

117TH CONGRESS  
1ST SESSION

# H. R. 3344

To prioritize the efforts of and enhance coordination among United States agencies to encourage countries in Central and Eastern Europe to improve the security of their telecommunications networks, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2021

Ms. KAPTUR (for herself, Mr. KINZINGER, Mr. McCAUL, Mr. CONNOLLY, Mr. FITZPATRICK, Mr. COSTA, Mr. WILSON of South Carolina, Mr. MALINOWSKI, Mr. CHABOT, Mr. RUPPERSBERGER, Mr. PFLUGER, Mr. QUIGLEY, Mr. TURNER, Mr. GALLEGO, Mr. COLE, Mr. CASE, Mr. MELJER, Mr. MORELLE, Ms. TENNEY, Mr. TRONE, Ms. STEFANIK, Mr. COHEN, Mr. MOULTON, and Mr. GALLAGHER) introduced the following bill; which was referred to the Committee on Foreign Affairs

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## A BILL

To prioritize the efforts of and enhance coordination among United States agencies to encourage countries in Central and Eastern Europe to improve the security of their telecommunications networks, 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 “Transatlantic Tele-  
5 communications Security Act”.

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

2 (a) SENSE OF CONGRESS.—It is the sense of Con-  
3 gress that—

4 (1) fifth-generation telecommunications net-  
5 works in allied and partner countries based on com-  
6 mon, secure, transparent, democratic standards have  
7 the potential to increase cultural, political, and eco-  
8 nomic exchanges leading to mutual job creation,  
9 closer citizen relations, and stronger democratic in-  
10 stitutions;

11 (2) the United States has national security and  
12 economic interests in assisting Central and Eastern  
13 European countries to improve the security of their  
14 telecommunications networks by reducing depend-  
15 ence on covered telecommunications equipment or  
16 services that are often offered with predatory eco-  
17 nomic inducements, and replacing them with secure  
18 telecommunications equipment or services;

19 (3) China's Belt and Road Initiative and the  
20 17+1 Initiative seek to undermine Central and  
21 Eastern Europe's infrastructure resilience and sov-  
22 ereignty through predatory inducements from state-  
23 linked providers of telecommunications equipment or  
24 services such as Huawei Technologies Company and  
25 ZTE Corporation;

1           (4) the United States must assemble a coalition  
2 of democratic and like-minded allies and partners to  
3 counter the rise of global malign actors such as  
4 China and Russia, and build resilience in Central  
5 and Eastern Europe against malign influences; and

6           (5) in order to ensure robust military coordina-  
7 tion and interoperability with the North Atlantic  
8 Treaty Organization (NATO) and transatlantic al-  
9 lies and partners, the United States should ensure  
10 that allies' and partners' telecommunications net-  
11 works are secure and free from potential threats in  
12 accordance with the 2019 NATO London Declara-  
13 tion.

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

16           (1) to strengthen the transatlantic alliance  
17 based on shared values in the face of rising malign  
18 influence from the Russian Federation and the Peo-  
19 ple's Republic of China, nations that seek to under-  
20 mine democratic institutions and values;

21           (2) to encourage public and private sector in-  
22 vestment in European telecommunications infra-  
23 structure projects to ensure secure telecommuni-  
24 cations and to catalyze economic advancement

1 through the highest standards of transparency, ac-  
2 cessibility, and competition;

3 (3) to provide economically feasible alternatives  
4 to financing from providers of covered telecommuni-  
5 cations equipment or services;

6 (4) to engage in diplomacy with European allies  
7 and partners to strengthen United States and Euro-  
8 pean private sector efforts to develop common tele-  
9 communications technology and industry standards,  
10 and in turn promote them globally;

11 (5) to support the Three Seas Initiative orga-  
12 nized by twelve Central and Eastern European coun-  
13 tries of the European Union to increase infrastruc-  
14 ture resiliency and reduce reliance on malign actors,  
15 including in the telecommunications space; and

16 (6) to support the people of Ukraine, Moldova,  
17 Georgia, and the Western Balkan countries in their  
18 desire for integration into euro-Atlantic institutions  
19 and economies through enhanced cross-border tele-  
20 communications infrastructure connectivity.

1 **SEC. 3. PRIORITIZATION OF EFFORTS AND ASSISTANCE**  
2 **FOR TELECOMMUNICATIONS INFRASTRUC-**  
3 **TURE PROJECTS IN CENTRAL AND EASTERN**  
4 **EUROPE.**

5 (a) IN GENERAL.—In pursuing the policy described  
6 in section 2, the Secretary of State, in consultation with  
7 the Secretary of Commerce, the Chief Executive Officer  
8 of the United States International Development Finance  
9 Corporation, the Director of the Trade and Development  
10 Agency, the Federal Communications Commission, and  
11 heads of other relevant United States agencies, shall, as  
12 appropriate, prioritize and expedite the efforts of the De-  
13 partment of State and those agencies in supporting the  
14 efforts of the European Commission and the governments  
15 of Central and Eastern European countries to improve the  
16 security of their telecommunications networks, including  
17 through providing diplomatic and political support to the  
18 European Commission and Central and Eastern Europe  
19 countries, as necessary—

