4 shall advance diplomatic engagement to build sup-  
5 port among member countries of the Bank for a  
6 tenth general capital increase for the Bank in order  
7 to strengthen the capacity of the Bank—

8 (A) to support Latin American and Carib-  
9 bean countries in their efforts to address the  
10 COVID–19 pandemic and the related economic  
11 impact; and

12 (B) to advance inclusive economic and so-  
13 cial development in the Americas.

14 (3) PROGRESS REPORT.—Not later than 45  
15 days after the date of the enactment of this Act, the  
16 President shall submit to the Committee on Foreign  
17 Relations of the Senate and the Committee on Fi-  
18 nancial Services of the House of Representatives a  
19 report detailing efforts to carry out paragraphs (1)  
20 and (2).

21 (4) TENTH CAPITAL INCREASE.—The Inter-  
22 American Development Bank Act (22 U.S.C. 283 et  
23 seq.) is amended by adding at the end the following:

1 **“SEC. 42. TENTH CAPITAL INCREASE.**

2 “(a) VOTE AUTHORIZED.—The United States Gov-  
 3 ernor of the Bank is authorized to vote in favor of a reso-  
 4 lution to increase the capital stock of the Bank by  
 5 \$80,000,000,000 over a period not to exceed 5 years.

6 “(b) SUBSCRIPTION AUTHORIZED.—

7 “(1) IN GENERAL.—The United States Gov-  
 8 ernor of the Bank may subscribe on behalf of the  
 9 United States to 1,990,714 additional shares of the  
 10 capital stock of the Bank.

11 “(2) LIMITATION.—Any subscription by the  
 12 United States to the capital stock of the Bank shall  
 13 be effective only to such extent and in such amounts  
 14 as are provided in advance in appropriations Acts.

15 “(c) LIMITATIONS ON AUTHORIZATION OF APPRO-  
 16 PRIATIONS.—

17 “(1) IN GENERAL.—In order to pay for the in-  
 18 crease in the United States subscription to the Bank  
 19 under subsection (b), there is authorized to be ap-  
 20 propriated \$24,014,857,191 for payment by the Sec-  
 21 retary of the Treasury.

22 “(2) ALLOCATION OF FUNDS.—Of the amount  
 23 authorized to be appropriated under paragraph  
 24 (1)—

25 “(A) \$600,371,430 shall be for paid in  
 26 shares of the Bank; and

1                   “(B) \$23,414,485,761 shall be for callable  
2                   shares of the Bank.”.

3           (c) SUPPORT FOR ENVIRONMENTAL SUSTAINABILITY  
4 INITIATIVES    OF    INTER-AMERICAN    DEVELOPMENT  
5 BANK.—

6           (1) SENSE OF CONGRESS.—It is the sense of  
7 Congress that the Inter-American Development  
8 Bank should—

9                   (A) establish its own environmental grant-  
10 making and financing facility in order to imple-  
11 ment and expand environmental policies,  
12 metrics, and standards, to strengthen resilience  
13 and disaster preparedness, and to improve sus-  
14 tainability and conservation; and

15                   (B) continue to strengthen environmental  
16 safeguards as an element of economic develop-  
17 ment in the Western Hemisphere.

18           (2) DIPLOMATIC ENGAGEMENT.—The President  
19 shall advance diplomatic engagement to build sup-  
20 port among member countries of the Bank for the  
21 creation of an environmental fund and financing fa-  
22 cility as part of the tenth general capital increase for  
23 the Bank.



1 **SEC. 235. PARTICIPATION OF TAIWAN IN INTER-AMERICAN**  
2 **DEVELOPMENT BANK.**

3 (a) FINDINGS.—Congress makes the following find-  
4 ings:

5 (1) The Inter-American Development Bank was  
6 established in 1959 and—

7 (A) is the premier multilateral development  
8 bank in the Western Hemisphere;

9 (B) is the largest source of development fi-  
10 nancing for Latin America and the Caribbean;  
11 and

12 (C) issued more than \$140,000,000,000 in  
13 loans and grants between 2011 and 2021.

14 (2) The Inter-American Development Bank—

15 (A) has 48 member states, of which 26 are  
16 borrowing members in the Latin America and  
17 the Caribbean region; and

18 (B) constitutes a critical forum for fos-  
19 tering collective action and meeting shared re-  
20 gional challenges, including COVID–19 recovery  
21 and response.

22 (3) Japan, the Republic of Korea, and the Peo-  
23 ple’s Republic of China are among the 22 non-bor-  
24 rowing, non-Western Hemisphere members of the  
25 Inter-American Development Bank.

