

111TH CONGRESS
1ST SESSION

S. 2835

To reduce global warming pollution through international climate finance,
investment, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 3, 2009

Mr. KERRY (for himself, Mr. CARDIN, Mr. KAUFMAN, Mrs. GILLIBRAND, and
Mr. MENENDEZ) introduced the following bill; which was read twice and
referred to the Committee on Foreign Relations

A BILL

To reduce global warming pollution through international
climate finance, investment, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “International Climate Change Investment Act of 2009”.

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings and statement of policy.
- Sec. 3. Definitions.
- Sec. 4. Strategic Interagency Board on International Climate Investment.

TITLE I—EMISSIONS REDUCTIONS FROM REDUCED
DEFORESTATION

- Sec. 101. Definitions.
- Sec. 102. Purposes.
- Sec. 103. Emissions reductions through reduced deforestation.
- Sec. 104. Requirements for international deforestation reduction program.
- Sec. 105. Legal effect.

TITLE II—ASSISTANCE FOR CLEAN TECHNOLOGY ACTIVITIES

- Sec. 201. Definitions.
- Sec. 202. Purposes.
- Sec. 203. Assistance for clean energy technology activities.
- Sec. 204. Determination of eligible countries.
- Sec. 205. Determination of qualifying activities.
- Sec. 206. Distribution and administration of assistance.

TITLE III—INTERNATIONAL CLIMATE CHANGE ADAPTATION AND
GLOBAL SECURITY PROGRAM

- Sec. 301. Definitions.
- Sec. 302. Purposes.
- Sec. 303. International Climate Change Adaptation and Global Security Program.
- Sec. 304. Distribution of assistance.
- Sec. 305. Bilateral assistance.

TITLE IV—EVALUATION AND REPORTS

- Sec. 401. Monitoring, evaluation, and enforcement.
- Sec. 402. Reports and review.

TITLE V—REPORT ON MAJOR ECONOMIES CLIMATE ACTIONS

- Sec. 501. Report.

1 SEC. 2. FINDINGS AND STATEMENT OF POLICY.

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

4 (1) According to the G8 Summit text from
5 L'Aquila, Italy on Climate and Energy “global emis-
6 sions should peak by 2020 and then be substantially
7 reduced to limit the average increase in global tem-
8 perature to two degrees Celsius (3.6 Fahrenheit)
9 above pre-industrial levels.”.

(2) An unclassified report by the National Intelligence Council entitled, *Global Trends 2025: A Transformed World*, finds that by 2025 “unprecedented economic growth, coupled with 1.5 billion more people, will put pressure on resources—particularly energy, food, and water—raising the specter of scarcities emerging as demand outstrips supply.”.

(3) According to the 2009 Energy Information Administration *Annual Energy Outlook*, in 2030, countries that are not in the Organization for Economic Cooperation and Development (OECD) are predicted to exceed greenhouse gas emissions from OECD countries by 77 percent.

(4) Under article 4 of the United Nations Framework Convention on Climate Change, developed country parties, including the United States, committed to—

(A) “assist the developing country Parties that are particularly vulnerable to the adverse effects of climate change in meeting costs of adaptation to those adverse effects”; and

(B) “take all practicable steps to promote, facilitate and finance, as appropriate, the transfer of, or access to, environmentally sound tech-

1 nologies and know-how to other Parties, par-
2 ticularly developing country Parties, to enable
3 them to implement the provisions of the Con-
4 vention.”.

5 (5) Under the Bali Action Plan (decision 1/
6 CP.13), developed country parties to the United Na-
7 tions Framework Convention on Climate Change, in-
8 cluding the United States, committed to “enhanced
9 action on the provision of financial resources and in-
10 vestment to support action on mitigation and adap-
11 tation and technology cooperation, including, inter
12 alia, consideration of [i]mproved access to adequate,
13 predictable and sustainable financial resources and
14 financial and technical support, and the provision of
15 new and additional resources, including official and
16 concessional funding for developing country Par-
17 ties”.

18 (6) According to the International Organization
19 for Migration, there could be up to 200,000,000 en-
20 vironmentally induced migrants by 2050.

21 (7) Deforestation is one of the largest sources
22 of greenhouse gas emissions in developing countries,
23 accounting for about 15 percent of global emissions.
24 According to recent scientific analysis, it will be sub-
25 stantially more difficult to limit the increase in glob-

1 al temperatures to less than 2 degrees Celcius above
2 preindustrial levels if net emissions from deforest-
3 ation are not reduced and ultimately halted.

4 (8) Although developing countries are histori-
5 cally least responsible for the cumulative greenhouse
6 gas emissions that are causing climate change and
7 continue to have very low per capita greenhouse gas
8 emissions, the greenhouse gas emissions from these
9 countries are increasing as developing countries seek
10 to grow their economies and reduce the energy pov-
11 erty of their populations.

12 (9) The countries most vulnerable to climate
13 change, due both to greater exposure to harmful im-
14 pacts and to lower capacity to adapt, are developing
15 countries with very low industrial greenhouse gas
16 emissions that have contributed less to climate
17 change than more affluent countries.

18 (10) Developing countries rely on the natural
19 ecosystems likely to be affected by climate change
20 for sustenance, livelihoods, and economic growth and
21 stability to a much greater degree than developed
22 countries.

23 (11) There may be varying climate change ad-
24 aptation and resilience needs within developing coun-
25 tries among different communities and populations,

1 including impoverished communities, children,
 2 women, and indigenous peoples.

3 (12) Many developing countries will face sharp-
 4 ly decreasing yields from agriculture production be-
 5 cause of climate change, which will—

6 (A) undermine food security in such coun-
 7 tries; and

8 (B) necessitate—

9 (i) substantial additional support for
 10 agricultural development and emergency
 11 response to food insecurity; and

12 (ii) major shifts in production tech-
 13 niques to raise yields through low-input,
 14 sustainable, and biodiverse methods.

15 (13) Women around the world, who are the
 16 linchpin of families and communities, will dispropor-
 17 tionately face the harmful effects of climate change,
 18 particularly in developing countries where women as-
 19 sume the increased responsibility of providing food,
 20 water, fuel and other resources for their families.

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

23 (1) recognize that global climate change—

24 (A) is a potentially significant national and
 25 global security threat multiplier;

1 (B) is likely to exacerbate competition and
2 conflict over agricultural, vegetative, marine,
3 and water resources; and

4 (C) will likely result in increased displace-
5 ment of people, poverty, and hunger within de-
6 veloping countries;

7 (2) protect Americans from the impacts of cli-
8 mate change through global reductions in green-
9 house gas emissions;

10 (3) address the strategic, social, political, eco-
11 nomic, cultural, and environmental consequences of
12 global climate change that are likely to have dis-
13 proportionate adverse impacts on developing coun-
14 tries, which—

15 (A) have less economic capacity to respond
16 to such impacts; and

17 (B) are likely to pose long-term challenges
18 to the national security, foreign policy, and eco-
19 nomic interests of the United States;

20 (4) recognize the significant contributions of
21 women in their communities and secure their in-
22 volvement as primary stakeholders;

23 (5) take measures to address emissions from,
24 and drivers of, deforestation as part of a global ef-
25 fort to mitigate climate change;

1 (6) recognize that it is in the national interest
2 of the United States to assist developing countries to
3 reduce and ultimately halt emissions from deforest-
4 ation in a manner consistent with preserving the
5 rights and securing the involvement of indigenous
6 peoples and forest-dependent communities, since—

7 (A) as primary stakeholders, indigenous
8 peoples and forest-dependent communities are
9 critical partners in efforts to reduce deforest-
10 ation and degradation; and

11 (B) the participation and buy-in regarding
12 related activities of such peoples and commu-
13 nities is vital to the success, sustainability, and
14 permanence of emission reductions;

15 (7) support the export deployment of clean en-
16 ergy technologies through bilateral and multilateral
17 financing mechanisms, since—

18 (A) many developing countries lack the fi-
19 nancial and technical resources to adopt clean
20 energy technologies;

21 (B) absent international support, the
22 greenhouse gas emissions of such countries
23 could continue to increase;

24 (C) investments in, and the deployment of,
25 clean technology in developing countries could—

- 1 (i) be cost-effective;
- 2 (ii) enhance economic opportunities
- 3 for the United States;
- 4 (iii) increase the demand for clean en-
- 5 ergy products;
- 6 (iv) lower costs; and
- 7 (v) result in global greenhouse gas
- 8 emissions reductions;

9 (D) intellectual property rights are a key
10 driver of investment and research and develop-
11 ment in, and the global deployment of, clean
12 technologies; and

13 (E) coordinated financial assistance from
14 the United States could help catalyze and assist
15 developing countries to adopt low-carbon and
16 development pathways;

17 (8) provide assistance to developing countries
18 with varying climate change adaptation and resil-
19 ience needs among different communities and popu-
20 lations, including impoverished communities, chil-
21 dren, women, and indigenous peoples, since—

22 (A) countries most vulnerable to climate
23 change, due to greater exposure to harmful im-
24 pacts and lower capacity to adapt, are devel-
25 oping countries with very low industrial green-

1 house gas emissions that have contributed less
 2 to climate change than more affluent countries;

3 (B) to a much greater degree than devel-
 4 oped countries, developing countries rely on the
 5 natural ecosystems likely to be affected by cli-
 6 mate change for sustenance, livelihoods, and
 7 economic growth and stability; and

8 (C) many developing countries will face
 9 sharply decreasing yields from agriculture pro-
 10 duction because of climate change, which will—

11 (i) undermine food security;

12 (ii) necessitate substantial additional
 13 support for agricultural development and
 14 emergency response to food insecurity; and

15 (iii) necessitate major shifts in pro-
 16 duction techniques to raise yields through
 17 low-input, sustainable, and biodiverse
 18 methods;

19 (9) provide predictable, stable, and sufficient fi-
 20 nancing to—

21 (A) support global climate change goals;

22 and

23 (B) leverage private financing mechanisms;

1 (10) engage in bilateral and multilateral ap-
2 proaches to make progress towards securing global
3 participation and action to—

4 (A) mitigate greenhouse gas emissions;

5 (B) adapt to the impacts of climate
6 change, including enhanced agricultural produc-
7 tivity and soil resilience;

8 (C) reduce emissions from deforestation
9 and forest degradation; and

10 (D) provide the necessary financing to ac-
11 complish these objectives; and

12 (11) recognize the strengths of the United Na-
13 tions Framework Convention on Climate Change as
14 a primary forum for agreement on global climate
15 change.

