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(Original Signature of Member)

114TH CONGRESS
1ST SESSION

H. R.

To encourage African countries provide first-time access to electricity and power services for at least 50,000,000 people in sub-Saharan Africa by 2020.

IN THE HOUSE OF REPRESENTATIVES

Mr. ROYCE (for himself, Mr. ENGEL, Mr. SMITH of New Jersey, and Ms. BASS) introduced the following bill; which was referred to the Committee on _____

A BILL

To encourage African countries provide first-time access to electricity and power services for at least 50,000,000 people in sub-Saharan Africa by 2020.

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 “Electrify Africa Act
5 of 2015”.

6 **SEC. 2. PURPOSE.**

7 The purpose of this Act is to encourage the efforts
8 of countries in sub-Saharan Africa to improve access to

1 affordable and reliable electricity in Africa in order to
2 unlock the potential for economic growth, job creation,
3 food security, improved health, education, and environ-
4 mental outcomes, and poverty reduction.

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

8 **SEC. 101. STATEMENT OF POLICY.**

9 Congress declares that it is the policy of the United
10 States to partner, consult, and coordinate with the govern-
11 ments of sub-Saharan African countries, international or-
12 ganizations, African regional economic communities, co-
13 operatives, and the private sector, in a concerted effort
14 to—

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

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

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

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

7 (5) encourage the necessary in-country reforms,
8 including facilitating public-private partnerships spe-
9 cifically to support electricity access projects to
10 make such expansion of power access possible;

11 (6) promote reforms of power production, deliv-
12 ery, and pricing, as well as regulatory reforms and
13 transparency, to support long-term, market-based
14 power generation and distribution;

15 (7) promote policies to displace kerosene light-
16 ing with other technologies; and

17 (8) promote an all-of-the-above energy develop-
18 ment strategy for sub-Saharan Africa that includes
19 the use of oil, natural gas, coal, hydroelectric, wind,
20 solar, and geothermal power, and other sources of
21 energy, as appropriate.

22 **SEC. 102. DEVELOPMENT OF COMPREHENSIVE, INTE-**
23 **GRATED, MULTIYEAR STRATEGY.**

24 (a) STRATEGY REQUIRED.—

1 (1) IN GENERAL.—The President shall establish
2 a comprehensive, integrated, multiyear strategy to
3 encourage the efforts of countries in sub-Saharan
4 Africa to implement national power strategies and
5 develop an appropriate mix of power solutions to
6 provide access to sufficient reliable, affordable, and
7 sustainable power in order to reduce poverty and
8 drive economic growth and job creation consistent
9 with the policy stated in section 101.

10 (2) FLEXIBILITY AND RESPONSIVENESS.—The
11 President shall ensure that the strategy required
12 under paragraph (1) maintains sufficient flexibility
13 for and remains responsive to technological innova-
14 tion in the power sector.

15 (3) CONSOLIDATION.—This Act shall apply to
16 Power Africa and the African Clean Energy Financ-
17 ing Initiative and other United States programs and
18 activities for increasing power generation and trans-
19 mission in sub-Saharan African countries.

20 (b) REPORT REQUIRED.—Not later than 180 days
21 after the date of the enactment of this Act, the President
22 shall transmit to the Committee on Foreign Affairs of the
23 House of Representatives and the Committee on Foreign
24 Relations of the Senate a report that contains the strategy

1 required under subsection (a) and includes a discussion
2 of the following elements:

3 (1) The objectives of the strategy and the cri-
4 teria for determining the success of the strategy.

5 (2) A general description of efforts in sub-Saha-
6 ran Africa to—

7 (A) increase electricity production;

8 (B) strengthen electrical transmission and
9 distribution infrastructure;

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

13 (D) improve the reliability of electricity;

14 (E) maintain the affordability of elec-
15 tricity;

16 (F) maximize the financial sustainability of
17 the power sector; and

18 (G) improve access to electricity.

19 (3) A description of plans to support efforts of
20 countries in sub-Saharan Africa to increase access to
21 electricity in urban and rural areas, including a de-
22 scription of plans designed to address commercial,
23 industrial, and residential needs.

24 (4) A description of plans to support efforts to
25 reduce government waste and corruption and im-

1 prove existing electricity generation through the use
2 of a broad power mix, including fossil fuel and re-
3 newable energy, distributed generation models, en-
4 ergy efficiency, and other technological innovations,
5 as appropriate.