26 (4) Taiwan—

1 (A) has been an observer at the Inter-  
2 American Development Bank since 1991;

3 (B) has contributed to a specialized finan-  
4 cial intermediary development fund at IDB Lab  
5 since 2006;

6 (C) has been a non-regional member of the  
7 Central American Bank for Economic Integra-  
8 tion since 1992;

9 (D) is a member of the Asian Development  
10 Bank, the World Trade Organization, the Asia-  
11 Pacific Economic Cooperation, and the Inter-  
12 national Chamber of Commerce; and

13 (E) is a participant of the Organisation for  
14 Economic Co-operation and Development's  
15 Competition Committee, its Steel Committee,  
16 and its Fisheries Committee.

17 (5) Taiwan's economy is the 7th largest in Asia  
18 and the 20th largest in the world by purchasing  
19 power parity.

20 (6) Taiwan has been a model contributor of for-  
21 eign aid in Latin America and the Caribbean, allo-  
22 cating between 30 percent and 50 percent of its for-  
23 eign aid budget to Latin America and the Carib-  
24 bean.

1           (7) Since 2010, Taiwan’s International Co-  
2           operation and Development Fund has funded 95  
3           projects in Central America, 64 projects in the Car-  
4           ibbean, and 21 projects in South America.

5           (8) Taiwan has been a firm supporter of Haiti  
6           as it confronts multiple simultaneous crises—

7                   (A) by providing more than \$145,000,000  
8                   in financing to modernize Haiti’s electrical grid;

9                   (B) by delivering 280,000 masks at the  
10                  height of the COVID–19 pandemic; and

11                  (C) by pledging \$500,000 in disaster relief  
12                  immediately after the August 14, 2021, earth-  
13                  quake in Haiti.

14           (9) According to data from the Pan American  
15           Development Foundation, communities receiving as-  
16           sistance from Taiwan display increased—

17                   (A) food security;

18                   (B) income generation; and

19                   (C) capacity to recover from natural disas-  
20                  ters.

21           (10) Taiwan has placed special emphasis on  
22           fostering development in Central America and in the  
23           Caribbean, including by signing the Agreement on  
24           the Republic of China (Taiwan)—Central America  
25           Economic Development Fund in 1998.

1           (11) Through its non-regional member status at  
2           the Central American Bank for Economic Integra-  
3           tion, Taiwan has provided \$266,700,000 in financial  
4           assistance to help Central American countries re-  
5           spond to the COVID–19 pandemic. On April 22,  
6           2021, the Central American Bank for Economic In-  
7           tegration announced the opening of its Representa-  
8           tive Office in Taiwan, deepening investment ties be-  
9           tween Taiwan and Central America.

10          (12) Nine countries in Latin America and the  
11          Caribbean maintain diplomatic relations with Tai-  
12          wan, and Taiwan has 8 representative offices in 7  
13          other countries in the region.

14          (13) Since 2016, the Government of the Peo-  
15          ple’s Republic of China has engaged in aggressive  
16          economic diplomacy to compel the withdrawal of dip-  
17          lomatic recognition for Taiwan, most notably in  
18          Panama, the Dominican Republic, and El Salvador,  
19          all of which have terminated longstanding and pro-  
20          ductive diplomatic relationships with Taiwan and  
21          granted diplomatic recognition to the People’s Re-  
22          public of China.

23          (14) The Government of the People’s Republic  
24          of China—

1 (A) announced a \$1,100,000,000 construc-  
2 tion project in Panama on the day that Panama  
3 switched from recognizing Taiwan to recog-  
4 nizing the People’s Republic of China as the  
5 government of China; and

6 (B) similarly offered assistance packages  
7 to the Dominican Republic and El Salvador in  
8 2018 in exchange for those countries ceasing  
9 their diplomatic recognition of Taiwan.

10 (15) Taiwan’s international engagement has  
11 faced increased resistance from the Government of  
12 the People’s Republic of China, which has used its  
13 influence to deny Taiwan’s invitations to multilateral  
14 fora. For example, Taiwan was not invited to the  
15 2016 Assembly of the International Civil Aviation  
16 Organization (ICAO), despite participating as a  
17 guest at ICAO’s 2013 summit. Taiwan’s requests to  
18 participate in the General Assembly of the Inter-  
19 national Criminal Police Organization (commonly  
20 known as “INTERPOL”) were also rejected.

21 (16) Taiwan’s inclusion in multilateral organi-  
22 zations, such as the Inter-American Development  
23 Bank, advances peace and stability in the world and  
24 in the Western Hemisphere specifically.

