

116TH CONGRESS
1ST SESSION

H. R. 1704

To foster commercial relations with foreign countries and support United States economic and business interests abroad in the conduct of foreign policy, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 13, 2019

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

A BILL

To foster commercial relations with foreign countries and support United States economic and business interests abroad in the conduct of foreign policy, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Championing Amer-
5 ican Business Through Diplomacy Act of 2019”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) According to the 2017 National Security
2 Strategy of the United States of America, “Retain-
3 ing our position as the world’s preeminent economic
4 actor strengthens our ability to use the tools of eco-
5 nomic diplomacy for the good of Americans and oth-
6 ers.”.

7 (2) A November 7, 2018, cable from Secretary
8 of State Michael R. Pompeo to all diplomatic and
9 consular posts—“Boosting Commercial Diplomacy
10 Around the World”—stated that “helping American
11 companies is a foreign policy priority . . . Pro-
12 moting broad-based, responsible, and sustainable
13 economic growth helps to stabilize regions and cre-
14 ates new and growing markets for U.S. companies.
15 A transparent and level playing field for U.S. invest-
16 ment in these countries counters real and growing
17 challenges such as China’s Belt and Road initia-
18 tive.”.

19 (3) In the January–February 2019 issue of The
20 Foreign Service Journal, Ambassador Barbara Ste-
21 phenson, the President of the American Foreign
22 Service Association, wrote “Foreign Service support
23 for American business . . . is a major reason why
24 the U.S. Foreign Service was created.”.

1 **SEC. 3. ECONOMIC DIPLOMACY WITHIN THE DEPARTMENT**
2 **OF STATE.**

3 Subsection (c) of section 1 of the State Department
4 Basic Authorities Act of 1956 (22 U.S.C. 2651a) is
5 amended—

6 (1) by redesignating paragraph (3) as para-
7 graph (4); and

8 (2) by inserting after paragraph (2) the fol-
9 lowing new paragraph:

10 “(3) ASSISTANT SECRETARY FOR ECONOMIC
11 AND BUSINESS MATTERS.—

12 “(A) IN GENERAL.—Subject to the numer-
13 ical limitation specified in paragraph (1), there
14 is authorized to be established in the Depart-
15 ment of State an Assistant Secretary of State
16 who shall be responsible to the Secretary of
17 State for matters pertaining to international ec-
18 onomics and business matters in the conduct of
19 foreign policy.

20 “(B) MATTERS CONTEMPLATED.—The
21 matters referred to in subparagraph (A) include
22 the following:

23 “(i) International trade and invest-
24 ment policy.

25 “(ii) International finance, economic
26 development, and debt policy.

1 “(iii) Economic sanctions and com-
2 bating terrorist financing.

3 “(iv) International transportation pol-
4 icy.

5 “(v) Support for United States busi-
6 nesses.

7 “(vi) Economic policy analysis and
8 private sector outreach.

9 “(vii) International data privacy and
10 innovation policies.

11 “(viii) Such other related duties as
12 the Secretary may from time to time des-
13 ignate.”.

14 **SEC. 4. CHIEF OF MISSION RESPONSIBILITIES.**

15 Section 207 of the Foreign Service Act of 1980 (22
16 U.S.C. 3927) is amended by adding at the end the fol-
17 lowing new subsection:

18 “(d) PROMOTION OF UNITED STATES ECONOMIC IN-
19 TERESTS.—Each chief of mission to a foreign country
20 shall have as a principal duty the promotion of United
21 States economic and commercial interests in such coun-
22 try.”.

