

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

assessment described in subsection (a) accompanies loan proposals through the agency review process; and

(2) take into consideration recommendations from all other interested Federal agencies and interested members of the public.

**(d) Development of procedures for systematic environmental assessment**

The Secretary of the Treasury, in consultation with other Federal agencies, including the Environmental Protection Agency, the Department of State, and the Council on Environmental Quality, shall—

(1) instruct the United States Executive Director of each multilateral development bank to initiate discussions with the other executive directors of the respective bank and to propose that the respective bank develop and make available to member governments of, and borrowers from, the respective bank, within 18 months after December 19, 1989, a procedure for the systematic environmental assessment of development projects for which the respective bank provides financial assistance, taking into consideration the Guidelines and Principles for Environmental Impact Assessment promulgated by the United Nations Environmental Programme and other bilateral or multilateral assessment procedures; and

(2) in determining the position of the United States on any action proposed to be taken by a multilateral development bank, develop and prescribe procedures for the consideration of, among other things—

(A) the environmental impact assessment of the action described in subsection (a);

(B) interagency and public review of such assessment; and

(C) other environmental review and consultation of such action that is required by other law.

**(e) Use of United States personnel**

The Secretary of the Treasury, in consultation with the Secretary of State, the Secretary of the Interior, the Administrator of the Environmental Protection Agency, the Chairman of the Council on Environmental Quality, the Administrator of the Agency for International Development, and the Administrator of the National Oceanic and Atmospheric Administration, shall—

(1) make available to the multilateral development banks, without charge, appropriate United States Government personnel to assist in—

(A) training bank staff in environmental impact assessment procedures;

(B) providing advice on environmental issues;

(C) preparing environmental studies for projects with potentially significant environmental impacts; and

(D) preparing documents for public release, and developing procedures to provide for the inclusion of interested nongovernmental organizations in the environmental review process; and

(2) encourage other member countries of such banks to provide similar assistance.

**(f) Reports**

**(1) In general**

The Secretary of the Treasury shall submit to the Committees on Foreign Relations and Environment and Public Works of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives—

(A) not later than the end of the 1-year period beginning on December 19, 1989, a progress report on the efficacy of efforts by the United States to encourage consistent and timely environmental impact assessment of actions proposed to be taken by the multilateral development banks and on the progress made by the multilateral development banks in developing and instituting environmental assessment policies and procedures; and

(B) not later than January 1, 1993, a detailed report on the matters described in subparagraph (A).

**(2) Availability of reports**

The reports required by paragraph (1) shall be made available to the member governments of, and the borrowers from, the multilateral development banks, and to the public.

**(g) Multilateral development bank defined**

In this title,<sup>1</sup> the term “multilateral development bank” means the International Bank for Reconstruction and Development, the European Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the African Development Bank, the African Development Fund, the Asian Development Bank, the Inter-American Development Bank, the Inter-American Investment Corporation, any other institution (other than the International Monetary Fund) specified in section 262r(c)(2) of this title, and any subsidiary of any such institution.

(Pub. L. 95-118, title XIII, §1307, formerly §1308, as added and renumbered §1307, Pub. L. 101-240, title V, §§521, 541(f)(4), Dec. 19, 1989, 103 Stat. 2511, 2519; amended Pub. L. 105-118, title V, §560(b), Nov. 26, 1997, 111 Stat. 2426; Pub. L. 108-447, div. D, title V, §593(a), Dec. 8, 2004, 118 Stat. 3037.)

REFERENCES IN TEXT

This title, referred to in subsec. (g), is title XIII of Pub. L. 95-118, which is classified to sections 262m-7 of this title. For complete classification of title XIII to the Code, see Tables.

AMENDMENTS

2004—Subsec. (a). Pub. L. 108-447, §593(a)(1), added subsec. (a) and struck out former subsec. (a) which related to assessments required before favorable vote on action proposed to be taken by banks that would have a significant effect on the human environment.