20 (1) to support enhancement of European tele-  
21 communications markets, including through early-  
22 stage project support and late-stage project support  
23 for the construction or improvement of telecommuni-  
24 cations and related infrastructure;

25 (2) to remove covered telecommunications  
26 equipment or services and replace such equipment or

1 services with secure telecommunications equipment  
2 or services;

3 (3) to support the development of telecommuni-  
4 cations networks that are inclusive, transparent, eco-  
5 nomically viable, financially, environmentally, and  
6 socially sustainable, compliant with international  
7 standards, laws, and regulations, and supplied by  
8 providers of secure telecommunications equipment or  
9 services; and

10 (4) to facilitate international coordination on  
11 cross-border telecommunications infrastructure con-  
12 struction and security standards to ensure cross-bor-  
13 der telecommunications are secure.

14 (b) PROJECT SELECTION.—

15 (1) IN GENERAL.—The Secretary of State, the  
16 Chief Executive Officer of the United States Inter-  
17 national Development Finance Corporation, and the  
18 Director of the Trade and Development Agency shall  
19 identify telecommunications infrastructure projects  
20 that would advance United States national security  
21 and be appropriate for United States assistance  
22 under this section.

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

25 (A) the project—

1 (i) improves telecommunications net-  
2 works through either hard infrastructure  
3 such as telecommunications lines or equip-  
4 ment or soft infrastructure such as innova-  
5 tive software development or cloud serv-  
6 ices;

7 (ii) is inclusive, transparent, economi-  
8 cally viable, financially, environmentally,  
9 and socially sustainable, compliant with  
10 international standards, laws, and regula-  
11 tions, and supplied with secure telecommu-  
12 nications equipment or services solely by  
13 providers of secure telecommunications  
14 equipment or services;

15 (iii) does not use covered telecommu-  
16 nications equipment or services or removes  
17 covered telecommunications equipment or  
18 services and replaces such equipment or  
19 services with secure telecommunications  
20 equipment or services; and

21 (iv) enhances telecommunications  
22 market integration across the Central or  
23 Eastern European region that is secure  
24 from exploitation by malign actors; and

1 (B) the project is located in a Central or  
2 Eastern European country.

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

7 (A) can attract funding from the private  
8 sector, an international financial institution, the  
9 government of the country in which the project  
10 will be carried out, or the European Commis-  
11 sion;

12 (B) have been designated as available for  
13 funding through the Three Seas Initiative In-  
14 vestment Fund;

15 (C) are to be carried out in the Three Seas  
16 Initiative member nations;

17 (D) are to be carried out in NATO mem-  
18 ber nations that meet or are making progress  
19 toward meeting their commitments to upholding  
20 the rule of law and preserving democratic insti-  
21 tutions in accordance with the preamble and  
22 Article 2 of the NATO Treaty;

23 (E) are to be carried out in NATO mem-  
24 ber nations that meet or are making demon-  
25 strable progress toward meeting their defense



1 spending commitments in accordance with the  
2 2014 NATO Wales Summit Declaration; or

3 (F) have the potential to advance United  
4 States economic interests.

5 (c) TYPES OF ASSISTANCE.—

6 (1) DIPLOMATIC AND POLITICAL SUPPORT.—

7 The Secretary of State shall provide diplomatic and  
8 political support to the European Commission and  
9 Central and Eastern European countries, as nec-  
10 essary, including by using the diplomatic and polit-  
11 ical influence and expertise of the Department of  
12 State to build the capacity of Central and Eastern  
13 European countries to resolve any impediments to  
14 the development of projects selected under sub-  
15 section (b).

16 (2) INTERNATIONAL FINANCIAL INSTITUTIONS

17 SUPPORT.—The Secretary of State shall seek to en-  
18 courage international financial institutions, including  
19 the European Bank for Reconstruction and Develop-  
20 ment, the European Investment Bank, and the  
21 International Monetary Fund, the Foreign, Com-  
22 monwealth, and Development Office of the Govern-  
23 ment of the United Kingdom, the Agency for Inter-  
24 national Cooperation of the Government of Ger-  
25 many, and the Development Agency of the Govern-

1       ment of France to invest in telecommunications in-  
2       frastructure resilience in Central and Eastern Eu-  
3       rope.

4               (3) EARLY-STAGE PROJECT SUPPORT.—The Di-  
5       rector of the Trade and Development Agency shall  
6       provide early-stage project support with respect to  
7       projects selected under subsection (b), as necessary,  
8       including project support in middle- and upper-in-  
9       come countries.

10              (4) LATE-STAGE PROJECT SUPPORT.—Agencies  
11       described in subsection (a) that provide late-stage  
12       project support shall do so with respect to projects  
13       selected under subsection (b), as necessary.