1 **SEC. 5. INCREASED TRAINING IN ECONOMIC AND COMMER-**
2 **CIAL DIPLOMACY.**

3 Section 708 of the Foreign Service Act of 1980 (22
4 U.S.C. 4028) is amended by adding at the end the fol-
5 lowing new subsection:

6 “(d) ECONOMIC AND COMMERCIAL DIPLOMACY.—
7 The Secretary of State, with the assistance of other rel-
8 evant officials and the private sector, shall establish as
9 part of the standard training provided for economic and
10 commercial officers of the Foreign Service, chiefs of mis-
11 sion, and deputy chiefs of mission, training on matters re-
12 lated to economic and commercial diplomacy, with par-
13 ticular attention to market access and other elements of
14 an enabling framework for United States businesses, com-
15 mercial advocacy, and United States foreign economic pol-
16 icy, in addition to awareness about the support of the
17 United States Government available to United States busi-
18 nesses, including support provided by the Department of
19 Agriculture, the Department of Commerce, the Export-
20 Import Bank of the United States, the Millennium Chal-
21 lenge Corporation, the Trade and Development Agency,
22 the Department of the Treasury, the United States Agen-
23 cy for International Development, and the United States
24 International Development Finance Corporation.”.

1 **SEC. 6. REPORT FROM EACH MISSION ON MATTERS OF**
2 **COMMERCIAL RELATIONS.**

3 (a) IN GENERAL.—Not later than one year after the
4 date of the enactment of this Act and annually thereafter,
5 the chief of mission at each bilateral diplomatic mission
6 of the United States and the Director of the American
7 Institute in Taiwan shall submit to the Secretary of State
8 the following:

9 (1) Data and other information regarding ac-
10 tions taken by each such mission or Institute during
11 the previous year to foster commercial relations and
12 safeguard United States economic and business in-
13 terests in the country or region in which each such
14 chief of mission and the Director serves.

15 (2) Each such mission's and Institute's antici-
16 pated economic and commercial priorities for the
17 coming year.

18 (b) REPORT TO CONGRESS.—The Secretary of State,
19 after receiving the information required under subsection
20 (a), shall submit to the Committee on Foreign Affairs of
21 the House of Representatives and the Committee on For-
22 eign Relations of the Senate a report, disaggregated by
23 country or region, on activities and initiatives, including
24 with appropriate examples, to create an enabling environ-
25 ment and otherwise promote United States economic and
26 business interests in each such country or region, as well

1 as information about significant foreign competition to
2 United States businesses in the relevant country or region,
3 including state-directed investments by foreign govern-
4 ments and United States strategic competitors in such
5 country or region.

6 **SEC. 7. REPORT ON UNIFIED INVESTMENT CLIMATE STATE-**
7 **MENT AND COUNTRY COMMERCIAL GUIDE.**

8 (a) IN GENERAL.—The Secretary of State and the
9 Secretary of Commerce shall jointly produce and make
10 publicly available on a United States Government internet
11 website an annual country- and region-specific report re-
12 garding commercial relations with foreign countries and
13 regions and safeguarding United States economic and
14 business interests abroad, including with regard to United
15 States exports and investments, including by small- and
16 medium-size enterprises.

17 (b) MATTERS TO BE INCLUDED.—Each report re-
18 quired under subsection (a) shall include the following
19 with respect to each country or region covered by each
20 such report:

21 (1) Information about doing business in each
22 country or region.

23 (2) Background information about each coun-
24 try's or region's political environment.

1 (3) Information about selling United States
2 products and services in each country or region.

3 (4) Leading sectors for United States exports
4 and investment in each country or region.

5 (5) Information about trade regulations, cus-
6 toms, and standards in each country or region, such
7 as—

8 (A) information on import tariffs; and

9 (B) documentation about which United
10 States businesses should be aware when export-
11 ing, including any prohibited items or tem-
12 porary entry procedures.

13 (6) Investment climate statements describing
14 each country's or region's openness to foreign invest-
15 ments, such as information relating to each coun-
16 try's or region's—

17 (A) investment policies;

18 (B) market barriers;

19 (C) business risks;

20 (D) legal and regulatory system, including
21 dispute resolution;

22 (E) level of public and private sector cor-
23 ruption;

24 (F) level of political violence and insta-
25 bility;

1 (G) adherence to internationally recognized
2 core labor standards; and

3 (H) protection of property rights.

