

§ 262n-2. Financing projects for production of export commodities, products, or minerals in surplus in world markets discouraged; instructions by Secretary of the Treasury to United States Executive Directors

(a) The Secretary of the Treasury shall take all appropriate steps to discourage multilateral development banks from financing projects which will result in the production of commodities, products, or minerals for export that will be in surplus in world markets at the time such production begins.

(b) The Secretary of the Treasury shall instruct the United States Executive Directors of the multilateral development banks to use the voice and vote of the United States in the respective banks—

(1) to oppose financing by the respective bank of projects which produce, or will produce, commodities, products, or minerals for export if—

(A) the commodity, product, or mineral is subsidized in a manner which is inconsistent with Article XVI.3 of the GATT 1994 as defined in section 3501(1)(B) of title 19, or Article 3.1(a) of the Agreement on Subsidies and Countervailing Measures referred to in section 3511(d)(12) of title 19; and

(B) support from financial sources other than multilateral development banks does not accompany such financing; and

(2) to oppose financing by the respective bank for production of a commodity, product, or mineral for export which—

(A) is likely to be in surplus on world markets at the time such production begins; and

(B) when exported, is likely to cause injury to United States producers within the meaning of Article 15 of the Agreement on Subsidies and Countervailing Measures referred to in subparagraph (A).

(Pub. L. 95-118, title XIV, § 1403, as added Pub. L. 100-202, § 101(e) [title I], Dec. 22, 1987, 101 Stat. 1329-131, 1329-134; amended Pub. L. 106-36, title I, § 1002(b), June 25, 1999, 113 Stat. 133.)

CODIFICATION

Section 1403 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

1999—Subsec. (b)(1)(A). Pub. L. 106-36, § 1002(b)(1), substituted “GATT 1994 as defined in section 3501(1)(B) of title 19, or Article 3.1(a) of the Agreement on Subsidies and Countervailing Measures referred to in section 3511(d)(12) of title 19” for “General Agreement on Tariffs and Trade or Article 10 of the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade”.

Subsec. (b)(2)(B). Pub. L. 106-36, § 1002(b)(2), substituted “Article 15 of the Agreement on Subsidies and Countervailing Measures referred to in subparagraph (A)” for “Article 6 of the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade”.

DEFINITIONS

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

§ 262n-3. Reduction of barriers to agricultural trade

The Secretary of the Treasury shall instruct the United States Executive Director at the International Monetary Fund to use aggressively the voice and vote of the United States to vigorously promote policies to encourage the opening of markets for agricultural commodities and products by requiring recipient countries to make efforts to reduce trade barriers.

(Pub. L. 95-118, title XIV, § 1404, as added Pub. L. 105-277, div. A, § 101(d) [title VI, § 611], Oct. 21, 1998, 112 Stat. 2681-150, 2681-228.)

DEFINITIONS

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

§ 262o. Negotiations concerning replenishment or increase in capital; annual reports on implementation of lending policy goals

(a) In any negotiations concerning replenishment or an increase in capital for any multilateral development bank, the Secretary of the Treasury shall propose, as a principal point for negotiations, the following institutional reforms:

(1) The establishment of a unified program within each multilateral development bank to assess the extent to which bank lending benefits the least advantaged members of society, particularly women and the poor, and to increase the extent to which such members benefit from future bank lending.

(2) The establishment of an office or other administrative procedures within each multilateral development bank to—

(A) provide in-country liaison services for nongovernmental organizations operating at the community level;

(B) monitor the impact of project and non-project lending on local populations; and

(C) ensure compliance with loan conditionalities, especially loan conditionalities relating to the protection of the quality of life of the poor and the rights of aboriginal minorities.

(3) A major increase in the number of members of the professional staff of each regional multilateral development bank with training in environmental or social impact analysis or natural science, including—

(A) recruitment of additional permanent professional staff; and

(B) training programs for existing staff members in these subject areas.

(4) With respect to the International Bank for Reconstruction and Development, the establishment of a program for policy-based lending to promote the sustainable use of renewable resources and the protection of the environment in borrowing countries.

