

**§ 286t. Omitted**

## CODIFICATION

Section, act July 31, 1945, ch. 339, § 34, as added Oct. 7, 1980, Pub. L. 96-389, § 4(b), 94 Stat. 1553, directed the Secretary of the Treasury, in cooperation with the United States Director of the Fund, to study and report to Congress prior to May 15, 1981, with respect to adequacy of Fund resources and method of increasing Fund liquidity, promotion of more direct recycling of oil surpluses, and methods of providing adequate resources for balance-of-payments financing.

## RECYCLING BALANCE-OF-PAYMENTS SURPLUSES BY OIL EXPORTING COUNTRIES

Pub. L. 96-389, § 4(a), Oct. 7, 1980, 94 Stat. 1553, provided that: "It is the sense of the Congress that (1) the interests of the United States and those of other member countries require an effective International Monetary Fund equipped with resources adequate to facilitate orderly balance-of-payments adjustments; (2) persistent balance-of-payments surpluses in oil exporting countries have placed, and will continue to place, severe strains on the resources of oil importing countries and on the liquidity of the Fund; (3) these strains can only be relieved if the oil exporting countries assume a greater burden for financing balance-of-payments deficits through direct methods of recycling their surpluses and through proportionally greater contributions to the Fund and to the international lending institutions; and (4) the Fund must explore innovative proposals to encourage more direct recycling of oil surpluses and to increase its own liquidity."

**§ 286u. Dollar-Special Drawing Rights substitution account**

It is the sense of the Congress that the Secretary of the Treasury and the United States Executive Director of the Fund shall encourage member countries of the Fund to negotiate a dollar-Special Drawing Rights substitution account in which equitable burden sharing would exist among participants in the account.

(July 31, 1945, ch. 339, § 35, as added Pub. L. 96-389, § 4(b), Oct. 7, 1980, 94 Stat. 1554; amended Pub. L. 97-35, title XIII, § 1371(a)(2), Aug. 13, 1981, 95 Stat. 746.)

## AMENDMENTS

1981—Pub. L. 97-35 struck out reporting requirement on progress toward achieving account.

## EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-35 effective Aug. 13, 1981, see section 1372 of Pub. L. 97-35, set out as an Effective Date note under section 290i of this title.

## EFFECTIVE DATE

Amendment by Pub. L. 96-389 effective Oct. 7, 1980, see section 12 of Pub. L. 96-389, set out as a note under section 286s of this title.

**§ 286v. Membership for Taiwan in Fund**

It is the sense of the Congress that it is the policy of the United States that Taiwan (before January 1, 1979, known as the Republic of China) shall be granted appropriate membership in the Fund and that the United States Executive Director of the Fund shall so notify the Fund.

(July 31, 1945, ch. 339, § 36, as added Pub. L. 96-389, § 6, Oct. 7, 1980, 94 Stat. 1554.)

## EFFECTIVE DATE

Section effective Oct. 7, 1980, see section 12 of Pub. L. 96-389, set out as a note under section 286s of this title.

**§ 286w. Denial of membership or other status in Fund for Palestine Liberation Organization; United States participation in Fund if membership or other status granted; report by President to Congress**

It is the policy of the United States that the Palestine Liberation Organization should not be given membership in the Fund or be given observer status or any other official status at any meeting sponsored by or associated with the Fund. The United States Executive Director of the Fund shall promptly notify the Fund of such policy.

In the event that the Fund provides either membership, observer status, or any other official status to the Palestine Liberation Organization, such action would result in a serious diminution of United States support. Upon review of such action, the President would be required to report his recommendations to the Congress with regard to any further United States participation in the Fund.

(July 31, 1945, ch. 339, § 37, as added Pub. L. 96-389, § 7, Oct. 7, 1980, 94 Stat. 1554.)

## EFFECTIVE DATE

Section effective Oct. 7, 1980, see section 12 of Pub. L. 96-389, set out as a note under section 286s of this title.

**§ 286x. Assistance to private sector of El Salvador, Nicaragua, and other nations**

It is the sense of the Congress that in providing assistance through loans or other means to any nation, in particular El Salvador and Nicaragua, the Fund and the Bank should encourage programs which assist the private sector to create an environment which will stabilize the economy of the nation; and that the United States representatives to the Fund and the Bank shall promote the use of assistance by the Fund and the Bank to encourage such programs.

(July 31, 1945, ch. 339, § 38, as added Pub. L. 96-389, § 8, Oct. 7, 1980, 94 Stat. 1554.)

## EFFECTIVE DATE

Section effective Oct. 7, 1980, see section 12 of Pub. L. 96-389, set out as a note under section 286s of this title.