Subsec. (g). Pub. L. 108-447, §593(a)(2), amended heading and text of subsec. (g) generally. Prior to amendment, text read as follows: “For purposes of this section, the term ‘multilateral development bank’ means any of the institutions named in section 262m-2(b) of this title, and the International Finance Corporation.”

<sup>1</sup> See References in Text note below.

1997—Subsec. (a)(1)(A). Pub. L. 105-118, § 560(b)(1), substituted “borrower” for “borrowing country”.

Subsec. (a)(2)(A). Pub. L. 105-118, § 560(b)(2), struck out “country” after “borrower”.

Subsec. (g). Pub. L. 105-118, § 560(b)(3), added subsec. (g).

#### 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-8. Climate change mitigation and greenhouse gas accounting

#### (a) Use of greenhouse gas accounting

The Secretary of the Treasury shall seek to ensure that multilateral development banks (as defined in section 262r(c)(4) of this title) adopt and implement greenhouse gas accounting in analyzing the benefits and costs of individual projects (excluding those with de minimus greenhouse gas emissions) for which funding is sought from the bank.

#### (b) Expansion of climate change mitigation activities

The Secretary of the Treasury shall work to ensure that the multilateral banks (as defined in section 262r(c)(4) of this title) expand their activities supporting climate change mitigation by—

(1) significantly expanding support for investments in energy efficiency and renewable energy, including zero carbon technologies;

(2) reviewing all proposed infrastructure investments to ensure that all opportunities for integrating energy efficiency measures have been considered;

(3) increasing the dialogue with the governments of developing countries regarding—

(A) analysis and policy measures needed for low carbon emission economic development; and

(B) reforms needed to promote private sector investments in energy efficiency and renewable energy, including zero carbon technologies; and

(4) integrate low carbon emission economic development objectives into multilateral development bank country strategies.

#### (c) Report to Congress

Not later than 1 year after June 24, 2009, and annually thereafter, the Secretary of the Treasury shall submit a report on the status of efforts to implement this section to the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on Financial Services and the Committee on Appropriations of the House of Representatives.

(Pub. L. 95-118, title XIII, § 1308, as added Pub. L. 111-32, title XI, § 1111, June 24, 2009, 123 Stat. 1903.)

#### PRIOR PROVISIONS

A prior section 1308 of Pub. L. 95-118 was renumbered section 1307 and is classified to section 262m-7 of this title.

### § 262n. Congressional findings and policies respecting agricultural and commodity production

The Congress hereby finds the following:

(1) The financing of certain programs and projects by multilateral development banks has been of great concern insofar as the programs and projects have been detrimental to the interests of American farmers and the agribusiness sector.

(2) An increase in rural income in developing countries will generally result in an increase in exports of United States agricultural and food products.

(Pub. L. 95-118, title XIV, § 1401, as added Pub. L. 100-202, § 101(e) [title I], Dec. 22, 1987, 101 Stat. 1329-131, 1329-134.)

#### CODIFICATION

Section 1401 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.

#### DEFINITIONS

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

### § 262n-1. Increase in income and employment in developing countries; enhancement of purchasing power; diversification away from single crop or product economies

The Secretary of the Treasury, after consultations with the Secretary of Agriculture and the Secretary of the Interior (to the extent appropriate) on markets and prices for commodities, shall periodically instruct the United States Executive Director of each multilateral development bank to work with other executive directors of the respective bank to continue to—

(1) support activities which result in broad increases in income and employment and enhance purchasing power in developing countries, particularly among the rural poor; and

(2) encourage diversification away from single crop or product economies in developing countries to help reduce wide fluctuations in commodity prices and the adverse impact of abrupt changes in the terms of trade.

(Pub. L. 95-118, title XIV, § 1402, as added Pub. L. 100-202, § 101(e) [title I], Dec. 22, 1987, 101 Stat. 1329-131, 1329-134.)

#### CODIFICATION

Section 1402 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.

#### DEFINITIONS

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