

(3) If there is reason to believe that any such loan is particularly likely to have substantial adverse impacts, the Administrator of the Agency for International Development, in consultation with the Secretary of the Treasury and the Secretary of State, shall ensure that an affirmative investigation of such impacts is undertaken in consultation with relevant Federal agencies. If not classified under the national security system of classification, the information collected pursuant to this paragraph shall be made available to the public.

(b) Evaluation by major shareholder governments prior to bank action on assistance proposals

(1) The Secretary of the Treasury shall instruct the Executive Directors representing the United States at the multilateral development banks as defined in section 262m-7(g) of this title to urge the management and other directors of each such bank, to provide sufficient time between the circulation of assistance proposals and bank action on those proposals, in order to permit their evaluation by major shareholder governments.

(2) The Secretary of the Treasury shall instruct such Executive Directors to work with other countries' Executive Directors and multilateral development bank management to—

(A) improve the procedures of each multilateral development bank for providing its board of directors with a complete and accurate record regarding public consultation before they vote on proposed projects with significant environmental implications; and

(B) revise bank procedures to consistently require public consultation on operational policy proposals or revisions that have significant environmental or social implications.

(3) Progress under this subsection shall be incorporated into Treasury's required annual report to Congress on the environmental performance of the multilateral development banks.

(c) Identification of proposals likely to have adverse impact; transmittal to Congress

Based on the information obtained during the evaluation referred to in subsection (a) and other available information, the Administrator of the Agency for International Development, in consultation with the Secretary of the Treasury and the Secretary of State, shall identify those assistance proposals likely to have adverse impacts on the environment, natural resources, public health, or indigenous peoples. The proposals so identified shall be transmitted to the Committee on Appropriations and the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Appropriations and the Committee on Foreign Relations of the Senate, not later than June 30 and December 31 of each year following December 22, 1987.

(d) Reports to Executive Directors; elimination or mitigation of adverse impacts

The Secretary of the Treasury shall forward reports concerning information received under subsection (a) to the Executive Director representing the United States in the appropriate bank with instructions to seek to eliminate or

mitigate adverse impacts which may result from the proposal.

(Pub. L. 95-118, title XIII, § 1303, as added Pub. L. 100-202, § 101(e) [title I], Dec. 22, 1987, 101 Stat. 1329-131, 1329-134; amended Pub. L. 108-447, div. D, title V, § 593(b), Dec. 8, 2004, 118 Stat. 3037.)

CODIFICATION

Section 1303 of Pub. L. 95-118 is based on section 701 of title VII of H.R. 3750, One Hundredth Congress, as introduced Dec. 11, 1987, and enacted into law by Pub. L. 100-202.

AMENDMENTS

2004—Subsec. (b). Pub. L. 108-447, § 593(b), designated existing provisions as par. (1) and added pars. (2) and (3).

Subsec. (b)(1). Pub. L. 108-447, § 593(b)(1), which directed amendment of par. (1) by substituting "multilateral development banks as defined in section 262m-7(g) of this title" for "International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank", was executed by making substitution for "International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank", to reflect the probable intent of Congress.

CHANGE OF NAME

Committee on Banking, Finance and Urban Affairs of House of Representatives treated as referring to Committee on Banking and Financial Services of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Banking and Financial Services of House of Representatives abolished and replaced by Committee on Financial Services of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred from Committee on Energy and Commerce of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

§ 262m-3. Cooperative information exchange system

The Secretary of the Treasury, in consultation with the Secretary of State and the Administrator of the Agency for International Development, shall create a system for cooperative exchange of information with other interested member countries on assistance proposals of the multilateral development banks.

(Pub. L. 95-118, title XIII, § 1304, as added Pub. L. 100-202, § 101(e) [title I], Dec. 22, 1987, 101 Stat. 1329-131, 1329-134.)

CODIFICATION

Section 1304 of Pub. L. 95-118 is based on section 701 of title VII of H.R. 3750, One Hundredth Congress, as introduced Dec. 11, 1987, and enacted into law by Pub. L. 100-202.

§ 262m-4. Environmental educational and training programs for mid-level bank managers and officials of borrowing countries

The Secretary of the Treasury shall instruct the United States Executive Directors of the multilateral development banks to support the strengthening of educational programs within each multilateral development bank to improve the capacity of mid-level managers to initiate

and manage environmental aspects of development activities, and to train officials of borrowing countries in the conduct of environmental analyses.