16 **SEC. 3. DEFINITIONS.**

17 In this Act:

18 (1) ADMINISTRATOR.—Except as otherwise ex-
19 pressly provided, the term “Administrator” means
20 the Administrator of the United States Agency for
21 International Development.

22 (2) APPROPRIATE CONGRESSIONAL COMMIT-
23 TEES.—The term “appropriate congressional com-
24 mittees” means—

1 (A) the Committee on Foreign Relations of
2 the Senate;

3 (B) the Committee on Energy and Natural
4 Resources of the Senate;

5 (C) the Committee on Environment and
6 Public Works of the Senate;

7 (D) the Committee on Foreign Affairs of
8 the House of Representatives;

9 (E) the Committee on Energy and Com-
10 merce of the House of Representatives; and

11 (F) the Committee on Financial Services
12 of the House of Representatives.

13 (3) DEVELOPING COUNTRY.—The term “devel-
14 oping country” means a country eligible to receive
15 official development assistance according to the in-
16 come guidelines of the Development Assistance Com-
17 mittee of the Organization for Economic Coopera-
18 tion and Development.

19 **SEC. 4. STRATEGIC INTERAGENCY BOARD ON INTER-**
20 **NATIONAL CLIMATE INVESTMENT.**

21 (a) ESTABLISHMENT.—

22 (1) IN GENERAL.—Not later than 90 days after
23 the date of the enactment of this Act, the President
24 shall establish the “Strategic Interagency Board on

1 International Climate Investment” (referred to in
2 this section as the “Board”).

3 (2) MEMBERSHIP.—The Board shall be com-
4 posed of—

5 (A) the Secretary of State, who shall serve
6 as chairperson of the Board;

7 (B) the Administrator of the United States
8 Agency for International Development;

9 (C) the Secretary of Energy;

10 (D) the Secretary of the Treasury;

11 (E) the Secretary of Commerce;

12 (F) the Administrator of the Environ-
13 mental Protection Agency;

14 (G) the Secretary of Agriculture; and

15 (H) any other Federal agency head or ex-
16 ecutive branch appointee designated by the
17 President.

18 (3) MEETINGS.—Beginning not later than 90
19 days after the date of the enactment of this Act,
20 members of the Board or their designees shall meet
21 not less frequently than quarterly on a schedule to
22 be agreed upon by the members of the Board.

23 (b) DUTIES.—

24 (1) IN GENERAL.—The Board shall assess,
25 monitor, and evaluate the progress and contributions

1 of relevant departments and agencies of the United
2 States Government in supporting funding for inter-
3 national climate change activities and efforts and the
4 goals and objectives on the United Nations Frame-
5 work Convention on Climate Change and the Bali
6 Action Plan, by—

7 (A) identifying, evaluating, and assessing
8 programs, activities, and contributions that con-
9 tribute to the mitigation of greenhouse gas
10 emissions, adaptation, clean energy technology
11 deployment, and the prevention of deforestation
12 and forest degradation, including the programs
13 established under this Act;

14 (B) assessing the effectiveness of programs
15 and strategies toward achieving sustainable,
16 predictable, and additional climate financing;

17 (C) assessing the level of input and coordi-
18 nation among relevant departments and agen-
19 cies of the United States Government, the
20 international community, international organi-
21 zations, nongovernmental organizations (includ-
22 ing faith-based and private sector organiza-
23 tions), academic institutions, host country gov-
24 ernments, local communities, and primary
25 stakeholders;

1 (D) identifying and summarizing the
2 progress of the United States in bilateral and
3 multilateral efforts toward—

4 (i) achieving greenhouse gas mitiga-
5 tion;

6 (ii) supporting adaptation to climate
7 change in developing countries;

8 (iii) promoting clean energy tech-
9 nology deployment; and

10 (iv) promoting sustainable, predict-
11 able, and additional financial support to
12 meet the purposes described in clauses (i)
13 through (iii); and

14 (E) preparing and compiling the reports
15 and reviews described in section 402.

16 (c) CONSULTATION.—To the maximum extent prac-
17 ticable, the Board shall consult with individuals with ex-
18 pertise in the matters to be considered by the Board who
19 are not officers or employees of the United States Govern-
20 ment, including representatives of—

21 (1) United States-based nongovernmental orga-
22 nizations (including faith-based organizations and
23 private foundations);

24 (2) academic institutions;

25 (3) the private sector; and

1 (4) the United Nations Framework Convention
 2 on Climate Change Secretariat.

3 **TITLE I—EMISSIONS REDUC-**
 4 **TIONS FROM REDUCED DE-**
 5 **FORESTATION**

6 **SEC. 101. DEFINITIONS.**

7 In this title:

8 (1) DEFORESTATION.—The term “deforest-
 9 ation” means a change in land use from a forest to
 10 any other land use.

11 (2) EMISSIONS REDUCTIONS.—The term “emis-
 12 sions reductions” means greenhouse gas emissions
 13 reductions achieved from reduced or avoided defor-
 14 estation under this title.

15 (3) FOREST.—The term “forest”—

16 (A) means a terrestrial ecosystem com-
 17 prised of native tree species generated and
 18 maintained primarily through natural ecological
 19 and evolutionary processes; and

20 (B) does not include plantations, such as
 21 crops of trees planted primarily by humans for
 22 the purposes of harvesting.

23 (4) FOREST DEGRADATION.—The term “forest
 24 degradation” is any reduction in the carbon stock of

1 a forest due to the impact of human land-use activi-
2 ties.

3 (5) INTACT FOREST.—The term “intact forest”
4 means an unbroken expanse of natural ecosystems
5 within the current global extent of forest cover
6 that—

7 (A) covers an area of at least 500 square
8 kilometers and is at least 10 kilometers in each
9 direction; and

10 (B) contains forest and non-forest eco-
11 systems minimally influenced by human eco-
12 nomic activity and large enough that all native
13 biodiversity, including viable populations of
14 wide-ranging species, could be maintained.

15 (6) LEAKAGE PREVENTION ACTIVITIES.—The
16 term “leakage prevention activities” means activities
17 in developing countries that are directed at pre-
18 serving existing forest carbon stocks, including for-
19 ested wetlands and peatlands, that might, absent
20 such activities, be lost through leakage.

21 (7) NATIONAL DEFORESTATION REDUCTION AC-
22 TIVITIES.—The term “national deforestation reduc-
23 tion activities” means activities in developing coun-
24 tries that reduce a quantity of greenhouse gas emis-
25 sions from deforestation that is calculated by meas-

1 uring actual emissions against a national deforest-
 2 ation baseline established pursuant to paragraphs
 3 (1) and (2) of section 104(d).

4 (8) SUBNATIONAL DEFORESTATION AND FOR-
 5 EST DEGRADATION REDUCTION ACTIVITIES.—The
 6 term “subnational deforestation and forest degrada-
 7 tion reduction activities” means activities in devel-
 8 oping countries that reduce a quantity of greenhouse
 9 gas emissions from deforestation and forest degrada-
 10 tion that are calculated by measuring actual emis-
 11 sions using an appropriate baseline, or an alternative
 12 determined under section 104(d)(2)(B), established
 13 by the Administrator that is less than national in
 14 scope.

15 **SEC. 102. PURPOSES.**

16 The purposes of this title are to provide United
 17 States assistance to developing countries—

18 (1) to develop, implement, and improve—

19 (A) nationally appropriate greenhouse gas
 20 mitigation policies; and

21 (B) actions that reduce deforestation and
 22 forest degradation or conserve or restore forest
 23 ecosystems, in a measurable, reportable, and
 24 verifiable manner;

1 (2) in a manner that is consistent with, and en-
2 hances the implementation of, complementary
3 United States policies that support the good govern-
4 ance of forests, biodiversity conservation, and envi-
5 ronmentally sustainable development; and

6 (3) after taking into consideration the views
7 and participation of local communities, most vulner-
8 able populations and communities, particularly for-
9 est-dependent communities, and indigenous peoples.

10 **SEC. 103. EMISSIONS REDUCTIONS THROUGH REDUCED DE-**
11 **FORESTATION.**

12 (a) AUTHORIZATION.—Not later than 2 years after
13 the date of the enactment of this Act, the Administrator,
14 in consultation with the Administrator of the Environ-
15 mental Protection Agency, the Secretary of Agriculture,
16 and the head of any other appropriate agency, shall estab-
17 lish a program to provide assistance to reduce greenhouse
18 gas emissions from deforestation in developing countries,
19 in accordance with this title.

20 (b) OBJECTIVES.—The objectives of the program es-
21 tablished under this section shall be to—

22 (1) achieve emissions reductions of at least
23 720,000,000 tons of carbon dioxide equivalent in
24 2020, a cumulative amount of at least
25 6,000,000,000 tons of carbon dioxide equivalent by

1 December 31, 2025, and additional emissions reduc-
2 tions in subsequent years;

3 (2) build capacity to reduce deforestation at a
4 national level in developing countries experiencing
5 deforestation, including preparing developing coun-
6 tries to participate in international markets for
7 international offset credits for reduced emissions
8 from deforestation;

9 (3) preserve existing forest carbon stocks in
10 countries where such forest carbon may be vulner-
11 able to international leakage, particularly in devel-
12 oping countries with largely intact native forests;

13 (4) build the scientific knowledge and institu-
14 tional capacity to help developing countries—

15 (A) monitor the effects of climate change
16 on their forests;

17 (B) develop and implement strategies to
18 conserve their forests; and

19 (C) support forest dependent communities
20 adapt to climate change; and

21 (5) to the extent practicable, reduce deforest-
22 ation in ways that reduce the vulnerability and in-
23 crease the resilience to climate impacts for forests
24 and forest dependent communities.

