

(2) has not provided to the institution information about the audit process requested by the institution.

**(b) “International financial institution” defined**

For purposes of this section, the term “international financial institution” shall include the institutions identified in section 532(b) of this Act.

(Pub. L. 104-208, div. A, title I, §101(c) [title V, §576], Sept. 30, 1996, 110 Stat. 3009-121, 3009-168; Pub. L. 105-118, title V, §572, Nov. 26, 1997, 111 Stat. 2430.)

REFERENCES IN TEXT

Section 532(b) of this Act, referred to in subsec. (b), is section 532(b) of Pub. L. 104-208, div. A, title I, §101(c) [title V], Sept. 30, 1996, 110 Stat. 3009-121, 3009-152, which is not classified to the Code.

AMENDMENTS

1997—Subsec. (a)(1). Pub. L. 105-118, §572(a), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “does not have in place a functioning system for a civilian audit of all receipts and expenditures that fund activities of the armed forces and security forces;”.

Subsec. (a)(2). Pub. L. 105-118, §572(b), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “has not provided a summary of a current audit to the institution.”

**§ 262k-2. Female genital mutilation**

**(a) Limitation**

Beginning 1 year after September 30, 1996, the Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to use the voice and vote of the United States to oppose any loan or other utilization of the funds of their respective institution, other than to address basic human needs, for the government of any country which the Secretary of the Treasury determines—

(1) has, as a cultural custom, a known history of the practice of female genital mutilation; and

(2) has not taken steps to implement educational programs designed to prevent the practice of female genital mutilation.

**(b) “International financial institution” defined**

For purposes of this section, the term “international financial institution” shall include the institutions identified in section 532(b) of this Act.

(Pub. L. 104-208, div. A, title I, §101(c) [title V, §579], Sept. 30, 1996, 110 Stat. 3009-121, 3009-170.)

REFERENCES IN TEXT

Section 532(b) of this Act, referred to in subsec. (b), is section 532(b) of Pub. L. 104-208, div. A, title I, §101(c) [title V], Sept. 30, 1996, 110 Stat. 3009-121, 3009-152, which is not classified to the Code.

**§ 262I. Environmental reform measures and remedial measures; Committee on Health and the Environment**

**(a) Environmental reform measures; instructions to Executive Directors of Multilateral Development Banks**

The Secretary of the Treasury shall instruct the United States Executive Directors of the Multilateral Development Banks to—

(1) vigorously promote a commitment of these institutions to—

(A) add professionally trained staff with experience in ecology and related areas to undertake environmental review of projects, and strengthen existing staff exercising environmental responsibilities;

(B) develop and implement management plans to ensure systematic and thorough environmental review of all projects and activities affecting the ecology and natural resources of borrowing countries, including—

(i) creation of a line unit to carry out such reviews as part of the normal project cycle,

(ii) appointment of an environmental advisor to the Presidents of the Multilateral Development Banks,

(iii) institution of a regular program of monitoring all ongoing projects to ensure that contract conditions and general bank policies to protect the environment and indigenous peoples are fully complied with;

(C) create career and other institutional incentives for all professionally trained bank staff to incorporate environmental and natural resources concerns into project planning and country programming activities;

(2) vigorously promote changes in these institutions in their preparation of projects and country programs that will prompt staff and encourage borrower countries to—

(A) actively and regularly involve environmental and health ministers, or comparable representatives, at the national, regional and local level, in the preparation of environmentally sensitive projects and in bank-supported country program planning and strategy sessions;

(B) actively and regularly seek the participation of non-governmental indigenous peoples and conservation organizations in the host countries at all stages of project planning and strategy sessions;

(C) fully inform local communities and appropriate non-governmental organizations with interests in local development projects of all project planning sufficiently in advance of project appraisal to allow informed participation of local communities and non-governmental organizations that may be adversely affected by them;

(3) establish a regular integrated multidisciplinary planning process to conduct land use capability analyses in reviewing potential loans. Such plans shall include, but not be limited to, a review of ongoing or other potential resource utilization efforts in and adjacent to the project area;

(4) vigorously promote a commitment of these institutions to develop and implement plans for the rehabilitation and management of the ecological resources of borrower nations on a sustained basis. Special attention shall be paid to soil conservation, wildlife, wetlands, estuaries, croplands, grasslands, forests, and fisheries, including—

(A) long-term programs of research designed to manage ecosystems properly;