

## **The Strategic Competition Act of 2021**

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The *Strategic Competition Act* is a bipartisan effort to enable the United States to effectively confront the challenges posed by the People’s Republic of China (PRC) to our national and economic security. The bill was passed out of SFRC in a nearly unanimous vote (21-1) on April 21, 2021. The bill provides a unified, strategic response that:

- (1) Increases U.S. strategic focus on the Indo-Pacific and prioritizes alliances, partnerships, and U.S. global leadership;
- (2) Confronts China’s malign political influence and predatory economic practices, and energizes U.S. diplomatic and economic statecraft; and
- (3) Upholds U.S. values.

This bill, which authorizes approximately \$15 billion over five years, plus additional amounts to address predatory bilateral lending, is the first major proposal to bring Democrats and Republicans together in laying out a strategic approach towards the People’s Republic of China (PRC).

Below is a section-by-section summary of the bill.

### **Sec. 1. Short Title, Table of Contents**

### **Sec. 2. Findings**

This section states various findings related to the U.S. and China.

### **Sec. 3. Definitions**

This section includes several definitions that apply throughout the bill.

### **Sec.4.Statement of policy.**

Identifies key objectives for a U.S. policy of strategic competition with China (subsection a) and identifies the core tenets of U.S. diplomatic, economic, military, technology, and information policy needed to achieve those objectives (subsection b).

### **Sec.5.Sense of Congress.**

States that China is the greatest geopolitical and geo-economic challenge for United States foreign policy, and outlines steps related to organization, budget, coordination among domestic stakeholders, workforce development, allied cooperation, and other elements necessary to marshal sustained political will to protect U.S. interests and values in effective strategic competition with China.

### **Sec.6.Rules of construction.**

States that nothing in the bill shall be construed to supersede any of the Leahy Laws on foreign assistance or be construed as authorizing the use of military force.

## **TITLE I—INVESTING IN A COMPETITIVE FUTURE**

## Subtitle A—Science and Technology

### **Sec.101.Authorization to assist United States companies with global supply chain diversification and management.**

Authorizes \$75M over five years for a State Department program to allow U.S. embassies to hire contractors to assist U.S. persons and businesses with supply chain management issues related to China. Prohibits appropriation of these funds to entities under PRC ownership, control, or influence.

## Subtitle B—Global Infrastructure and Energy Development

### **Sec.111.Appropriate committees of Congress defined.**

### **Sec.112.Sense of Congress on international quality infrastructure investment standards.**

States that it is the Sense of Congress that the U.S. should initiate collaboration to encourage the adoption of the standards for quality global infrastructure development advanced by the G20 in 2018, and that the U.S. should launch a series of fora to showcase U.S. and partner commitment to high-quality development cooperation.

### **Sec.113.United States support for infrastructure.**

Endorses the Global Infrastructure Coordinating Committee (GICC) to coordinate deployment of U.S. government economic tools to support infrastructure projects. Requires a report to Congress on current and pending or future infrastructure projects that the U.S. is supporting or will support through financing, foreign assistance, technical assistance, or other means.

### **Sec.114.Infrastructure Transaction and Assistance Network.**

Authorizes \$375M over five years for the “Infrastructure Transaction and Assistance Network” to promote quality infrastructure through technical assistance and capacity-building programs in the Indo-Pacific. This includes \$100M of authorized funds to the Transaction Advisory Fund and \$275M for a Strategic Infrastructure Fund.

### **Sec.115.Strategy for advanced and reliable energy infrastructure.**

Directs the President to create a whole of government effort to counter predatory lending and financing by the PRC Government in the energy sectors of developing countries. Directs the Secretary of State to develop a strategy to increase U.S. exports of advanced energy technologies.

### **Sec.116.Report on China’s investments in foreign energy development.**

Requires a report from USAID on priority countries for deepening U.S. engagement on energy, PRC government and companies involved in energy infrastructure development in those countries, and current and planned efforts to partner with those countries.

## Subtitle C—Digital Technology and Connectivity

**Sec.121.Sense of Congress on digital technology issues.**

States the Sense of Congress on important technological issues.

**Sec.122.Digital connectivity and cybersecurity partnership.**

Authorizes \$500M over five years for the Secretary of State to create the “Digital Connectivity and Cybersecurity Partnership” to help foreign countries expand and increase secure internet access and digital infrastructure in emerging markets, protect technological assets, adopt policies that foster open models of internet governance, promote exports of U.S. ICT goods and services, and build cybersecurity capacity.

**Sec. 123. Strategy for digital investment by United States International Development**

**Finance Operation**

Requires the DFC to submit a strategy for private sector digital investment that supports information-connectivity projects, prioritizes projects of strategic value to the U.S. and its allies and partners, helps bridge the digital gap for less developed countries, and facilitates appropriate coordination with multilateral development banks.

**Subtitle D—Countering Chinese Communist Party Malign Influence**

**Sec.131.Short title.**

**Sec.132.Authorization.**

Authorizes \$1.5B over five years for the Countering Chinese Influence Fund to counter the malign influence of the Chinese Communist Party globally. Requires the Secretary of State to designate an existing senior official at the rank of Assistant Secretary or above to provide policy guidance, strategic priorities, coordination, and monitoring and evaluation to ensure that the Fund advances U.S. interests and counters CCP malign influence.

