

AMENDMENT TO H.R. _____
OFFERED BY MR. HASTINGS OF FLORIDA

At the appropriate place in the bill, insert the following:

1 **SEC. ____ . REPORT ON PROGRESS MADE IN PROMOTING**
2 **TRANSPARENCY IN EXTRACTIVE INDUSTRIES**
3 **RESOURCE PAYMENTS.**

4 (a) **PURPOSE.**—The purpose of this section is to—

5 (1) ensure greater United States energy secu-
6 rity by combating corruption in the governments of
7 foreign countries that receive revenues from the sale
8 of their natural resources, and

9 (2) enhance the development of democracy and
10 increase political and economic stability in such re-
11 source-rich foreign countries.

12 (b) **FINDINGS.**—Congress makes the following find-
13 ings:

14 (1) The United States is the world's largest
15 consumer of oil. The United States accounts for 25
16 percent of global daily oil demand—despite having
17 less than 3 percent of the world's proven reserves.

18 (2) 6 of the top 10 suppliers of United States
19 crude oil imports rank in the bottom third of the

1 world's most corrupt countries, according to Trans-
2 parency International.

3 (3) Corrupt and non-transparent foreign gov-
4 ernments have a much higher risk of instability and
5 violent unrest, often leading to disruptions of energy
6 supplies. In addition, the citizens of such countries
7 often remain impoverished despite significant re-
8 source wealth.

9 (4) Oil is a fungible commodity. Therefore sup-
10 ply disruptions due to political instability in other
11 parts of the world affect United States domestic
12 price and supply regardless of the source of supply.

13 (5) Transparency in extractive revenue trans-
14 actions is important to decreasing corruption and in-
15 creasing energy security.

16 (6) The Extractive Industries Transparency
17 Initiative (EITI) serves to improve investment cli-
18 mates through the audited disclosure of revenue pay-
19 ments.

20 (c) STATEMENT OF POLICY.—It is the policy of the
21 United States—

22 (1) to increase energy security by decreasing
23 energy reliance on corrupt foreign governments;

24 (2) to promote global energy security through
25 promotion of programs such as EITI that seek to in-

1 still transparency and accountability into extractive
2 industries resource payments.

3 (d) SENSE OF CONGRESS.—It is the sense of Con-
4 gress that the United States should further global energy
5 security and promote democratic development in resource-
6 rich foreign countries by—

7 (1) encouraging further participation in the Ex-
8 tractive Industries Transparency Initiative (EITI)
9 by eligible countries and companies;

10 (2) promoting the efficacy of the EITI program
11 by ensuring a robust and candid review mechanism;

12 (3) establishing a domestic reporting require-
13 ment for all companies that purchase natural re-
14 sources from or make payments to government offi-
15 cials or entities connected with the extraction of
16 such resources so that citizens can monitor expendi-
17 tures by government officials to ensure account-
18 ability for illicit diversion and wasteful use of reve-
19 nues received; and

20 (4) seeking to establish an international report-
21 ing requirement similar to the reporting requirement
22 described in paragraph (3) in order to ensure that
23 all international companies and foreign countries are
24 competing and cooperating on a level playing field.

25 (e) REPORT.—

1 (1) REPORT REQUIRED.—Not later than 180
2 days after the date of the enactment of this Act, and
3 annually thereafter, the Secretary of State shall sub-
4 mit to Congress a report on progress made in pro-
5 moting transparency in extractive industries re-
6 source payments.

7 (2) MATTERS TO BE INCLUDED.—The report
8 required by paragraph (1) shall include a detailed
9 description of United States participation in the Ex-
10 tractive Industries Transparency Initiative (EITI),
11 bilateral and multilateral diplomatic efforts to fur-
12 ther participation in the EITI, and other United
13 States initiatives to strengthen energy security, deter
14 energy kleptocracy, and promote transparency in the
15 extractive industries.