



Functional Bureau Strategy

Bureau of Energy Resources (ENR)

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Table of Contents

1. Executive Statement and Mission Statement	1
2. Bureau Strategic Framework	2
3. Bureau Goals and Objectives	4
4. Bureau Cross-Cutting Management Objectives.....	14

1. Executive Statement and Mission Statement

Mission Statement: ENR leads the Department's efforts to develop and execute international energy policy through diplomacy and programs that promote a decarbonized future, energy security for the United States and our allies and partners, and economic prosperity through sustainable, affordable, and reliable energy access.

Vision Statement: ENR will help build an equitable and resilient clean energy future for the United States and our partners that heads off the existential risk posed by the climate crisis, sparks innovation, investment, and economic prosperity, assures energy security, creates high-paying jobs for Americans, and advances U.S. global competitiveness.

Increasing greenhouse gas emissions from energy is one of the largest drivers of climate change, which poses an immediate threat to the security and prosperity of the United States and its partners. U.S. national security is also threatened when:

1. The United States and/or its allies and partners lack reliable access to affordable, clean energy;
2. Corruption and poor governance limit market growth and disadvantage U.S. firms;
3. Global and regional competition for energy resources leads to conflict; or
4. State and non-state actors exploit energy to fund violence, undermine state sovereignty, and/or engage in economic coercion.

ENR serves as the principal advisor to the Secretary of State on international energy issues, including security, policy, operations, and programs. ENR leads U.S. energy engagement with foreign governments, international organizations, the private sector, and civil society to advance sustainable and just energy solutions to these threats. ENR's mission is fully consistent with the President's Interim National Strategic Security Guidance (INSSG), which asserts the United States' enduring interest in building a clean resilient, and equitable energy future to address the risks posed by the climate crisis; expanding economic prosperity and opportunity; and helping allies and partners deter and prevent threats from our adversaries.

In support of the mission, ENR works to:

- build a clean energy future that is powered by low to zero emissions energy solutions;
- ensure the energy security of the United States, its partners, and allies by supporting the diversification of energy sources, supplies, and routes;
- increase access globally and particularly in developing countries of affordable, clean, sustainable and reliable energy; and,
- open markets and reduce barriers to energy development and trade by promoting transparent, market-based energy sectors to advance U.S. economic interests.

ENR's diplomatic engagement and foreign assistance programs respond to energy challenges from around the world that affect U.S. economic policy and national security. For example, in response to Putin's unjustified and unprovoked war, ENR is taking a central role both in ongoing

energy diplomacy with the International Energy Agency, including through securing an emergency oil stock release to assure adequate global oil supplies, and in the policy formulation, international coordination, and implementation of Russia related energy sanctions, including on the Nord Stream 2 pipeline. ENR will ensure the Department meets energy-related objectives listed in the Department of State and USAID Joint Strategic Plan (JSP). The bureau will work with the interagency to keep the United States as the indispensable nation on global energy issues that affect national security. ENR will undertake periodic review at least semiannually to ensure that the strategy reflects changing risks and global energy context and the latest policy developments.

2. Bureau Strategic Framework

Bureau Goal 1: Promote a Future Powered by Low- to Zero-Emissions Energy Solutions

- **Bureau Objective 1.1:** Increase deployment of renewable energy, energy storage, energy efficiency, clean hydrogen, carbon sequestration, low carbon transport, and other advanced technologies to promote adoption of clean and decarbonization energy technologies at scale.
- **Bureau Objective 1.2:** Discourage carbon-intensive investments and, consistent with sound system planning, support the phasing-out of inefficient fossil fuel subsidies internationally and rapid retirement of uneconomic coal-fired power assets.
- **Bureau Objective 1.3:** Work bilaterally, multilaterally, and with the private sector to mobilize clean energy finance and create enabling environments that attract increased, qualified investment over time.

Bureau Goal 2: Ensure the Energy Security of the United States, and U.S. Allies and Partners

- **Bureau Objective 2.1:** Strengthen energy security in strategic regions by promoting energy diversification of suppliers, routes, fuel, and accelerated deployment of clean energy technologies including renewable and nuclear power sources.
- **Bureau Objective 2.2:** Formulate, implement, and monitor multilateral and U.S. energy sanctions in coordination with allies and partners.