1 **SEC. 104. REQUIREMENTS FOR INTERNATIONAL DEFOR-**
2 **ESTATION REDUCTION PROGRAM.**

3 (a) **ELIGIBLE COUNTRIES.**—

4 (1) **IN GENERAL.**—Except as provided under
5 paragraph (2), the Administrator may provide as-
6 sistance under this title—

7 (A) to support programs that would ex-
8 clude from the United States illegally harvested
9 timber or products made from illegally har-
10 vested timber, in accordance with and con-
11 sistent with the objectives of the Lacey Act
12 Amendments of 2008 (16 U.S.C. 3371 et seq.);
13 and

14 (B) only with respect to a developing coun-
15 try that—

16 (i) the Administrator determines is
17 experiencing deforestation or forest deg-
18 radation or has standing forest carbon
19 stocks that may be at risk of deforestation
20 or degradation;

21 (ii) the Administrator, in consultation
22 with the Administrator of the Environ-
23 mental Protection Agency, determines has
24 the legal regimes, standards and safe-
25 guards to ensure that the rights and inter-
26 ests of indigenous peoples and forest-de-

pendent communities are protected in accordance with the standards promulgated under subsection (d); and

(iii) has entered into a bilateral or multilateral agreement or arrangement with the United States, or is part of an international program supported by the United States to prevent deforestation, establishing the conditions of its participation in the program established under this title, which shall include an agreement to meet the standards established under subsection (d) for the activities to which such standards apply.

(2) EXCEPTION.—A developing country that does not meet the requirement described in paragraph (1)(B)(ii) may receive assistance under this title for the purpose of building capacity to meet such requirement.

(b) AUTHORIZED ACTIVITIES.—Subject to the requirements of this title, the Administrator may support activities to achieve the objectives identified in section 103(b), including activities such as—

(1) national deforestation reduction activities;

1 (2) subnational deforestation and forest deg-
2 radation reduction activities, including pilot activi-
3 ties, policies, and measures that reduce greenhouse
4 gas emissions and are subject to significant uncer-
5 tainty;

6 (3) activities to measure, monitor, and verify
7 deforestation, avoided deforestation, and rates of de-
8 forestation, including, if applicable, a spatially ex-
9 plicit land use plan that identifies intact and pri-
10 mary forest areas and managed forest areas;

11 (4) leakage prevention activities;

12 (5) the development and implementation of
13 measurement, monitoring, reporting, and verification
14 capacities and governance structures, including legal
15 regimes, standards, processes, and safeguards, as es-
16 tablished under subsection (d), to enable a country
17 to quantify emissions reductions and participate in
18 carbon markets;

19 (6) the identification of, and actions to address,
20 the drivers of land use emissions;

21 (7) the development and strengthening of gov-
22 ernance capacities to reduce deforestation and other
23 land use emissions and to combat illegal logging and
24 associated trade, including the development of sys-
25 tems for independent monitoring of the efficacy of

1 forest law enforcement and increased enforcement
2 cooperation, including joint efforts with Federal
3 agencies, to enforce the Lacey Act Amendments of
4 1981 (16 U.S.C. 3371 et seq.);

5 (8) the provision of incentives for policy reforms
6 to achieve the objectives identified in section 103(b);

7 (9) the development of pilot projects to—

8 (A) examine where mitigation and adapta-
9 tion activities in forest ecosystems coincide; and

10 (B) explore means for enhancing the resil-
11 ience of forest ecosystems and forest-dependent
12 communities;

13 (10) the promotion of mechanisms to deliver re-
14 sources for local action and to address the needs, in-
15 terests, and participation of local and indigenous
16 communities; and

17 (11) monitoring and evaluation of the results of
18 the activities conducted under this section.

19 (c) MECHANISMS.—The Administrator shall apply
20 the administrative authorities under the Foreign Assist-
21 ance Act of 1961 (22 U.S.C. 2151 et seq.), except to the
22 extent inconsistent with the provisions of this title, to the
23 same extent and in the same manner as such authorities
24 apply to the implementation of such Act to support activi-

1 ties to achieve the objectives identified in section 103(b)
2 by—

3 (1) developing and implementing programs and
4 projects that achieve such objectives;

5 (2) to the extent practicable, giving priority in
6 the review process to activities under subsection
7 (b)(1); and

8 (3) as appropriate, considering multi-year fund-
9 ing arrangements in carrying out the purposes of
10 this title.

11 (d) STANDARDS.—The Administrator shall establish
12 program criteria that—

13 (1) ensure that emissions reductions achieved
14 through supported activities—

15 (A) are additional, measurable, verifiable,
16 and monitored; and

17 (B) account for leakage, uncertainty, and
18 permanence;

19 (2) require—

20 (A) the establishment of a national defor-
21 estation baseline for each country with national
22 deforestation reduction activities that is used to
23 account for reductions achieved from such ac-
24 tivities; or

1 (B) if a developing country has taken poli-
 2 cies and measures to reduce emissions from de-
 3 forestation or forest degradation, but has not
 4 established a national baseline, the provision of
 5 a credible, transparent, accurate, and conserv-
 6 ative alternative for quantifying emissions;

7 (3) provide that each national deforestation
 8 baseline established under paragraph (2)(A)—

9 (A) is national in scope;

10 (B) is consistent with nationally appro-
 11 priate mitigation commitments or actions with
 12 respect to deforestation, taking into consider-
 13 ation—

14 (i) the average annual historical defor-
 15 estation rates of the country during a pe-
 16 riod of at least 5 years;

17 (ii) the applicable drivers of deforest-
 18 ation; and

19 (iii) other factors to ensure
 20 additionality;

21 (C) establishes a trajectory that would re-
 22 sult in zero net deforestation by not later than
 23 20 years after the date on which the baseline is
 24 established;

1 (D) is adjusted over time to take account
2 of changing national circumstances; and

3 (E) is designed to account for all signifi-
4 cant sources of greenhouse gas emissions from
5 deforestation in the country;

6 (4) with respect to support provided pursuant
7 to paragraph (1) or (2) of subsection (b), require
8 emissions reductions to be achieved and verified be-
9 fore the provision of any support under this title;

10 (5) with respect to accounting for subnational
11 deforestation reduction activities that lack the stand-
12 ardized or precise measurement and monitoring
13 techniques needed for a full accounting of changes
14 in emissions or baselines, or are subject to other
15 sources of uncertainty, apply a conservative discount
16 factor to reflect the uncertainty regarding the levels
17 of reductions achieved;

18 (6) ensure that activities under this title are de-
19 signed, carried out, and managed—

20 (A) using forest management practices
21 that—

22 (i) improve the livelihoods of forest
23 communities;

1 (ii) maintain natural biodiversity, re-
 2 silience, and carbon storage capacity of
 3 forests; and

4 (iii) to the extent practicable, do not
 5 adversely impact the permanence of forest
 6 carbon stocks or emissions reductions;

7 (B) in a way that promotes the mainte-
 8 nance of intact forests, protects associated bio-
 9 diversity, and restores native forest species and
 10 ecosystems;

11 (C) to avoid the introduction of invasive
 12 nonnative species;

13 (D) in an open and transparent process,
 14 which—

15 (i) includes broad stakeholder partici-
 16 pation; and

17 (ii) takes into account the needs and
 18 interests of local communities, forest-de-
 19 pendent communities, indigenous peoples,
 20 and vulnerable social groups;

21 (E) with consultations with, and full and
 22 effective participation of, local communities, in-
 23 digenous peoples, and forest-dependent commu-
 24 nities in affected areas, as partners and pri-
 25 mary stakeholders, before and during the de-

1 sign, planning, implementation, and monitoring
 2 and evaluation of activities; and

3 (F) with equitable sharing of profits and
 4 benefits derived from the activities with local
 5 communities, indigenous peoples, and forest-de-
 6 pendent communities; and

7 (7) with respect to support for all activities
 8 under this title, seek to ensure the establishment
 9 and enforcement of legal regimes, standards, proc-
 10 esses, and safeguards by the country in which the
 11 activities occur, as a condition of such support or as
 12 a proposed activity to be supported, which—

13 (A) protect the rights and interests of local
 14 communities, indigenous peoples, forest-depend-
 15 ent communities, and vulnerable social groups;

16 (B) promote consultations with local com-
 17 munities, indigenous peoples, and forest-de-
 18 pendent communities in affected areas, as part-
 19 ners and primary stakeholders, before and dur-
 20 ing the design, planning, implementation, moni-
 21 toring, and evaluation of activities under this
 22 title; and

23 (C) ensure equitable sharing of profits and
 24 benefits from incentives for emissions reduc-
 25 tions or leakage prevention with local commu-

1 nities, indigenous peoples, and forest-dependent
2 communities.

3 (e) SCOPE.—

4 (1) REDUCED EMISSIONS FROM FOREST DEG-
5 RADATION.—The Administrator shall include re-
6 duced emissions from forest degradation within the
7 scope of activities under this title.

8 (2) CONSIDERATIONS.—If the Administrator
9 determines, in consultation with the Administrator
10 of the Environmental Protection Agency, that suffi-
11 cient methodologies and technical capacities exist to
12 measure, monitor, and account for the emissions re-
13 ferred to in paragraph (1), the Administrator may
14 expand the eligible activities under this title, as ap-
15 propriate, to include reduced soil carbon-derived
16 emissions associated with deforestation and degrada-
17 tion of forested wetlands and peatlands, or other
18 land use types, consistent with a comprehensive ap-
19 proach to maintaining and enhancing forests, in-
20 creasing climate resiliency, reducing emissions, and
21 increasing removals of greenhouse gases.