**Sec.133.Findings on Chinese information warfare and malign influence operations.**

Presents a broad range of malign activities conducted by the Government of China and its agents and entities, and directs the President to order the heads of the appropriate Federal departments and agencies to implement Acts of Congress to counter and deter Chinese and other foreign information warfare and malign influence operations without delay.

**Sec.134.Authorization of appropriations for the Fulbright-Hays Program.**

Authorizes \$105M over five years to promote international and foreign language education through the Fulbright-Hays Program.

**Sec.135.Sense of Congress condemning anti-Asian racism and discrimination.**

States that it is the Sense of Congress that the U.S. is a diverse nation with a proud tradition of immigration, and that its strength and vibrancy is enhanced by the diverse ethnic backgrounds and tolerance of its citizens, including Asian Americans and Pacific Islanders; that the U.S. should encourage other foreign governments to use the official and scientific names for the COVID–19 pandemic, as recommended by the World Health Organization and the Centers for Disease Control and Prevention; and that the U.S. and other governments around the world must actively oppose racism and intolerance, and

use all available and appropriate tools to combat the spread of anti-Asian racism and discrimination.

**Sec.136.Supporting independent media and countering disinformation.**

Authorizes \$500M over five years for various U.S. Agency for Global Media (USAGM) programs to support independent journalism, counter disinformation, expand media access to U.S. culture and values, ensure credible news coverage of the Chinese government's actions in Xinjiang, among other programs. Directs the Department of State to support and train journalists on investigative techniques necessary to ensure public accountability in relation to Chinese influence operations abroad. Also directs the CEO of USAGM to submit a report that includes information on the progress of efforts to invest in technology to subvert CCP censorship.

Authorizes \$850M over five years for programs in support of press freedom, training, and protection of journalists.

**Sec.137.Global Engagement Center.**

Extends the GEC's authorization through December 2027, states the sense of Congress that the GEC should expand coordination through exchange of liaison officers with federal departments and agencies, and authorizes new hiring authorities for the GEC. Authorizes \$150M for fiscal year 2022 for the Global Engagement Center to counter foreign state and non-state propaganda and disinformation.

**Sec.138.Review by Committee on Foreign Investment in the United States of certain foreign gifts to and contracts with institutions of higher education.**

Expands CFIUS reviews to cover certain foreign gifts and contracts to higher education institutions that equal or exceed \$1,000,000 in a single year or aggregate gifts or contracts from the same foreign source of a value over \$1M during a two-year period.

**Sec. 139. Post-employment restrictions on Senate-confirmed officials at the Department of State**

States the Sense of Congress that Congress and the executive branch have recognized the importance of preventing and mitigating the potential for conflicts of interest following government service. Amends Section 841 of the State Department Basic Authorities Act of 1956 to add extended post-employment restrictions for the Secretary and Deputy Secretary of State, Under Secretaries, Assistant Secretaries, and Ambassadors that restricts their ability to work for any foreign government.

**Sec.140.Sense of Congress on prioritizing nomination of qualified ambassadors to ensure proper diplomatic positioning to counter Chinese influence.**

States the Sense of Congress of the critical importance of the President nominating qualified ambassadors as quickly as possible, especially for countries in Central and South America, to better counter Chinese influence efforts in foreign countries.

**Sec. 141. China Censorship Monitor and Action Group**

Requires the President to establish an interagency task force called the “China Censorship Monitor to oversee an integrated Federal Government strategy to address the Government of the PRC’s attempts to censor or intimidate any U.S. person, including U.S. companies, exercising the right to freedom of speech. Mandates a study by a qualified research entity on the PRC government efforts to censor or intimidate U.S. persons exercising their right to freedom of speech.

**TITLE II—INVESTING IN ALLIANCES AND PARTNERSHIPS**

**Subtitle A—Strategic and Diplomatic Matters**

**Sec.201.Appropriate committees of Congress defined.**

**Sec.202.United States commitment and support for allies and partners in the Indo-Pacific.**

Expresses the Sense of Congress and Statement of Policy on importance of allies and partners is critical to the U.S. strategy in the Indo-Pacific region, and that the U.S. will work with allies to prioritize human rights in the region.

**Sec.203.Sense of Congress on cooperation with the Quad.**

Expresses the Sense of Congress that the U.S. should reaffirm its commitment and seek to expand sustained dialogue and cooperation with Australia, India, and Japan (the “Quad”).

**Sec.204.Establishment of Quad Intra-Parliamentary Working Group**

Directs the Secretary of State to enter into negotiations with U.S. Quad partners (Japan, Australia, and India) to establish a Quad Intra-Parliamentary Working Group. Authorizes \$4M from fiscal year 2022 through fiscal year 2025 for the United States Group, which shall represent the United States at the Quad Intra-Parliamentary Working Group.

**Sec. 205.Statement of policy on cooperation with ASEAN.**

Provides a Statement of Policy on the importance of U.S. cooperation with ASEAN.