1           (17) Congress has demonstrated a longstanding  
2       policy of supporting Taiwan’s participation in inter-  
3       national bodies that address shared transnational  
4       challenges by—

5           (A) authorizing the Secretary of State, in  
6       Public Law 106–137, Public Law 107–10, and  
7       Public Law 108–235, to initiate a United  
8       States plan for supporting Taiwan’s participa-  
9       tion as an observer in the activities of the  
10      World Health Organization;

11          (B) directing the Secretary of State, in  
12      Public Law 113–17, to report on a strategy to  
13      obtain observer status for Taiwan at the Inter-  
14      national Civil Aviation Organization Assembly;  
15      and

16          (C) directing the Secretary of State, in  
17      Public Law 114–139, to develop a strategy to  
18      obtain observer status for Taiwan at the  
19      INTERPOL Assembly.

20          (18) Despite these efforts, Taiwan has not re-  
21      ceived an invitation to attend as an observer any of  
22      the events of the international organizations referred  
23      to in paragraph (17) since 2016.

24          (b) SENSE OF CONGRESS.—It is the sense of Con-  
25      gress that—

1           (1) the United States fully supports Taiwan's  
2       participation in, and contribution to, international  
3       organizations and underscores the importance of the  
4       relationship between Taiwan and the United States;

5           (2) diversifying the Inter-American Develop-  
6       ment Bank's donor base and increasing ally engage-  
7       ment in the Western Hemisphere reinforces United  
8       States national interests;

9           (3) Taiwan's significant contribution to the de-  
10      velopment and economies of Latin America and the  
11      Caribbean demonstrate that Taiwan's membership  
12      in the Inter-American Development Bank as a non-  
13      borrowing member would benefit the Bank and the  
14      entire Latin American and Caribbean region; and

15          (4) non-borrowing membership in the Inter-  
16      American Development Bank would allow Taiwan to  
17      substantially leverage and channel the immense re-  
18      sources Taiwan already provides to Latin America  
19      and the Caribbean to reach a larger number of bene-  
20      ficiaries.

21      (c) PLAN FOR THE PARTICIPATION OF TAIWAN IN  
22      THE INTER-AMERICAN DEVELOPMENT BANK.—The Sec-  
23      retary of State, in coordination with the Secretary of the  
24      Treasury, is authorized—

1           (1) to initiate a United States plan to endorse  
2       non-borrowing membership in the Inter-American  
3       Development Bank for Taiwan; and

4           (2) to instruct the United States Governor of  
5       the Bank to work with the Board of Governors of  
6       the Bank to admit Taiwan as a non-borrowing mem-  
7       ber of the Bank.

8       (d) REPORT CONCERNING MEMBER STATE STATUS  
9       FOR TAIWAN AT THE INTER-AMERICAN DEVELOPMENT  
10      BANK.—Not later than 90 days after the date of the en-  
11     actment of this Act, and not later than April 1 of each  
12     year thereafter, the Secretary of State, in coordination  
13     with the Secretary of the Treasury, shall submit an un-  
14     classified report to the Committee on Foreign Relations  
15     of the Senate and the Committee on Foreign Affairs of  
16     the House of Representatives that—

17           (1) describes the United States plan to endorse  
18       and obtain non-borrowing membership status for  
19       Taiwan at the Inter-American Development Bank;

20           (2) includes an account of the efforts that the  
21       Secretary of State and the Secretary of the Treasury  
22       have made to encourage member states of the Bank  
23       to promote Taiwan's bid to obtain non-borrowing  
24       membership at the Bank; and



1           (3) identifies the steps that the Secretary of  
2       State and the Secretary of the Treasury will take to  
3       endorse and obtain non-borrowing membership sta-  
4       tus for Taiwan at the Bank in the following year.

5   **SEC. 236. INCREASED UNITED STATES COOPERATION WITH**  
6                   **ASIA-PACIFIC ECONOMIC COOPERATION.**

7       The Secretary of State shall pursue the following ob-  
8       jectives at the Asia-Pacific Economic Cooperation forum:

9           (1) Improving efficiency in supply chains, par-  
10       ticularly semi-conductor supply chains.

11          (2) Encouraging continued public-private dia-  
12       logues with policymakers and promoting a common  
13       set of technology standards, including the possibility  
14       of a digital trade agreement.

15          (3) Promoting the development and use of pol-  
16       icy recommendations for governments to support re-  
17       search and development of clean energy (both renew-  
18       able and non-renewable) and adopting robust clean  
19       energy standards.

20          (4) Advancing cooperation that reduces barriers  
21       to cross-border investment into emerging and grow-  
22       ing markets.

23          (5) Improving cybersecurity in the Asia-Pacific  
24       region and developing tools for governments to com-

1 bat cyber threats, including ransomware,  
2 disinformation, and cyber hacks.