22 (f) ACCOUNTING.—The Administrator shall establish
23 a publicly accessible registry of the emissions reductions
24 achieved through support provided under this title each
25 year, after appropriately discounting for uncertainty and

1 other relevant factors as required by the standards estab-
 2 lished under subsection (d).

3 (g) INTERNATIONAL DEFORESTATION REDUCTION
 4 PROGRAM INSURANCE ACCOUNT FOR NONCOMPLETION
 5 OR REVERSAL.—In furtherance of the objective described
 6 in section 103(b)(1), the Administrator shall develop and
 7 implement a program that—

8 (1) addresses noncompletion or reversal with re-
 9 spect to any greenhouse gas emissions that were not,
 10 or are no longer, sequestered; and

11 (2) may include a mechanism to hold in reserve
 12 a portion of the amount allocated for projects to
 13 support this program.

14 (h) TRANSITION TO NATIONAL REDUCTIONS.—

15 (1) IN GENERAL.—Beginning 8 years after the
 16 date on which a country entered into the agreement
 17 or arrangement required under subsection
 18 (a)(1)(B)(iii), the Administrator shall determine,
 19 based on the criteria described in paragraph (2),
 20 whether assistance should be provided to such coun-
 21 try under this title for any subnational deforestation
 22 reduction activities.

23 (2) EXTENSION OF SUPPORT AUTHORIZA-
 24 TION.—The Administrator may extend, for an addi-
 25 tional 5 years, the period during which assistance is

1 authorized for a country under this title, if the Ad-
2 ministrator determines that—

3 (A) the country is making substantial
4 progress towards adopting and implementing a
5 program to achieve reductions in deforestation
6 measured against a national baseline;

7 (B) the greenhouse gas emissions reduc-
8 tions achieved are not resulting in significant
9 leakage; and

10 (C) the greenhouse gas emissions reduc-
11 tions achieved are being appropriately dis-
12 counted to account for any leakage that is oc-
13 ccurring.

14 (3) ACTIVITIES WARRANTING CONTINUED AS-
15 SISTANCE.—Notwithstanding paragraph (1), the Ad-
16 ministrator may provide assistance for activities to
17 further the objectives listed in paragraph (2) or (3)
18 of section 103(b) beyond the 8-year period described
19 in paragraph (1).

20 (i) COORDINATION WITH FOREIGN ASSISTANCE.—
21 Subject to the direction of the President, the Adminis-
22 trator shall, to the extent practicable and consistent with
23 the objectives of this program, seek to align activities
24 under this section with broader development, poverty alle-

1 viation, or natural resource management objectives and
 2 initiatives in the recipient country.

3 (j) SUPPORT AS SUPPLEMENT.—The provision of as-
 4 sistance for activities under this title shall be used to sup-
 5 plement, and not to supplant, any other Federal, State,
 6 or local support available to carry out such qualifying ac-
 7 tivities under this title.

8 (k) FUNDING LIMITATION.—Of the funds made
 9 available to carry out this section in any fiscal year, not
 10 more than 7 percent may be used for the administrative
 11 expenses of the United States Agency for International
 12 Development in support of activities described in sub-
 13 section (b). Such amount shall be in addition to other
 14 amounts otherwise available for such purposes.

15 **SEC. 105. LEGAL EFFECT.**

16 (1) IN GENERAL.—Nothing in this title may be
 17 construed to supersede, limit, or otherwise affect any
 18 restriction imposed by Federal law or regulation on
 19 any interaction between an entity located in the
 20 United States and an entity located in a foreign
 21 country.

22 (2) ROLE OF THE SECRETARY OF STATE.—
 23 Nothing in this title may be construed to affect the
 24 role of the Secretary of State or the responsibilities

1 of the Secretary under section 622(c) of the Foreign
 2 Assistance Act of 1961 (22 U.S.C. 2382(c)).

3 **TITLE II—ASSISTANCE FOR**
 4 **CLEAN TECHNOLOGY ACTIVI-**
 5 **TIES**

6 **SEC. 201. DEFINITIONS.**

7 In this title:

8 (1) CONVENTION.—The term “Convention”
 9 means the United Nations Framework Convention
 10 on Climate Change, done at New York on May 9,
 11 1992, and entered into force on March 21, 1994.

12 (2) ELIGIBLE COUNTRY.—The term “eligible
 13 country” means a developing country that the inter-
 14 agency group has determined to be an eligible coun-
 15 try under section 204.

16 (3) INTERAGENCY GROUP.—The term “inter-
 17 agency group” means the group established by the
 18 President under section 203(b).

19 (4) LEAST DEVELOPED COUNTRY.—The term
 20 “least developed country” means a foreign country
 21 the United Nations has identified as among the least
 22 developed of developing countries.

23 (5) QUALIFYING ACTIVITY.—The term “quali-
 24 fying activity” means an activity that the Secretary

1 of State has determined to be a qualifying activity
2 under section 205.

3 (6) QUALIFYING ENTITY.—The term “quali-
4 fying entity” means a national, regional, or local
5 government in, or a nongovernmental organization
6 or private entity located or operating in, an eligible
7 country.

8 **SEC. 202. PURPOSES.**

9 The purposes of this title are to provide United
10 States assistance and leverage private resources—

11 (1) to encourage widespread implementation of
12 activities in developing countries that reduce, seques-
13 ter, or avoid greenhouse gas emissions;

14 (2) to encourage such countries to adopt poli-
15 cies and measures, including sector-based and cross-
16 sector policies and measures, that substantially re-
17 duce, sequester, or avoid greenhouse gas emissions,
18 while shifting the economies of such countries to low
19 carbon development pathways and increasing access
20 to clean energy supplies, including the capacities of
21 recipient countries to effectively measure and report
22 the implementation of these policies and measures
23 internationally;

24 (3) to enhance economic opportunities for the
25 United States internationally through activities de-

scribed in section 205 and collaborative research and development;

(4) to promote the successful negotiation of a global agreement to reduce greenhouse gas emissions under the United Nations Framework Convention on Climate Change; and

(5) to promote robust compliance with, and enforcement of existing international legal requirements for, the protection of intellectual property rights, as formulated in the Agreement on Trade-Related Aspects of Intellectual Property Rights referred to in—

(A) section 101(d)(15) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(15)); and

(B) applicable intellectual property provisions of bilateral trade agreements.

SEC. 203. ASSISTANCE FOR CLEAN ENERGY TECHNOLOGY

ACTIVITIES.

(a) ESTABLISHMENT OF THE INTERNATIONAL CLEAN ENERGY DEPLOYMENT PROGRAM.—The Secretary of State, in consultation with the interagency group established under subsection (b), shall establish the International Clean Energy Deployment Program to provide

1 assistance to qualifying entities to carry out qualifying ac-
2 tivities in eligible countries.

3 (b) INTERAGENCY GROUP.—The President shall es-
4 tablish an interagency group to administer the program
5 established under subsection (a). The members of the
6 interagency group shall include—

7 (1) the Secretary of State;

8 (2) the Administrator of the Environmental
9 Protection Agency;

10 (3) the Secretary of Energy;

11 (4) the Secretary of the Treasury;

12 (5) the Secretary of Commerce;

13 (6) the Administrator of the United States
14 Agency for International Development;

15 (7) the United States Trade Representative;

16 and

17 (8) any other head of a Federal agency or exec-
18 utive branch appointee designated by the President.

19 (c) CHAIRPERSON.—The Secretary of State shall
20 serve as the chairperson of the interagency group estab-
21 lished under subsection (b).

22 (d) SUPPLEMENT NOT SUPPLANT.—Assistance pro-
23 vided pursuant to this title shall be used to supplement,
24 and not to supplant, any other Federal, State, or local re-

1 sources available to carry out activities that are qualifying
 2 activities.

3 (e) EXPERT PANEL ON TECHNOLOGY DEPLOY-
 4 MENT.—

5 (1) ESTABLISHMENT.—There is established an
 6 expert panel to provide guidance on technology de-
 7 ployment and programs supported under this title to
 8 the interagency group.

9 (2) COMPOSITION.—The panel established
 10 under paragraph (1) shall include representatives
 11 who are experts in clean energy technology deploy-
 12 ment from the private sector, leading academic insti-
 13 tutions, and civil society.

14 (3) DUTIES.—The panel established under
 15 paragraph (1) shall, to the extent practicable, pro-
 16 vide the interagency group with—

17 (A) assessments of best practices in clean
 18 energy technology deployment;

19 (B) recommendations on mechanisms and
 20 approaches for promoting its deployment; and

21 (C) other guidance requested by the inter-
 22 agency group.

23 (f) LIMITATION.—Assistance under this title for the
 24 activities described in section 205(1) shall be limited to—

- 1 (1) the cost of retrofitting existing facilities
2 with the technologies described in such section; and
3 (2) the incremental cost of purchasing and in-
4 stalling such technologies at new facilities.

5 **SEC. 204. DETERMINATION OF ELIGIBLE COUNTRIES.**

6 (a) IN GENERAL.—The interagency group established
7 under section 203 shall determine that a country is an
8 eligible country if the country—

9 (1) is a developing country that—

10 (A) has entered into an international
11 agreement to which the United States is a
12 party, under which the country agrees to take
13 actions to produce measurable, reportable, and
14 verifiable greenhouse gas emissions mitigation;
15 or

16 (B) is determined by the interagency group
17 to have in force national policies and measures
18 that are capable of measuring, reporting, and
19 verifying changes in greenhouse gas emissions;

20 (2) has developed nationally appropriate mitiga-
21 tion actions that seek to achieve substantial reduc-
22 tions, sequestration, or avoidance of greenhouse gas
23 emissions, relative to business-as-usual levels;

24 (3) subject to subsection (b)(1), meets such
25 other criteria as the President determines will serve

the purposes of this title or other United States national security, foreign policy, environmental, or economic objectives, including robust compliance with and enforcement of existing international legal requirements for the protection of intellectual property rights for clean technology, as formulated in—

(A) the Agreement on Trade-Related Aspects of Intellectual Property Rights, referred to in section 101(d)(15) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(15)); and

(B) applicable intellectual property provisions of bilateral trade agreements; and

(4) is a most vulnerable developing country seeking to increase clean energy access through the adoption and use of appropriate clean energy technologies that can also increase community-level resilience and adaptation to the impacts of climate change.