**Sec.206.Sense of Congress on enhancing U.S.–ASEAN cooperation on technology issues with respect to the People’s Republic of China.**

Expresses the Sense of Congress that the U.S. and ASEAN should enhance cooperation on technology issues with respect to the PRC.

**Sec.207.Report on Chinese influence in international organizations.**

Requires an unclassified report, which may include a classified annex, on Chinese influence in international organizations, from the Secretary of State, in coordination with the Director of National Intelligence, to include analysis of the expansion of PRC and CCP influence in international organizations, the purpose and ultimate goals of this influence, and the tactics and means employed.

**Sec.208.Regulatory exchanges with allies and partners.**

Directs the Secretary of State to establish a program to facilitate regular dialogues with allied and partner countries to promote best practices and harmonize technical and regulatory standards. Authorizes \$12.5M over five years for this purpose.

**Sec.209.Technology partnership office at the Department of State.**

Directs the Secretary of State to establish an interagency-staffed Technology Partnership Office, to be headed by an Ambassador-at-Large and administer the semiconductor and telecommunications security funds created by the FY2021 NDAA. Encourages establishment of an International Technology Partnership with other advanced democracies. Requires an annual report to Congress on Chinese and Russian government activities in key technology sectors, and to describe the activities of the office.

**Sec.210.United States representation in standards-setting bodies.**

Directs the President to establish an interagency working group to enhance the leadership of the U.S. at international standards-setting bodies, and requires regular congressional briefings on these activities.

**Sec.211.Sense of Congress on centrality of sanctions and other restrictions to strategic competition with China.**

Puts forward Findings on the importance of sanctions as a powerful tool to advance U.S. foreign policy and national security interests, and expresses the Sense of Congress that the executive branch has not fully implemented certain sanctions and other restrictions despite statutory and constitutional requirements to do so.

**Sec.212.Sense of Congress on negotiations with G7 and G20 countries.**

Expresses the Sense of Congress that the President should initiate an agenda at the G7 and G20 on matters relevant to economic and democratic freedoms.

**Sec.213.Enhancing the United States-Taiwan partnership.**

Reaffirms U.S. commitment to Taiwan, recognizes Taiwan as a vital part of the U.S. Indo-Pacific strategy, and encourages the Secretary of State to consider establishing a United States-Taiwan cultural exchange program.

**Sec.214.Taiwan Fellowship Program**

Directs the Secretary of State to establish the “Taiwan Fellowship Program” to provide eligible U.S. citizens a fellowship opportunity in Taiwan of up to 2 years. Authorizes \$17.3 million over seven years for the program.

**Sec.215.Treatment of Taiwan government.**

Specifies that the U.S. Government shall engage with the democratically elected government of Taiwan as the legitimate representative of the people of Taiwan, end the outdated practice of referring to the government in Taiwan as the “Taiwan authorities,” and not place restrictions on routine and direct engagement with counterparts in Taiwan.

**Sec.216.Taiwan Symbols of Sovereignty.**

Requires the Secretary of State to rescind any guideline, restriction, or policy limiting the ability of the armed forces and government representatives of the Republic of China (Taiwan) or the Taipei Economic and Cultural Representative Office (TECRO) to display symbols of the Republic of China's sovereignty for official purposes.

**Sec.217.Report on origins of the COVID–19 pandemic.**

Requires an unclassified report, which may include a classified annex, from the Director of National Intelligence, in coordination with the Secretary of State, the Secretary of Health and Human Services, the Secretary of Energy, and other relevant executive departments, on the origins of the COVID-19 pandemic.

**Sec.218.Enhancement of diplomatic support and economic engagement with Pacific island countries.**

Authorizes up to \$10M for fiscal year 2022 for the Secretary of State and Secretary of Commerce to hire Locally Employed Staff to enhance diplomatic and economic engagement in Pacific Island countries. Requires a report on the impact of said activities.

**Sec.219.Increasing Department of State personnel and resources devoted to the Indo-Pacific.**

States that the United States will increase funding and personnel resources dedicated to the Indo-Pacific region, and requires an action plan from the Secretary of State to implement this change. Authorizes \$2B for bilateral and regional foreign assistance to the Indo-Pacific and \$1.25B for diplomatic engagement. Requires the Secretary of State to certify two years after enactment that action plan benchmarks have been satisfied.

**Sec.219A.Advancing United States leadership in the United Nations System.**

Authorizes the Secretary of State to establish in the Bureau of International Organization Affairs a Special Representative for Advancing United States Leadership in the United Nations, who shall serve concurrently as a Deputy Assistant Secretary, to promote United States leadership in the United Nations system and countering the malign influence of authoritarian nations, including the People's Republic of China, within the United Nations System. Authorizes \$25M over five years for this purpose.

**Sec.219B.Asia Reassurance Initiative Act of 2018.**

Amends the Asia Reassurance Initiative Act of 2018 to authorize \$2B each year from fiscal year 2022 through fiscal year 2026 to the Department of State, the United States Agency for International Development, and, as appropriate, the Department of Defense, for the purpose of advancing U.S. interests in the Indo-Pacific region. States that it is the Sense of Congress that the People's Republic of China poses a threat to U.S. interests in the region.

