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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.
This Act may be cited as the “European Energy Security and Diversification Act of 2019”.

1
2
3
4
5
SEC. 2. STATEMENT OF POLICY.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the United States has economic and national security interests in assisting European countries achieve energy security through diversification of their energy sources and supply routes.

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

(1) to advance United States foreign policy and development goals by assisting European countries to reduce their dependence on energy resources from countries that use energy dependence for undue political influence, such as the Russian Federation, which has used natural gas to coerce, intimidate, and influence other countries;

(2) to promote the energy security of European countries by encouraging the development of accessible, transparent, and competitive energy markets that provide diversified sources, types, and routes of energy;

(3) to encourage United States public and private sector investment in energy infrastructure projects in European countries to bridge the gap between energy security requirements and commercial demand in a way that is consistent with the region’s absorptive capacity; and
(4) to help facilitate the export of United States energy resources, technology, and expertise to global markets in a way that benefits the energy security of European countries.

SEC. 3. PRIORITIZATION OF EFFORTS AND ASSISTANCE FOR ENERGY INFRASTRUCTURE PROJECTS IN EUROPE.

(a) In general.—In pursuing the policy described in section 2(b), the Secretary of State, in coordination with the heads of United States agencies that operate under the foreign policy guidance of the Secretary, shall, as appropriate, prioritize and expedite the efforts of the Department of State or of such agencies to support the efforts of European countries to increase their energy security, including through—

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

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

(B) to enhance European countries’ regulatory environment with respect to energy; or

(C) to develop accessible, transparent, and competitive energy markets supplied by diverse 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;
(ii) electricity transmission infrastructure, electricity storage projects, or smart grid projects;

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

(iv) the improvement, rehabilitation, or construction of natural gas, coal, nuclear, or other electricity generation facilities to increase the efficiency and reliability of electricity production; and

(B) located in a European country.

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

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

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

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

(D) can attract funding from the private sector, an international financial institution, the
government of the country in which the project will be carried out, or the European Commission; or

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

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

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

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

“(7) To assist United States agencies in providing assistance under section 3 of the European Energy Security and Diversification Act of 2019.”.

SEC. 4. PROGRESS REPORTS.

Not later than one year after the date of the enactment of this Act, and annually thereafter for seven years, the President shall submit to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives a report on progress made in providing assistance for projects under section 3 that includes—
(1) a description of the energy infrastructure projects for which the United States has provided assistance; and

(2) for each such project—

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

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

SEC. 5. DEFINITIONS.

In this Act:

(1) European country.—The term “European country” means the following:

(A) Albania.

(B) Andorra.

(C) Austria.

(D) Belgium.

(E) Bosnia and Herzegovina.

(F) Bulgaria.

(G) Croatia.

(H) Cyprus.

(I) The Czech Republic.

(J) Denmark.

(K) Estonia.
(L) Finland.
(M) France.
(N) Germany.
(O) Greece.
(P) Hungary.
(Q) Ireland.
(R) Italy.
(S) Kosovo.
(T) Latvia.
(U) Liechtenstein.
(V) Lithuania.
(W) Luxembourg.
(X) Moldova.
(Y) Monaco.
(Z) Montenegro.
(AA) The Netherlands.
(BB) North Macedonia.
(CC) Norway.
(DD) Poland.
(EE) Portugal.
(FF) Romania.
(GG) San Marino.
(HH) Serbia.
(I) Slovakia.
(JJ) Slovenia.
(KK) Spain.

(LL) Sweden.

(MM) Switzerland.

(NN) Ukraine.

(OO) United Kingdom.

(PP) Vatican City.

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

(A) feasibility studies;

(B) resource evaluations;

(C) project appraisal and costing;

(D) pilot projects;

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

(F) technical assistance and other guidance to improve the local regulatory environment and market frameworks to encourage transparent competition and enhance energy security; and

(G) long-term energy sector planning.

(3) LATE-STAGE PROJECT SUPPORT.—The term “late-stage project support” includes loans, guaran-
tees, insurance, reinsurance, equity investments, and transaction advisory services.

(4) INTERNATIONAL FINANCIAL INSTITUTION.—The term “international financial institution” has the meaning given the term in section 1701(e) of the International Financial Institutions Act (22 U.S.C. 262r(e)).