4 (7) Information about trade and project financ-
5 ing in each country or region, such as each country's
6 or region's—

7 (A) banking and financial system, and how
8 United States businesses typically get paid;

9 (B) foreign exchange controls; and

10 (C) important sources of funding for
11 project financing.

12 (8) Relevant business travel information and
13 business customs in each country or region.

14 (9) Information about services and personnel of
15 the diplomatic mission of the United States available
16 to United States businesses to support their activi-
17 ties in each country or region.

18 (10) Any significant trade or commercial agree-
19 ment that exists between the United States and each
20 country or region.

21 (11) A point of contact at the diplomatic or
22 consular mission of the United States in each coun-
23 try or region for United States businesses.

1 **SEC. 8. IMPROVING AWARENESS OF UNITED STATES GOV-**
2 **ERNMENT TOOLS AND SERVICES TO SUP-**
3 **PORT UNITED STATES BUSINESSES OVER-**
4 **SEAS.**

5 The Secretary of State and the Secretary of Com-
6 merce shall take actions to improve United States busi-
7 nesses' awareness of United States Government tools and
8 services to assist such businesses overseas, especially small
9 and medium-sized enterprises, including by coordinating
10 with State trade agencies, Export Assistance Centers, and
11 Small Businesses Development Centers.

12 **SEC. 9. NEGOTIATIONS TO ESTABLISH INTERNATIONAL**
13 **QUALITY INFRASTRUCTURE INVESTMENT**
14 **STANDARDS.**

15 (a) IN GENERAL.—The President, acting through the
16 Secretary of State, and in coordination with other relevant
17 Federal agency heads, shall initiate and pursue negotia-
18 tions with countries to establish international standards
19 for government-supported quality infrastructure invest-
20 ment overseas, including with respect to the following:

- 21 (1) Respect for the sovereignty of countries in
22 which infrastructure investments are made.
- 23 (2) Anti-corruption.
- 24 (3) Fiscal and debt sustainability.
- 25 (4) Environmental, social and governance safe-
26 guards.

1 (5) Local labor.

2 (6) Transparency.

3 (b) REPORT ON PROGRESS OF NEGOTIATIONS.—Not
4 later than one year after the date of enactment of this
5 Act, the President shall provide a briefing to the Com-
6 mittee on Foreign Affairs of the House of Representatives
7 and the Committee on Foreign Relations of the Senate
8 on the progress of any negotiations described in subsection
9 (a).

10 **SEC. 10. REPORT BY COMPTROLLER GENERAL OF THE**
11 **UNITED STATES.**

12 (a) IN GENERAL.—Not later than two years after the
13 date of the enactment of this Act, the Comptroller General
14 of the United States shall submit to the Committee on
15 Foreign Affairs of the House of Representatives and the
16 Committee on Foreign Relations of the Senate a report
17 on United States economic and commercial diplomacy.

18 (b) MATTERS TO BE INCLUDED.—The report re-
19 quired under subsection (a) shall include an assessment
20 of the following:

21 (1) What is known about the effectiveness of
22 United States economic and commercial diplomacy
23 in influencing foreign governments and supporting
24 United States businesses abroad.

1 (2) Coordination between the Department of
2 State and the Department of Commerce with respect
3 to United States economic and commercial diplo-
4 macy.

5 (3) The effectiveness of training provided pur-
6 suant to subsection (d) of section 708 of the Foreign
7 Service Act of 1980 (as added by section 4 of this
8 Act) on matters relating to economic and commer-
9 cial diplomacy.

10 (4) The status and effectiveness of actions
11 taken by the Secretary of State under section 7 of
12 this Act regarding commercial relations with foreign
13 countries and regions and safeguarding United
14 States economic and business interests abroad.

15 (5) Recommendations to improve United States
16 economic and commercial diplomacy.

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