

(A) minimize any adverse impact of such projects or activities on the poor people of such country;

(B) minimize any adverse impact of such projects or activities on the environment of such country; and

(C) maximize the extent to which such projects or activities will benefit the poor people of such country;

(2) increasing the direct involvement of nongovernmental organizations in project design, implementation, or monitoring whenever such organizations have a distinct comparative advantage over other entities in providing such services by virtue of their grassroots involvement with poor people, especially women, in a borrowing country;

(3) providing microenterprise credit for small scale economic activities through nongovernmental organizations;

(4) supporting the enhancement of the institutional capacity of nongovernmental organizations in borrowing countries as development practitioners; and

(5) establishing or supporting jointly funded intermediary mechanisms with nongovernmental organizations to facilitate increased collaboration between such bank or association and nongovernmental organizations in borrowing countries.

(b) Implementation and financing of program

It is the sense of the Congress that the Grassroots Collaboration Program described in subsection (a) should be implemented and financed as part of the normal operations of the International Bank for Reconstruction and Development and the International Development Association.

(c) Flexible financing; initial grant

To the extent the activities under the Grassroots Collaboration Program described in subsection (a) need more flexible financing, it is the sense of the Congress that—

(1) such activities could be funded through a grant from the net income of the International Bank for Reconstruction and Development; and

(2) an initial grant of not less than \$50,000,000 should be made for such activities with subsequent annual allocations of such additional amounts as may be necessary to allow the Grassroots Collaboration Program to maximize collaboration with nongovernmental organizations in the alleviation of poverty and the protection of the environment.

(d) Repealed.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

(e) Annual reports to Congress

Each annual report to the Congress by the National Advisory Council on International Monetary and Financial Policies shall describe the status of the establishment and operation of the Grassroots Collaboration Program described in subsection (a), the activities under taken by the Program and the sum of the amounts expended by the Program.

(Pub. L. 95-118, title XVI, § 1602, as added Pub. L. 100-202, § 101(e) [title I], Dec. 22, 1987, 101 Stat.

1329-131, 1329-134; amended Pub. L. 101-240, title V, § 541(d)(4), Dec. 19, 1989, 103 Stat. 2518.)

CODIFICATION

Section 1602 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

1989—Subsec. (d). Pub. L. 101-240 struck out subsec. (d) which related to initial reporting requirements by Secretary of the Treasury.

DEFINITIONS

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

§ 262p-2. Instructions to United States Executive Directors for extension of credit

(a) International Bank for Reconstruction and Development; International Development Association; access of poor to formal sources of credit; identification and removal of barriers to extension of credit generally and to provisions of credit to microenterprises

The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development and the International Development Association to initiate discussions with other directors of such Bank or Association and to propose that—

(1) in carrying on the activities of the Bank or Association, the Bank or Association take such steps as may be necessary to increase access for the poor people of a borrowing country to formal sources of credit; and

(2) the Bank or Association include a requirement in all appropriate project and non-project agreements, as a condition for assistance under such agreements, that the borrowing country identify and remove unreasonable legal and regulatory barriers to—

(A) the establishment or operation of organizations which extend credit; and

(B) the provision of credit to microenterprises for small scale economic activities.

(b) African Development Bank and Asian Development Bank; provision of credit to microenterprises

The Secretary of the Treasury shall instruct the United States Executive Directors of the African Development Bank and the Asian Development Bank to initiate discussions with other directors of the respective banks and to propose that each such bank—

(1) examine the Program for the Financing of Small Projects of the Inter-American Development Bank and the steps taken by such bank to link the Program to the mainstream operation of the bank; and

(2) explore ways and means to establish similar programs within the respective banks to provide credit to microenterprises for small scale economic activities.

(c) Annual reports to Congress; inclusion of status of microenterprise credit promotion activities

Each annual report to the Congress by the National Advisory Council on International Mone-

tary and Financial Policies shall describe the status of the microenterprise credit promotion activities of each of the institutions referred to in subsection (a) or (b).

(Pub. L. 95-118, title XVI, § 1603, as added Pub. L. 100-202, § 101(e) [title I], Dec. 22, 1987, 101 Stat. 1329-131, 1329-134.)

CODIFICATION

Section 1603 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.

§ 262p-3. Participation of women in economic, social and policy development activities

(a) Congressional declaration of policy

Congress hereby declares that it is the policy of the United States that multilateral development banks should—

(1) fully involve women in borrowing countries in the identification, planning, implementation, and evaluation of mainstream development activities financed by such banks;

(2) recognize and support women's direct and indirect roles in the economic development of their countries and communities;

(3) recognize and support women's direct and indirect roles in the education and social development of, the maintenance of the health of, and in the provision of adequate nutrition for, family members and communities, especially children;

(4) work to remove legal and customary barriers which impede the full participation of women in economic and social development, such as lack of access to credit, property rights, education, health care, and government services; and

(5) involve women's groups in borrowing countries in project identification and preparation in order to factor their assessments of women's economic and social needs into project design.

(b) Instructions by Secretary of the Treasury to United States Executive Directors

The Secretary of the Treasury shall instruct—

(1) the United States Executive Director of the International Bank for Reconstruction and Development and the International Development Association to support attempts to strengthen the role of the Women in Development division in policy development, project design and implementation, and evaluation; and

(2) the United States Executive Directors of the regional multilateral development banks to support exploring the establishment of a mechanism, or the strengthening of any existing mechanism, within each of the respective banks, to advise, advocate, and promote the full intergration¹ of women in the planning, design, implementation, and evaluation of

lending activities both in borrowing countries and within the banks.

(c) Annual reports to Congress

Each annual report to the Congress by the National Advisory Council on International Monetary and Financial Policies shall describe the actions taken by the multilateral development banks to implement the policies established under this section.

(Pub. L. 95-118, title XVI, § 1604, as added Pub. L. 100-202, § 101(e) [title I], Dec. 22, 1987, 101 Stat. 1329-131, 1329-134.)

CODIFICATION

Section 1604 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.

§ 262p-4. Instructions to United States Executive Directors; indigenous people in borrowing country; determination of impact; protection of rights; consultation

The Secretary of the Treasury shall instruct the United States Executive Director of each multilateral development bank to initiate discussions with other executive directors of the respective bank and to propose that the bank take such steps as may be necessary—

(1) to determine, at the time an initial feasibility study is conducted with respect to a proposed project and to the fullest extent possible, the impact such project would have on indigenous people in the borrowing country;

(2) to ensure compliance with loan conditionalities relating to the protection of the rights of indigenous people to lands and resources; and

(3) to consult with indigenous people, and nongovernmental organizations representing indigenous people, at every phase of loan design, planning, implementation, and monitoring.

(Pub. L. 95-118, title XVI, § 1605, as added Pub. L. 100-202, § 101(e) [title I], Dec. 22, 1987, 101 Stat. 1329-131, 1329-134.)

CODIFICATION

Section 1605 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.

§ 262p-4a. Loan programs to reduce economic dependence on illicit narcotics

(a) Findings

The Congress finds that—

(1) the illicit narcotics epidemic currently afflicting the United States represents a direct threat to the well-being of every United States citizen;

(2) every effective means must be pursued to reduce the foreign production and subsequent

¹ So in original. Probably should be "integration".