To establish a comprehensive United States Government policy to assist countries in sub-Saharan Africa to improve access to and the affordability, reliability, and sustainability of power, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. Menendez (for himself, Mr. Corker, Mr. Coons, Mr. Isakson, Mr. Markey, and Mr. Johanns) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To establish a comprehensive United States Government policy to assist countries in sub-Saharan Africa to improve access to and the affordability, reliability, and sustainability of power, 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; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Energize Africa Act of 2014”.

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. FINDINGS.

Congress makes the following findings:

(1) As of 2010, approximately 589,000,000 people in sub-Saharan Africa, or 68 percent of the population, did not have access to power.

(2) Lack of access to power services disproportionately affects women, who often shoulder the burden of seeking sources of heat and light such
as dung, wood, or charcoal and are often more exposed to the associated negative health effects.

(3) Women and girls also face increased risks of assault from walking long distances to gather fuel sources.

(4) Access to power creates opportunities for people to work their way out of poverty, including through entrepreneurship.

(5) A lack of power contributes to the high use of inefficient and often highly polluting fuel sources for indoor cooking, heating, and lighting that produce toxic fumes resulting in more than 3,000,000 annual premature deaths from respiratory disease.

(6) Reliable access to power is crucial for the storage of vaccines and antiretroviral and other life-saving medical drugs, as well as for the operation of modern lifesaving medical equipment.

(7) Access to power can be used to improve food security by enabling post-harvest processing, pumping, irrigation, dry grain storage, milling, and refrigeration, and for other uses.

(8) Access to power can provide improved information and communication technologies that can
greatly improve health and education outcomes as well as economic and commercial opportunities.

(9) For the majority of people with access to power in sub-Saharan Africa, power services are highly unreliable and remain at least twice as expensive compared to other emerging regions.

(10) According to Enterprise Surveys of the World Bank, power cuts in sub-Saharan Africa cost companies more than 10 percent of sales in certain countries.

(11) The consumer base in sub-Saharan Africa of approximately 1,000,000,000 people is rapidly growing and will create increasing demand for United States goods, services, and technologies, but the current power deficit in sub-Saharan Africa limits that growth in demand by restricting economic growth on the continent of Africa.

(12) Approximately 30 countries in sub-Saharan Africa face endemic power shortages, and nearly 70 percent of surveyed businesses in sub-Saharan Africa cite unreliable power as a major constraint to growth.

(13) The work of the Millennium Challenge Corporation in the energy sector shows high projected economic rates of returns that translate to
sustainable economic growth and the highest returns are projected when infrastructure improvements are coupled with significant legislative, policy, and regulatory reforms and institutional strengthening.

(14) Sub-Saharan Africa has abundant renewable and fossil fuel resources with which to generate power.

(15) In some countries in sub-Saharan Africa, weak governance capacity, undue regulatory barriers, and unnecessary legal constraints, as well as a lack of transparency and accountability, stifle the ability of public and private investment to assist in the generation and distribution of power.

(16) Without new policies and more effective public and private investments in power sector enterprises to increase and expand access to power in sub-Saharan Africa, more than 70 percent of the rural population, and 48 percent of the total population, are likely to remain without access to power through at least 2030.

(17) Consumers in sub-Saharan Africa spend billions of dollars annually on kerosene and other fuels for household needs, which can, for poor families, represent more than 15 percent of household in-
come and can expose residents to significant fire and
toxicity risks.

(18) Kerosene lamps used in homes can cause
fires and severe burn injuries and expose users to
hazardous air pollutants in close quarters, and
switching from fuel-based lighting to cheaper, clean-
er systems would provide higher quality light with no
negative health effects while achieving significant
economic savings.

(19) New technological advances in power gen-
eration coupled with more efficient appliances are
resulting in robust, affordable, and non-polluting off-
grid power solutions and entrepreneurs are devel-
oping new business models allowing off-grid house-
holds to finance systems over time, resulting in a
rapidly growing off-grid power market.

**TITLE I—POLICIES TO IMPROVE ACCESS TO POWER IN SUB-SA-
HARAN AFRICA**

**SEC. 101. PURPOSE.**

The purpose of this title is to assist countries in sub-
Saharan Africa to improve access to affordable and reli-
able power in order to unlock the potential for economic
growth and promote development, job creation, food secu-
rity, improved health, educational, and environmental out-
comes, and reduce poverty.