(b) APPLICATION.—

(1) APPLICATION TO BILATERAL ASSISTANCE.—Subsection (a)(3) shall only apply to bilateral assistance authorized under section 206(a)(5).

(2) APPLICATION TO LEAST DEVELOPED COUNTRIES.—The eligibility criteria in this section do not apply in the case of least developed countries receiv-

1 ing assistance described in section 205(7) for the
2 purpose of building capacity to meet such eligibility
3 criteria.

4 **SEC. 205. DETERMINATION OF QUALIFYING ACTIVITIES.**

5 An activity is a qualifying activity if the Secretary
6 of State, in consultation with the interagency group, deter-
7 mines that the activity is a clean technology activity (in-
8 cluding building relevant technical and institutional capac-
9 ity) that will contribute to substantial, measurable, report-
10 able, and verifiable reductions, sequestration, or avoidance
11 of greenhouse gas emissions, including—

12 (1) the deployment of technologies to capture
13 and sequester carbon dioxide emissions from electric
14 generating units or large industrial sources, except
15 that assistance under this title for such deployment
16 shall be limited to the cost of retrofitting existing fa-
17 cilities with such technologies or the incremental
18 cost of purchasing and installing such technologies
19 at new facilities;

20 (2) the deployment of renewable electricity gen-
21 eration from wind, solar, sustainably produced bio-
22 mass and biochar systems, geothermal, marine, or
23 hydrokinetic sources;

1 (3) substantial increases in the efficiency of
2 electricity transmission, distribution, and consump-
3 tion;

4 (4) deployment of low- or zero emissions tech-
5 nologies that are facing financial or other barriers to
6 their widespread deployment which could be ad-
7 dressed through support under this title in order to
8 reduce, sequester, or avoid emissions;

9 (5) reduction in transportation sector emissions
10 through increased transportation system and vehicle
11 efficiency or use of transportation fuels that have
12 life cycle greenhouse gas emissions that are substan-
13 tially lower than those attributable to fossil fuel-
14 based alternatives;

15 (6) reduction in black carbon emissions; and

16 (7) capacity building activities, including—

17 (A) developing and implementing meth-
18 odologies and programs for measuring and
19 quantifying greenhouse gas emissions and
20 verifying emissions mitigation;

21 (B) assessing, developing, and imple-
22 menting technology and policy options for
23 greenhouse gas emissions mitigation and avoid-
24 ance of future emissions, including sector and
25 cross-sector mitigation strategies;

1 (C) providing other forms of technical as-
 2 sistance to facilitate the qualification for, and
 3 receipt of, assistance under this title;

4 (D) enhancing the technical capacity of
 5 regulatory authorities, planning agencies, and
 6 related institutions in developing countries to
 7 promote clean energy technologies and prac-
 8 tices, including through increased transparency;

9 (E) deployment of training and instruction
 10 regarding installation and maintenance of re-
 11 newable technology; and

12 (F) activities that support the development
 13 and implementation of intellectual property
 14 rights frameworks in developing countries.

15 **SEC. 206. DISTRIBUTION AND ADMINISTRATION OF ASSIST-**
 16 **ANCE.**

17 (a) DISTRIBUTION OF ASSISTANCE.—

18 (1) IN GENERAL.—The Secretary of State, after
 19 consultation with the interagency group established
 20 under section 203, shall distribute assistance under
 21 this title—

22 (A) in the form of bilateral assistance, in
 23 accordance with paragraph (5);

1 (B) to multilateral funds or institutions
2 pursuant to the Convention or an agreement
3 negotiated under the Convention; or

4 (C) through some combination of the
5 mechanisms described in subparagraphs (A)
6 and (B).

7 (2) DISTRIBUTION THROUGH INTERNATIONAL
8 FUND OR INSTITUTION.—If assistance is provided
9 through a multilateral fund or institution under
10 paragraph (1), the Secretary of State shall seek to
11 ensure the establishment and implementation of ade-
12 quate mechanisms to—

13 (A) apply and enforce the criteria for de-
14 termining eligible countries and qualifying ac-
15 tivities under sections 204 and 205, respec-
16 tively;

17 (B) require public reporting describing the
18 process and methodology for selecting the ulti-
19 mate recipients of assistance and a description
20 of each activity that received assistance, includ-
21 ing the amount of obligations and expenditures
22 for assistance; and

23 (C) prohibit the expenditure of funds for
24 the benefit of any qualifying activity if that
25 qualifying activity or any activity relating to

1 that qualifying activity undermines the robust
2 compliance with, and enforcement of, existing
3 legal requirements for the protection of intellec-
4 tual property rights for clean technology, as for-
5 mulated in the Agreement on Trade-Related
6 Aspects of Intellectual Property Rights, re-
7 ferred to in section 101(d)(15) of the Uruguay
8 Round Agreements Act (19 U.S.C.
9 3511(d)(15)).

10 (3) RESERVE FUND FOR LEAST DEVELOPED
11 COUNTRIES.—The Secretary of State shall ensure
12 that the most vulnerable developing countries have
13 access to financial assistance made available under
14 this title by annually holding 15 percent of such as-
15 sistance in reserve for access by least developed
16 countries with greenhouse gas emissions below 0.5
17 percent of global emissions. The Secretary may au-
18 thorize the use of such amounts for other purposes
19 authorized under this title if it is not feasible to uti-
20 lize such reserve fund for assistance for least devel-
21 oped countries before the end of the fiscal year.

22 (4) BILATERAL ASSISTANCE.—

23 (A) IN GENERAL.—Bilateral assistance
24 under paragraph (1) shall be carried out by the
25 Secretary of State, or such other Federal agen-

1 cy head as the President may designate, in con-
2 sultation with the interagency group.

3 (B) LIMITATIONS.—Not more than 15 per-
4 cent of the assistance made available for bilat-
5 eral assistance under this title in any year may
6 be used to support activities in any single coun-
7 try.

8 (C) SELECTION CRITERIA.—Not later than
9 2 years after the date of the enactment of this
10 Act, the Secretary of State, or such other Fed-
11 eral agency head as the President may des-
12 ignate, after consultation with the interagency
13 group, shall develop and publish a set of criteria
14 to be used in evaluating activities within eligible
15 countries for bilateral assistance under this
16 title, such as—

- 17 (i) the activity is a qualifying activity;
18 (ii) the activity will be conducted as
19 part of an eligible country's nationally ap-
20 propriate mitigation actions or as part of
21 an eligible country's actions towards pro-
22 viding a nationally appropriate mitigation
23 strategy to reduce, sequester, or avoid
24 emissions being implemented by the eligi-
25 ble country;

1 (iii) the activity will not have adverse
2 effects on human health, safety, or welfare,
3 the environment, or natural resources;

4 (iv) any technologies deployed through
5 bilateral assistance under this title will be
6 properly implemented and maintained;

7 (v) costs of the activity will be shared
8 by the host country government, private
9 sector parties, or a multinational develop-
10 ment bank, except that this clause does not
11 apply to least developed countries;

12 (vi) the activity would not undermine
13 the protection of intellectual property
14 rights for clean technology, as formulated
15 in the Agreement on Trade-Related As-
16 pects of Intellectual Property Rights, re-
17 ferred to in section 101(d)(15) of the Uru-
18 guay Round Agreements Act (19 U.S.C.
19 3511(d)(15)), and applicable intellectual
20 property provisions of bilateral trade
21 agreements; and

22 (vii) the activity meets such other re-
23 quirements as the interagency group deter-
24 mines appropriate to further the purposes
25 of this title.

1 (D) CRITERIA PREFERENCES.—The cri-
2 teria under subparagraph (C) shall give pref-
3 erence to activities that—

4 (i) promise to achieve large-scale
5 greenhouse gas reductions, sequestration,
6 or avoidance at a national, sectoral or
7 cross-sectoral level;

8 (ii) have the potential to catalyze a
9 shift within the host country towards wide-
10 spread deployment and commercialization
11 of low- or zero-carbon energy technologies
12 and to reduce energy poverty;

13 (iii) build technical and institutional
14 capacity and other activities that are un-
15 likely to be attractive to private sector
16 funding;

17 (iv) maximize opportunities to lever-
18 age other sources of assistance and cata-
19 lyze private-sector investment; or

20 (v) facilitate collaboration among the
21 national laboratories, educational institu-
22 tions, private sectors, local and national
23 policymakers, and other technical and pol-
24 icy experts with respect to developing and

1 commercializing clean and efficient energy
2 technologies.

3 (b) ADMINISTRATION OF ASSISTANCE.—In admin-
4 istering assistance under this title, the interagency group
5 shall work to ensure that such assistance is distributed
6 in a manner that—

7 (1) best promotes the participation of, and in-
8 vestments by, the private sector;

9 (2) is consistent with commitments made by the
10 United States under international climate agree-
11 ments;

12 (3) targets the reduction or elimination of the
13 increased costs associated with deploying clean tech-
14 nologies in place of traditional technologies;

15 (4) takes into consideration the assessments
16 and recommendations of the Expert Panel on Tech-
17 nology Deployment;

18 (5) aligns activities under this section with
19 broader development, poverty alleviation, or natural
20 resource management objectives and initiatives in
21 the recipient country;

22 (6) increases clean energy access through the
23 adoption and the use of appropriate clean energy
24 technologies that can also increase community-level

1 resilience and adaptation to the impacts of climate
 2 change;

3 (7) supports projects or programs that contain
 4 provisions for cross-border sharing of experiences,
 5 including—

6 (A) a plan for how the funded project or
 7 program will share experiences or lessons
 8 learned through relevant institutions, agencies,
 9 partnerships, or networks; and

10 (B) measures for local capacity building
 11 and access for cross-visitation for appropriate
 12 interested stakeholders and governments;

13 (8) consider public-private partnerships, as ap-
 14 propriate, to support collaborative efforts; and

15 (9) provides exposure and market development
 16 assistance for recipient entities assistance under this
 17 title and for the corresponding technology, as appro-
 18 priate.