**Sec.219C.Statement of policy on need for reciprocity in the relationship between the United States and the People's Republic of China.**

Directs the Secretary of State, in consultation with other relevant Federal departments and agencies, to submit a report on how the Government of the People's Republic of China obstructs the work of United States diplomats and other officials, journalists, and

businesses, and nongovernmental organizations in the People's Republic of China.

**Sec.219D.Opposition to Provision of Assistance to People's Republic of China By Asian Development Bank.**

States that the United States shall oppose any additional lending from the Asian Development Bank to the People's Republic of China because the country has successfully graduated from the Bank's eligibility requirements for assistance. Requires the U.S. Treasury Secretary to instruct the U.S. Executive Director of the Bank to use the voice, vote, and influence of the United States to oppose any loan or extension of financial or technical assistance from the Bank to the People's Republic of China.

**Sec.219E.Opposition to Provision of Assistance to People's Republic of China By International Bank for Reconstruction and Development.**

States that the United States shall oppose any additional lending from the International Bank for Reconstruction and Development to the People's Republic of China because the country has successfully graduated from the Bank's eligibility requirements for assistance. Requires the Treasury Secretary to instruct the U.S. Executive Director of the Bank to use the voice, vote, and influence of the United States to oppose any loan or extension of financial or technical assistance from the Bank to the People's Republic of China and to end lending and assistance to other countries that have similarly graduated from the eligibility requirements for assistance. Requires the U.S. Treasury Secretary to submit a report to Congress on these matters.

**Sec. 219F. United States Policy on Chinese and Russian Government efforts to undermine the United Nations Security Council Action on Human Rights**

Acknowledges the growing concerns regarding the combined PRC and Russian activity against Security Council action on countries accused of committing human rights abuses. Reaffirms U.S. commitment to maintaining international peace and security and increase the presence of the U.S. at the UN and its constituent bodies to mitigate Chinese and Russian influence in both unilateral and multilateral efforts.

**Sec. 219G. Deterring PRC Use of Force Against Taiwan.**

States that the U.S. will oppose and deter any show of force by the PRC changing the status quo of Taiwan. Requires a government review on all available measures to deter PRC use of force against Taiwan and an annual briefing to Congress. Requires coordination with allies and partners to deter use of force by the PRC against Taiwan.

**Sec.219H.Strategy to respond to sharp power operations targeting Taiwan.**

Directs the Secretary of State to develop and implement a strategy to respond to sharp power operations and the united front campaign supported by the Government of the PRC and the CCP that are directed toward persons or entities in Taiwan.

**Sec.219I.Study and report on bilateral efforts to address Chinese fentanyl trafficking.**

Directs the Secretary of State and Attorney General to submit to the appropriate committees of Congress a written report that includes a description and plan of U.S. Government efforts to push the PRC government to counter the illicit trafficking of



fentanyl, fentanyl analogues, and their precursors. Requires a briefing on efforts to establish Drug Enforcement Agency offices in Shanghai and Guangzhou, China.

**Sec.219J.Investment, trade, and development in Africa and Latin America and the Caribbean.**

Directs the President to establish a comprehensive U.S. strategy for public and private investment, trade, and development in Africa and Latin America and the Caribbean with the goal of increasing exports of U.S. goods and services in the region. Requires the President to submit the strategy and subsequent reports on the implementation of the strategy to Congress. Directs the President to designate individuals to serve as Special Africa Export Strategy Coordinator and Special Latin America and the Caribbean Export Strategy Coordinator.

**Sec. 219K. Facilitation of Increased Equity Investments under the Better Utilization of Investments Leading to Development Act of 2018**

Expresses the Sense of Congress that equity investments for the Development Finance Corporation should be treated as loans instead of spending by CBO. Increases the cap for DFC’s maximum contingent liability from \$60 billion to \$100 billion.

**Subtitle B—International Security Matters**

**Sec.221.Definitions.**

Includes definitions applicable to this subtitle.

**Sec.222.Findings.**

Puts forward findings on the strategic and military aims of the People’s Republic of China in the Indo-Pacific, and the increasingly unfavorable military balance of power in the region, citing specific developments.

**Sec.223.Sense of Congress regarding bolstering security partnerships in the Indo-Pacific.**

Expresses the Sense of Congress on key steps needed to bolster security partnerships with Japan, Australia, Taiwan, and other allies and partners.

**Sec.224.Statement of policy.**

Provides a Statement of Policy that the U.S. shall prioritize the Indo-Pacific region in its foreign policy, including a series of steps the U.S. will take in support of that objective in collaboration with allies and partners.

**Sec.225.Foreign military financing in the Indo-Pacific and authorization of appropriations for Southeast Asia maritime security programs and diplomatic outreach activities.**

Authorizes \$655M over five years in foreign military financing funding for activities in the Indo-Pacific, \$50M over five years for support of the Southeast Asia Maritime Law Enforcement Initiative, and \$5M over five years for diplomatic outreach activities. Establishes an “Indo-Pacific Maritime Security Initiative” run out of the Department of State that includes existing programs.

