

107<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2604

To authorize the United States to participate in and contribute to the seventh replenishment of the resources of the Asian Development Fund and the fifth replenishment of the resources of the International Fund for Agricultural Development, and to set forth additional policies of the United States towards the African Development Bank, the African Development Fund, the Asian Development Bank, the Inter-American Development Bank, and the European Bank for Reconstruction and Development.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 24, 2001

Mr. BEREUTER (for himself, Mr. SANDERS, Mrs. ROUKEMA, Mr. BAKER, Mr. SHAYS, Mrs. MALONEY of New York, and Mr. LAFALCE) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To authorize the United States to participate in and contribute to the seventh replenishment of the resources of the Asian Development Fund and the fifth replenishment of the resources of the International Fund for Agricultural Development, and to set forth additional policies of the United States towards the African Development Bank, the African Development Fund, the Asian Development Bank, the Inter-American Development Bank, and the European Bank for Reconstruction and Development.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. UNITED STATES CONTRIBUTION TO THE SEV-**  
4 **ENTH REPLENISHMENT OF THE RESOURCES**  
5 **OF THE ASIAN DEVELOPMENT FUND.**

6 The Asian Development Bank Act (22 U.S.C. 285–  
7 285aa) is amended by adding at the end the following:

8 **“SEC. 31. SEVENTH REPLENISHMENT.**

9 **“(a) CONTRIBUTION AUTHORITY.—**

10 **“(1) IN GENERAL.—**The United States Gov-  
11 ernor of the Bank may contribute on behalf of the  
12 United States \$412,000,000 to the Asian Develop-  
13 ment Fund, a special fund of the Bank.

14 **“(2) SUBJECT TO APPROPRIATIONS.—**The au-  
15 thority provided by paragraph (1) shall be effective  
16 only to such extent or in such amounts as are pro-  
17 vided in advance in appropriations Acts.

18 **“(b) LIMITATIONS ON AUTHORIZATION OF APPRO-**  
19 **PRIATIONS.—**For contribution authorized by subsection  
20 (a), there are authorized to be appropriated to the Sec-  
21 retary of the Treasury not more than \$412,000,000, with-  
22 out fiscal year limitation.”.

1 **SEC. 2. UNITED STATES CONTRIBUTION TO THE FIFTH RE-**  
2 **PLENISHMENT OF THE RESOURCES OF THE**  
3 **INTERNATIONAL FUND FOR AGRICULTURAL**  
4 **DEVELOPMENT.**

5 (a) CONTRIBUTION AUTHORITY.—

6 (1) IN GENERAL.—The United States Governor  
7 of the International Fund for Agricultural Develop-  
8 ment may contribute on behalf of the United States  
9 \$30,000,000 to the International Fund for Agricul-  
10 tural Development.

11 (2) SUBJECT TO APPROPRIATIONS.—The au-  
12 thority provided by paragraph (1) shall be effective  
13 only to such extent or in such amounts as are pro-  
14 vided in advance in appropriations Acts.

15 (b) LIMITATIONS ON AUTHORIZATION OF APPRO-  
16 PRIATIONS.—For contribution authorized by subsection  
17 (a), there are authorized to be appropriated to the Sec-  
18 retary of the Treasury not more than \$30,000,000, with-  
19 out fiscal year limitation.

20 **SEC. 3. HIV/AIDS STRATEGIC PLAN.**

21 Title XVI of the International Financial Institutions  
22 Act (22 U.S.C. 262p–262p-7) is amended by adding at  
23 the end the following:

24 **“SEC. 1625. HIV/AIDS STRATEGIC PLAN.**

25 “The Secretary of the Treasury shall instruct the  
26 United States Executive Directors at the African Develop-

1 ment Bank, the African Development Fund, the Asian De-  
2 velopment Bank, the Asian Development Fund, a special  
3 fund of the Asian Development Bank, the Inter-American  
4 Development Bank, and the European Bank for Recon-  
5 struction and Development, and the United States Gov-  
6 ernor of the International Fund for Agricultural Develop-  
7 ment to support continued efforts by such institutions in  
8 regard to HIV/AIDS, tuberculosis, malaria, and other in-  
9 fectious diseases, including—

10           “(1) development and implementation of a stra-  
11           tegic plan to fight against the spread of HIV/AIDS,  
12           tuberculosis, malaria, and other infectious diseases;

13           “(2) integration of HIV/AIDS, tuberculosis,  
14           malaria, and other infectious diseases activities in  
15           ongoing projects as appropriate, development of new  
16           dedicated HIV/AIDS, tuberculosis, malaria, and  
17           other infectious diseases, projects as appropriate  
18           that take into consideration the institution’s man-  
19           date and core strengths, and the building of AIDS-  
20           mitigation measures into other projects;

21           “(3) design and implementation of HIV/AIDS,  
22           tuberculosis, malaria, and other infectious diseases  
23           impact assessment criteria into environmental and  
24           social assessment processes that the institution con-

1       siders when designing and evaluating new project  
2       proposals;

3               “(4) work on disseminating information on best  
4       practices and project design for HIV/AIDS, tuber-  
5       culosis, malaria, and other infectious diseases  
6       projects;

7               “(5) support training for professional staff on  
8       HIV/AIDS, tuberculosis, malaria, and other infec-  
9       tious disease prevention issues to ensure that these  
10      health-related concerns are integrated into all as-  
11      pects of the work of the institution.”.