**§ 286y. Promoting conditions for exchange rate stability**

(a) In order to help assure that the resources provided under section 286e-1i of this title are used to support pro-growth policies which will help establish the economic conditions necessary for more appropriate financial and exchange rate alignment and stability, it is the sense of Congress that the Secretary of the Treasury shall—

(1) in consultation with the Secretary of State and the United States Trade Representative, initiate discussions with other countries regarding the economic dislocations which result from structural exchange rate imbalances; and

(2) instruct the United States Executive Director of the Fund to work for adoption of policies in the Fund, both within the framework of article IV (of the Articles of Agreement of the Fund) consultations and with re-

spect to the conditions associated with Fund-supported balance of payments adjustments programs, which promote conditions contributing to the stability of exchange rates and avoid the manipulation of exchange rates between major currencies. Among other initiatives, the Secretary of the Treasury shall propose strengthening the article IV consultation procedures of the Fund to attempt to ensure that countries which are artificially maintaining undervalued or overvalued rates of exchange agree to adopt market determined exchange rates.

(b) In determining his vote on extensions of assistance to any Fund borrower, the United States Executive Director of the Fund shall take into account whether such borrower's policies are consistent with the requirements of article IV of the Articles of Agreement of the Fund.

(July 31, 1945, ch. 339, §40, as added Pub. L. 98-181, title I [title VIII, §801], Nov. 30, 1983, 97 Stat. 1267.)

**§ 286z. Collection and exchange of information on monetary and financial problems**

**(a) Sense of Congress**

It is the sense of the Congress that—

(1) the lack of sufficient information currently available to allow members of the Fund to make sound and prudent decisions concerning their public and private sector international borrowing, and to allow lenders to make sound and prudent decisions concerning their international lending, threatens the stability of the international monetary system; and

(2) in recognition of the Fund's duties, as provided particularly by article VIII of the Articles of Agreement of the Fund, to act as a center for the collection and exchange of information on monetary and financial problems, the Fund should adopt necessary and appropriate measures to ensure that more complete and timely financial information will be available.

**(b) Initiation by United States Executive Director of discussions with other Directors; adoption of procedures**

To this end, the Secretary of the Treasury shall instruct the United States Executive Director of the Fund to initiate discussions with other directors of the Fund and with Fund management, and to propose and vote for, the adoption of procedures, within the Fund—

(1) to collect and disseminate information, on a quarterly basis, from and to Fund members, and to such other persons as the Fund deems appropriate, concerning—

(A) the extension of credit by banks or nonbanks to private and public entities, including all government entities, instrumentalities, and central banks of member countries; and

(B) the receipt of such credit by those private and public entities of member countries, where such banks or nonbanks are not principally established within the borders of the member country to which the credits are extended; and

(2) to disseminate publicly information which is developed in the course of the Fund's collection, and to review and comment on efforts which the Fund determines would serve to enhance the informational base upon which international borrowing and lending decisions are taken.

**(c) "Credit" defined**

For purposes of this section, the term "credit" includes—

(1) outstanding loans to private and public entities, including government entities, instrumentalities, and central banks of any member, and

(2) unused lines of credit which have been made available to those private and public entities of any member,

where such loans or lines of credit are repayable in freely convertible currency.

**(d) Providing necessary information**

The President is authorized to use the authority provided under section 286f of this title to require any person (as defined in such section) subject to the jurisdiction of the United States to provide such information as the Fund determines to be necessary in order to carry out the provisions of this section.

(July 31, 1945, ch. 339, §42, as added Pub. L. 98-181, title I [title VIII, §802(a)(4)], Nov. 30, 1983, 97 Stat. 1269.)

**§ 286aa. Instructions to United States Executive Director; Communist dictatorships**

The Congress hereby finds that Communist dictatorships result in severe constraints on labor and capital mobility and other highly inefficient labor and capital supply rigidities which contribute to balance of payments deficits in direct contradiction of the goals of the International Monetary Fund. Therefore, the Secretary of the Treasury shall instruct the United States Executive Director of the Fund to actively oppose any facility involving use of Fund credit by any Communist dictatorship, unless the Secretary of the Treasury certifies and documents in writing upon request and so notifies and appears, if requested, before the Foreign Relations and Banking, Housing, and Urban Affairs Committees of the Senate and the Banking, Finance and Urban Affairs Committee of the House of Representatives, at least twenty-one days in advance of any vote on such drawing that such drawing—

(1) provides the basis for correcting the balance of payments difficulties and restoring a sustainable balance of payments position;

(2) would reduce the severe constraints on labor and capital mobility or other highly inefficient labor and capital supply rigidities and advances market-oriented forces in that country; and

(3) is in the best economic interest of the majority of the people in that country.

Should the Secretary not meet a request to appear before the aforementioned committees at least twenty-one days in advance of any vote on any facility involving use of Fund credit by any communist dictatorship and certify and docu-