SEC. 102. STATEMENT OF POLICY.

Congress declares that it is the policy of the United
States to partner, consult, and coordinate with the govern-
ments of sub-Saharan African countries, international fi-
nancial institutions, African regional economic commu-
nities, and the private sector, in a concerted effort to—

(1) promote first-time access to power and
power services for at least 50,000,000 people in sub-
Saharan Africa by 2020 in both urban and rural
areas;

(2) encourage the installation of at least 20,000
additional megawatts of electrical power in sub-Sa-
haran Africa by 2020 using a broad mix of energy
options to help reduce poverty, promote sustainable
development, and drive economic growth;

(3) promote reliable, affordable, and sustainable
power in urban areas (including small urban areas)
to promote economic growth and job creation;

(4) promote efficient institutional platforms and
financing to provide electrical service to rural and
underserved populations;

(5) encourage the necessary in-country reforms
to make such expansion of power access possible;
(6) promote reforms of power production, delivery, and pricing, as well as regulatory reforms and transparency, to support long-term, market-based power generation and distribution; and

(7) promote policies to displace kerosene lighting with other technologies.

SEC. 103. DEVELOPMENT OF COMPREHENSIVE, MULTIYEAR STRATEGY.

(a) Strategy Required.—

(1) In general.—The President shall establish a comprehensive, integrated, multiyear strategy to assist countries in sub-Saharan Africa to implement national power strategies and develop an appropriate mix of power solutions, including renewable energy, to provide access to sufficient reliable, affordable, and sustainable power in order to reduce poverty and drive economic growth and job creation.

(2) Flexibility and responsiveness.—The President shall ensure that the strategy required by paragraph (1) maintains sufficient flexibility for and remains responsive to technological innovation in the power sector.

(b) Report Required.—Not later than 180 days after the date of the enactment of this Act, 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 that contains the strategy required by subsection (a) and includes a discussion of the following elements:

(1) The general and specific objectives of the strategy.

(2) The criteria for determining the success of the strategy.

(3) A description of the manner in which the strategy will support efforts of countries receiving assistance pursuant to the strategy to improve access to power using a broad mix of energy options and improve the affordability and reliability of power in sub-Saharan Africa.

(4) A general description of regional and country plans and significant local efforts, as appropriate, in sub-Saharan Africa to—

(A) increase power production;

(B) strengthen electrical transmission and distribution infrastructure;

(C) provide for regulatory reform and transparent and accountable governance and oversight;

(D) improve the reliability of power;

(E) maintain the affordability of power;
(F) maximize the financial sustainability of the power sector; and

(G) improve access to power.

(5) A description of plans to support efforts of countries receiving assistance pursuant to the strategy to increase access to power in urban and rural areas, including a description of plans designed to address commercial, industrial, and residential needs.

(6) A description of plans to support efforts of such countries to reduce waste and corruption and improve existing power generation through the use of a broad power mix, including fossil fuel and renewable energy, distributed generation models, and other technological innovations, as appropriate.

(7) An analysis of existing mechanisms for ensuring, and recommendations to promote—

(A) commercial cost recovery in countries receiving assistance pursuant to the strategy;

(B) commercialization of electric service through distribution service providers to consumers;

(C) improvements in revenue cycle management, power pricing, and fees assessed for service contracts and connections;
(D) reductions in technical losses in the transmission systems and commercial losses resulting from inefficiencies, including inefficiencies in the billing and collection cycle, theft, and manipulation of meter reading and billing systems; and

(E) access to power, including recommendations on the creation of new service provider models that mobilize community participation in the provision of power services.

(8) A description of United States Government efforts to support the efforts of countries receiving assistance pursuant to the strategy to leverage private sector resources and public sector financing pursuant to the strategy.

(9) A description of the reforms being undertaken or planned by countries in sub-Saharan Africa to ensure the long-term economic viability of power projects and to increase access to power, including—

(A) reforms designed to allow third parties to connect power generation to the grid affordably, quickly, and without undue regulatory burdens;
(B) policies to ensure there is a viable, adequately resourced, independent, and capable utility regulator;

(C) strategies to ensure utilities become or remain creditworthy;

(D) regulations that permit the participation of independent power producers and private-public partnerships;

(E) policies that encourage private investment in power generation;

(F) policies that ensure compensation for power provided to the electrical grid by on-site producers;

(G) policies to unbundle power services; and

(H) regulations to eliminate conflicts of interest in the utility sector.

