

**§ 262p-4j. Promotion of lending for environment**

The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development to initiate discussions with the other executive directors of such bank and the management of such bank and propose that, in order to reduce the future need for bank lending for reforestation and restoration of environmentally degraded areas, the bank establish a project and policy based environmental lending program (including a loan a portion of which could be used to reduce and restructure private debt), to be made available to interested countries with a demonstrated commitment to natural resource conservation, which would be based on—

- (1) the estimated long-term economic return which could be expected from the sustainable use and protection of tropical forests, including the value of tropical forests for indigenous people and for science;
- (2) the value derived from such services as—
  - (A) watershed management;
  - (B) soil erosion control;
  - (C) the maintenance and improvement of—
    - (i) fisheries;
    - (ii) water supply regulation for industrial development;
    - (iii) food;
    - (iv) fuel;
    - (v) fodder; and
    - (vi) building materials for local communities;
  - (D) the extraction of naturally occurring products from locally controlled protected areas; and
  - (E) indigenous knowledge of the management and use of natural resources; and
- (3) the long-term benefits expected to be derived from maintaining biological diversity and climate stabilization.

(Pub. L. 95-118, title XVI, § 1615, as added Pub. L. 101-240, title V, § 512, Dec. 19, 1989, 103 Stat. 2510.)

## DEFINITIONS

The definitions in section 262p-5 of this title apply to this section.

**§ 262p-4k. Promotion of institution-building for nongovernmental organizations concerned with environment**

The Secretary of the Treasury shall instruct the United States Executive Directors of the multilateral development banks to vigorously promote the adoption of policies and procedures which seek to—

- (1) increase collaboration with, and, where necessary, strengthen, nongovernmental organizations in such countries which are concerned with environmental protection by providing appropriate assistance and support for programs and activities on environmental protection; and
- (2) encourage international collaboration for information exchange and project enhancement with nongovernmental organizations in developing countries which are concerned with environmental protection and government

agencies and private voluntary organizations in developed countries which are concerned with environmental protection.

(Pub. L. 95-118, title XVI, § 1616, as added Pub. L. 101-240, title V, § 512, Dec. 19, 1989, 103 Stat. 2510.)

## DEFINITIONS

The definitions in section 262p-5 of this title apply to this section.

**§ 262p-4l. Improvement of interaction between International Bank for Reconstruction and Development and nongovernmental organizations****(a) In general**

The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development to propose, and urge the Executive Board and the management of the bank to develop and implement<sup>1</sup> specific mechanisms designed to—

- (1) substantially improve the ability of the staff of the bank to interact with nongovernmental organizations and other local groups that are affected by loans made by the bank to borrower countries; and
- (2) delegate to the field offices of the bank in borrowing countries greater responsibility for decisions with respect to proposals for projects in such countries that are to be financed by the bank.

**(b) Certain mechanisms urged**

The mechanisms described in subsection (a) of this section shall include, at a minimum, the following measures:

- (1) An instruction to the management of the bank to undertake efforts to appropriately train and significantly increase the number of bank professional staff (based in Washington, District of Columbia, as of November 5, 1990) assigned, on a rotating basis, to field offices of the bank in borrower countries.
- (2) The assignment to at least 1 professional in each field office of the bank in a borrower country of responsibility for relations with local nongovernmental organizations, and for the preparation and submission to appropriate staff of the bank of a report on the impact of project loans to be made by the bank to the country, based on views solicited from local people who will be affected by such loans, which shall be included as part of the project appraisal report.
- (3) The establishment of the Grassroots Collaboration Program described in section 262p-1(a) of this title.
- (4) Before a project loan is made to a borrower country, the country is to be required to hold open hearings on the proposed project during project identification and project preparation.
- (5) The establishment of assessment procedures which allow affected parties and nongovernmental organizations to review information describing a prospective project or policy loan design, in a timely manner, before the

<sup>1</sup> So in original. Probably should be followed by a comma.