**Sec.226.Foreign military financing compact pilot program in the Indo-Pacific.**

Authorizes \$40M over two years for the Secretary of State to create the Foreign Military Financing Compact Pilot Program to provide assistance for eligible countries that enter into an FMF Challenge Compact with the United States. Requires consultation with and reporting to Congress.

**Sec.227.Additional funding for international military education and training in the Indo-Pacific.**

Authorizes \$225M over five years for State Department international military education and training (IMET) assistance in the Indo-Pacific region.

**Sec.228.Prioritizing excess defense article transfers for the Indo-Pacific.**

Amends the Foreign Assistance Act to prioritize the delivery of excess defense articles to Thailand, Indonesia, Vietnam, Malaysia, and Taiwan, and directs the President to develop a five-year plan for such purposes and report to Congress.

**Sec.229.Prioritizing excess naval vessel transfers for the Indo-Pacific.**

Authorizes the President to transfer two OLIVER HAZARD PERRY class guided missile frigates to eligible countries in the Indo-Pacific region on a grant basis.

**Sec.230.Statement of policy on maritime freedom of operations in international waterways and airspace of the Indo-Pacific and on artificial land features in the South China Sea.**

Expresses the Sense of Congress that Congress condemns the use of force to impede freedom of operations in the Indo-Pacific region, and presents a Statement of Policy with respect to PRC claims in the South China Sea.

**Sec.231.Report on capability development of Indo-Pacific allies and partners.**

Expresses the Sense of Congress that the Secretary of State should expand measures under the U.S. Conventional Arms Transfer Policy to provide capabilities to allies and partners in the Indo-Pacific region, and, in coordination with the Secretary of Defense, urge allies and partners to invest in sufficient quantities of munitions to meet contingency requirements. Requires a report from the Secretary of State, in coordination with the Secretary of Defense, on U.S. priorities for building more capable security partners in the Indo-Pacific, focusing on areas in which the U.S. can help develop allies' capabilities.

**Sec.232.Report on national technology and industrial base.**

Encourages a more streamlined approach to defense technology and innovation with U.S. allies and partners in the Indo-Pacific, and reduces unnecessary export and transfer constraints to ensure the U.S. and its allies cooperate closely on issues of emerging technology. Requires a report by the Secretary of State that describes the Department of State's efforts to facilitate access among members of the national technology and industrial base to defense articles, as well as challenges that present obstacles to these efforts.

**Sec.233.Report on diplomatic outreach with respect to Chinese military installations**

**overseas.**

Requires a classified report, which may include an unclassified summary, from the Secretary of State, in coordination with the Secretary of Defense, on U.S. diplomatic engagement with other nations that host or are considering hosting any military installation of the Government of the People's Republic of China.

**Sec.234.Statement of policy regarding universal implementation of United Nations sanctions on North Korea.**

Provides a Statement of Policy that presses all nations, including the PRC, to sustain maximum economic pressure on the Government of the Democratic People's Republic of Korea until the regime undertakes complete, verifiable, and irreversible actions toward denuclearization.

**Sec.235.Limitation on assistance to countries hosting Chinese military installations.**

Expresses the Sense of Congress that the People's Republic of China is using the Belt and Road Initiative (BRI) to advance its own security interests, and that the People's Liberation Army is expanding globally. Establishes a limitation on U.S. assistance under the Millennium Challenge Act of 2003 to countries that host Chinese military installations, subject to a national interest waiver.

**Subtitle C—Regional Strategies to Counter the People's Republic of China**

**Sec. 241. Statement of policy on cooperation with allies and partners around the world with respect to the People's Republic of China.**

States that it is the policy of the U.S. to strengthen alliances and partnerships with Europe and with like-minded countries to compete with the PRC.

**PART I—Western Hemisphere**

**Sec. 245. Sense of Congress regarding United States-Canada Relations**

Outlines priorities for cooperation between the U.S. and Canada in a number of areas, including areas related to challenges posed by the PRC.

**Sec.246.Sense of Congress regarding the Government of China's arbitrary imprisonment of Canadian citizens.**

Calls for the immediate release of Michael Spavor and Michael Kovrig, two Canadian nationals detained by the People's Republic of China in apparent retaliation for Canada's arrest of Meng Wanzhou.

**Sec.247.Strategy to enhance cooperation with Canada.**

Instructs the President to submit a strategy describing U.S. efforts to cooperate with the Government of Canada in managing relations with the Government of China in economic, democratic and human rights, technological, and defense policy areas.

**Sec.248.Strategy to strengthen economic competitiveness, governance, human rights, and the rule of law in Latin America and the Caribbean.**

Instructs the Secretary of State to submit a multi-year strategy for increasing U.S. economic competitiveness and promoting good governance, human rights, and the rule of law in Latin American and Caribbean countries.

**Sec.249.Engagement in regional and international organizations in Latin America and the Caribbean.**

Requires the Secretary of State to submit a report on Chinese diplomatic activity aimed at influencing multilateral organizations in Latin America and the Caribbean and Chinese military activity in region.