(10) A description of plans to ensure—

(A) local consultation, as appropriate, in the planning, long-term maintenance, and management of investments designed to increase access to power in sub-Saharan Africa; and

(B) that such investments are sustainable and transparent, including through the provision of technical assistance and training.
(11) An identification of the relevant United States Government departments and agencies that will be involved in carrying out the strategy.

(12) A description of the level and distribution of resources that will be dedicated on an annual basis among those departments and agencies.

(13) A description of the role of each such department or agency and the types of programs that each such department or agency will conduct.

(14) A description of the mechanisms that will be used to coordinate the efforts of United States Government departments and agencies in carrying out the strategy to avoid duplication of efforts, enhance coordination, and ensure that each such department or agency conducts programs primarily in the areas in which that department or agency has the greatest expertise, technical capabilities, and potential for success.

(15) A description of the mechanisms to be established for—

(A) monitoring and evaluating increased access to, and reliability and affordability of, power in sub-Saharan Africa for individuals, communities, and businesses;
(B) maximizing the financial sustainability of power generation, transmission, and distribution in sub-Saharan Africa;

(C) sharing best practices among relevant United States Government departments and agencies and with other countries and institutions participating in efforts to increase access to power in sub-Saharan Africa;

(D) establishing metrics to demonstrate progress on meeting goals relating to access to power, power generation, and distribution in sub-Saharan Africa; and

(E) terminating unsuccessful programs.

(16) A description of the engagement plan for working with local communities benefitting from or affected by projects carried out pursuant to the strategy.

(17) A description of the mechanisms that will be used to ensure greater coordination between the United States and foreign governments, international organizations, African regional economic communities, international financial institutions, international fora such as the G–8 and G–20, and private sector and civil society organizations.
(18) An outline of how the President intends to partner with foreign governments, the World Bank Group, the African Development Bank, the private sector, and other development partners to assist sub-Saharan African countries to conduct project studies and facilitate project development.

(19) A description of how the President intends to help facilitate transnational and regional electrification projects where appropriate.

(20) A description of how the President intends to help sub-Saharan countries use new or potential fossil fuel and other resources in order to provide power to their citizens.

(21) A description of how the President intends to promote trade in electrical equipment with countries in sub-Saharan Africa, including a description of how the government of each country receiving assistance pursuant to the strategy—

(A) plans to lower or eliminate import tariffs or other taxes for energy and other power production and distribution technologies destined for sub-Saharan Africa, including equipment used to provide energy access, including solar lanterns, solar home systems, and micro and mini grids; and
(B) plans to protect the intellectual property of companies designing and manufacturing products that can be used to provide energy access in sub-Saharan Africa.

(22) A description of how the President intends to work with the African Development Bank and other partners to increase the capacity of sub-Saharan African utilities to—

(A) develop standardized power purchase agreements and other contracts to streamline project development; and

(B) negotiate and monitor compliance with power purchase agreements and other contracts entered into with the private sector.

(23) A description of how the President intends to encourage the growth of distributed renewable energy markets in sub-Saharan Africa, including off-grid lighting and power, that includes—

(A) a country-by-country analysis of the state of distributed renewable energy in sub-Saharan Africa, including off-grid lighting and power;

(B) a description of market barriers to the deployment of distributed renewable energy
technologies both on- and off-grid in sub-Saharan Africa;

(C) measures United States Government departments and agencies, including the United States Agency for International Development and the Overseas Private Investment Corporation, can take—

(i) to overcome or eliminate market barriers or enhance financing opportunities for distributed renewable energy solutions in sub-Saharan Africa; and

(ii) to assist multilateral organizations such as the World Bank Group in efforts to eliminate such barriers or enhance such opportunities;

(D) the amount and kind of financial support and financing provided to participants in distributed energy markets by the United States Government, international financial institutions, and other international organizations;

(E) an analysis of the efficacy of efforts by the Overseas Private Investment Corporation and the United States Agency for International Development to facilitate the financing of the
importation, distribution, sale, leasing, or marketing of distributed renewable energy technologies; and

(F) a description of how bolstering distributed renewable energy can enhance the overall effort to increase power access in sub-Saharan Africa.

(24) Any other issues the President determines are relevant to the strategy.