19 **TITLE III—INTERNATIONAL CLI-**
 20 **MATE CHANGE ADAPTATION**
 21 **AND GLOBAL SECURITY PRO-**
 22 **GRAM**

23 **SEC. 301. DEFINITIONS.**

24 In this title:

1 (1) MOST VULNERABLE COMMUNITIES AND
 2 POPULATIONS.—The term “most vulnerable commu-
 3 nities and populations” means communities and pop-
 4 ulations that are at risk of substantial adverse im-
 5 pacts of climate change and have limited capacity to
 6 respond to such impacts, including women, impover-
 7 ished communities, children, and indigenous peoples.

8 (2) MOST VULNERABLE DEVELOPING COUN-
 9 TRIES.—The term “most vulnerable developing
 10 countries” means, as determined by the Adminis-
 11 trator, developing countries that are at risk of sub-
 12 stantial adverse impacts of climate change and have
 13 limited capacity to respond to such impacts, consid-
 14 ering the approaches included in any international
 15 treaties and agreements.

16 (3) NONGOVERNMENTAL ORGANIZATION.—The
 17 term “nongovernmental organization”—

18 (A) means organizations that are not part
 19 of a governmental structure; and

20 (B) includes environmental groups, re-
 21 search institutions, business groups, and asso-
 22 ciations of urban and local governments.

23 (4) PROGRAM.—The term “Program” means
 24 the International Climate Change Adaptation and

1 Global Security Program established under section
2 303.

3 (5) UNITED NATIONS FRAMEWORK CONVEN-
4 TION ON CLIMATE CHANGE.—The term “United Na-
5 tions Framework Convention on Climate Change” or
6 “Convention” means the United Nations Framework
7 Convention on Climate Change done at New York on
8 May 9, 1992, and entered into force on March 21,
9 1994.

10 **SEC. 302. PURPOSES.**

11 The purposes of this title are—

12 (1) to provide new and additional assistance
13 from the United States to the most vulnerable devel-
14 oping countries, particularly the most vulnerable
15 communities and populations in such countries, to
16 support the development and implementation of cli-
17 mate change adaptation programs and activities that
18 reduce the vulnerability and increase the resilience of
19 communities to climate change impacts, including
20 impacts on water availability, agricultural produc-
21 tivity, flood risk, coastal resources, timing of sea-
22 sons, biodiversity, economic livelihoods, health and
23 diseases, and human migration; and

24 (2) to provide such assistance in a manner that
25 protects and promotes the national security, foreign

1 policy, environmental, and economic interests of the
2 United States to the extent such interests may be
3 advanced by minimizing, averting, or increasing re-
4 silience to climate change impacts.

5 **SEC. 303. INTERNATIONAL CLIMATE CHANGE ADAPTATION**
6 **AND GLOBAL SECURITY PROGRAM.**

7 (a) ESTABLISHMENT.—The Secretary of State, in
8 consultation with the Administrator, the Secretary of the
9 Treasury, the Administrator of the Environmental Protec-
10 tion Agency, and the Secretary of Agriculture, shall estab-
11 lish an International Climate Change Adaptation and
12 Global Security Program to provide assistance in accord-
13 ance with the requirements of this title.

14 (b) SUPPLEMENT NOT SUPPLANT.—Assistance pro-
15 vided under this title shall be used to supplement, and not
16 to supplant, any other Federal, State, or local resources
17 available to carry out activities of the type carried out
18 under the Program.

19 **SEC. 304. DISTRIBUTION OF ASSISTANCE.**

20 (a) IN GENERAL.—The Secretary of State, or such
21 other Federal agency head as the President may des-
22 ignate, after consultation with the Secretary of the Treas-
23 ury, the Administrator, the Administrator of the Environ-
24 mental Protection Agency, and the Secretary of Agri-
25 culture shall direct assistance under the Program—

1 (1) in the form of bilateral assistance pursuant
2 to the requirements under section 305;

3 (2) to multilateral funds or international insti-
4 tutions pursuant to the Convention or an agreement
5 negotiated under the Convention; or

6 (3) through a combination of the mechanisms
7 identified under paragraphs (1) and (2).

8 (b) LIMITATION.—

9 (1) CONDITIONAL DISTRIBUTION TO MULTILAT-
10 ERAL FUNDS OR INTERNATIONAL INSTITUTIONS.—

11 In any fiscal year, the Secretary of State, or such
12 other Federal agency head as the President may
13 designate, in consultation with the Administrator,
14 the Secretary of the Treasury, the Administrator of
15 the Environmental Protection Agency, and the Sec-
16 retary of Agriculture shall provide at least 40 per-
17 cent and up to 60 percent of the assistance available
18 to carry out the Program to 1 or more multilateral
19 funds or international institutions that meet the re-
20 quirements of paragraph (2). The Secretary of State
21 shall notify the appropriate congressional committees
22 not later than 15 days before providing assistance to
23 a multilateral fund or international institution under
24 this section.

1 (2) MULTILATERAL FUND OR INTERNATIONAL
2 INSTITUTION ELIGIBILITY.—A multilateral fund or
3 international institution is eligible to receive assist-
4 ance under the Program—

5 (A) if—

6 (i) such fund or institution is estab-
7 lished pursuant to—

8 (I) the Convention; or

9 (II) an agreement negotiated
10 under the Convention; or

11 (ii) the assistance is directed to 1 or
12 more multilateral funds or international
13 development institutions, pursuant to an
14 agreement negotiated under the Conven-
15 tion; and

16 (B) if such fund or institution—

17 (i) specifies the terms and conditions
18 under which the United States is to pro-
19 vide assistance to the fund or institution,
20 and under which the fund or institution is
21 to provide assistance to recipient countries;

22 (ii) ensures that assistance from the
23 United States to the fund or institution
24 and the principal and income of the fund
25 or institution are disbursed only for pur-

1 poses that are consistent with the purposes
2 described in section 302(1);

3 (iii) requires a regular meeting of a
4 governing body of the fund or institution
5 that includes representation from countries
6 among the most vulnerable developing
7 countries and provides public access;

8 (iv) requires that local communities,
9 particularly the most vulnerable commu-
10 nities and populations in such commu-
11 nities, and indigenous peoples in areas in
12 which any activities or programs are
13 planned are engaged through adequate dis-
14 closure of information, public participation,
15 and consultation, including full consider-
16 ation of the interdependence of vulnerable
17 communities and ecosystems to promote
18 the resilience of local communities; and

19 (v) prepares and makes public an an-
20 nual report that—

21 (I) describes the process and
22 methodology for selecting the recipi-
23 ents of assistance from the fund or in-
24 stitution, including assessments of so-

1 cioeconomic and bio-physical vulner-
2 ability;

3 (II) describes specific programs
4 and activities supported by the fund
5 or institution and the extent to which
6 the assistance is addressing the adap-
7 tation needs of the most vulnerable
8 developing countries, and the most
9 vulnerable communities and popu-
10 lations therein;

11 (III) describes the performance
12 goals for assistance authorized under
13 the fund or institution and expresses
14 such goals in an objective and quan-
15 tifiable form, to the extent practicable;
16 and

17 (IV) describes procedures taken
18 to minimize detrimental environ-
19 mental and natural resources impacts,
20 while maximizing local adaptation
21 ability.

22 (c) OVERSIGHT.—

23 (1) DISTRIBUTION TO MULTILATERAL FUNDS
24 OR INTERNATIONAL INSTITUTIONS.—The Secretary
25 of State, or such other Federal agency head as the

1 President may designate, in consultation with the
 2 Administrator, shall oversee the distribution of as-
 3 sistance under the Program to a multilateral fund or
 4 international institution under subsection (b).

5 (2) BILATERAL ASSISTANCE.—The Adminis-
 6 trator, in consultation with the Secretary of State,
 7 shall oversee the distribution of assistance available
 8 to carry out the Program for bilateral assistance
 9 under section 305.

10 **SEC. 305. BILATERAL ASSISTANCE.**

11 (a) ACTIVITIES AND FOREIGN AID.—

12 (1) IN GENERAL.—Except to the extent incon-
 13 sistent with this title, the administrative authorities
 14 under the Foreign Assistance Act of 1961 (22
 15 U.S.C. 2151 et seq.) shall apply to the implementa-
 16 tion of this title to the same extent and in the same
 17 manner as such authorities apply to the implementa-
 18 tion of such Act in order to provide the Adminis-
 19 trator with the authority to—

20 (A) provide assistance to the most vulner-
 21 able developing countries for—

22 (i) the development of national or re-
 23 gional climate change adaptation plans, in-
 24 cluding a systematic assessment of socio-
 25 economic vulnerabilities in order to identify

1 the most vulnerable communities and pop-
2 ulations;

3 (ii) programs and activities to support
4 the development of associated national
5 policies;

6 (iii) planning, financing, and execu-
7 tion of adaptation programs and activities;
8 and

9 (iv) the development of gender sen-
10 sitive frameworks, strategies, and policies;

11 (B) support investments, capacity-building
12 activities, and other assistance, to reduce vul-
13 nerability and promote community-level resil-
14 ience related to climate change and its impacts
15 in the most vulnerable developing countries,
16 particularly of most vulnerable communities and
17 populations;

18 (C) support climate change adaptation re-
19 search in or for the most vulnerable developing
20 countries;

21 (D) support the deployment of technologies
22 to help the most vulnerable developing countries
23 respond to the destabilizing impacts of climate
24 change and encourage the identification and
25 adoption of appropriate renewable and efficient

1 energy technologies that are beneficial in in-
2 creasing community-level resilience to the im-
3 pacts of global climate change in those coun-
4 tries;

5 (E) encourage the engagement of local
6 communities, particularly the most vulnerable
7 communities and the populations in such com-
8 munities, through disclosure of information,
9 consultation, and their informed and active par-
10 ticipation relating to the development, imple-
11 mentation, monitoring, and evaluation of plans,
12 programs, and activities to increase their resil-
13 ience to climate change impacts; and

14 (F) carry out other programs or activities,
15 as appropriate.

