

103^D CONGRESS
2^D SESSION

H. R. 4587

To authorize United States contributions to the Inter-American Development Bank, the Fund for Special Operations, the African Development Fund, the Global Environment Facility, and the Enhanced Structural Adjustment Facility of the International Monetary Fund, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 16, 1994

Mr. FRANK of Massachusetts (for himself and Mr. BEREUTER) introduced the following bill; which was referred to the Committee on Banking, Finance and Urban Affairs

A BILL

To authorize United States contributions to the Inter-American Development Bank, the Fund for Special Operations, the African Development Fund, the Global Environment Facility, and the Enhanced Structural Adjustment Facility of the International Monetary Fund, and for other purposes.

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 “International Develop-
5 ment Act of 1994”.

1 **SEC. 2. GLOBAL ENVIRONMENT FACILITY.**

2 The Bretton Woods Agreements Act (22 U.S.C. 286–
3 286mm) is amended by adding at the end the following:

4 **“SEC. 61. CONTRIBUTION TO GLOBAL ENVIRONMENT**
5 **FACILITY.**

6 “(a) CONTRIBUTION AUTHORITY.—

7 “(1) IN GENERAL.—The United States Gov-
8 ernor of the Bank may contribute \$400,000,000 on
9 behalf of the United States to the Global Environ-
10 ment Facility.

11 “(2) SUBJECT TO APPROPRIATIONS.—The au-
12 thority provided by paragraph (1) shall be effective
13 only to such extent and in such amounts as are pro-
14 vided in advance in appropriations Acts.

15 “(b) LIMITATIONS ON AUTHORIZATION OF APPRO-
16 PRIATIONS.—For the contribution authorized by sub-
17 section (a), there are authorized to be appropriated to the
18 Secretary of the Treasury not more than \$400,000,000,
19 without fiscal year limitation.”.

20 **SEC. 3. AFRICAN DEVELOPMENT FUND.**

21 (a) IN GENERAL.—The African Development Fund
22 Act (22 U.S.C. 290g–290g–15) is amended by adding at
23 the end the following:

24 **“SEC. 217. SEVENTH REPLENISHMENT.**

25 “(a) CONTRIBUTION AUTHORITY.—

1 **“SEC. 38. CAPITAL INCREASE; INCREASE IN RESOURCES OF**
2 **FUND FOR SPECIAL OPERATIONS.**

3 “(a) AUTHORITY TO VOTE FOR INCREASE IN AU-
4 THORIZED CAPITAL STOCK OF BANK AND INCREASE IN
5 RESOURCES OF FUND FOR SPECIAL OPERATIONS.—The
6 United States Governor of the Bank may vote for resolu-
7 tions which—

8 “(1) were transmitted by the Board of Execu-
9 tive Directors to the Governors of the Bank by reso-
10 lution of _____;

11 “(2) are pending before the Board of Governors
12 of the Bank; and

13 “(3) provide for—

14 “(A) an increase in the authorized capital
15 stock of the Bank and subscriptions to the
16 Bank; and

17 “(B) an increase in the resources of the
18 Fund for Special Operations and contributions
19 to the Fund.

20 “(b) SUBSCRIPTION AND CONTRIBUTION AUTHOR-
21 ITY.—

22 “(1) IN GENERAL.—On adoption of the resolu-
23 tions described in subsection (a), the United States
24 Governor of the Bank may, on behalf of the United
25 States—

1 “(A) subscribe to 760,644 shares of the in-
2 crease in the authorized capital stock of the
3 Bank, 12,738 of which shall be shares of paid-
4 in capital stock and 747,906 of which shall be
5 shares of callable capital stock; and

6 “(B) contribute \$82,304,000 to the Fund
7 for Special Operations.

8 “(2) SUBJECT TO APPROPRIATIONS.—The au-
9 thority provided by paragraph (1) shall be effective
10 only to such extent and in such amounts as are pro-
11 vided in advance in appropriations Acts.

12 “(c) LIMITATIONS ON AUTHORIZATION OF APPRO-
13 PRIATIONS.—

14 “(1) SUBSCRIPTION.—For the subscription au-
15 thorized by subsection (b)(1)(A), there are author-
16 ized to be appropriated to the Secretary of the
17 Treasury, without fiscal year limitation—

18 “(A) not more than \$76,832,001 for
19 shares of paid-in capital stock of the Bank; and

20 “(B) not more than \$4,511,156,729 for
21 shares of callable capital stock of the Bank.