- **Bureau Objective 2.3:** Prevent global competitors and adversaries from using energy production, critical mineral and rare earth element processing or sales to harm the United States and its allies.
- **Bureau Objective 2.4:** Promote resilient and transparent clean energy supply chains for technologies, prioritizing technologies with high growth trajectories, including renewable energy technologies and batteries for power grids and electric vehicles.

Bureau Goal 3: Increase Access to Affordable, Clean, Sustainable, and Reliable Energy

- **Bureau Objective 3.1:** Promote resilient, reliable, and efficient power systems that are adapted to local contexts, span utility scale and distributed options, and increasingly powered by renewable energy and other low-emission energy sources.
- **Bureau Objective 3.2:** Ensure that other countries, particularly other members of the International Energy Agency (IEA), develop and maintain energy supply disruption response capabilities.
- **Bureau Objective 3.3:** Facilitate integrated regional energy markets and cross-border energy infrastructure to increase energy access, bolster resilience, and strengthen regional cooperation.
- **Bureau Objective 3.4:** Promote sound mining sector governance that advances investment in critical minerals that are vital for energy infrastructure and adheres to environmental, social, and governance standards.

Bureau Goal 4: Open Markets and Reduce Barriers to Energy Development and Trade

- **Bureau Objective 4.1:** Promote U.S. energy sector exports, including renewable and other low-carbon and efficient technologies, equipment, and services.
- **Bureau Objective 4.2:** Strengthen transparent, rules-based energy markets and level the playing field for qualified private sector investment.
- **Bureau Objective 4.3:** Strengthen partners' capacities to transparently oversee and develop their energy and mineral sectors and transition to a net-zero emissions future.

Bureau Cross-Cutting Management Objective 1: Develop and implement management structures, business processes, and human capital development that support and facilitate achieving policy goals and advance diversity, equity, inclusion, and accessibility (DEIA).

Bureau Cross-Cutting Management Objective 2: Enhance cooperation among the bureau, regional bureaus, and other functional bureaus touching upon energy issues by coordination on regional energy strategies, incorporation of energy analysis into policy formulation, and joint exchanges with energy experts.

3. Bureau Goals and Objectives

Bureau Goal 1: Promote a Future Powered by Low- to Zero-Emissions Energy Solutions

- **Bureau Goal 1 Description:** Tackling the climate crisis will require the whole of government and society and raising global ambitions during this decisive decade of climate action to preserve our shared future. The energy sector, as the largest contributor to greenhouse gas emissions, provides the greatest opportunity for transition to achieve 2050 net zero emissions goals. ENR will work to increase global deployment of low and zero emissions energy solutions that will speed that transition in order to make progress now that will keep those goals within reach.

Bureau Objective 1.1: Increase deployment of renewable energy, energy storage, energy efficiency, clean hydrogen, carbon sequestration, low carbon transport, and other advanced technologies to promote adoption of clean energy and decarbonization energy technologies at scale.

- **Bureau Objective 1.1 Justification and Linkages:** Rapid deployment of clean energy and decarbonization technologies is the most expedient path to net-zero emissions goals because it sustains the availability of energy while creating an ongoing infrastructure. Increasing deployment now speeds cost reductions due to scaling up the production of new clean technologies.
- **Bureau Objective 1.1 Risk Considerations:** The United States has preeminence in many of these technologies, but is vulnerable to disruptions of supply chains needed for their production. Some of the renewable energy technologies are dominated by strategic competitors.

Bureau Objective 1.2: Discourage carbon-intensive investments consistent with sound system planning and support the phasing-out of inefficient fossil fuel subsidies internationally and rapid retirement of uneconomic coal-fired power assets.

- **Bureau Objective 1.2 Justification and Linkages:** Carbon intensive investments can lock a country into the technology and resulting emissions for up to fifty years. Removing market distortions such as fossil fuel subsidies allows officials to make sustainable, economical, and sound investment decisions and avoid stranded assets. Fossil fuel subsidies also usually take away valuable government funding from infrastructure investments in roads, schools, and hospitals. Uneconomic coal-fired power plants contribute substantial greenhouse gas emissions while also burdening society with economic and health costs. Speeding their retirement will provide gains that benefit society and the environment. ENR helps lead on a variety of bilateral fora to advance clean energy transitions. In Europe, ENR leverages partnerships such as the U.S.-France Clean Energy Partnership and the U.S.-Germany Climate and Energy Partnership to achieve these goals.
- **Bureau Objective 1.2 Risk Considerations:** Phasing out fossil fuel subsidies is often politically challenging as it is often used as a tool to win favor with the citizens. Taking away those subsidies can also have an adverse effect on citizens who rely on the subsidized cost of energy. Some carbon-intensive technology providers have significant advocacy from their governments. Retirement of coal-fired power assets involve job dislocations that may require job training and investment in communities supported by these assets, particularly for mine-mouth plants in communities that both mine coal and produce power from coal.