(c) AFRICAN POWER ADVISORY GROUP.—

(1) Establishment.—For the purposes of developing the strategy required by subsection (a), the President shall establish a African Power Advisory Group to advise on the development and implementation of the strategy and report required by this section and assistance provided pursuant to this section.

(2) Membership.—The African Power Advisory Group shall be composed of 12 members appointed by the President, including the following:

(A) The Coordinator of the President’s Power Africa Initiative.

(B) Seven individuals from the power sector, of whom—
(i) at least one shall have experience in the fossil fuel power sector;

(ii) at least one shall have experience with the rural electrical cooperatives;

(iii) at least one shall have experience in the renewable energy sector; and

(iv) at least one shall have experience in the distributed generation sector.

(C) Three individuals, other than individuals described in subparagraph (B), who shall have experience in working with the business community in Africa or with governments of countries in Africa.

(D) One individual who shall have experience with utility regulation.

(3) FUNCTIONS.—The President shall call upon members of the African Power Advisory Group, either collectively or individually, to advise the President regarding the development and implementation of the strategy and report required by this section and assistance provided pursuant to this section.

(4) MEETINGS.—The African Power Advisory Group shall meet not later than 60 days after the date of the enactment of this Act and not less frequently than annually thereafter.
(5) Federal Advisory Committee Act.—The African Power Advisory Group established under this section shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 104. SENSE OF CONGRESS ON PRIORITIES WITH RESPECT THE ENERGY SECTOR OF SUB-SAHARAN AFRICAN COUNTRIES.

It is the sense of Congress that—

(1) as the United States deepens its engagement with countries in sub-Saharan Africa pursuant to the authorities provided under this Act, priority should be given to countries with a demonstrated commitment to—

(A) transparency, accountability, and credibility in energy sector governance;

(B) prudent macroeconomic management of energy resources, including sound fiscal and debt management;

(C) energy sector reforms, including tariff reform, unbundling of vertically integrated utilities, and access for independent power producers;

(D) responsible development of newly discovered energy resources;
(E) expansion of power generation, transmission, and access, including distributed mini-grid and off-grid solutions; and

(F) private sector and investment climate reforms, such as strong rule of law and robust controls over the business regulatory environment; and

(2) the United States should consider, in prioritizing efforts carried out pursuant to this Act—

(A) opportunities for the United States private sector to contribute to the energy sector in sub-Saharan African countries through technology, innovation, and project development;

(B) the potential of such efforts to facilitate regional power trade and expand power access across borders;

(C) private sector interest and participation in the energy sector of sub-Saharan African countries;

(D) the long-term financial viability of energy sector projects in development;

(E) opportunities to collaborate with international donors and partners in energy sector development involving multilateral institutions
such as the World Bank Group and the African Development Bank;

(F) the availability of United States Government resources and appropriate funds to support the expansion of technical assistance, delivery units, and transaction advisors and teams to implement United States Government programs to expand power access in sub-Saharan Africa; and

(G) mechanisms to promote efficient and effective coordination among United States Government departments and agencies, including allocation of well-defined roles for each such department or agency.

SEC. 105. PRIORITIZATION OF ASSISTANCE FOR POWER PROJECTS IN SUB-SAHARAN AFRICA BY THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.

(a) LOAN GUARANTEES.—In pursuing the policy goals described in section 102, the Administrator of the United States Agency for International Development should prioritize loan guarantees to local financial institutions in sub-Saharan Africa, as appropriate, to—
(1) facilitate the involvement of such institutions in power projects and markets, both on- and off-grid, in sub-Saharan Africa;

(2) allow such institutions to partner with other investors to leverage expertise and increase the impact of such loan guarantees for energy access and power production projects in sub-Saharan Africa;

(3) allow such institutions to partner with other investors to fund local research, development, and deployment of technology in order to specifically increase access to reliable, affordable, and sustainable power in sub-Saharan Africa; and

(4) allow such institutions to fund the development of plans to increase distribution coverage, including off-grid projects and services in rural areas of sub-Saharan Africa.

(b) GRANTS.—The Administrator shall prioritize assistance to—

(1) support the implementation or development, as appropriate, of national, regional, and local energy and economically sustainable power policy plans in sub-Saharan Africa;

(2) expand power access across sub-Saharan Africa, including specifically to the poorest populations and rural and isolated communities;
(3) build the capacity of countries in sub-Saharan Africa to monitor and appropriately and transparently regulate the power sector and encourage private investment in power production and distribution; and

(4) increase access to reliable, affordable, and sustainable power in sub-Saharan Africa, including the development of plans to increase power access in rural areas.

