

116TH CONGRESS
1ST SESSION

H. R. 1453

To prioritize the efforts of and enhance coordination among United States agencies to encourage European countries to diversify their energy sources and supply routes, increase European countries' energy security, and help the United States reach its global energy security goals, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 28, 2019

Mr. KINZINGER (for himself, Mr. McCAUL, and Mr. FITZPATRICK) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To prioritize the efforts of and enhance coordination among United States agencies to encourage European countries to diversify their energy sources and supply routes, increase European countries' energy security, and help the United States reach its global energy security goals, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “European Energy Se-
5 curity and Diversification Act of 2019”.

1 **SEC. 2. STATEMENT OF POLICY.**

2 (a) SENSE OF CONGRESS.—It is the sense of Con-
3 gress that the United States has economic and national
4 security interests in assisting European countries achieve
5 energy security through diversification of their energy
6 sources and supply routes.

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

9 (1) to advance United States foreign policy and
10 development goals by assisting European countries
11 to reduce their dependence on energy resources from
12 countries that use energy dependence for undue po-
13 litical influence, such as the Russian Federation,
14 which has used natural gas to coerce, intimidate,
15 and influence other countries;

16 (2) to promote the energy security of European
17 countries by encouraging the development of acces-
18 sible, transparent, and competitive energy markets
19 that provide diversified sources, types, and routes of
20 energy;

21 (3) to encourage United States public and pri-
22 vate sector investment in energy infrastructure
23 projects in European countries to bridge the gap be-
24 tween energy security requirements and commercial
25 demand in a way that is consistent with the region's
26 absorptive capacity; and

1 (4) to help facilitate the export of United States
2 energy resources, technology, and expertise to global
3 markets in a way that benefits the energy security
4 of European countries.

5 **SEC. 3. PRIORITIZATION OF EFFORTS AND ASSISTANCE**
6 **FOR ENERGY INFRASTRUCTURE PROJECTS**
7 **IN EUROPE.**

8 (a) IN GENERAL.—In pursuing the policy described
9 in section 2(b), the Secretary of State, in coordination
10 with the heads of United States agencies that operate
11 under the foreign policy guidance of the Secretary, shall,
12 as appropriate, prioritize and expedite the efforts of the
13 Department of State or of such agencies to support the
14 efforts of European countries to increase their energy se-
15 curity, including through—

16 (1) providing diplomatic, political, and technical
17 support to European countries—

18 (A) to facilitate international negotiations
19 with respect to cross-border infrastructure;

20 (B) to enhance European countries’ regu-
21 latory environment with respect to energy; or

22 (C) to develop accessible, transparent, and
23 competitive energy markets supplied by diverse
24 sources, types, and routes of energy; and

(2) providing support to improve European energy markets, including early-stage project support and late-stage project support, for the construction or improvement of energy infrastructure—

(A) to diversify the energy sources and supply routes of European countries;

(B) to enhance energy market integration across the region; or

(C) to increase competition within energy markets.

(b) PROJECT SELECTION.—

(1) IN GENERAL.—The Secretary, in consultation with the agencies described in subsection (a), shall identify energy infrastructure projects that would be appropriate for United States assistance under this section.

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

(A) related to—

(i) natural gas infrastructure, such as interconnectors, storage facilities, liquefied natural gas import facilities, or reverse flow capacity;

1 (ii) electricity transmission infrastruc-
2 ture, electricity storage projects, or smart
3 grid projects;

4 (iii) renewable energy projects in
5 wind, solar, tidal, or other forms; or

6 (iv) the improvement, rehabilitation,
7 or construction of natural gas, coal, nu-
8 clear, or other electricity generation facili-
9 ties to increase the efficiency and reliability
10 of electricity production; and

11 (B) located in a European country.