Bureau Objective 1.3: Work bilaterally, multilaterally, and with the private sector to mobilize clean energy finance and create enabling environments that attract increased, qualified investment over time.

- **Bureau Objective 1.3 Justification and Linkages:** According to the IEA, getting the world on track for 1.5°C requires a surge in annual investment in clean energy projects and infrastructure to nearly US\$ 4 trillion by 2030. To reach net zero emissions by 2050, annual energy investments must triple to USD 5 trillion by 2030. Emerging market and developing economies need this investment most to expand energy access to citizens while facing higher cost of capital. Private capital must be mobilized at a fast enough pace to achieve this climate ambition. However, private investments in energy infrastructures require a sound business and investment climate built on stable policy and regulatory structures. Establishing policies that create an enabling environment for private sector investment and pave the way for large-scale infrastructure is critical to accelerating market transformation and will provide significant export opportunity for U.S. energy technologies, equipment, and other goods and services. Where private players do not yet see the right balance of risk and reward in these markets, advanced

economies and international development banks must play a larger role in catalyzing accelerated flows of affordable, long-term capital, particularly debt financing, in support of energy transitions to allow developing economies to chart a new lower emissions path for development.

- **Bureau Objective 1.3 Risk Considerations:** A failure to mobilize affordable, long-term financing to support low-carbon energy transitions will undermine developing countries' meeting their Nationally Determined Contributions (NDC) commitments, dampening future climate ambition. Moreover, funds to support a sustainable and green economic recovery from the pandemic are scarce, with capital remaining up to seven-times more expensive than in advanced economies. An additional risk consideration is the lack of affordable financing could further burden already poor and debt-laden countries with expensive financing to meet their electricity needs, potentially hindering their development trajectory even further. In some of the poorest countries in the world, Covid-19 also broke the trend of steady progress towards universal access to electricity, with those lacking access to electricity rising by 2% in 2021 and almost all of this increase in sub-Saharan Africa. Furthermore, the lack of affordable financing delays reaching global universal electricity access goals, slowing the economic growth and productivity that would otherwise be driven by access to affordable, reliable power.

Bureau Goal 2: Ensure the Energy Security of the United States, and U.S. Allies and Partners

- **Bureau Goal 2 Description:** Energy is central to national security and economic prosperity, in the United States and abroad. Encouraging diversification of energy suppliers, routes, and fuels and the accelerated deployment of clean energy technology increases the resiliency of U.S. allies and partners for sustained economic growth and prosperity. Preventing adversaries from using energy resources to harm the interests of the United States and our allies bolsters U.S. national security. Improving regional resource cooperation reduces risks to economic growth and security in those countries. ENR will work collaboratively with the Department, the interagency, and international organizations to meet U.S. international energy policy goals. Partners within the U.S. government include USAID, the Departments of the Interior, Commerce, Treasury, Defense and Energy, the Coast Guard, the Export-Import Bank of the United States, the International Development Finance Corporation (DFC), and the U.S. Trade and Development Agency (USTDA), as well as the intelligence community.

Bureau Objective 2.1: Strengthen energy security in strategic regions by promoting energy diversification of suppliers, routes, fuel, and accelerated deployment of clean energy technologies including renewables and nuclear power sources.

- **Bureau Objective 2.1 Justification and Linkages:** ENR continues to lead U.S. government energy engagement in critical regions to advance diversification of energy suppliers, routes, and fuel and technology types including renewables and nuclear power sources. In Europe, ENR leverages forums such as the U.S.-EU Energy Council and the U.S.-Ukraine Strategic Partnership Commission, and robust bilateral and regional engagement to accelerate critical energy infrastructure projects that will reduce monopolistic Russian control over energy supplies, prices, and consumers. ENR engages allies to promote and strengthen energy connectivity between Ukraine and the rest of Europe. In response to Putin's unprovoked and unjustified invasion of Ukraine, ENR plays a central role in the formulation and international coordination of energy sanctions on Russia, on the Nord Stream 2 pipeline. In the Indo-Pacific, ENR utilizes partnerships with the Association of Southeast Asian Nations and the Quad (Australia, India and Japan) to collectively advance energy security and accelerate the region's decarbonization. Through the Clean EDGE (Enhancing Development and Growth through Energy) Asia initiative, ENR leverages the programs, resources, and expertise of the interagency, private sector and like-minded partners to advance a free and energy secure Indo-Pacific.