(c) Effectiveness Measurement.—In providing the loan guarantees and assistance prioritized pursuant to this section, the Administrator shall use clear, accountable, and metric-based targets to measure the effectiveness of such guarantees and assistance in achieving the goals described in section 102.

(d) Rule of Construction.—Nothing in this section shall be construed to authorize modifying or limiting the portfolio of the United States Agency for International Development in other developing regions.

SEC. 106. PRIORITIZATION OF ASSISTANCE FOR POWER PROJECTS IN SUB-SAHARAN AFRICA BY THE TRADE AND DEVELOPMENT AGENCY.

(a) In General.—The Director of the Trade and Development Agency should prioritize, as appropriate—
(1) the promotion of United States private sector participation in energy sector development projects in sub-Saharan Africa by conducting project preparation activities for projects in sub-Saharan Africa, including feasibility studies, technical assistance, pilot projects, reverse trade missions, conferences, and workshops; and

(2) the funding of project preparation activities for projects in sub-Saharan Africa that involve increased access to power, including power generation and trade capacity building.

(b) FOCUS.—The project preparation activities described in subsection (a) should focus on supporting projects in sub-Saharan Africa that enhance efficiencies in the areas of power generation, transmission, and distribution grids, including on-grid, off-grid, and micro-grid solutions, and best practices in demand-side management.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to authorize modifying or limiting the portfolio of the Trade and Development Agency in other developing regions.
SEC. 107. PRIORITIZATION OF ASSISTANCE FOR POWER PROJECTS IN SUB-SAHARAN AFRICA BY THE OVERSEAS PRIVATE INVESTMENT CORPORATION.

(a) IN GENERAL.—The Overseas Private Investment Corporation should, as appropriate—

(1) prioritize support for private sector investments in the power sector of sub-Saharan Africa, including in renewable energy, that will—

(A) maximize the number of people with new access to power and power services;

(B) improve and expand the transmission and distribution of power and off-grid lighting and power solutions;

(C) provide reliable power to people and businesses in urban and rural communities;

(D) address the energy needs of people living in areas where there is little or no access to a power grid;

(E) reduce transmission and distribution losses and improve end-use efficiency and demand-side management; and

(F) reduce energy-related impediments to business productivity and investment;

(2) implement procedures for expedited review of and, where appropriate, approval of, applications
by eligible investors (as defined in section 238 of the Foreign Assistance Act of 1961 (22 U.S.C. 2198)) for loans, loan guarantees, and insurance for such investments;

(3) encourage small- and medium-sized enterprises and cooperative service providers to participate in energy investment activities in sub-Saharan Africa; and

(4) publish information on the effects of its energy investments on development in sub-Saharan Africa.

(b) Rule of Construction.—Nothing in this section shall be construed to authorize modifying or limiting the portfolio of the Overseas Private Investment Corporation in other developing regions.

SEC. 108. PRIORITIZATION OF ASSISTANCE FOR POWER PROJECTS IN SUB-SAHARAN AFRICA BY THE WORLD BANK GROUP AND THE AFRICAN DEVELOPMENT BANK.

(a) In General.—The Secretary of the Treasury should direct the United States Executive Directors of the World Bank Group and the African Development Bank to, as appropriate, use the voice, vote, and influence of the United States to help ensure the World Bank Group and the African Development Bank—
(1) prioritize—

(A) increasing their investment in, and efforts to promote investment in, well-designed power sector and electrification projects in sub-Saharan Africa;

(B) creating financing opportunities, provide financing, and provide technical assistance to promote both on- and off-grid power and lighting solutions in sub-Saharan Africa;

(C) stimulating private investment in reliable, affordable, and sustainable power in sub-Saharan Africa; and

(D) providing technical assistance to the regulatory authorities of governments in sub-Saharan Africa to—

(i) remove unnecessary regulatory and legal barriers to investment in commercially viable power projects and markets;

(ii) modify regulatory and legal regimes to assist providers in reducing power transmission and distribution technical losses;

(iii) implement cost-based power tariffs and provide for commercial cost recovery;
(iv) encourage end-use efficiency and demand-side management in the power sector;

(v) strengthen local power markets;