6 (5) An analysis of existing mechanisms for en-
7 suring, and recommendations to promote—

8 (A) commercial cost recovery;

9 (B) commercialization of electric service
10 through distribution service providers, including
11 cooperatives, to consumers;

12 (C) improvements in revenue cycle man-
13 agement, power pricing, and fees assessed for
14 service contracts and connections;

15 (D) reductions in technical losses and com-
16 mercial losses; and

17 (E) access to electricity, including rec-
18 ommendations on the creation of new service
19 provider models that mobilize community par-
20 ticipation in the provision of power services.

21 (6) A description of the reforms being under-
22 taken or planned by countries in sub-Saharan Africa
23 to ensure the long-term economic viability of power
24 projects and to increase access to electricity, includ-
25 ing—

1 (A) reforms designed to allow third parties
2 to connect power generation to the grid;

3 (B) policies to ensure there is a viable and
4 independent utility regulator;

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

7 (D) regulations that permit the participa-
8 tion of independent power producers and pri-
9 vate-public partnerships;

10 (E) policies that encourage private sector
11 and cooperative investment in power generation;

12 (F) policies that promote compensation for
13 power provided to the electrical grid by on-site
14 producers;

15 (G) policies to unbundle power services;

16 (H) regulations to eliminate conflicts of in-
17 terest in the utility sector; and

18 (I) efforts to develop standardized power
19 purchase agreements and other contracts to
20 streamline project development, and efforts to
21 negotiate and monitor compliance with power
22 purchase agreements and other contracts en-
23 tered into with the private sector.

24 (7) A description of plans to ensure local con-
25 sultation, as appropriate, in the planning, long-term

1 maintenance, and management of investments de-
2 signed to increase access to electricity in sub-Saha-
3 ran Africa.

4 (8) A description of the mechanisms to be es-
5 tablished for—

6 (A) selection of partner countries for fo-
7 cused engagement on the power sector;

8 (B) monitoring and evaluating increased
9 access to, and reliability and affordability of,
10 electricity in sub-Saharan Africa;

11 (C) maximizing the financial sustainability
12 of power generation, transmission, and distribu-
13 tion in sub-Saharan Africa;

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

18 (E) terminating unsuccessful programs.

19 (9) A description of how the President intends
20 to promote trade in electrical equipment with coun-
21 tries in sub-Saharan Africa, including a description
22 of how the government of each country receiving as-
23 sistance pursuant to the strategy—

24 (A) plans to lower or eliminate import tar-
25 iffs or other taxes for energy and other power

1 production and distribution technologies des-
2 tined for sub-Saharan Africa, including equip-
3 ment used to provide energy access, including
4 solar lanterns, solar home systems, and micro
5 and mini grids; and

6 (B) plans to protect the intellectual prop-
7 erty of companies designing and manufacturing
8 products that can be used to provide energy ac-
9 cess in sub-Saharan Africa.

10 (10) A description of how the President intends
11 to encourage the growth of distributed energy mar-
12 kets in sub-Saharan Africa, including off-grid light-
13 ing and power, that includes—

14 (A) an analysis of the state of distributed
15 energy in sub-Saharan Africa;

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

19 (C) an analysis of the efficacy of efforts by
20 the Millennium Challenge Corporation, the
21 Overseas Private Investment Corporation, the
22 United States Agency for International Devel-
23 opment, and United States Trade and Develop-
24 ment Agency to facilitate the financing of the

1 importation, distribution, sale, leasing, or mar-
2 keting of distributed energy technologies; and

3 (D) a description of how bolstering distrib-
4 uted energy can enhance the overall effort to in-
5 crease power access in sub-Saharan Africa.

6 (c) INTERAGENCY WORKING GROUP.—

7 (1) IN GENERAL.—The President should, as ap-
8 propriate, establish an Interagency Working Group
9 to coordinate the activities of relevant United States
10 Government departments and agencies involved in
11 carrying out the strategy required under this sec-
12 tion.

13 (2) FUNCTIONS.—The Interagency Working
14 Group should, among other things, seek to coordi-
15 nate the activities of the United States Government
16 departments and agencies involved in implementing
17 the strategy required under this section, ensure effi-
18 cient and effective coordination between partici-
19 pating departments and agencies, facilitate informa-
20 tion sharing, and coordinate partnerships between
21 the United States Government, the private sector,
22 cooperation organizations, and other development
23 partners to achieve the goals of the strategy.