In the Middle East and North Africa region, ENR works with the largest producers and consumers of fossil fuels to ensure each nation is energy secure. Through shuttle diplomacy, we work to make sure each nation's population has access to electricity to power their economies. This includes support for projects in Iraq to reduce wasteful and environmentally harmful gas flaring, modernize electrical infrastructure, and reduce dependence on Iranian energy imports. ENR also works with other bureaus to engage major producers of oil and gas to ensure a stable, predictable energy transition for the United States and the global economy. We work through mechanisms like the Economic Partnership Group (India, Israel, UAE, United States) to capitalize on the competitive advantage of each country, which will boost our decarbonization efforts.

In the Western Hemisphere, ENR works with countries highly vulnerable to oil supply shocks and changes to weather patterns in Latin America and the Caribbean to support energy diversification and regional integration to improve grid reliability and resiliency and reduce oil dependency and reliance on hydropower via the adoption of renewables.

In Sub-Saharan Africa, ENR works with countries to promote energy for development by supporting diversification of the energy mix, increasing low-carbon and distributed power generation, combating corruption, advancing digitalization and efficiency efforts, and promoting market-oriented reforms. ENR coordinates efforts with Power Africa and like-minded donors, governments, and the private sector to build governments' capacity

to manage their power sectors and to level the playing field for transparent, competitive investment.

- **Bureau Objective 2.1 Risk Considerations:** A risk consideration is that lack of access to energy supplies creates conditions for political instability, migration, and the proliferation of extremist organizations. Lack of development and deployment of affordable and reliable clean energy alternatives will impede efforts to strengthen energy security and mute climate action. This could lead to the continued or even deepened dependence on traditional energy sources and suppliers. Other risk considerations include non-energy specific factors (e.g., extreme or mild weather conditions) that influence supply and demand.

Bureau Objective 2.2: Formulate, implement, and monitor multilateral and U.S. energy sanctions in coordination with allies and partners.

- **Bureau Objective 2.2 Justification and Linkages:** ENR works in conjunction with the Bureau of Economic and Business Affairs (EB) and interagency partners to develop the policy to implement U.S. energy sanctions on Iran, North Korea, Russia, Venezuela, and others in line with Presidential actions and U.S. law. U.S. energy sanctions deny energy export revenues to regimes that they use to frustrate democracy, proliferate nuclear and other weapons, destabilize regional neighbors and commit humanitarian abuses. Energy sector sanctions are used in part because rogue regime energy exports often make up a significant portion of export revenues, are controlled by state-owned enterprises, and are vulnerable to sanctions due to multiple touchpoints to the international commercial and financial system. ENR provides its expertise including on global and regional energy market implications on energy sanctions policy. ENR also plays a critical role in conveying how a specific sanctions program will impact both U.S. companies and U.S. economic interests, and to make recommendations on how to achieve the program's goals while minimizing harm to the U.S. energy sector. ENR is typically engaged in each stage of a sanctions program: policy development, sanctions implementation, monitoring and compliance, and impact assessment. These efforts support JSP Strategic Objective 2.1 that promotes a global economy that creates opportunities for all Americans by working and isolating adversaries through targeted economic sanctions.
- **Bureau Objective 2.2 Risk Considerations:** The effectiveness of energy sanctions depends in part on the cooperation of third-party countries. Targets of energy sanctions employ numerous avenues to evade U.S. sanctions. Certain major consumer countries of energy commodities do not cooperate with U.S. sanctions and the opaque and diverse set of companies including many less exposed to international markets can blunt the effectiveness of energy sanctions. ENR along with USG partners monitors sanctions evasion, warning countries when sanctions evasion is likely and identifies key points in the trade where intervention can be effective.

Bureau Objective 2.3: Prevent global competitors and adversaries from using energy production, critical mineral and rare earth element processing, or energy sales to harm the United States and its allies.