(vi) reduce corruption in the power industry, including in government and regulatory processes associated with power production and distribution;

(vii) encourage domestic investment in the power sector;

(viii) improve transparency and good governance with respect to regulatory and legal processes and requirements in the power sector;

(ix) encourage affordable and expedited interconnection for distributed energy systems and independent power producers;

(x) ensure compliance with the best practices of the World Bank Group and the African Development Bank; and

(xi) implement regulatory and legal reforms that facilitate efficient power generation, transmission, and distribution and efficient off-grid energy markets;
(2) use clear, accountable, and metric-based targets to measure the effectiveness of investment and other assistance provided by the World Bank Group or the African Development Bank, as the case may be, for power sector and electrification projects in sub-Saharan Africa; and

(3) support the efforts of the World Bank Group to foster growth in the off-grid lighting and power markets.

(b) Rule of Construction.—Nothing in this section shall be construed to authorize the Secretary of the Treasury to advocate for modifying or limiting the portfolio of the World Bank Group or the African Development Bank in other developing regions.

SEC. 109. PRIORITIZATION OF ASSISTANCE FOR POWER PROJECTS IN SUB-SAHARAN AFRICA BY THE UNITED STATES AFRICAN DEVELOPMENT FOUNDATION.

(a) In General.—The Board of Directors and the President of the United States African Development Foundation should seek opportunities to make grants and provide technical support to businesses and organizations in sub-Saharan Africa that qualify for assistance from the Foundation and are developing on- and off-grid solutions
to meet the power needs of rural communities underserved by national grids.

(b) **Focus.**—The mission of the United States African Development Foundation under subsection (a) is to meet the needs of underserved communities and close critical development gaps with speed, efficiency, and effectiveness.

**SEC. 110. PROGRESS REPORT.**

(a) **In General.**—Not later than 3 years after the date of the enactment of this Act, 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 toward achieving the policy goals described in section 102 that includes the following:

(1) A report on United States programs supporting implementation of policy and legislative changes leading to increased power generation and access in sub-Saharan Africa, including a description of the number, type, and status of policy, regulatory, and legislative changes initiated or implemented as a result of programs funded or supported by the United States in countries in sub-Saharan Africa to support increased power generation and access after the date of the enactment of this Act.
(2) A description of power projects receiving United States Government support and how such projects, including off-grid efforts, are intended to achieve the policy goals described in section 102.

(3) For each project described in paragraph (2)—

(A) a description of how the project fits into, or encourages modifications of, the national energy plan of the country in which the project will be carried out, including encouraging regulatory reform in that county;

(B) an estimate of the total cost of the project to the consumer, the country in which the project will be carried out, and other investors;

(C) the amount of financing provided or guaranteed by the United States Government for the project;

(D) an estimate of United States Government resources for the project, itemized by funding source, including from the Overseas Private Investment Corporation, the United States Agency for International Development, the Department of the Treasury, or other ap-
propriate United States Government departments and agencies;

(E) an estimate of the number of individuals, communities, businesses, schools, and health facilities that have gained power connections as a result of the project, with a description of how the reliability, affordability, and sustainability of power has been improved as of the date of the report; and

(F) an assessment of the increase in the number of people and businesses with access to power and in the operating electrical power capacity in megawatts as a result of the project between the date of the enactment of this Act and the date of the report.

(4) A description of any significant estimated non-economic effects of the efforts carried out pursuant to this Act.

TITLE II—OVERSEAS PRIVATE INVESTMENT CORPORATION

SEC. 201. EXTENSION OF ISSUING AUTHORITY.


S.L.C.
SEC. 202. EXPEDITED PROCEDURES FOR FINANCING OF SMALL PROJECTS RELATED TO POWER GENERATION AND DISTRIBUTION IN SUB-SAHARAN AFRICA.

(a) In General.—Not later than 180 days after the date of the enactment of this Act, the Overseas Private Investment Corporation should, as appropriate, simplify and streamline the application, approval, and post-approval processes for insurance, financing, investment, or reinsurance for projects or subprojects, including off-grid efforts, in sub-Saharan Africa for which the total support of the Corporation is less than $20,000,000, by—

(1) expediting the review and consideration of, and determinations with respect to, applications for insurance, financing, investment, or reinsurance, consistent with investment best practices, including appropriate risk management, for such projects and subprojects; and

(2) reducing the burdens of project management for, and eliminating duplicative or unnecessary oversight of such projects and subprojects after approval of insurance, financing, investment, or reinsurance for projects or subprojects.