12 (3) PREFERENCE.—In selecting among projects
13 that are eligible under paragraph (2), the agencies
14 described in subsection (a) shall give preference to
15 projects that—

16 (A) improve the capacity of energy systems
17 to efficiently transfer gas and electricity within
18 and between European countries;

19 (B) have already been identified by the
20 European Commission as being integral for the
21 energy security of European countries;

22 (C) are expected to enhance energy market
23 integration and transparency;

24 (D) can attract funding from the private
25 sector, an international financial institution, the

1 government of the country in which the project
2 will be carried out, or the European Commis-
3 sion; or

4 (E) have the potential to use United States
5 goods and services.

6 (c) COUNTERING RUSSIAN INFLUENCE FUND.—Sec-
7 tion 254 of the Countering Russian Influence in Europe
8 and Eurasia Act of 2017 (22 U.S.C. 9543) is amended—

9 (1) in subsection (a), by striking “fiscal years
10 2018 and 2019” and inserting “fiscal years 2018
11 through 2021”; and

12 (2) in subsection (b), by adding at the end the
13 following:

14 “(7) To assist United States agencies in pro-
15 viding assistance under section 3 of the European
16 Energy Security and Diversification Act of 2019.”.

17 **SEC. 4. PROGRESS REPORTS.**

18 Not later than one year after the date of the enact-
19 ment of this Act, and annually thereafter for seven years,
20 the President shall submit to the Committee on Foreign
21 Relations of the Senate and the Committee on Foreign
22 Affairs of the House of Representatives a report on
23 progress made in providing assistance for projects under
24 section 3 that includes—

1 (1) a description of the energy infrastructure
2 projects for which the United States has provided
3 assistance; and

4 (2) for each such project—

5 (A) a description of the role of the United
6 States in the project, including the amount and
7 form of any early-stage project support or late-
8 stage project support; and

9 (B) an update on the progress made on the
10 project as of the date of the report.

11 **SEC. 5. DEFINITIONS.**

12 In this Act:

13 (1) **EUROPEAN COUNTRY.**—The term “Euro-
14 pean country” means the following:

15 (A) Albania.

16 (B) Andorra.

17 (C) Austria.

18 (D) Belgium.

19 (E) Bosnia and Herzegovina.

20 (F) Bulgaria.

21 (G) Croatia.

22 (H) Cyprus.

23 (I) The Czech Republic.

24 (J) Denmark.

25 (K) Estonia.

- 1 (L) Finland.
- 2 (M) France.
- 3 (N) Germany.
- 4 (O) Greece.
- 5 (P) Hungary.
- 6 (Q) Ireland.
- 7 (R) Italy.
- 8 (S) Kosovo.
- 9 (T) Latvia.
- 10 (U) Liechtenstein.
- 11 (V) Lithuania.
- 12 (W) Luxembourg.
- 13 (X) Moldova.
- 14 (Y) Monaco.
- 15 (Z) Montenegro.
- 16 (AA) The Netherlands.
- 17 (BB) North Macedonia.
- 18 (CC) Norway.
- 19 (DD) Poland.
- 20 (EE) Portugal.
- 21 (FF) Romania.
- 22 (GG) San Marino.
- 23 (HH) Serbia.
- 24 (II) Slovakia.
- 25 (JJ) Slovenia.

1 (KK) Spain.

2 (LL) Sweden.

3 (MM) Switzerland.

4 (NN) Ukraine.

5 (OO) United Kingdom.

6 (PP) Vatican City.

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

9 (A) feasibility studies;

10 (B) resource evaluations;

11 (C) project appraisal and costing;

12 (D) pilot projects;

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

18 (F) technical assistance and other guid-
19 ance to improve the local regulatory environ-
20 ment and market frameworks to encourage
21 transparent competition and enhance energy se-
22 curity; and

23 (G) long-term energy sector planning.

24 (3) LATE-STAGE PROJECT SUPPORT.—The term
25 “late-stage project support” includes loans, guaran-

1 tees, insurance, reinsurance, equity investments, and
2 transaction advisory services.

3 (4) INTERNATIONAL FINANCIAL INSTITU-
4 TION.—The term “international financial institu-
5 tion” has the meaning given the term in section
6 1701(c) of the International Financial Institutions
7 Act (22 U.S.C. 262r(c)).

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