- **Bureau Objective 2.3 Justification and Linkages:** ENR participates in interagency policy processes related to potential Russian malign use and/or weaponization of energy, including in line with the July 2021 U.S.-Germany Joint Statement on Support for Ukraine, European Energy Security, and our Climate goals.

ENR works with interagency teams to inform, monitor, and enforce the sanctions regime, recommending adjustments as necessary in support of economic rehabilitation, stabilization, and humanitarian efforts, particularly in Northeastern Syria. ENR coordinates with the U.S. interagency sanctions teams to inform, monitor, and enforce U.S. sanctions on Iranian oil.

- **Bureau Objective 2.3 Risk Considerations:** Unforeseen security actions by foreign governments may constrain ENR's efforts to improve regional energy security. Allied and partner reliance upon energy resources – including from actors such as Russia – present additional clear risks that must be further addressed. Sanctions evasion tactics become more sophisticated over time, therefore making sanctions less effective over time.

Bureau Objective 2.4: Promote resilient and transparent clean energy supply chains for technologies, prioritizing technologies with high growth trajectories, including renewable energy technologies and batteries for power grids and electric vehicles.

- **Bureau Objective 2.4 Justification and Linkages:** The International Energy Agency estimates that total global investment in clean energy must triple to \$4 trillion by 2030 to reach net zero emissions goals by 2050. The surge in investment in renewable power and the electrification of other sectors will result in an incredible demand for the minerals and metals required by the associated infrastructure. Currently, the United States has very little mineral development processing capacity for many of these inputs.

The ability of U.S. firms to compete in the multitrillion dollar global clean energy market depends largely on supply of the required raw materials and the processing capacity to turn these into components and final products.

- **Bureau Objective 2.4 Risk Considerations:** Failing to promote resilient supply chains would threaten domestic energy security and undermine the ability of U.S. firms to effectively compete in a multi-trillion-dollar global market for clean energy technologies.

Bureau Goal 3: Increase Access to Affordable, Clean, Sustainable, and Reliable Energy

- **Bureau Goal 3 Description:** Increasing energy access expands economic growth, reduces the potential for conflict within or among countries, and improves human livelihoods and quality of life. Ensuring that this access is clean, affordable, and sustainable also improves local and global environments and helps meet net zero 2050 goals. Globally, 759 million people lack access to electricity, a major impediment to these goals. By powering energy access and development, ENR will meet U.S. national security goals of increasing global stability and providing an alternative to predatory development models. ENR will work collaboratively across the Department and the interagency and with allies, partners, and international organizations to expand energy access including through foreign assistance. Partners within the U.S. government include USAID, the Departments of the Interior, Commerce, Treasury, Defense and Energy, the Export-Import Bank of the United States, the International Development Finance Corporation (DFC), and the U.S. Trade and Development Agency (USTDA).

Bureau Objective 3.1: Promote resilient, reliable, and efficient power systems that are adapted to local contexts, span utility scale and distributed options, and increasingly powered by renewable energy and other low-emission energy sources.

- **Bureau Objective 3.1 Justification and Linkages:** Resilient, reliable, and efficient power systems and capable utilities and system operators are required to increase access to clean and renewable energy. Deployment of renewable energy requires power systems that can handle increased system variability. Digitalization technologies increase system efficiency and improve renewable energy integration. ENR encourages the adoption of energy planning tools and innovative solutions in electric power grid management, markets, and distribution through diplomatic and technical engagement with utilities, government ministries, and regulatory agencies. -This objective supports JSP objectives 1.2, 2.2, and 2.4.
- **Bureau Objective 3.1 Risk Considerations:** Risks considerations include utility underperformance or insolvency and resulting underinvestment in grid infrastructure; natural disasters and extreme weather; aging or poorly maintained infrastructure; rapid integration of wind and solar can cause grid stability challenges; overreliance on power sector management by system operators or other entities controlled by or aligned with global geopolitical competitors; increased vulnerability of digitalization technologies to cyber-attacks.

Bureau Objective 3.2: Ensure that other countries, particularly other members of the International Energy Agency (IEA), develop and maintain energy supply disruption response capabilities.