(b) Consideration of Best Practices.—In revising its procedures as required by subsection (a), the Overseas Private Investment Corporation should consider best
practices established by the International Finance Corporation of the World Bank Group.

3 SEC. 203. ACTIVITIES IN SUB-SAHARAN AFRICA; INVESTMENT ADVISORY COUNCIL.

Section 233(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2193(e)) is amended to read as follows:

“(e) ACTIVITIES IN SUB-SAHARAN AFRICA; INVESTMENT ADVISORY COUNCIL.—

“(1) IN GENERAL.—The Board should take prompt measures to prioritize, as appropriate, the loan, guarantee, and insurance programs, and financial commitments, of the Corporation in sub-Saharan Africa in the areas of power generation, distribution, and off-grid power and lighting, including through the use of an investment advisory council to assist the Board in developing and implementing policies, programs, and financial instruments with respect to sub-Saharan Africa.

“(2) RECOMMENDATIONS.—The investment advisory council described in paragraph (1) shall make recommendations to the Board on how the Corporation can facilitate greater support by the United States for private sector trade and investment with and in sub-Saharan Africa.
“(3) TERMINATION.—The investment advisory council described in paragraph (1) shall terminate on December 31, 2018.

“(4) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The investment advisory council described in paragraph (1) shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.).”.

SEC. 204. PILOT PROGRAM FOR EXPANSION OF ELIGIBLE INVESTORS.

(a) IN GENERAL.—The Overseas Private Investment Corporation shall conduct a pilot program under which entities that are covered by section 238(c)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2198(c)(3)) and are substantially beneficially owned by United States citizens shall be considered eligible investors under section 238(c) of that Act for the sole purpose of receiving assistance from the Corporation for power projects in sub-Saharan Africa.

(b) CAP ON ASSISTANCE.—Assistance provided by the Corporation for a power project in sub-Saharan Africa pursuant to subsection (a) to an entity that is covered by section 238(c)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2198(c)(3)) and is substantially beneficially
owned by United States citizens shall not exceed the lesser of—

(1) the share of ownership in the entity of such United States citizens; or

(2) the percentage of the investment of the entity in the project.

(c) TERMINATION OF PILOT PROGRAM.—The pilot program under subsection (a) shall terminate on the date that is 5 years after the date of the enactment of this Act.

(d) CONTINUED VALIDITY OF EXISTING SUPPORT.—Notwithstanding subsection (c), any support provided before the date that is 5 years after the date of the enactment of this Act pursuant to the pilot program under subsection (a) shall remain valid on and after that date.

SEC. 205. PILOT PROGRAM FOR DIRECT INVESTMENT AND LOCAL CURRENCY GUARANTIES FOR POWER PROJECTS IN SUB-SAHARAN AFRICA.

(a) IN GENERAL.—The Overseas Private Investment Corporation shall conduct a pilot program to—

(1) make loans to eligible investors under section 234(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2194(e)) for power projects in sub-Saharan Africa and for which the total support of the Corporation does not exceed $50,000,000; and
(2) issue local currency guarantees under section 234(h) of the Foreign Assistance Act of 1961 (22 U.S.C. 2194(h)) to African subsidiaries of foreign financial institutions if the issuance of such guarantees directly facilitates lending for power projects in sub-Saharan Africa undertaken by eligible investors.

(b) ELIGIBLE INVESTOR DEFINED.—In this section, the term “eligible investor” means an eligible investor as defined in section 238(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2198(c)) or described in section 204(a) of this Act.

(c) TERMINATION OF PILOT PROGRAM.—The pilot program under subsection (a) shall terminate on the date that is 5 years after the date of the enactment of this Act.

(d) CONTINUED VALIDITY OF EXISTING LOANS AND GUARANTEES.—Notwithstanding subsection (c), any loans made or local currency guarantees issued pursuant to the pilot program under subsection (a) before the date that is 5 years after the date of the enactment of this Act shall remain valid on and after that date.
SEC. 206. EXTENSION OF MAXIMUM TERM OF OBLIGATION FOR RENEWABLE ENERGY PROJECTS IN SUB-SAHARAN AFRICA.