22 “(2) CONTRIBUTION.—For the contribution au-
23 thorized by subsection (b)(1)(B), there are author-
24 ized to be appropriated to the Secretary of the

1 Treasury not more than \$82,304,000, without fiscal
2 year limitation.

3 “(d) AUTHORITY TO VOTE FOR CERTAIN RESOLU-
4 TIONS.—The United States Governor of the Bank may
5 vote for a proposed resolution of the Board of Governors
6 entitled ‘Amendments to the Agreement Establishing the
7 Inter-American Development Bank, the Regulations of the
8 Board of Governors, the General Rules Governing Admis-
9 sion of Nonregional Countries to Membership in the Bank,
10 and the Regulations for the Election of Executive Direc-
11 tors’, which was submitted to the Board of Governors pur-
12 suant to a resolution of the Board of Executive Directors
13 approved on _____.”.

14 **SEC. 5. ENHANCED STRUCTURAL ADJUSTMENT FACILITY**
15 **OF THE INTERNATIONAL MONETARY FUND.**

16 The Bretton Woods Agreements Act (22 U.S.C. 286–
17 286mm), as amended by section 2 of this Act, is amended
18 by adding at the end the following:

19 **“SEC. 62. CONTRIBUTION TO THE INTEREST SUBSIDY AC-**
20 **COUNT OF THE ENHANCED STRUCTURAL AD-**
21 **JUSTMENT FACILITY OF THE INTER-**
22 **NATIONAL MONETARY FUND.**

23 “(a) CONTRIBUTION AUTHORITY.—

24 “(1) IN GENERAL.—Subject to paragraph (2),
25 the United States Governor of the Fund may make

1 contributions on behalf of the United States in ful-
2 fillment of the United States commitment to contrib-
3 ute to the Interest Subsidy Account of the Enhanced
4 Structural Adjustment Facility of the Fund.

5 “(2) SUBJECT TO APPROPRIATIONS.—The au-
6 thority provided by paragraph (1) shall be effective
7 only to such extent and in such amounts as are pro-
8 vided in advance in appropriations Acts.

9 “(b) LIMITATION ON AUTHORIZATION OF APPRO-
10 PRIATIONS.—For the contribution authorized by sub-
11 section (a), there are authorized to be appropriated to the
12 Secretary of the Treasury not more than \$25,000,000,
13 without fiscal year limitation.”.

14 **SEC. 6. MILITARY SPENDING BY RECIPIENT COUNTRIES;**
15 **MILITARY INVOLVEMENT IN THE ECONOMIES**
16 **OF RECIPIENT COUNTRIES.**

17 Title XV of the International Financial Institutions
18 Act (22 U.S.C. 262o) is amended by adding at the end
19 the following:

20 **“SEC. 1502. MILITARY SPENDING BY RECIPIENT COUN-**
21 **TRIES; MILITARY INVOLVEMENT IN THE**
22 **ECONOMIES OF RECIPIENT COUNTRIES.**

23 “(a) CONSIDERATION OF COMMITMENT TO ACHIEV-
24 ING CERTAIN GOALS.—The Secretary of the Treasury
25 shall instruct the United States Executive Directors of the

1 international financial institutions (as defined in section
2 1701(c)(2)) to promote growth in the international econ-
3 omy by taking into account, when considering whether to
4 support or oppose loan proposals at these institutions, the
5 extent to which the recipient government has dem-
6 onstrated a commitment to achieving the following goals:

7 “(1) To provide accurate and complete data on
8 the annual expenditures and receipts of the armed
9 forces.

10 “(2) To end excessive military involvement in
11 the economy.

12 “(3) To make substantial reductions in exces-
13 sive military spending and forces.

14 “(4) To end corruption involving members of
15 the armed forces.

16 The Secretary shall submit to the Committees on Bank-
17 ing, Finance and Urban Affairs and on Appropriations of
18 the House of Representatives and the Committees on For-
19 eign Relations and on Appropriations of the Senate a re-
20 port on the steps taken to determine appropriate defini-
21 tions of the goals set forth in subsection (a).