- **Bureau Objective 3.2 Justification and Linkages:** ENR supports IEA work to safeguard global energy security through monitoring of security of supply, stockpiling and emergency releases of key energy commodities including oil. As energy systems transition away from fossil fuels and toward electrification and variable renewables, continuing to ensure the security of supply of fossil fuels against short-term disruptions while ensuring availability of critical minerals needed for energy transition and increased energy storage and cross-border electric power trading and infrastructure will be crucial. For example, ENR worked diplomatically to secure an IEA member country initial release of 60 million barrels of oil as a response to Russia's further invasion of Ukraine. ENR works with the U.S. Department of Energy (DOE) at the International Energy Agency, and the U.S. Department of Defense (DOD) Defense Logistics Agency, the Department of Commerce and EB domestically.
- **Bureau Objective 3.2 Risk Considerations:** IEA members are a shrinking share of global energy consumption (including oil) and ENR will mitigate this by expanding the group of countries that maintain energy supply disruption response capabilities including by involving more IEA Association countries. Critical minerals markets are more concentrated in terms of production and processing than fossil fuels, so energy supply disruption response will need to take this into account.

Bureau Objective 3.3: Facilitate integrated regional energy markets and cross-border energy infrastructure to increase energy access, bolster resilience, and strengthen regional cooperation.

- **Bureau Objective 3.3 Justification and Linkages:** Regional energy markets and cross-border energy trade benefits exporting and importing countries, improves countries' resilience and energy security, and can create linkages that can decrease the probability of conflict. Interconnected power systems facilitate power exchanges among countries with varying environmental and seasonal needs. Expanding the size of markets also creates economies of scale that can attract private investment, lower capital costs, and reduce electricity costs for consumers. This objective supports JSP objectives 2.2 and 2.4.
- **Bureau Objective 3.3 Risk Considerations:** Risks include distances between optimal energy resources and population centers, including across political borders; the possibility of resistance to interconnection and integration because of domestic political considerations or local community concerns; and the possibility of geopolitically motivated investors obtaining undue influence in recipient countries or in power transmission sectors.

Bureau Objective 3.4: Promote sound mining sector governance that advances investment in critical minerals that are vital for energy infrastructure and adheres to environmental, social, and governance standards.

- **Bureau Objective 3.4 Justification and Linkages:** Increasing demand for renewable energy, electric vehicles, and battery storage technologies is creating unprecedented demand for clean energy minerals. The Energy Resource Governance Initiative (ERGI) is a U.S. Department of State, Bureau of Energy Resources (ENR)-led effort to promote sound mining and mineral processing sector governance and resilient energy mineral supply chains that include recycling. Through this initiative, ENR engages countries to advance environmental, social, and governance (ESG) standards; share best practices; and encourage a level playing field.
- **Bureau Objective 3.4 Risk Considerations:** Risk considerations include (1) potential lack of political will of resource-rich countries and potential processing countries to advance supply chain diversification; and (2) current clean energy technology mineral supply chains are insufficient to meet future demand, concentrated geographically, and subject to a high degree of price volatility, all of which increase investment risk.

Bureau Goal 4: Open Markets and Reduce Barriers to Energy Development and Trade

- **Bureau Goal 4 Description:** Promoting U.S. exports of energy resources, technologies, and services globally through diplomacy, supporting energy import infrastructure, and advocacy on behalf of U.S. companies provides economic benefits for the middle class. ENR prioritizes clean energy solutions in the promotion of U.S. energy sector exports to simultaneously meet economic and clean energy transition goals.

Bureau Objective 4.1: Promote U.S. energy sector exports, including renewable and other low-carbon and efficient technologies, equipment, and services.

- **Bureau Objective 4.1 Justification and Linkages:** The United States is committed to a low carbon future and achieving net-zero goals to keep global temperature rise of 1.5 degrees Celsius within reach. The United States has great potential and opportunity to increase the development and deployment of utility-scale, community, and localized clean energy and low carbon energy sources, including renewables such as solar and wind and others, energy efficiency technologies, the electrification of transportation sectors, and decarbonizing heavy industry. ENR works to open new markets to project development and investment of clean energy sources through engaging with energy policy makers in existing and potential trade countries. The Bureau provides technical assistance in support of renewable sectors and regulatory frameworks in potential project countries. It also advocates on behalf of U.S. companies especially in government procurements. ENR seeks to build on and replicate success in

advocacy for clean energy investments in all regions to increase development of clean energy technologies world-wide.