1 **SEC. 103. PRIORITIZATION OF EFFORTS AND ASSISTANCE**
2 **FOR POWER PROJECTS IN SUB-SAHARAN AF-**
3 **RICA BY UNITED STATES GOVERNMENT**
4 **AGENCIES.**

5 (a) IN GENERAL.—In implementing the policy de-
6 scribed in section 101 and the strategy under section 102,
7 the Administrator of the United States Agency for Inter-
8 national Development, the Director of the Trade and De-
9 velopment Agency, the President of the Overseas Private
10 Investment Corporation, and the Chief Executive Officer
11 and Board of Directors of the Millennium Challenge Cor-
12 poration should prioritize and expedite institutional efforts
13 and assistance for power projects and markets, both on-
14 and off-grid, in sub-Saharan Africa and partner with other
15 national government, private investors and local institu-
16 tions in sub-Saharan Africa to increase access to reliable,
17 affordable, and sustainable power in sub-Saharan Africa,
18 including through—

19 (1) maximizing the number of people with new
20 access to power and electricity services;

21 (2) improving and expanding the generation,
22 transmission, and distribution of power;

23 (3) provide reliable electricity to people and
24 businesses in urban and rural communities;

25 (4) addressing the energy needs of people living
26 in areas where there is little or no access to a power

1 grid and developing cogent plans to systematically
2 increase coverage in rural areas;

3 (5) reducing transmission and distribution
4 losses and improving end-use efficiency and demand-
5 side management;

6 (6) reducing energy-related impediments to
7 business productivity and investment; and

8 (7) building the capacity of countries in sub-Sa-
9 haran Africa to monitor and appropriately and
10 transparently regulate the power sector and encour-
11 age private investment in power production and dis-
12 tribution.

13 (b) EFFECTIVENESS MEASUREMENT.—In
14 prioritizing and expediting institutional efforts and assist-
15 ance pursuant to this section, as appropriate, the United
16 States Government agencies described in subsection (a)
17 shall use clear, accountable, and metric-based targets to
18 measure the effectiveness of such guarantees and assist-
19 ance in achieving the policies described in section 101.
20 Each United States Government agency described in sub-
21 section (a) that provides financing or assistance to an elec-
22 tricity generation or transmission project pursuant to this
23 Act, the Power Africa program, or the African Clean En-
24 ergy Financing Initiative shall make available to the public
25 in an accessible digital format the development impacts

1 of each such project, utilizing quantifiable metrics to
2 measure the increase in energy access at the individual
3 household, enterprise, and community level.

4 (c) **RULE OF CONSTRUCTION.**—Nothing in this sec-
5 tion may be construed to authorize modifying or limiting
6 the portfolio of United States Government agencies de-
7 scribed in subsection (a) with respect to other developing
8 regions.

9 **SEC. 104. LEVERAGING INTERNATIONAL SUPPORT.**

10 (a) **IN GENERAL.**—In carrying out the strategy de-
11 scribed in section 102, the President should direct the
12 United States representatives to appropriate international
13 bodies to use the influence of the United States, consistent
14 with the broad development goals of the United States,
15 to advocate that each such body—

16 (1) commit to significantly increase efforts to
17 promote investment in well-designed power sector
18 and electrification projects in sub-Saharan Africa
19 that increase energy access, in partnership with the
20 private sector and consistent with the host countries'
21 absorptive capacity;

22 (2) coordinate and cooperate with United States
23 Government agencies described in section 103(a);

1 (3) address energy needs of individuals and
2 communities where access to an electricity grid is
3 impractical or cost-prohibitive;

4 (4) enhance coordination with the private sector
5 in sub-Saharan Africa to increase access to elec-
6 tricity;

7 (5) provide technical assistance to the regu-
8 latory authorities of sub-Saharan African govern-
9 ments to remove unnecessary barriers to investment
10 in otherwise commercially viable projects; and

11 (6) utilize clear, accountable, and metric-based
12 targets to measure the effectiveness of such projects.

13 (b) INTERNATIONAL SUPPORT.—The President
14 should direct the heads of the United States Government
15 agencies described in section 103(a) to coordinate assist-
16 ance and financing with appropriate international bodies.