16 (2) ELIGIBLE ACTIVITIES AND PROGRAMS.—In
17 carrying out this section, the Administrator may
18 support activities and programs to—

19 (A) promote resilience and adaptation to
20 water scarcity and for water and sanitation;

21 (B) support the enhancement and diver-
22 sification of agricultural, fishery, and other live-
23 lihoods and promote food security and sustain-
24 able agricultural development, particularly by
25 addressing the needs, knowledge, and capacities

1 of small-scale farmers and fishers, including in-
2 creasing farms productivity and adaptive capac-
3 ity in an equitable and environmentally sustain-
4 able manner;

5 (C) encourage the protection and rehabili-
6 tation of natural ecosystems in order to provide
7 increased resilience to climate change for local
8 communities and livelihoods while protecting
9 biodiversity and ecosystem services;

10 (D) support disaster risk management, in-
11 cluding activities to reduce disaster risk and
12 promote community-level insurance programs;

13 (E) support investments and other assist-
14 ance in sustainable infrastructure, especially in
15 urban areas vulnerable to climate change and
16 its impacts, including support for activities re-
17 lating to urban infrastructure and transport,
18 land management, urban sustainable develop-
19 ment strategies, and slum upgrading and pre-
20 vention;

21 (F) increase data access and strengthen
22 early warning systems; and

23 (G) support other programs and activities,
24 as appropriate.

1 (3) OTHER CONSIDERATIONS.—In carrying out
2 this section, the Administrator shall ensure that—

3 (A) the environmental impact of proposed
4 activities or programs is assessed through ade-
5 quate consultation, public participation, and
6 disclosure of information;

7 (B) activities and programs avoid environ-
8 mental degradation, to the maximum extent
9 practicable; and

10 (C) activities under this section are
11 aligned, to the extent practicable, with broader
12 development, poverty alleviation, or natural re-
13 source management objectives and initiatives in
14 the recipient country.

15 (4) LIMITATIONS.—Not more than 10 percent
16 of the assistance made available to carry out bilat-
17 eral assistance under this title in any year may be
18 distributed to support activities in any single coun-
19 try.

20 (5) PRIORITIZING ASSISTANCE.—In providing
21 assistance under this section, the Administrator
22 shall—

23 (A) give priority to countries, including the
24 most vulnerable communities and populations in
25 such countries, that are most vulnerable to the

adverse impacts of climate change, determined by the likelihood and severity of such impacts and the country's capacity to adapt to such impacts; and

(B) as appropriate, consider multi-year funding arrangements in carrying out this title, particularly—

(i) if the risk of political, economic, or social instability due to climate change impacts poses a threat to the national security of the United States; or

(ii) to reduce vulnerability and increase resilience to climate change impacts in the context of carrying out long-term development objectives.

(b) COMMUNITY ENGAGEMENT.—

(1) IN GENERAL.—The Administrator shall seek to ensure that—

(A) seek to ensure that local communities, particularly the most vulnerable communities and the populations of such communities, in areas in which any programs or activities are carried out pursuant to this section, are engaged in, through disclosure of information, public participation, and consultation, the de-

1 sign, implementation, monitoring, and evalua-
2 tion of such programs and activities; and

3 (B) the needs and interests of the most
4 vulnerable communities and populations are ad-
5 dressed in national or regional climate change
6 adaptation plans.

7 (2) CONSULTATION AND DISCLOSURE.—For
8 each country receiving assistance under this section,
9 the Administrator shall establish a process for con-
10 sultation with, and disclosure of information to,
11 local, national, and international stakeholders re-
12 garding any programs and activities carried out pur-
13 suant to this section.

14 (c) INITIAL REPORT.—Not later than 180 days after
15 the date of the enactment of this Act, the Administrator,
16 in consultation with the Secretary of State, shall submit
17 an initial report to the President and the appropriate con-
18 gressional committees that—

19 (1) identifies the developing countries, including
20 the most vulnerable communities and the popu-
21 lations of such communities, that are most vulner-
22 able to climate change impacts and in which assist-
23 ance may have the greatest and most sustainable
24 benefit in reducing vulnerability to climate change;
25 and

1 (2) describes the process and methodology for
2 selecting the recipients of assistance under sub-
3 section (a)(1).

4 (d) **FUNDING LIMITATION.**—Of the funds made
5 available to carry out this section in any fiscal year, not
6 more than 7 percent may be used for the administrative
7 expenses of the United States Agency for International
8 Development in support of activities described in this sec-
9 tion. Such amount shall be in addition to other amounts
10 otherwise available for such purposes.

11 **TITLE IV—EVALUATION AND** 12 **REPORTS**

13 **SEC. 401. MONITORING, EVALUATION, AND ENFORCEMENT.**

14 (a) **ESTABLISHMENT OF MONITORING AND EVALUA-**
15 **TION SYSTEM.**—

16 (1) **IN GENERAL.**—The Strategic Interagency
17 Board on International Climate Investment (referred
18 to in this title as the “Board”) shall establish and
19 implement a system to monitor and evaluate the ef-
20 fectiveness and efficiency of assistance provided
21 under this Act.

22 (2) **EVALUATION CRITERIA.**—The system estab-
23 lished under paragraph (1) shall be designed to
24 maximize the long-term sustainable development im-
25 pact of assistance provided under this Act, by—

1 (A) including performance indicators to be
2 used in measuring or assessing the achievement
3 of the purposes of this Act;

4 (B) evaluating the extent to which the full
5 disclosure of information and consultation and
6 informed participation by local communities is
7 achieved;

8 (C) evaluating the impacts of local commu-
9 nity participation on the goals and objectives of
10 the projects and programs implemented under
11 this Act;

12 (D) evaluating the performance of activi-
13 ties receiving assistance under this Act; and

14 (E) ensuring that each Federal agency is
15 carrying out their climate-related programs and
16 activities in developing countries in a coordi-
17 nated manner that is—

18 (i) consistent with the purposes of this
19 Act; and

20 (ii) aligned with the purposes and ac-
21 tivities of such agency.

22 (b) REQUIREMENTS.—The Board—

23 (1) in consultation with national governments
24 in recipient countries, shall—

1 (A) establish performance goals for assist-
2 ance authorized under this Act; and

3 (B) express such goals in an objective and
4 quantifiable form, to the extent practicable;

5 (2) shall, as applicable establish and implement
6 a system to monitor the extent to which—

7 (A) assistance authorized under this Act—

8 (i) is meeting the purposes of this
9 Act;

10 (ii) is addressing the adaptation needs
11 of developing countries;

12 (iii) was used in the development of
13 national or regional climate change adapta-
14 tion plans, including conducting socio-
15 economic vulnerability assessments to iden-
16 tify the communities and populations most
17 vulnerable to climate change; and

18 (iv) provided for disclosure of infor-
19 mation to, consultation with, and informed
20 participation by local communities;

21 (B) local communities participated in the
22 design, implementation, and evaluation of pro-
23 grams and activities implemented pursuant to
24 this Act;

1 (C) the political stability and security in
 2 developing countries that face potentially desta-
 3 bilizing forces, exacerbated by the impacts of
 4 climate change, is improved; and

5 (D) such risks would pose a national secu-
 6 rity threat to the United States;

7 (3) shall provide a basis for recommendations
 8 for adjustments to assistance authorized under this
 9 Act to enhance the impact of such assistance.

10 (c) SUSPENSION OR TERMINATION OF ASSIST-
 11 ANCE.—The Secretary of State may reduce, suspend, or
 12 terminate assistance authorized under this Act for any ac-
 13 tivity if the Secretary determines that the activity is not
 14 operating in compliance with the approved project or activ-
 15 ity.

16 **SEC. 402. REPORTS AND REVIEW.**

17 (a) REPORTS.—

18 (1) ANNUAL REPORT.—Not later than 12
 19 months after the date of the enactment of this Act,
 20 and annually thereafter, the Board shall—

21 (A) submit a report on the implementation
 22 of this Act, including findings resulting from
 23 the monitoring and evaluation of programs and
 24 activities under section 401, to—

25 (i) the President;

1 (ii) the Committee on Foreign Rela-
2 tions of the Senate;

3 (iii) the Committee on Environment
4 and Public Works of the Senate;

5 (iv) the Committee on Foreign Affairs
6 of the House of Representatives; and

7 (v) the Committee on Energy and
8 Commerce of the House of Representa-
9 tives; and

10 (B) make the reports described in this Act
11 available to the public.

12 (2) SUMMARY REPORT.—The Chairperson of
13 the Board shall prepare a summary report that—

14 (A) describes the strategy that agencies
15 shall undertake to ensure that they carry out
16 the purposes of this Act;

17 (B) describes the activities undertaken by
18 Federal agencies to—

19 (i) accomplish the policy objectives de-
20 scribed in section 2; and

21 (ii) cooperate with other nations,
22 international organizations, and primary
23 stakeholders, including local communities,
24 nongovernmental organizations, and other

1 populations that have been impacted or ef-
2 fected by climate change;

3 (C) summarizes the financial support pro-
4 vided under this Act during the most recently
5 completed fiscal year;

6 (D) evaluates United States policies and
7 foreign assistance designed to accomplish the
8 policy objectives described in section 2;

9 (E) includes recommendations for improv-
10 ing assistance policies and programs;

11 (F) describes any additional bilateral or
12 multilateral actions necessary to further the
13 policy objectives described in section 2; and

14 (G) includes recommendations for adjust-
15 ments to assistance authorized under this Act
16 to enhance the impact of such assistance.