- **Bureau Objective 4.1 Risk Considerations:** Some trade partners may either not proactively break down regulatory, legal and other barriers to ensure free and fair trade, or may even enact new barriers to trade in energy commodities, services, and technologies that may impact U.S. energy exports and investments.

Bureau Objective 4.2: Strengthen transparent, rules-based energy markets and level the playing field for qualified private sector investment.

- **Bureau Objective 4.2 Justification and Linkages:** Transparency and accountability of a country's natural resource sector means revenues generated from oil, gas, critical mineral extraction, and mining can fuel economic growth, produce jobs, and foster trade and investments. Corruption and mismanagement of extractive resources impedes good governance, contributes to instability and conflict, and diverts critical funding from social services and other government activities. The Extractive Industries Transparency Initiative (EITI) promotes the open and accountable management of natural resources globally. ENR represents the United States as a supporting country member on the EITI board and advocates for transparency in the energy transition.
- **Bureau Objective 4.2 Risk Considerations:** Risk considerations include (1) geopolitically motivated investors will obtain undue influence in recipient countries and prevent the adoption of international best practices to improve global governance and transparency in energy and extractive industries, (2) energy security concerns and political instability in countries with abundant natural resources, and (3) unlevel playing field for U.S. firms and allies to conduct trade and investments.

Bureau Objective 4.3: Strengthen partners' capacities to transparently oversee and develop their energy and mineral sectors and transition to a net-zero emissions future.

- **Bureau Objective 4.3 Justification and Linkages:** ENR-managed assistance activities operationalize energy diplomacy by strengthening partner nations' governance frameworks to develop their energy and mineral sectors and transition to a net-zero emissions future. Combating the climate crisis and other international challenges requires increased assistance resources to drive critical energy sector reforms and develop international partner capacity to accelerate the global energy transition. The Power Sector Program (PSP) provides a wide range of technical support globally to create solvent, reliable, transparent, and sustainable power sectors that are increasingly powered by renewable energy and advanced technologies and conduct transparent tenders for clean power infrastructure. The Energy and Mineral Governance Program (EMGP) builds foreign government technical capacity to oversee these sectors for the

benefit of long-term national economic development and support the transition to an equitable, clean, and resilient energy future.

- **Bureau Objective 4.3 Risk Considerations:** Risk considerations include geopolitically motivated investors obtaining undue influence in recipient countries and high rates of turnover in benefiting country energy sector institutions. Risks include a lack of commitment to transparency and preference for government-to-government contracts; risk include a delayed adoption of renewable energy technologies due to lack of institutional capacity managing grid impacts

4. Bureau Cross-Cutting Management Objectives

Bureau Cross-Cutting Management Objective 1: Develop and implement management structures, business processes, and human capital development that support and facilitate achieving policy goals and advance diversity, equity, inclusion, and accessibility (DEIA).

- **Bureau Cross-Cutting Management Objective 1 Justification and Linkages:** Robust use of flexible hiring mechanisms enables the bureau to meet some short-term work demands, but this comes at the cost of institutional continuity. The bureau will assess whether there are more effective ways to deploy its staff to achieve its policy objectives. ENR staff must have a strong foundation in energy market fundamentals and remain current on technical and policy developments. Also, processes for sharing information and managing knowledge are critical to minimizing the loss of knowledge resulting from frequent staff turnover.
- **Bureau Cross-Cutting Management Objective 1 Risk Considerations:** A risk consideration is inadequate funding. Funding constraints have prevented the bureau from reaching the full staffing levels envisioned when ENR was established in 2011.

Bureau Cross-Cutting Management Objective 2: Enhance cooperation among the bureau, regional bureaus, and other functional bureaus touching upon energy issues by coordination on regional energy strategies, incorporation of energy analysis into policy formulation, and joint exchanges with energy experts.

- **Bureau Cross-Cutting Management Objective 2 Justification and Linkages:** ENR's success in leading the Department's efforts on foreign energy policy requires close cooperation with regional bureaus and other functional bureaus such as EB and OES. ENR will enhance coordination with other bureaus, particularly through jointly developed regional energy strategies, by providing energy sector analysis that feeds into regional policy formation and improving the energy expertise of the Department through joint exchanges with energy experts.
- **Bureau Cross-Cutting Management Objective 2 Risk Considerations:** A risk consideration is regional bureau energy officers may not cooperate with ENR and instead may develop foreign energy policies inconsistent with ENR policy.