

resolution entitled “Merger of Inter-regional and Ordinary Capital Resources”.

(Pub. L. 86-147, §32, as added Pub. L. 100-202, §101(e) [title I], Dec. 22, 1987, 101 Stat. 1329-131, 1329-134.)

#### CODIFICATION

Section 32 of Pub. L. 86-147 is based on section 501 of title V of H.R. 3750, One Hundredth Congress, as introduced Dec. 11, 1987, and enacted into law by Pub. L. 100-202.

#### § 283z-5. Capital increase; increase in resources of Fund for Special Operations

##### (a) Authority to vote for, and to subscribe and contribute to, increase in authorized capital stock of Bank and increase in resources of Fund for Special Operations

###### (1) Vote authorized

The United States Governor of the Bank is authorized to vote for resolutions which—

(A) were transmitted by the Board of Executive Directors to the Governors of the Bank by resolution of April 19, 1989;

(B) are pending before the Board of Governors of the Bank; and

(C) provide for—

(i) an increase in the authorized capital stock of the Bank and subscriptions to the Bank; and

(ii) an increase in the resources of the Fund for Special Operations and contributions to the Fund.

###### (2) Subscription and contribution authority

To the extent and in the amounts provided in advance in appropriations Acts, on adoption of the resolutions described in paragraph (1), the United States Governor of the Bank may, on behalf of the United States—

(A) subscribe to 760,112 shares of the increase in the authorized capital stock of the Bank; and

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

##### (b) Limitation on authorization of appropriations

To pay for the subscription and contribution authorized under subsection (a) of this section, there are authorized to be appropriated, without fiscal year limitation, for payment by the Secretary of the Treasury—

(1) \$9,169,559,712, for the United States subscription to the capital stock of the Bank; and

(2) \$82,304,000, for the United States contribution to the Fund for Special Operations.

##### (c) Organizational changes required to be made before payment for subscription to capital stock and contribution to Fund for Special Operations

The Secretary of the Treasury may not make any payment for the subscription and contribution authorized under subsection (a) of this section unless the Bank—

(1) has established an environmental unit with responsibility for the development, evaluation, and integration of Bank policies, projects, and programs designed to promote environmentally sustainable development in borrower countries;

(2) has increased the number of the staff of the Bank with environmentally oriented responsibilities and training;

(3) provides for an increase in the number of environmentally beneficial projects and programs financed by the Bank; and

(4) has designed a process for ensuring the access of indigenous non-governmental organizations to the process for designing projects and programs.

##### (d) Certification of access to Bank records required before payment for subscription to capital stock and contribution to Fund for Special Operations

The Secretary of the Treasury shall not make any payment for the subscription and contribution authorized under subsection (a) of this section until the Secretary, after consultation with the United States Executive Director of the Bank, certifies to the Congress that—

(1) the Bank has given the Comptroller General of the United States access to the audit memorandum issued by the Auditor General of the Bank with respect to the November 1987 disbursement of funds to the Government of Nicaragua;

(2) the Bank has implemented and is continuing to implement revised procedures issued in 1988 for collecting loan services payments in arrears;

(3) the revised procedures referred to in paragraph (2) satisfy the recommendations of the Auditor General of the Bank; and

(4) the Comptroller General of the United States has access to all documents of the Bank on the same terms and under the same conditions as such documents are made available to the United States Executive Director of the Bank.

(Pub. L. 86-147, §33, as added Pub. L. 101-240, title II, §201, Dec. 19, 1989, 103 Stat. 2496.)

#### § 283z-6. Investment in human capital

##### (a) In general

The Secretary of the Treasury shall instruct the United States Executive Director of the Inter-American Development Bank to propose and use the voice and vote of such director, during the 4-year period beginning on January 1, 1990, to vigorously promote an increase in the proportion of Bank lending in support of projects and programs which support investments in human capital and to seek the rapid implementation by the Bank of systematic mechanisms of consultation with locally affected populations in borrower countries either directly or through appropriate representative non-governmental organizations.

##### (b) “Investments in human capital” defined

As used in subsection (a) of this section, the term “investments in human capital” means investments in projects, policies, and programs designed to improve urban and rural health care and sanitation, basic nutrition, education, the small-producer private sector, the economic activities of women, and the development of indigenous non-governmental organizations.

(Pub. L. 86-147, §34, as added Pub. L. 101-240, title II, §202(a), Dec. 19, 1989, 103 Stat. 2498.)