22 “(b) STEPS TO ACHIEVE GOALS REQUIRED.—The
23 Secretary of the Treasury shall instruct the United States
24 Executive Directors of the international financial institu-

1 tions (as so defined) to promote a policy at each institu-
2 tion under which—

3 “(1) the staff will include in its supporting doc-
4 uments for each proposed loan a report on military
5 expenditures and an assessment of the steps taken
6 by the recipient government to achieve the goals set
7 forth in subsection (a);

8 “(2) the governing body will not approve pro-
9 posed loans where insufficient effort has been made
10 to achieve such goals, except in cases where the pro-
11 posed loans are specifically designed to meet the
12 basic human needs of the poor; and

13 “(3) a report on military expenditures and an
14 assessment of the steps taken by the recipient gov-
15 ernment to achieve the goals set forth in subsection
16 (a) will be included in regular policy consultations
17 with developing countries.

18 “(c) CONDITIONAL OPPOSITION TO LOANS TO INDO-
19 NESIA.—In furtherance of the policy established by sub-
20 section (a), the Secretary of the Treasury, in consultation
21 with the Secretary of State, shall, not later than May 1,
22 1995, submit to the Committees on Banking, Finance and
23 Urban Affairs and on Appropriations of the House of Rep-
24 resentatives and the Committees on Foreign Relations and
25 on Appropriations of the Senate a report on the perform-

1 ance of the Government of Indonesia in achieving or im-
2 plementing a credible plan to achieve the goals set forth
3 in subsection (a).”.

4 **SEC. 7. RESPECT FOR INDIGENOUS PEOPLES.**

5 Title XVI of the International Financial Institutions
6 Act (22 U.S.C. 262p-262p-5) is amended by redesignat-
7 ing section 1620 as section 1621 and by inserting after
8 section 1619 the following:

9 **“SEC. 1620. RESPECT FOR INDIGENOUS PEOPLES.**

10 “The Secretary of the Treasury shall direct the Unit-
11 ed States Executive Directors of the international finan-
12 cial institutions (as defined in section 1701(c)(2)) and the
13 United States representative to the council of the Global
14 Environment Facility administered by the International
15 Bank for Reconstruction and Development to use the voice
16 and vote of the United States to bring about the creation
17 and full implementation of policies designed to promote
18 respect for and full protection of the territorial rights, tra-
19 ditional economies, cultural integrity, traditional knowl-
20 edge, and human rights of indigenous peoples.”.

21 **SEC. 8. FOCUS ON LOW-INCOME AREAS OF LATIN AMERICA**
22 **AND THE CARRIBEAN.**

23 The Inter-American Development Bank Act (22
24 U.S.C. 283-283z-9) is amended by adding at the end the
25 following:

1 **“SEC. 38. FOCUS ON LOW-INCOME AREAS OF LATIN AMER-**
2 **ICA AND THE CARRIBEAN.**

3 “The Secretary of the Treasury shall direct the Unit-
4 ed States Executive Director of the Bank to use the voice
5 and vote of the United States to support an increased
6 focus on the poorest countries in Latin America and the
7 Carribean, and on poorer areas of better off countries, and
8 to support porgrams conducted by the Multilateral Invest-
9 ment Fund, particularly in targeting low-income countries
10 and populations, working with nongovernmental organiza-
11 tions and training and assisting former combatants from
12 civil conflicts in Latin America.”.

13 **SEC. 9. GUARANTEE OF WORKER RIGHTS.**

14 Title XVI of the International Financial Institutions
15 Act (22 U.S.C. 262p-262p-5), as amended by section 7
16 of this Act, is amended by redesignating section 1621 as
17 section 1622 and by inserting after section 1620 the fol-
18 lowing:

19 **“SEC. 1621. GUARANTEE OF WORKER RIGHTS.**

20 “The Secretary of the Treasury shall direct the Unit-
21 ed States Executive Director at each international finan-
22 cial institution (as defined in section 1701(c)(2) of this
23 Act) to use the voice and vote of the United States to
24 urge the respective institution to adopt policies to encour-
25 age borrowing countries to guarantee internationally rec-

1 ognized worker rights (within the meaning of section
2 502(a)(4) of the Trade Act of 1974).”.

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