(5) An increase in the length of any review period established by any multilateral development bank for board review of staff recommendations by such time as would be sufficient to allow the governments of member countries to review and comment on the staff recommendations before any action is taken

by the board of directors of such bank on the recommendations.

(b) The Secretary of the Treasury shall instruct the United States Executive Director of each multilateral development bank to request the management of such bank to prepare an annual report which identifies and describes the most exemplary lending practices or loan components implemented during the preceding year with respect to each of the following lending policy goals for each major borrowing country or country group:

(1) Benefit to the poor.

(2) Involvement of nongovernmental organizations and local and indigenous populations in loan design, implementation, planning, and monitoring.

(3) Integration of, consideration of, and concern for environmental quality and the sustainable use of natural resources into loan design, implementation, planning, and monitoring.

(4) Recognition of and support for the economic and social development of women.

(Pub. L. 95-118, title XV, §1501, as added Pub. L. 100-202, §101(e) [title I], Dec. 22, 1987, 101 Stat. 1329-131, 1329-134.)

CODIFICATION

Section 1501 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.

§ 2620-1. Military spending by recipient countries; military involvement in economies of recipient countries

(a) Consideration of commitment to achieving certain goals

(1)¹ In general

The Secretary of the Treasury shall instruct the United States Executive Directors of the international financial institutions (as defined in section 262r(c)(2) of this title) to promote growth in the international economy by taking into account, when considering whether to support or oppose loan proposals at these institutions, the extent to which the recipient government has demonstrated a commitment to achieving the following goals:

(A) to provide accurate and complete data on the annual expenditures and receipts of the armed forces;

(B) to establish good and publicly accountable governance, including an end to excessive military involvement in the economy; and

(C) to make substantial reductions in excessive military spending and forces.

(b) Steps to achieve goals required

The Secretary of the Treasury shall instruct the United States Executive Directors of the international financial institutions (as so de-

finied) to promote a policy at each institution under which—

(1) the respective institution monitors closely and, through regular policy consultations with recipient governments, seeks to influence the composition of public expenditure in favor of funding growth and development priorities and away from unproductive expenditure, including excessive military expenditures;

(2) the respective institution supports lending operations which assist efforts of recipient governments to promote good governance, including public participation, and reduce military expenditures; and

(3) the allocation of resources and the extension of credit by the respective institution takes into account the performance of recipient governments in the areas of good governance, ending excessive military involvement in the economy and reducing excessive military expenditures.

(Pub. L. 95-118, title XV, §1502, as added Pub. L. 103-306, title V, §526(d), Aug. 23, 1994, 108 Stat. 1633.)

DEFINITIONS

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

§ 2620-2. Advocacy of policies to enhance general effectiveness of International Monetary Fund

(a) In general

The Secretary of the Treasury shall instruct the United States Executive Director of the International Monetary Fund to use aggressively the voice and vote of the Executive Director to do the following:

(1) Vigorously promote policies to increase the effectiveness of the International Monetary Fund in structuring programs and assistance so as to promote policies and actions that will contribute to exchange rate stability and avoid competitive devaluations that will further destabilize the international financial and trading systems.

(2) Vigorously promote policies to increase the effectiveness of the International Monetary Fund in promoting market-oriented reform, trade liberalization, economic growth, democratic governance, and social stability through—

(A) establishing an independent monetary authority, with full power to conduct monetary policy, that provides for a non-inflationary domestic currency that is fully convertible in foreign exchange markets;

(B) opening domestic markets to fair and open internal competition among domestic enterprises by eliminating inappropriate favoritism for small or large businesses, eliminating elite monopolies, creating and effectively implementing anti-trust and anti-monopoly laws to protect free competition, and establishing fair and accessible legal procedures for dispute settlement among domestic enterprises;

(C) privatizing industry in a fair and equitable manner that provides economic opportunities to a broad spectrum of the population, eliminating government and elite

¹ So in original. No par. (2) has been enacted.