17 **SEC. 105. PROGRESS REPORT.**

18 Not later than 3 years after the date of the enact-
19 ment of this Act, the President shall transmit to the Com-
20 mittee on Foreign Affairs of the House of Representatives
21 and the Committee on Foreign Relations of the Senate
22 a report on progress made toward achieving the strategy
23 described in section 102 and providing the financing and
24 assistance described in section 103 that includes the fol-
25 lowing:

1 (1) A report on United States programs sup-
2 porting implementation of policy and legislative
3 changes leading to increased power generation and
4 access in sub-Saharan Africa, including a description
5 of the number, type, and status of policy, regulatory,
6 and legislative changes initiated or implemented as
7 a result of programs funded or supported by the
8 United States in countries in sub-Saharan Africa to
9 support increased power generation and access after
10 the date of the enactment of this Act.

11 (2) A description of power projects receiving
12 United States Government support and how such
13 projects, including off-grid efforts, are intended to
14 achieve the strategy described in section 102.

15 (3) For each project described in paragraph
16 (2)—

17 (A) a description of how the project fits
18 into, or encourages modifications of, the na-
19 tional energy plan of the country in which the
20 project will be carried out, including encour-
21 aging regulatory reform in that country;

22 (B) an estimate of the total cost of the
23 project to the consumer, the country in which
24 the project will be carried out, and other inves-
25 tors;

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

4 (D) an estimate of United States Govern-
5 ment resources for the project, itemized by
6 funding source, including from the Millennium
7 Challenge Corporation, the United States Trade
8 and Development Agency, the Overseas Private
9 Investment Corporation, the United States
10 Agency for International Development, the De-
11 partment of the Treasury, or other appropriate
12 United States Government departments and
13 agencies;

14 (E) an estimate of the number of individ-
15 uals, communities, businesses, schools, and
16 health facilities that have gained power connec-
17 tions as a result of the project, with a descrip-
18 tion of how the reliability, affordability, and
19 sustainability of power has been improved as of
20 the date of the report;

21 (F) an assessment of the increase in the
22 number of people and businesses with access to
23 electricity, and in the operating electrical power
24 capacity in megawatts as a result of the project

1 between the date of the enactment of this Act
2 and the date of the report; and

3 (G) a description of any significant esti-
4 mated noneconomic effects of the efforts carried
5 out pursuant to this Act.

6 **TITLE II—OVERSEAS PRIVATE**
7 **INVESTMENT CORPORATION**

8 **SEC. 201. EXTENSION OF ISSUING AUTHORITY.**

9 Section 235(a)(2) of the Foreign Assistance Act of
10 1961 (22 U.S.C. 2195(a)(2)) is amended by striking
11 “2007” and inserting “2018”.

12 **SEC. 202. TRANSPARENCY.**

13 The Overseas Private Investment Corporation shall—

14 (1) publish in an accessible digital format meas-
15 urable development impacts of its investments, in-
16 cluding appropriate quantifiable metrics to measure
17 energy access and the individual household, enter-
18 prise, and community level; and

19 (2) for all Corporation insurance, loans, loan
20 guarantees and other commitments, make available
21 to the public in an accessible digital format the re-
22 cipient, amount, type, location, duration of each
23 commitment, a detailed description of each project
24 or activity supported by such commitment and devel-
25 opment impacts and results (determined using quan-

1 tifiable metrics) of each such projects or activity
2 with digital links to relevant reports and displays on
3 an interactive map.

4 **SEC. 203. BOARD COMPOSITION.**

5 (a) IN GENERAL.—Section 233(b) of the Foreign As-
6 sistance Act of 1961 (22 U.S.C. 2193(b)) is amended by
7 inserting after the sixth sentence the following new sen-
8 tence: “Of the eight such Directors, not more than five
9 should be of the same political party.”.

10 (b) TRANSITION RULE.—In the case of the first two
11 individuals serving as Directors of the Overseas Private
12 Investment Corporation whose terms expire after the date
13 of the enactment of this Act, the President shall appoint
14 as a replacement for each such individual an individual
15 who is a member of a political party other than the polit-
16 ical party of the individual whose term as a Director ex-
17 pired.

