

## 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 importation into the United States of illicit narcotics;

(3) the multilateral development banks can play an integral role in efforts to control the production of illicit narcotics;

(4) producer country narcotics eradication programs will not be effective unless such programs provide an economic alternative to the production of narcotics;

(5) efforts to address the illicit narcotics epidemic through production control are doomed to failure unless greater effort is applied to curb use of and demand for illicit narcotics; and

(6) the appropriate role for the multilateral development banks in the “War Against Drugs” is through coordinating and financing alternative economic opportunities in producer and trafficking countries.

**(b) Loan programs to reduce economic dependence on illicit narcotics**

The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development and the United States Executive Director of the Inter-American Development Bank to initiate discussions with other executive directors of such institutions and to advocate and support the creation, within such institutions, of specific country lending programs and policies (including crop substitution, creation of roads conducive to the expansion of markets for licit goods, other infrastructure development measures such as development projects generating employment, agricultural extension assistance, and region-specific development plans) which are particularly oriented to reducing or eliminating the economic dependence of regions of borrowing countries known to be areas in which illicit narcotics are produced or trafficked, on such production and trafficking.

**(c) Coordination among assistance programs designed to reduce economic dependency on illicit narcotics**

In addition, the Secretary of the Treasury should instruct the United States Executive Director of the International Bank for Reconstruction and Development and the United States Executive Director of the Inter-American Development Bank to encourage such institutions to provide coordination among other multilateral and bilateral assistance programs designed to reduce the economic dependence of regions of borrowing countries known to be areas in which illicit narcotics are produced or trafficked, on such production and trafficking.

(Pub. L. 95-118, title XVI, § 1606, as added Pub. L. 100-461, title V, § 555, Oct. 1, 1988, 102 Stat. 2268-36.)

## CODIFICATION

Section 1606 of Pub. L. 95-118 is based on section 6 of H.R. 4645, One Hundredth Congress, as reported Sept. 28, 1988, and enacted into law by Pub. L. 100-461.

## PRIOR PROVISIONS

A prior section 1606 of Pub. L. 95-118 was renumbered section 1622 and is classified to section 262p-5 of this title.

## DEFINITIONS

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

**§ 262p-4b. Directives regarding government-owned enterprises in countries receiving World Bank loans**

**(a) Finding**

The Congress finds that a principal focus of United States Government policy in the multilateral development banks has been and should be to foster greater development of the private sector in member borrowing countries of such banks.

**(b) Technical assistance to transform government-owned enterprises into privately owned enterprises**

In order to assist and strengthen the advancement of ongoing efforts to have the Inter-