17 (3) DISAGGREGATED REPORTS.—Each of the
18 Federal agencies responsible for carrying out 1 or
19 more assistance programs authorized under title I,
20 II, or III shall submit a report to the Board and to
21 the entities set forth in paragraph (1)(A) that in-
22 cludes—

23 (A) a description of the amount and value
24 of the assistance provided during the most re-
25 cently completed fiscal year to each of the pro-

grams authorized under titles I, II and III, as applicable;

(B) a description of each activity that received assistance during such fiscal year, and a description of the anticipated and actual outcomes;

(C) an assessment of the success of the assistance provided under this Act to improving the technical and institutional capacity to implement substantial emissions reductions;

(D) an assessment of any adverse effects to human health, safety, or welfare, the environment, or natural resources as a result of activities receiving assistance under this Act;

(E) a description of the extent to which global climate change, through its potential negative impacts on sensitive populations and natural resources in the most vulnerable developing countries, may threaten, cause, or exacerbate political, economic, environmental, cultural, or social instability or international conflict in those countries;

(F) a list of the developing countries, including the most vulnerable communities and populations in such countries, that are most

1 vulnerable to climate change impacts and in
2 which assistance may have the greatest and
3 most sustainable benefit in reducing vulner-
4 ability to climate change, including assistance
5 in the form of deploying technologies, invest-
6 ments, capacity building activities, and other
7 types of assistance for adaptation to climate
8 change impacts and approaches to reduce
9 greenhouse gases in ways expected to provide
10 community-level resilience to climate change im-
11 pacts; and

12 (G) if applicable—

13 (i) an estimate of the greenhouse gas
14 emissions reductions, sequestration, or
15 avoidance achieved by assistance provided
16 under this title during the prior fiscal year;

17 (ii) an assessment of whether any
18 amounts expended for the benefit of any
19 qualifying activity undermined the protec-
20 tion of intellectual property rights for clean
21 technology, as formulated in the Agree-
22 ment on Trade-Related Aspects of Intellec-
23 tual Property Rights, referred to in section
24 101(d)(15) of the Uruguay Round Agree-
25 ments Act (19 U.S.C. 3511(d)(15)) and

1 applicable intellectual property provisions
2 of bilateral trade agreements;

3 (iii) an assessment of the deployment
4 of clean energy technologies in developing
5 countries;

6 (iv) the impediments to market de-
7 ployment of such technologies; and

8 (v) an assessment of the integration
9 of representatives of the private sector and
10 other interested groups in the development
11 and commercialization of clean and effi-
12 cient energy technologies.

13 (4) INTERNATIONAL PROGRESS REPORT.—Not
14 later than 6 months after the date of the enactment
15 of this Act and annually thereafter, the Secretary of
16 State shall submit a report to Congress that de-
17 scribes the progress made toward reaching an inter-
18 national agreement in which—

19 (A) developed countries commit to an econ-
20 omy-wide emission reduction or limitation;

21 (B) major emerging economies commit to
22 actions which result in substantial, quantified
23 reductions from their business-as-usual emis-
24 sions pathway consistent with achieving 2050
25 global emission reductions goals;

1 (C) developed countries and major emerg-
2 ing economies commit to participate in robust
3 measurement, reporting, and verification proce-
4 dures relating to their internationally registered
5 domestic actions; and

6 (D) there is a mechanism to which parties
7 to the agreement can address cases of non-
8 compliance with the obligations under the
9 agreement described in subparagraphs (A)
10 through (C).

11 (b) REVIEWS.—

12 (1) IN GENERAL.—Not later than 3 years after
13 the date of the enactment of this Act, and every 3
14 years thereafter, the Board, in cooperation with the
15 National Academy of Sciences and other research
16 and development institutions, as appropriate, and
17 drawing on, and being consistent with, reporting and
18 verification regimes in multilateral climate agree-
19 ments to which the United States is party, to the ex-
20 tent possible, shall review the global needs and op-
21 portunities for climate change investment in devel-
22 oping countries, including—

23 (A) any guidelines or rules established
24 under this Act to carry out titles I, II, and III;

1 (B) the progress of international adapta-
2 tion among the most vulnerable developing
3 countries, including—

4 (i) the impacts of amounts expended
5 under this Act;

6 (ii) the extent to which adaptation
7 needs are addressed;

8 (iii) the best practices for adapting to
9 climate change by promoting community-
10 level resilience and social, economic, polit-
11 ical, environmental, and cultural stability;
12 and

13 (iv) any guidelines or rules established
14 by the Administrator of the United States
15 Agency for International Development to
16 carry out title III;

17 (C) the progress of research, development,
18 deployment, diffusion, and transfer of clean en-
19 ergy technologies, practices, and processes to
20 developing countries, including—

21 (i) the impact of amounts expended
22 under this Act;

23 (ii) the extent to which clean energy
24 needs for mitigation, clean energy access,
25 and resilience building are met;

1 (iii) the best practices for meeting the
2 objectives referred to in clause (ii);

3 (iv) any guidelines or rules established
4 by the Administrator of the United States
5 Agency for International Development to
6 carry out title II; and

7 (v) recommendations for the heads of
8 appropriate Federal departments and
9 agencies on methods to streamline Federal
10 programs and policies to improve the role
11 of such departments and agencies in the
12 development, commercialization, and im-
13 proved knowledge sharing of clean energy
14 technologies;

15 (D) the progress made through nationally
16 appropriate greenhouse gas mitigation policies
17 and actions in developing countries to reduce
18 deforestation and forest degradation and to
19 conserve or restore forest ecosystems, including
20 an evaluation of the effects on such progress
21 from amounts expended under this Act; and

22 (E) the role the United States plays in de-
23 forestation and degradation through its pur-
24 chase of global commodities and the activities

1 that could reduce such role help to reduce glob-
2 al emissions from deforestation.

3 (2) CONSIDERATIONS.—In evaluating the
4 progress referred to in paragraph (1)(D), the Board
5 shall take into consideration the effects of activities
6 receiving assistance under title I on—

7 (A) total documented carbon stocks of each
8 country that directly or indirectly received as-
9 sistance under this Act compared with such
10 country's national deforestation baseline estab-
11 lished under paragraphs (1) and (2) of section
12 104(d);

13 (B) the number of countries with the ca-
14 pacity to generate for sale instruments in the
15 nature of offset credits from forest-related ac-
16 tivities, and the amount of such activities;

17 (C) forest governance in each country that
18 directly or indirectly received support under this
19 Act;

20 (D) indigenous peoples and forest-depend-
21 ent communities residing in areas affected by
22 such activities, including on the equitable shar-
23 ing of assistance as detailed in section
24 104(d)(6)(F);

1 (E) biodiversity and ecosystem services
 2 within forested areas associated with the activi-
 3 ties;

4 (F) subnational and international leakage;
 5 and

6 (G) any program or mechanism established
 7 under the United Nations Framework Conven-
 8 tion on Climate Change related to greenhouse
 9 gas emissions from deforestation.

10 **TITLE V—REPORT ON MAJOR** 11 **ECONOMIES CLIMATE ACTIONS**

12 **SEC. 501. REPORT.**

13 (a) IN GENERAL.—The Secretary of State, working
 14 with the Strategic Interagency Board, shall prepare a bi-
 15 annual interagency report on climate change and energy
 16 policy for the 5 highest greenhouse gas emitting countries
 17 that are not members of the Organization for Economic
 18 Cooperation and Development (OECD).

19 (b) PURPOSES.—The purposes of the report prepared
 20 under subsection (a) are—

21 (1) to provide Congress and the American pub-
 22 lic with a better understanding of the steps that the
 23 5 highest greenhouse gas emitting non-OECD coun-
 24 tries are taking to reduce greenhouse gas emissions;

1 (2) to identify the means by which the United
2 States can assist such countries in achieving such a
3 reduction; and

4 (3) to assess the climate change and energy pol-
5 icy commitments and actions of such countries.

6 (c) CONTENTS.—The report prepared under sub-
7 section (a) shall include—

8 (1) a summary of the scope, rigor, and effec-
9 tiveness of the actions being taken by countries re-
10 ferred to in subsection (a) to reduce greenhouse gas
11 emissions;

12 (2) a summary of the national or subnational
13 plans, policies, programs, laws, regulations, incentive
14 mechanisms, and other measures in such countries
15 that are expected to result in, or have resulted in,
16 reductions in energy use and greenhouse gas emis-
17 sions, including—

18 (A) a description of the progress made or
19 expected in implementing such plans, policies,
20 programs, laws, regulations, incentive mecha-
21 nisms, and other measures;

22 (B) where feasible, a quantification of the
23 contribution made by actions in these countries
24 to reduce greenhouse gas emissions;

1 (C) progress made in developing and re-
2 porting full national greenhouse gas inventories;
3 and

4 (D) estimates of the reductions in energy
5 use and greenhouse gas emissions achieved, or
6 expected to be achieved, as a result of such
7 plans, policies, programs, laws, regulations, in-
8 centive mechanisms, and other measures; and

9 (3) recommendations for areas in which United
10 States capacity building or other support could as-
11 sist such countries in improving implementation or
12 compliance with such plans, policies, programs, laws,
13 regulations, incentive mechanisms, and other meas-
14 ures, including—

15 (A) cooperation on technology transfer,
16 joint research, development, and deployment;
17 and

18 (B) joint opportunities for the development
19 of intellectual property, including proposals for
20 financing such joint activities.

21 (d) SUBMISSION TO CONGRESS.—Not later than 15
22 months after the date of the enactment of this Act, and
23 every 6 months thereafter, the Secretary of State shall
24 submit the report prepared under this section to—

1 (1) the Committee on Foreign Relations of the
2 Senate;

3 (2) the Committee on Energy and Natural Re-
4 sources of the Senate;

5 (3) the Committee on Environment and Public
6 Works of the Senate;

7 (4) the Committee on Foreign Affairs of the
8 House of Representatives; and

9 (5) the Committee on Energy and Commerce of
10 the House of Representatives.

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