**Sec.250.Addressing China’s sovereign lending practices in Latin America and the Caribbean.**

Instructs the President to support a tenth general capital increase of \$ 80 billion for the Inter-American Development Bank to counteract China’s predatory economic and sovereign lending practices in Latin America and the Caribbean. To implement the capital increase, authorizes a U.S. share of \$24B of which \$600 million shall be for paid in shares and \$23.4 billion shall be for callable shares of the Bank. Further instructs the Treasury Secretary to pursue appropriate safeguards, transparency and conditionality measures to protect debt-vulnerable member countries from predatory bilateral lending.

**Sec.251.Defense cooperation in Latin America and the Caribbean.**

Authorizes \$60M million over five years to the Department of State for the International Military Education and Training Program for Latin America and the Caribbean.

**Sec. 252. Engagement with civil society in Latin America and the Caribbean regarding accountability, human rights, and the risks of pervasive surveillance technologies.**

Instructs the Secretary of State and the U.S. Agency for Global Media to prioritize technology cooperation with Latin America and the Caribbean that promotes good governance, human rights, and freedom of information, and counters censorship and corruption.

**PART II—Transatlantic Alliance**

**Sec. 255. Sense of Congress on the Transatlantic alliance.**

Proposes a wide-ranging agenda for transatlantic cooperation on matters, including COVID recovery, human rights abuses and threats to democratic governance posed by the Chinese government, supply chains, a U.S.-European Union trade agreement, intelligence sharing on Huawei, and the possible establishment of a body like the Coordinating Committee for Multilateral Export Controls (CoCom) to coordinate the export control policies with respect to China.

**Sec. 256. Strategy to enhance transatlantic cooperation with respect to the People’s Republic of China.**

Directs the President to develop a U.S. strategy for enhancing cooperation with the European Union, NATO, and European partner countries on economic, human rights, technology, defense, and infrastructure challenges related to the PRC.

**Sec.257.Enhancing Transatlantic cooperation on promoting private sector finance.**

Instructs the President to work with transatlantic partners to foster private sector-led development and provide market-based alternatives China's Belt and Road Initiative (BRI), and to address China's use of the UN to promote the BRI and ensure the highest possible standards in BRI contracts with developing countries.

**Sec.258.Report and briefing on cooperation between China and Iran and between China and Russia.**

Directs the Director of National Intelligence to report and brief on cooperation between China and Iran and between China and Russia including in areas such as diplomatic, energy, infrastructure, banking, financial, economic, military, and space cooperation.

**Sec. 259. Promoting Responsible Development Alternatives to the Belt and Road Initiative**

Encourages the President to seek partnerships with multilateral development financial institutions in developing countries that support low carbon economic development and promote resiliency and adaptations to environmental changes, including through co-financing arrangements and other partnerships.

**PART III—South and Central Asia**

**Sec.261.Sense of Congress on South and Central Asia.**

Expresses support for the Comprehensive Global Strategic Partnership with India and to stand with partners in the region facing challenges with the PRC.

**Sec.262.Strategy to enhance cooperation with South and Central Asia.**

Directs the President to submit a strategy for how the U.S. will engage with the countries of South and Central Asia in managing relations with China, including through the C5+1 mechanism.

**PART IV—Africa**

**Sec. 271 Assessment of Political, Economic, and Security Activity of the People's Republic of China in Africa**

Requires the Secretary of State, in coordination with Director of National Intelligence, to submit a report to Congress that assesses the PRC's political, economic, security sector activity in Africa and its impact on U.S. strategic interests.

**Sec. 272 Increasing the Competitiveness of the United States in Africa**

Requires a report to Congress setting forth a multi-year strategy for increasing U.S. economic competitiveness and promoting improvements in the investment climate in Africa, including through support for democratic institutions, the rule of law, including property rights, and for improved transparency, anti-corruption and governance.

**Sec. 273 Digital Security Cooperation with respect to Africa**

Requires the President to establish an interagency Working Group on countering PRC cyber aggression with respect to Africa.

**Sec. 274 Increasing Personnel in United States Embassies in Sub-Saharan Africa Focused on The People’s Republic of China**

Authorizes the Secretary of State to station personnel at U.S. embassies in Sub-Saharan African as necessary to focus on the activities, policies, and investments of the People’s Republic of China.

**Sec. 275 Support for Young African Leaders Initiative**

Establishes the Young African Leaders Initiative to be carried out by the Secretary of State to provide fellows from Africa education and training in leadership and professional development. Requires the USAID Administrator establish not fewer than four regional centers in Africa to provide in-person and an online network to engage with African leaders. Expresses support for increasing the number of fellows in the Initiative.

**Sec. 276 Africa Broadcasting Networks**

Requires the CEO of the U.S. Agency for Global Media to submit a report on the resources and timeline needed to establish within the Agency an organization with the mission of promoting democratic values and institutions in Africa and of countering disinformation from malign actors through the provision of objective, accurate, and relevant news and information to the people of Africa.

**PART V—Middle East and North Africa**

**Sec. 281 Strategy to Counter Chinese Influence In, And Access To, The Middle East and North Africa**

Requires that the Secretary of State, in consultation with USAID and other appropriate federal agencies, submit to Congress a strategy for countering and limiting PRC influence in, and access to, the Middle East and North Africa.