3 **Subtitle E—Resilience**

4 **SEC. 241. SENSE OF CONGRESS REGARDING UNITED**  
5 **STATES LEADERSHIP IN RECOVERY AND RE-**  
6 **SILIENCY.**

7 It is the sense of Congress that the United States  
8 must exercise leadership in the international community's  
9 response to the COVID–19 pandemic regarding public  
10 health and economic recovery and resiliency, including  
11 by—

12 (1) leveraging multilateral fora, such as the  
13 Group of Seven (G7) and the Group of Twenty  
14 (G20), which constitute more than 30 percent and  
15 70 percent of the global economy, respectively, to co-  
16 ordinate an effective international response to per-  
17 sistent economic issues related to supply chains, in-  
18 flation, and inequality;

19 (2) revitalizing the United Nations and its asso-  
20 ciated institutions to coordinate and facilitate inter-  
21 national initiatives that—

22 (A) promote global health and economic se-  
23 curity; and

24 (B) build resilience to present and fore-  
25 casted shocks and stresses that impede eco-

1            nomic growth or trigger, contribute to, result  
2            in, or cause backsliding;

3            (3) empowering like-minded allies and partners  
4            to leverage their respective strengths and assume  
5            greater responsibilities in such international fora  
6            and institutions;

7            (4) continuing to fund and finance international  
8            initiatives, such as COVAX, to provide and dis-  
9            tribute life-saving vaccinations and medical treat-  
10          ments for COVID–19;

11          (5) promoting an equitable international eco-  
12          nomic recovery that promotes building developing  
13          countries’ resilience capacities to address enduring  
14          disparities and challenges facing lower and middle  
15          income countries in addition to more recent chal-  
16          lenges related to high-levels of global inflation and  
17          market volatility; and

18          (6) supporting an impartial, independent, and  
19          international investigation into the origins of the  
20          COVID–19 pandemic to derive lessons learned and  
21          prevent similar international disasters in the future.

1 **SEC. 242. SENSE OF CONGRESS REGARDING IMPROVING**  
2 **RESILIENCE CAPACITIES THROUGH FOREIGN**  
3 **ASSISTANCE.**

4 It is the sense of Congress that United States foreign  
5 assistance and development finance must better suit its  
6 foreign assistance and development finance institutions to  
7 improve global resilience capacities and mitigate the harm-  
8 ful effects of international shocks and stresses, including  
9 by—

10 (1) equipping people, institutions, and inter-  
11 national systems with the tools and resources nec-  
12 essary to avoid, cope with, and recover from modern  
13 threats, such as pandemic diseases, climate change,  
14 and extreme weather, cybersecurity compromises,  
15 and supply chain disruptions;

16 (2) partnering with other countries to better as-  
17 sess their vulnerabilities and risks to international  
18 shocks and identifying sustainable strategies for  
19 mitigating risk and improving resilience;

20 (3) prioritizing funding for foreign assistance  
21 and development finance initiatives that seek to pre-  
22 vent, respond and reduce risks of international  
23 shocks;

24 (4) expanding foreign capacity building initia-  
25 tives in law enforcement, public health, cybersecu-  
26 rity, food and energy security;

1           (5) strengthening institutions that facilitate  
2       economic cooperation and transparency in times of  
3       international crisis and uncertainty; and

4           (6) providing support for countries to strength-  
5       en domestic resource mobilization and access to ef-  
6       fective and equitable development finance in order to  
7       reduce dependence on foreign assistance.

8   **SEC. 243. OFFICE OF ECONOMIC RESILIENCY.**

9       Section 1 of the State Department Basic Authorities  
10   Act of 1956 (22 U.S.C. 2651a) is amended—

11           (1) by redesignating subsection (h) (as added  
12       by section 361 of Public Law 116–260) as sub-  
13       section (k); and

14           (2) by adding at the end the following:

15       “(1) OFFICE OF ECONOMIC RESILIENCY.—

16           “(1) IN GENERAL.—There is established, within  
17       the Bureau of Economic and Business Affairs of the  
18       Department of State, the Office of Economic Resil-  
19       iency (in this subsection referred to as the ‘Office’).

20           “(2) FUNCTION.—The Office, under the direc-  
21       tion of the Assistant Secretary for the Bureau of  
22       Economic and Business Affairs, shall lead United  
23       States’ efforts to develop and implement credible na-  
24       tional action plans with partner countries aimed at  
25       detecting, understanding, preventing impacts of, and

1        responding to present and forecasted shocks and  
2        stresses that are destabilizing to countries' national  
3        security and economic growth, including epidemics,  
4        pandemics, natural disasters, and other destabilizing  
5        events.”.

6    **SEC. 244. ESTABLISHMENT OF RESILIENCE TRUST FUND AT**  
7                                    **THE WORLD BANK.**

8        The United States Executive Director to the World  
9    Bank shall use the voice and vote of the United States  
10   to advocate for the establishment of a multi-donor trust  
11   fund to incentivize countries to develop and implement  
12   credible national action plans aimed at preventing, detect-  
13   ing, and responding to epidemics, pandemics, and other  
14   global destabilizing events.

○