18 **SEC. 204. INVESTMENT ADVISORY COUNCIL.**

19 Section 233(e) of the Foreign Assistance Act of 1961
20 (22 U.S.C. 2193(e)) is amended to read as follows:

21 “(e) INVESTMENT ADVISORY COUNCIL.—

22 “(1) IN GENERAL.—The investment advisory
23 council should make recommendations to the Board
24 on how the Corporation can facilitate greater sup-

1 port by the United States for private sector invest-
2 ment with and in such areas in sub-Saharan Africa.

3 “(2) **TERMINATION.**—The investment advisory
4 council described in paragraph (1) shall terminate
5 on September 30 of the third fiscal year after the
6 date of the enactment of this subsection.”.

7 **SEC. 205. LOCAL CURRENCY GUARANTIES.**

8 (a) **IN GENERAL.**—The Overseas Private Investment
9 Corporation is temporarily authorized to issue local cur-
10 rency guarantees under section 234(h) of the Foreign As-
11 sistance Act of 1961 (22 U.S.C. 2194(h)) to African sub-
12 sidiaries of foreign financial institutions if the issuance of
13 such guarantees directly facilitates lending for power
14 projects in sub-Saharan Africa by eligible investors.

15 (b) **ELIGIBLE INVESTOR DEFINED.**—In this section,
16 the term “eligible investor” means an eligible investor as
17 defined in section 238(c) of the Foreign Assistance Act
18 of 1961 (22 U.S.C. 2198(c)).

19 (c) **TERMINATION OF PILOT AUTHORITY.**—The tem-
20 porary authority under subsection (a) shall terminate on
21 September 30 of the third fiscal year after the date of
22 the enactment of this Act.

23 (d) **CONTINUED VALIDITY OF EXISTING LOANS AND**
24 **GUARANTEES.**—Any loans made or local currency guaran-
25 tees issued pursuant to subsection (a) before the date

1 specified in subsection (c) shall remain valid on and after
2 that date.

3 **SEC. 206. INSPECTOR GENERAL.**

4 Section 239(e) of the Foreign Assistance Act of 1961
5 (22 U.S.C. 2199(e)) is amended to read as follows:

6 “(e) INSPECTOR GENERAL.—The President shall ap-
7 point and maintain an Inspector General in the Corpora-
8 tion, in accordance with the Inspector General Act of 1978
9 (5 U.S.C. App.).”.

10 **SEC. 207. SYSTEMS.**

11 Section 237(d) of the Foreign Assistance Act of 1961
12 (22 U.S.C. 2197(d)) is amended in—

13 (1) paragraph (2), by inserting “, systems in-
14 frastructure costs,” after “outside the Corporation”;
15 and

16 (2) paragraph (3), by inserting “, systems in-
17 frastructure costs,” after “project-specific trans-
18 action costs”.

19 **SEC. 208. ANNUAL CONSUMER SATISFACTION SURVEY AND**
20 **REPORT.**

21 (a) SURVEY.—

22 (1) IN GENERAL.—For each of calendar years
23 2016 through 2018, the Overseas Private Invest-
24 ment Corporation shall conduct a survey of private
25 entities that sponsor or are involved in projects that

1 are insured, reinsured, guaranteed, or financed by
2 the Corporation regarding the level of satisfaction of
3 such entities with the operations and procedures of
4 the Corporation with respect to such projects.

5 (2) PRIORITY.—The survey shall be primarily
6 focused on United States small businesses and busi-
7 nesses that sponsor or are involved in projects with
8 a cost of less than \$20,000,000 (as adjusted for in-
9 flation).

10 (b) REPORT.—

11 (1) IN GENERAL.—Not later than each of July
12 1, 2016, July 1, 2017, and July 1, 2018, the Cor-
13 poration should submit to the congressional commit-
14 tees specified in subparagraph (C) a report on the
15 results of the survey required under subsection (a).

16 (2) MATTERS TO BE INCLUDED.—The report
17 should include the Corporation's plans to revise its
18 operations and procedures based on concerns raised
19 in the results of the survey, if appropriate.

20 (3) FORM.—The report shall be submitted in
21 unclassified form and shall not disclose any con-
22 fidential business information.

23 (4) CONGRESSIONAL COMMITTEES SPECI-
24 FIED.—The congressional committees specified in
25 this subparagraph are—

1 (A) the Committee on Appropriations and
2 the Committee on Foreign Affairs of the House
3 of Representatives; and

4 (B) the Committee on Appropriations and
5 the Committee on Foreign Relations of the Sen-
6 ate.