(Pub. L. 95-118, title XIII, §1305, as added Pub. L. 100-202, §101(e) [title I], Dec. 22, 1987, 101 Stat. 1329-131, 1329-134.)

CODIFICATION

Section 1305 of Pub. L. 95-118 is based on section 701 of title VII of H.R. 3750, One Hundredth Congress, as introduced Dec. 11, 1987, and enacted into law by Pub. L. 100-202.

§ 262m-5. Environmental impact statements; factors considered; promotion of activities by United States Executive Directors

(a) The Secretary of the Treasury shall instruct the United States Executive Director of each multilateral development bank to vigorously and continuously urge that each bank identify and develop methods and procedures to insure that in addition to economic and technical considerations, unquantified environmental values be given appropriate consideration in decisionmaking, and include in the documents circulated to the Board of Executive Directors concerning each assistance proposal a detailed statement, to include assessment of the benefits and costs of environmental impacts and possible mitigating measures, on the environmental impact of the proposed action, any adverse environmental effects which cannot be avoided if the proposal is implemented, and alternatives to the proposed action.

(b) The Secretary of the Treasury shall instruct the United States Executive Director of each multilateral development bank to vigorously and continuously promote—

(1) increases in the proportion of loans supporting environmentally beneficial policies, projects, and project components;

(2) the establishment of environmental programs in appropriate policy-based loans for the purpose of improving natural resource management, environmental quality, and protection of biological diversity;

(3) increases in the proportion of staff with professional training and experience in ecology and related areas and in the areas of anthropological and sociological impact analysis to ensure systematic appraisal and monitoring of environmental and sociocultural impacts of projects and policies;

(4) active and systematic encouragement of participation by borrowing countries nongovernmental environmental, community and indigenous peoples' organizations at all stages of preparations for country lending strategies, policy based loans, and loans that may have adverse environmental or sociocultural impacts; and

(5) full availability to concerned or affected nongovernmental and community organization, early in the preparation phase and at all subsequent stages of planning of full documentary information concerning details of design and potential environmental and sociocultural impacts of proposed loans.

(Pub. L. 95-118, title XIII, §1306, as added Pub. L. 100-202, §101(e) [title I], Dec. 22, 1987, 101 Stat. 1329-131, 1329-134.)

CODIFICATION

Section 1306 of Pub. L. 95-118 is based on section 701 of title VII of H.R. 3750, One Hundredth Congress, as introduced Dec. 11, 1987, and enacted into law by Pub. L. 100-202.

§ 262m-6. Repealed. Pub. L. 101-240, title V, § 541(d)(4), Dec. 19, 1989, 103 Stat. 2518

Section, Pub. L. 95-118, title XIII, §1307, as added Pub. L. 100-202, §101(e) [title I], Dec. 22, 1987, 101 Stat. 1329-131, 1329-134, required annual reports to Congress on environmental policies.

§ 262m-7. Assessment of environmental impact of proposed multilateral development bank actions

(a) Assessment required before favorable vote on proposal

The Secretary of the Treasury shall instruct the United States Executive Director of each multilateral development bank not to vote in favor of any proposal (including but not limited to any loan, credit, grant, guarantee) which would result or be likely to result in significant impact on the environment, unless the Secretary, after consultation with the Secretary of State and the Administrators of the United States Agency for International Development and the Environmental Protection Agency, determines that for at least 120 days before the date of the vote—

(1) an assessment analyzing the environmental impacts of the proposed action, including associated and cumulative impacts, and of alternatives to the proposed action, has been completed by the borrower or the bank and has been made available to the board of directors of the bank; and

(2) such assessment or a comprehensive summary of the assessment (with proprietary information redacted) has been made available to affected groups, and local nongovernmental organizations and notice of its availability in the country and at the bank has been posted on the bank's website.

(b) Access to assessments in all member countries

The Secretary of the Treasury shall seek the adoption of policies and procedures, through discussions and negotiations with the other member countries of the multilateral development banks and with the management of such banks, which result in access by governmental agencies and interested members of the public of such member countries, to environmental assessments or documentary information containing comprehensive summaries of such assessments which discuss the environmental impact of prospective projects and programs being considered by such banks. Such assessments or summaries should be made available to such governmental agencies and interested members of the public at least 120 days before scheduled board action, and public participation in review of the relevant environmental information should be encouraged.

(c) Consideration of assessment

The Secretary of the Treasury shall—

(1) ensure that an environmental impact assessment or comprehensive summary of such