

106TH CONGRESS
2D SESSION

S. CON. RES. 136

Expressing the sense of Congress regarding the importance of bringing transparency, accountability, and effectiveness to the World Bank and its programs and projects.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 19, 2000

Mr. CRAPO (for himself and Mr. ENZI) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations

CONCURRENT RESOLUTION

Expressing the sense of Congress regarding the importance of bringing transparency, accountability, and effectiveness to the World Bank and its programs and projects.

Whereas the United States is the single largest shareholder of the International Bank for Reconstruction and Development and the International Development Association (in this concurrent resolution referred to as the “World Bank”);

Whereas recent reports by the General Accounting Office and others raise serious questions about management at the World Bank, corruption involving World Bank programs and projects, and the lack of effectiveness of World Bank programs and projects;

Whereas the estimated failure rate of World Bank programs and projects based on the World Bank's data is greater than 50 percent, as determined at the time of the final loan disbursement, and the estimated failure rate rises to 65 to 70 percent in the most impoverished nations;

Whereas the United States has an obligation to the American people to ensure that the hard-earned dollars they pay in taxes to the Federal Government are, when made available to the World Bank, being spent efficiently and as they were intended to be spent;

Whereas the United States has a duty to ensure that the policies and practices of the World Bank are consistent with the laws and objectives of the United States; and

Whereas the World Bank will continue to seek financial contributions from the United States to fund its programs and projects: Now, therefore, be it

1 *Resolved by the Senate (the House of Representatives*
2 *concurring),*

3 **SECTION 1. SENSE OF CONGRESS ON INDEPENDENT PER-**
4 **FORMANCE AUDITS AND EVALUATIONS OF**
5 **WORLD BANK PROGRAMS AND PROJECTS.**

6 (a) IN GENERAL.—It is the sense of Congress that—

7 (1) the World Bank should publicly commit to
8 execute within one year performance audits and a
9 complete performance evaluation of the effectiveness
10 of its programs and projects by independent private
11 sector firms;

1 (2) the individual program and project audits
2 and the complete performance evaluation conducted
3 by the World Bank should be published and meet
4 the requirements of subsection (b);

5 (3) the audits and complete performance eval-
6 uation of the programs and projects, together with
7 the General Accounting Office review of these audits
8 and evaluations, would help bring necessary trans-
9 parency, accountability, and effectiveness to the
10 World Bank and its programs and projects; and

11 (4) the health and well-being of people around
12 the world would be aided by the World Bank's ef-
13 forts to ensure that its resources are properly and
14 appropriately directed to those truly in need.

15 (b) REQUIREMENTS.—The requirements referred to
16 in subsection (a)(2) are the following:

17 (1) One-third of the number of the World
18 Bank's programs and projects should be audited at
19 the location of the program or project between four
20 and six years after the final disbursement of World
21 Bank funds with respect to those programs and
22 projects.

23 (2) Audited programs and projects should be
24 representative, by sector and recipient country, of
25 the World Bank's programs and projects.

1 (3) Results of the individual program and
2 project audits should be compiled into a complete
3 performance evaluation that examines whether the
4 funds loaned by the World Bank are used in a man-
5 ner that complies with the conditions of the loans
6 and analyzes the direct and indirect costs and bene-
7 fits of each program or project audited.

8 (4) The individual program and project audits
9 and the complete performance evaluation of pro-
10 grams and projects should be performed every 3
11 years and should examine those programs and
12 projects that have been completed since the submis-
13 sion of the last evaluation.

14 (5) Not later than six months after the date of
15 completion of the complete performance evaluation,
16 the General Accounting Office should have complete
17 and unfettered access to the auditors, the individual
18 program and project audits, and the complete per-
19 formance evaluation and should review and report to
20 Congress on the results and methodologies of the au-
21 dits and the evaluation, the independence and com-
22 petence of the auditors, and the appropriateness,
23 thoroughness, and quality of the audit and evalua-
24 tion procedures.

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