



1500 K Street NW | Suite 850 | Washington, DC 20005 | (202) 919-4900

April 15, 2025

The Honorable Brian Mast
Chairman
Committee on Foreign Affairs
Rayburn House Office Building, Washington, DC 20515

The Honorable Gregory Meeks
Ranking Member
Committee on Foreign Affairs
Rayburn House Office Building, Washington, DC 20515

Dear Chairman Mast, Ranking Member Meeks, and members of the Committee on Foreign Affairs,

Thank you for your committee's leadership in creating a foreign policy apparatus that benefits all Americans, especially the ongoing work ahead of a robust reauthorization of the Development Finance Corporation and the Department of State.

At the Climate Leadership Council's Center for Climate & Trade, we are focused on policies that advance the U.S. national interest around competitiveness, economic growth, supply chain security, and geopolitical competition. We find that policies that advance the national interests will, in most instances, also contribute to lower global emissions.

Trade is a key part of the solution set. Policymakers in Congress and elsewhere are exploring how different approaches to trade may support U.S. interests. As you and your colleagues turn to the work of reauthorizing programs like the International Development Finance Corporation, we see a unique opportunity to optimize the federal tools geared around exports and outbound investment. A more robust and thoughtfully designed export and investment toolkit can create markets for U.S. firms and investors, fuel American manufacturing, boost supply chain security, and enhance geopolitical influence through the adept use of soft power.

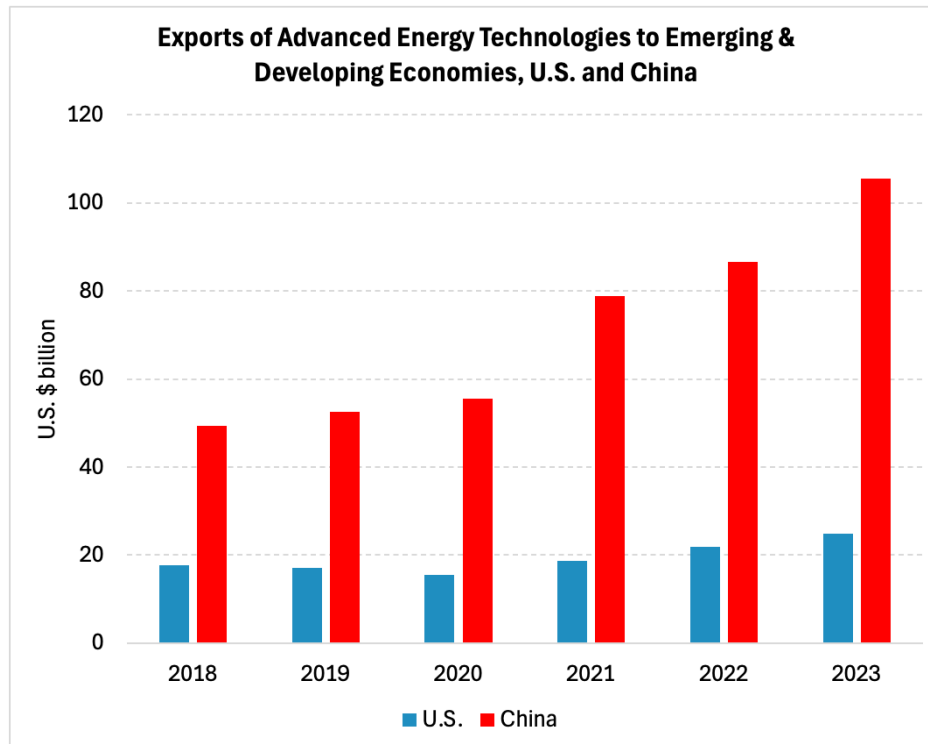
Our research suggests that particular focus should be paid to developing countries and emerging economies, which will contribute about 65% of all global economic growth over the next decade. Competitors, such as China, have spent decades strengthening economic ties with developing countries through government-led efforts. If the U.S. wants to compete, the federal government must play a significant role. This is particularly true for innovative new energy technologies, such as advanced nuclear, geothermal, energy storage, and carbon capture and sequestration, among others. Currently, Chinese energy technology exports to developing countries dwarf U.S. exports—a trend that is accelerating. From 2018 to 2023, Chinese exports of advanced energy technologies¹ to emerging and developing economies² increased by \$56 billion, or 113%, compared to \$7 billion, or 39%, increase in the exports from

¹ Advanced energy technologies include those related to electricity infrastructure, nuclear power, carbon capture, renewable energy, electric vehicles, energy storage, heat pumps, and hydrogen.

² Emerging and developing economies as defined by the International Monetary Fund, excluding China

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the U.S. The below table highlights the glaring differences in the scale and growth of exports between China and the U.S.



Source: The Observatory of Economic Complexity, author calculations

To match the efforts of international competitors, unleash the private sector, vigorously compete in the economy of the future, and align federal investments with the national interest, strategic government policy is necessary.

We propose leveraging the full scope of federal tools to build a comprehensive, vertically integrated investment ecosystem. This whole-of-government approach should include robust upstream work to create a level playing field for investors; midstream efforts to enable projects and cultivate commercial ties to target markets; and downstream transitioning activities that provide seamless offtake for the private sector to continue projects, investments, and exports without federal involvement. In a time of significant foreign policy flux, Congress must play a key role in directing and empowering federal agencies to the maximum benefit of U.S. competitiveness, resource security, and geopolitical influence.

The Center is eager to help you achieve this vision by leveraging the input and perspective of U.S. industry. In the coming months, we will convene a wide range of private sector stakeholders, including American manufacturers, major investors, and others, to gather their perspectives and advance policy proposals consistent with the national interest.

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We look forward to sharing these proposals and perspectives with you and your teams, especially as you consider legislation to reauthorize DFC, EXIM, and the Department of State. Please consider us a partner and a resource in this important policy area.

Sincerely,

A handwritten signature in black ink, appearing to read 'CR', is positioned below the word 'Sincerely,'.

Catrina Rorke
Executive Director, Climate Leadership Council's Center for Climate & Trade