## REPORT TO CONGRESS

Pub. L. 101-240, title II, §202(b), Dec. 19, 1989, 103 Stat. 2498, provided that: "The Chairman of the National Advisory Council on International Monetary and Financial Policies shall include in the report required by section 1701 of the International Financial Institutions Act [22 U.S.C. 262r] for fiscal year 1991 a report on the efforts undertaken by the United States Executive Director of the Inter-American Development Bank, and the progress to date, in achieving the objectives of section 34 of the Inter-American Development Bank Act [22 U.S.C. 283z-6]."

**§ 283z-7. Limitations on policy based lending**

The Secretary of the Treasury shall—

(1) take all necessary steps to encourage the Bank to limit the aggregate value of the policy based loans made by the Bank (other than policy based loans made to any country which the Bank has determined is economically less developed or has a limited market economy, which are used to purchase sovereign debt of such country or to reduce the debt or debt service burden of such country) during the 4-year period beginning on January 1, 1990, to 25 percent of the aggregate value of all loans made by the Bank during such 4-year period;

(2) take all necessary steps to encourage the Bank to limit the aggregate value of the policy based loans made by the Bank to the government of a particular country during such 4-year period, to 50 percent of the aggregate value of all loans made by the Bank to such government during such 4-year period;

(3) instruct the United States Executive Director of the Bank to explore with the other Executive Directors of the Bank ways to use a portion of the resources made available to the Bank by reason of the subscription and contribution described in section 283z-5(a)(2) of this title for debt reduction and debt service reduction for countries described in paragraph (1); and

(4) before the end of the 12-month period beginning on December 19, 1989, report to the Congress on the matters described in paragraph (3).

(Pub. L. 86-147, §35, as added Pub. L. 101-240, title II, §203, Dec. 19, 1989, 103 Stat. 2498.)

**§ 283z-8. Increase in lending to Caribbean**

The Secretary of the Treasury shall instruct the United States Executive Director of the Bank to enter into discussions with the management of the Bank and with other member country governments to seek to increase Bank lending to the Caribbean region, directly or through appropriate financial intermediaries, for viable projects which will—

(1) result in expanded regional economic integration, diversification, and industrial and agricultural production, and improved infrastructure; and

(2) seek to ensure equitable and environmentally sustainable economic growth.

(Pub. L. 86-147, §36, as added Pub. L. 101-240, title II, §204, Dec. 19, 1989, 103 Stat. 2499.)

**§ 283z-9. Multilateral Investment Fund****(a) Authorization of contribution**

The Secretary of the Treasury is authorized to contribute, and to make payment of, \$500,000,000

to the Multilateral Investment Fund established pursuant to the agreements of February 11, 1992: *Provided*, That such funds shall only be disbursed from the Fund to countries that have governments that are democratically elected,<sup>1</sup> that do not harbor or sponsor international terrorists; that do not fail to cooperate in narcotics matters; and that do not engage in a consistent pattern of gross violations of internationally recognized human rights.

**(b) Authorization of appropriations**

There is hereby authorized to be appropriated without fiscal year limitation \$500,000,000 for the contribution authorized in subsection (a) of this section.

**(c) Environmental assessment of actions**

If an Enterprise for the Americas Multilateral Investment Fund is established pursuant to this section, the Secretary of the Treasury shall instruct the United States representative to the Fund not to vote in favor of any action proposed to be taken by the Fund which may have a significant adverse effect on the environment unless an assessment of the impact of the action on the environment has been available for at least 120 days before the vote.

(Pub. L. 86-147, §37, as added Pub. L. 102-391, title V, §594(b), Oct. 6, 1992, 106 Stat. 1693.)

**§ 283z-10. Focus on low-income areas of Latin America and Caribbean**

The Secretary of the Treasury shall direct the United States Executive Director of the Bank to use the voice and vote of the United States to support an increased focus on the poorest countries in Latin America and the Caribbean, and on poorer areas of better off countries, and to support programs conducted by the Multilateral Investment Fund, particularly in targeting low-income countries and populations, working with nongovernmental organizations and training and assisting former combatants from civil conflicts in Latin America.

(Pub. L. 86-147, §38, as added Pub. L. 103-306, title V, §526(f), Aug. 23, 1994, 108 Stat. 1634.)

**§ 283z-11. First replenishment of the resources of the Enterprise for the Americas Multilateral Investment Fund****(a) Contribution authority****(1) In general**

The Secretary of the Treasury may contribute on behalf of the United States \$150,000,000 to the first replenishment of the resources of the Enterprise for the Americas Multilateral Investment Fund.

**(2) Subject to appropriations**

The authority provided by paragraph (1) may be exercised only to the extent and in the amounts provided for in advance in appropriations Acts.

**(b) Limitations on authorization of appropriations**

For the United States contribution authorized by subsection (a), there are authorized to be ap-

<sup>1</sup> So in original. The comma probably should be a semicolon.