**Sec. 282 Sense of Congress on Middle East and North Africa Engagement**

Articulates long-term U.S. interests in the Middle East and North Africa, states that the United States should compete with CCP influence in the region, and prioritizes economic opportunity, rule of law, and other issues as key engagement areas.

**PART VI—Arctic Region**

**Sec.285.Arctic diplomacy.**

Mandates a duties for the Deputy Assistant Secretary for Arctic Affairs and authorizes designation of the DAS as a Special Representative or Special Envoy if nominated by the President and confirmed by the Senate. Requires that the Bureau of European and Eurasian Affairs be the lead bureau for developing and implementing the United States’ Arctic Region Security Policy.

## **PART VII—Oceania**

### **Sec.291.Statement of policy on United States engagement in Oceania.**

Articulates U.S. policy with respect to engagement with Oceania.

### **Sec.292.Oceania strategic roadmap.**

Requires the Secretary of State to submit to Congress a strategy for strengthening engagement with Oceania, including an analysis of the opportunities to cooperate with Australia, New Zealand, and Japan to address their shared concerns in the region.

### **Sec.293.Review of USAID Programming in Oceania.**

Encourages the Administrator of USAID, in coordination with the Secretary of State, to include all countries of Oceania in existing USAID strategic planning and multi-sector program evaluation processes.

### **Sec.294.Oceania Security Dialogue**

Directs the Secretary of State to brief Congress on the feasibility and advisability of establishing a United States-based public-private sponsored security dialogue (to be known as the “Oceania Security Dialogue”) with the countries of Oceania.

### **Sec.295.Report on countering illegal, unreported, and unregulated fishing in Oceania.**

Requires a report to Congress on assessing the use of advanced maritime domain awareness technologies to combat illegal, unreported, and unregulated fishing in Oceania.

### **Sec.296.Oceania Peace Corps partnerships.**

Directs the Director of the Peace Corps to submit to Congress a report on strategies to reasonably and safely expand the number of Peace Corps volunteers in Oceania.

## **TITLE III—INVESTING IN OUR VALUES**

### **Sec.301.Authorization of appropriations for promotion of democracy in Hong Kong.**

Authorizes \$10M for the State Department’s Bureau of Democracy, Human Rights, and Labor to promote democracy in Hong Kong.

### **Sec.302.Imposition of sanctions relating to forced labor in the Xinjiang Uyghur Autonomous Region.**

Amends Uyghur Human Rights Policy Act of 2020 to require the imposition of sanctions for serious human right abuses in connection with forced labor.

### **Sec.303.Imposition of sanctions with respect to systematic rape, coercive abortion, forced sterilization, or involuntary contraceptive implantation in the Xinjiang Uyghur Autonomous Region.**

Amends the Uyghur Human Rights Policy Act of 2020 to require the imposition of sanctions for systemic rape, coercive abortion, forced sterilization, or involuntary contraceptive implantation policies and practices.

**Sec.304.Report on Corrupt Activities of Senior Officials of Government of China.**

Requires the Director of the CIA, in consultation with the Secretary of State and other relevant officials, to submit a report to Congress on the corruption and corrupt activities of the senior officials of the Government of the People's Republic of China.

**Sec.305.Removal of Members of the United Nations Human Rights Council That Commit Human Rights Abuses.**

Requires that the President direct the U.S. Permanent Representative to the U.N. to use the voice, vote, and influence of the United States to reform the process for removing members of the UN Human Rights Council that commit gross and systemic violations of human rights; reform the rules of election to the Council to ensure that members that have committed gross and systemic human rights violations are not elected; and oppose the election of such UN members.

**Sec. 306. Policy with respect to Tibet.**

Requires that the Special Coordinator for Tibetan Issues be appointed by the President, with the advice and consent of the Senate, or that the individual already hold the rank of Under Secretary of State or higher. Establishes a Tibet Unit in the Political Section of the United States Embassy in Beijing.

**Sec. 307. United States Policy and International Engagement of the Succession of Reincarnation of the Dalai Lama and Religious Freedom of Tibetan Buddhists**

Reaffirms U.S. policy regarding the succession or reincarnation of the Dalai Lama and religious freedom of Tibetan Buddhists and encourages the Secretary of State to engage with the U.S. allies and partners in furtherance of such policy.

**Sec.308.Sense of Congress on Treatment of Uyghurs and other Ethnic Minorities in the Xinjiang Uyghur Autonomous Region.**

Documents findings on human rights abuses committed by the PRC government in Xinjiang and expresses the Sense of Congress with respect to U.S. policy in Xinjiang.

**Sec.309.Development and deployment of internet freedom and Great Firewall circumvention tools for the people of Hong Kong.**

Authorizes the Secretary of State to establish a working group to promote internet freedom in Hong Kong. Directs the President of the Technology Fund to establish a separate Hong Kong Internet Freedom Program. Authorizes \$10M to the Open Technology Fund and \$20M to the Office of Internet Freedom Programs in the Bureau of Democracy, Human Rights, and Labor of the Department of State for internet freedom in Hong Kong.