14              (5) UNITED STATES INTERNATIONAL DEVELOP-  
15       MENT FINANCE CORPORATION SUPPORT.—The  
16       United States International Development Finance  
17       Corporation is authorized to provide support for  
18       projects under this section in Central and Eastern  
19       European countries that are countries with upper-  
20       middle-income economies or high-income economies  
21       (as those terms are defined by the International  
22       Bank for Reconstruction and Development and the  
23       International Development Association (collectively  
24       referred to as the “World Bank”)) notwithstanding  
25       the restriction under section 1412(c)(2) of the Bet-

1       ter Utilization of Investments Leading to Develop-  
2       ment Act of 2018 (22 U.S.C. 9612(e)(2)).

3 **SEC. 4. PROGRESS REPORTS.**

4       (a) IN GENERAL.—Not later than one year after the  
5       date of the enactment of this Act, and annually thereafter,  
6       the President shall submit to the appropriate congres-  
7       sional committees a report on the progress made in pro-  
8       viding assistance for projects under section 3 that in-  
9       cludes—

10               (1) a description of the telecommunications in-  
11               frastructure projects the United States has identi-  
12               fied for such assistance; and

13               (2) for each such project—

14                       (A) a description of the role of the United  
15                       States in the project, including in early-stage  
16                       project support and late-stage project support;

17                       (B) the amount and form of debt financ-  
18                       ing, equity financing, and insurance provided by  
19                       the United States Government, the Three Seas  
20                       Initiative Investment Fund, international finan-  
21                       cial institutions, including the European Bank  
22                       for Reconstruction and Development, the Euro-  
23                       pean Investment Bank, and the International  
24                       Monetary Fund, the Foreign, Commonwealth,  
25                       and Development Office of the Government of

1 the United Kingdom, the Agency for Inter-  
2 national Cooperation of the Government of Ger-  
3 many, and the Development Agency of the Gov-  
4 ernment of France for the project;

5 (C) the contractual terms of the project  
6 that preclude the use of covered telecommuni-  
7 cations equipment or services and steps taken  
8 to ensure providers of telecommunications  
9 equipment or services meet such contractual  
10 terms; and

11 (D) an update on the progress made on  
12 the project as of the date of the report.

13 (b) APPROPRIATE CONGRESSIONAL COMMITTEES  
14 DEFINED.—In this section, the term “appropriate con-  
15 gressional committees” means—

16 (1) the Committee on Foreign Affairs and the  
17 Committee on Appropriations of the House of Rep-  
18 resentatives; and

19 (2) the Committee on Foreign Relations and  
20 the Committee on Appropriations of the Senate.

21 **SEC. 5. DEFINITIONS.**

22 In this Act:

23 (1) CENTRAL OR EASTERN EUROPEAN COUN-  
24 TRY.—The term “Central or Eastern European  
25 country” includes—

- 1 (A) Albania;
- 2 (B) Austria
- 3 (C) Bosnia and Herzegovina;
- 4 (D) Bulgaria;
- 5 (E) Croatia;
- 6 (F) Cyprus;
- 7 (G) the Czech Republic;
- 8 (H) Estonia;
- 9 (I) Greece;
- 10 (J) Hungary;
- 11 (K) Kosovo;
- 12 (L) Latvia;
- 13 (M) Lithuania;
- 14 (N) Moldova;
- 15 (O) Montenegro;
- 16 (P) North Macedonia;
- 17 (Q) Poland;
- 18 (R) Romania;
- 19 (S) Serbia;
- 20 (T) Slovakia;
- 21 (U) Slovenia; and
- 22 (V) Ukraine.

23 (2) COVERED FOREIGN COUNTRY.—The term  
24 “covered foreign country” means the People’s Re-  
25 public of China.

1           (3) COVERED TELECOMMUNICATIONS EQUIP-  
2           MENT OR SERVICES.—The term “covered telecom-  
3           munications equipment or services” means any of  
4           the following:

5                   (A) Telecommunications equipment or  
6                   services produced or provided by Huawei Tech-  
7                   nologies Company or ZTE Corporation (or any  
8                   subsidiary or affiliate of such entities).

9                   (B) Telecommunications equipment or  
10                  services produced or provided by an entity that  
11                  the Secretary of State, in consultation with the  
12                  Director of National Intelligence, reasonably be-  
13                  lieves to be an entity owned or controlled by, or  
14                  otherwise connected to, the government of a  
15                  covered foreign country.

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

18                   (A) feasibility studies;

19                   (B) resource evaluations;

20                   (C) project appraisal and costing;

21                   (D) pilot projects;

22                   (E) commercial support, such as trade  
23                  missions, reverse trade missions, technical  
24                  workshops, international buyer programs, and

1 international partner searchers to link suppliers  
2 to projects;

3 (F) technical assistance and other guid-  
4 ance to improve the local regulatory environ-  
5 ment and market frameworks to encourage  
6 transparent competition and enhance tele-  
7 communications security; and

8 (G) long-term telecommunications sector  
9 planning.

10 (5) LATE-STAGE PROJECT SUPPORT.—The term  
11 “late-stage project support” includes debt financing,  
12 equity financing, insurance, and transaction advisory  
13 services.

14 (6) SECURE TELECOMMUNICATIONS EQUIP-  
15 MENT OR SERVICES.—The term “secure tele-  
16 communications equipment or services” means tele-  
17 communications equipment or services that are not,  
18 and do not contain, covered telecommunications  
19 equipment or services.

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