

117TH CONGRESS
2D SESSION

S. _____

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

IN THE SENATE OF THE UNITED STATES

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

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.

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

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- 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.
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- Sec. 231. Statement of policy on United States leadership at international financial institutions.
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- 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 Organization 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-

1 eive economic practices, to identify their con-
2 cerns regarding such practices; and

3 (D) develop and implement a process for
4 regularly sharing relevant information, includ-
5 ing classified information, to the extent appro-
6 priate and practicable, on such coercive eco-
7 nomic practices with United States allies, part-
8 ners, and the private sector.

9 (2) CONSULTATION.—In carrying out its duties
10 under this subsection, the Task Force should regu-
11 larly consult, to the extent necessary and appro-
12 priate, with—

13 (A) relevant stakeholders in the private
14 sector;

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

17 (C) United States allies and partners.

18 (c) MEMBERSHIP.—The President shall—

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

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

24 (3) direct the head of each of the following Fed-
25 eral departments and agencies to appoint personnel,

1 at the level of Assistant Secretary or higher, to par-
2 ticipate 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 (e) 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-

1 hibit the export, reexport, and in-country transfer of cov-
2 ered items to the People's Republic of China.

3 (b) ADDITIONAL CONTROLS.—The President may
4 prescribe such additional regulations and export controls
5 as are necessary to carry out the strategy required by sec-
6 tion 132.

7 (c) WAIVERS.—The President may waive the applica-
8 tion of controls under subsection (a) or (b) with respect
9 to a covered item if the President certifies to the appro-
10 priate congressional committees that the export, reexport,
11 or in-country transfer of the covered item is in the na-
12 tional security interests of the United States.

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

16 (1) the Committee on Foreign Relations, the
17 Committee on Commerce, Science, and Transpor-
18 tation, and the Committee on Banking, Housing,
19 and Urban Affairs of the Senate; and

20 (2) the Committee on Foreign Affairs, the
21 Committee on Energy and Commerce, and the Com-
22 mittee on Financial Services of the House of Rep-
23 resentatives.

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-

1 ply chains, or industrial processing and ex-
2 traction of critical mineral resources;

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

7 (iii) action plans to achieve such tar-
8 gets and a mechanism to provide regular
9 reporting;

10 (C) to promote consumer education, aware-
11 ness, and outreach on exploitation of workers in
12 the critical mineral extraction industry; and

13 (D) to share best practices in materials
14 management and industrial systems operations
15 to maximize the benefit of critical mineral re-
16 sources.

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

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

23 (1) lead and coordinate efforts to implement the
24 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

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

5 (i) improving and expanding the ca-
6 pacity of foreign industries to responsibly
7 employ extractive industry management
8 practices;

9 (ii) improving and expanding the ca-
10 pacity and transparency of tracking mech-
11 anisms for critical minerals to reduce ex-
12 ploitation and corruption;

13 (iii) eliminating incentives that under-
14 mine responsible supply chain manage-
15 ment; and

16 (iv) building the capacity of coun-
17 tries—

18 (I) to reduce, monitor, regulate,
19 and manage the extraction, refine-
20 ment, and transport of critical min-
21 erals appropriately and transparently;
22 and

23 (II) to encourage private invest-
24 ment in critical mineral extraction
25 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 ated, 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-

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

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

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

16 (2) in section 1442 (22 U.S.C. 9652)—

17 (A) in subsection (b)—

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

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

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

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

4 (B) in subsection (d), by striking
5 “1413(i)” and inserting “1413(j)”; and

6 (3) in section 1443 (22 U.S.C. 9653)—

7 (A) in subsection (a)—

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

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

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

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

18 (B) in subsection (b)—

19 (i) in paragraph (1)—

20 (I) in subparagraph (A), by strik-
21 ing “; and” and inserting a semicolon;

22 (II) in subparagraph (B), by add-
23 ing “and” at the end; and

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

1 “(C) the impact of the Corporation’s stra-
2 tegic investment efforts on United States for-
3 eign policy goals;”; and

4 (ii) in paragraph (3)—

5 (I) in subparagraph (A), by strik-
6 ing “; and” and inserting a semicolon;
7 and

8 (II) by adding at the end the fol-
9 lowing new subparagraph:

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

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

18 (a) **IN GENERAL.**—Section 1463(c)(1) of the Better
19 Utilization of Investments Leading to Development Act of
20 2018 (22 U.S.C. 9683(c)(1)) is amended by striking “the
21 Corporation or any other appropriate department or agen-
22 cy of the United States Government” and inserting “any
23 appropriate department or agency of the United States
24 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-
21forts; 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 (c) 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 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(e) of the State Department Basic Authori-
20 ties Act of 1956 (22 U.S.C. 2651a(e)) 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-SET-
14 TING 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 congress-
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 (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 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 1/2 of global spending on
6 research and development, while the People's Repub-
7 lic of China accounts for approximately 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-
4ibbean, 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-
13quake in Haiti.

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

17 (A) food security;

18 (B) income generation; and

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

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.