**Sec.310. Enhancing Transparency on International Agreements and Qualifying Non-Binding Instruments**



Establishes limited requirements for the Department of State to notify Congress about the negotiation and conclusion of international agreements and certain non-binding arrangements, and to make publicly available the text of unclassified agreements and arrangements after entry into force. Authorizes \$5M for implementation of these requirements. This section applies prospectively and does not require congressional approval prior to negotiation and/or conclusion of an international agreement or non-binding arrangement.

**Sec.311.Authorization of Appropriations for Protecting Human Rights in the People’s Republic of China**

Authorizes appropriations to carry out section 409 of the Asia Reassurance Initiative Act to fund NGOs within the Indo-Pacific region focused on the protection and advancement of the freedoms of association, assembly, religion, and expression of women, labor activists, and ethnic minorities in the PRC.

**Sec.312.Diplomatic boycott of the XXIV Olympic Winter Games and the XIII Paralympic Winter Games.**

Establishes as policy of the United States to implement a diplomatic boycott of the 2022 Olympic Winter Games and the Paralympic Winter Games in the PRC given the CCP’s ongoing human rights abuses. Prohibits the Secretary of State from obligating or expending any Federal funds to support or facilitate attendance by USG employees at either of the Games, with a national interest waiver.

**Sec.313.Repeal of sunset applicable to authority under Global Magnitsky Human Rights Accountability Act.**

Repeals the sunset provision in Section 1265 of the Global Magnitsky Act.

**TITLE IV—INVESTING IN OUR ECONOMIC STATECRAFT**

**Sec.401.Findings and sense of Congress regarding the PRC’s industrial policy.**

Presents options to tackle various aspects of the PRC’s state-directed ecosystem of industrial policies that negatively impact the U.S. economy and global competition, with a focus on Chinese intellectual property theft and mass subsidization of state-directed and ostensibly private enterprises.

**Sec.402.Intellectual property violators list.**

Directs the Secretary of State to publish a list of all state-owned enterprises in the PRC who have engaged in a significant act or series of acts of intellectual property theft or the transfer of technology owned by a company incorporated in the U.S.

**Sec.403.Government of the People’s Republic of China subsidies list.**

Directs the Secretary of State to identify subsidies provided by the PRC government to centrally-administered state-owned enterprises and discriminatory treatment favoring PRC enterprises over foreign market participants.

**Sec.404.Countering foreign corrupt practices.**

Requires the Secretary of State, in coordination with the Attorney General, to offer partner governments technical assistance to combat fraudulent business practices and increase government and private sector accountability.

**Sec.405.Debt relief for countries eligible for assistance from the International Development Association.**

Establishes that it is U.S. policy to work with the international community to provide debt relief to countries eligible for assistance from the International Development Association and countries that request forbearance in light of the COVID-19 pandemic. Directs the Secretary of the Treasury, in consultation with the Secretary of State, to engage with international financial institutions to advance policy discussions on sovereign debt relief.

**Sec.406.Report on manner and extent to which the Government of China exploits Hong Kong to circumvent United States laws and protections.**

Amends Title III of the U.S.-Hong Kong Policy Act of 1992 to direct the Secretary of State to submit a report on the manner and extent to which the PRC exploits Hong Kong to circumvent the laws and protections of the U.S.

**Sec.407.Annual review on the presence of Chinese companies in United States capital markets.**

Requires an annual report to Congress by the Secretary of State regarding the risks posed to the U.S. by the presence of companies incorporated in the PRC that are listed or traded on stock exchanges in the U.S.

**Sec. 408. Economic Defense Response Teams.**

Establishes a pilot program for the creation of deployable economic defense response teams to help provide emergency technical assistance and support to a country subjected to the threat or use of coercive economic measures.

**TITLE V—ENSURING STRATEGIC SECURITY**

**Sec.501.Findings on strategic security and arms control.**

Establishes findings regarding U.S. and PRC commitments to strategic security through arms control and non-proliferation agreements and negotiations.

**Sec.502.Cooperation on a strategic nuclear dialogue.**

States that it is U.S. policy to pursue arms control negotiations with the PRC, ensure the U.S. and allies and partners have the relevant capabilities in the face of the PRC's military modernization and expansion, and maintain U.S. extended nuclear deterrence and appropriate missile defense capabilities. Expresses the sense of Congress that it is in the interest of the U.S. and China to reduce risks of escalation and that the U.S. and its allies should promote international norms on space, cyber, and artificial intelligence.

**Sec.503.Report on United States efforts to engage the People’s Republic of China on nuclear issues and ballistic missile issues.**

Directs the Secretary of State, in coordination with the Secretaries of Defense and Energy, to submit a report on the approaches and strategic effects of engaging the PRC on arms control and a report on a plan for arms control talks including both the PRC and Russia.

**Sec. 504. Countering China’s Proliferation of Ballistic Missiles and Nuclear Technology to the Middle East.**

Requires the President to submit to Congress a written determination detailing whether any foreign person in China knowingly exported, transferred, or engaged in trade of any item designated under Category I of the MTCR Annex to any foreign person and any sanctions the President has imposed or intends to impose. Requires also that the President submit a report to Congress detailing whether any foreign person in China engaged in cooperation with any other foreign person in the construction of any nuclear-related fuel cycle or activity that has not been notified to the IAEA and policy options to prevent and respond to a future effort by China to export certain nuclear-related items.