Section 237(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2197(e)) is amended to read as follows:

“(e) MAXIMUM TERM OF OBLIGATION.—

“(1) IN GENERAL.—Except as provided in paragraph (2), no insurance, guaranty, or reinsurance of any equity investment shall extend beyond 20 years after the date of issuance.

“(2) EXTENDED TERM OF OBLIGATION FOR CERTAIN PROJECTS.—An insurance, guaranty, or reinsurance of an equity investment in a renewable energy project in sub-Saharan Africa may extend up to 30 years after the date of issuance.”.

SEC. 207. INSPECTOR GENERAL.

(a) IN GENERAL.—Section 8G(a) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (2), by inserting “the Overseas Private Investment Corporation,” after “the National Science Foundation,”; and

(2) in paragraph (4)—

(A) in subparagraph (G), by striking “; and” and inserting a semicolon;

(B) in subparagraph (H), by inserting “and” after the semicolon; and
(C) by adding at the end the following:

“(I) with respect to the Overseas Private Investment Corporation, such term means the Board of Directors of the Overseas Private Investment Corporation (established under section 233(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2193(b));”.

(b) CONFORMING AMENDMENT.—Section 239 of the Foreign Assistance Act of 1961 (22 U.S.C. 2199) is amended by striking subsection (e).

SEC. 208. ASSESSMENT OF CUSTOMER SATISFACTION.

Section 239 of the Foreign Assistance Act of 1961 (22 U.S.C. 2199) is amended by adding at the end the following:

“(l) ASSESSMENT OF CUSTOMER SATISFACTION.—

“(1) IN GENERAL.—Each fiscal year, the Corporation shall conduct a survey of a sample of its customers to assess the satisfaction of those customers with the operation and procedures of the Corporation, with particular attention to customers of the Corporation that are small businesses and cooperatives.

“(2) REPORT TO CONGRESS.—The Corporation shall include in its annual report required under section 240A a report on the survey conducted under
paragraph (1) that includes, as appropriate, summaries of recommendations made by customers of the Corporation with respect to ways to improve the operations and procedures of the Corporation.”.

SEC. 209. SCHEDULE B HIRING AUTHORITY.

In carrying out the purposes of this Act and its responsibilities under this Act, the Overseas Private Investment Corporation may, in addition to other authorities available, employ not more than 20 individuals, on a limited-appointment basis, pursuant to schedule B of subpart C of part 213 of title 5, Code of Federal Regulations, for the purpose of furthering specific efforts in sub-Saharan Africa with respect to power production and generation and distribution, including off-grid efforts.

SEC. 210. SENSE OF CONGRESS ON FUNDING.

It is the sense of Congress that appropriations for the administrative expenses and activities under section 234(g)(5) of the Foreign Assistance of 1961 (22 U.S.C. 2194(g)(5)) of the Corporation in each of the fiscal years 2015 through 2019 should be adjusted to reflect the resources needed to carry out the purposes of this Act, including enabling the Corporation to hire personnel and to upgrade systems infrastructure, as appropriate, to implement the purposes of this Act.
SEC. 211. REPORT ON EQUITY AUTHORITY.

Not later than one year after the date of the enactment of this Act, the Inspector General of the Overseas Private Investment Corporation (appointed pursuant to the amendments made by section 207) shall submit to Congress a report on the authorities of the Corporation to effectively meet its statutory objectives, including as modified by this Act, that includes an assessment of the following:

(1) The effectiveness of the existing authorities of the Corporation in promoting investment in energy and infrastructure projects.

(2) The effect granting the Corporation the authority to directly invest in projects would have on—

(A) the ability of the Corporation to support development projects, including infrastructure and energy projects, that advance the foreign policy goals of the United States;

(B) the risk profile of the Corporation;

(C) the budget of the Corporation;

(D) the success rate of projects, measured in terms of capacity to meet development goals and financial targets;

(E) sectors or regions in which equity investment would be particularly beneficial or
harmful to furthering the mission of the Corporation; and

(F) the capability of the Corporation to meet its statutory objectives, including as modified by this Act, including whether granting such authority would limit the effectiveness of the Corporation in meeting its goals with respect to stimulating United States private sector investment in such projects, including investment by small- and medium-sized enterprises.

(3) The effect of any other financing instruments that may be better suited to energy or infrastructure projects.

(4) The competitiveness of financing provided by the Corporation relative to financing provided by development finance institutions of other major economies.