12 **SEC. 4. USER FEES.**

13       Title XVI of the International Financial Institutions  
14      Act (22 U.S.C. 262p–262p-7) is further amended by add-  
15      ing at the end the following:

16 **“SEC. 1626. USER FEES.**

17       “The Secretary of the Treasury shall instruct the  
18      United States Executive Director at the African Develop-  
19      ment Bank, the African Development Fund, the Asian De-  
20      velopment Bank, the Asian Development Fund, a special  
21      fund of the Asian Development Bank, the Inter-American  
22      Development Bank, and the European Bank for Recon-  
23      struction and Development, and the United States Gov-  
24      ernor of the International Fund for Agricultural Develop-  
25      ment to oppose user fees or service charges in impover-

1 ished countries, directly or under the guise of community  
2 financing, cost-sharing, or cost recovery mechanisms, for  
3 primary education or primary healthcare, including pre-  
4 vention and treatment efforts for HIV/AIDS, malaria, tu-  
5 berculosis, and infant, child, and maternal well-being, in  
6 connection with any strategy or country plan, grant, or  
7 loan by any such institution.”.

8 **SEC. 5. TRANSPARENCY.**

9 (a) UNITED STATES POLICY IN REGIONAL  
10 MULTILATERAL DEVELOPMENT INSTITUTIONS.—Title  
11 XV of the International Financial Institutions Act (22  
12 U.S.C. 2620–2620-2) is further amended by adding at the  
13 end the following:

14 **“SEC. 1504. TRANSPARENCY.**

15 “(a) IN GENERAL.—The Secretary of the Treasury  
16 shall instruct the United States Executive Director at the  
17 African Development Bank, the African Development  
18 Fund, the Asian Development Bank, the Asian Develop-  
19 ment Fund, a special fund of the Asian Development  
20 Bank, the Inter-American Development Bank, and the  
21 European Bank for Reconstruction and Development, and  
22 the United States Governor of the International Fund for  
23 Agricultural Development to—

24 “(1) continue to make efforts to promote great-  
25 er transparency regarding the activities of such in-

1 institutions, including project design, project moni-  
2 toring and evaluation, project implementation, re-  
3 source allocation, and decisionmaking;

4 “(2) support continued efforts to allow in-  
5 formed participation and input by affected commu-  
6 nities, including translation of information on pro-  
7 posed projects, providing information through infor-  
8 mation technology applications, oral briefings, and  
9 outreach to and dialogue with community organiza-  
10 tions and institutions in affected areas; and

11 “(3) work toward ensuring that—

12 “(A) meetings of the Boards of Directors  
13 (or, in the case of the International Fund for  
14 Agricultural Development, the Board of Gov-  
15 ernors) of their respective institutions are open  
16 to the public and the media, except for discus-  
17 sion of individual personnel matters;

18 “(B) transcripts of such meetings are  
19 available to the public no later than 60 calendar  
20 days after the meetings, except for discussion of  
21 individual personnel matters; and

22 “(C) all key documents that are to be con-  
23 sidered by the Board of Directors (or, in the  
24 case of the International Fund for Agricultural  
25 Development, the Board of Governors) of their

1           respective institutions will be made available to  
2           the public at least 30 days before consideration  
3           by the Board.

4           “(b) STATEMENT OF GOALS; REQUEST FOR SUP-  
5 PORT.—The Secretary of the Treasury—

6           “(1) shall instruct the United States Executive  
7           Director at the African Development Bank, the Afri-  
8           can Development Fund, the Asian Development  
9           Bank, the Asian Development Fund, a special fund  
10          of the Asian Development Bank, the Inter-American  
11          Development Bank, and the European Bank for Re-  
12          construction and Development, and the United  
13          States Governor of the International Fund for Agri-  
14          cultural Development to state the goals enumerated  
15          in subsection (a) in the respective institution and re-  
16          quest support for efforts to achieve the goals, at a  
17          meeting of the Board of Executive Directors (or, in  
18          the case of the International Fund for Agricultural  
19          Development, the Board of Governors) of the insti-  
20          tution;

21          “(2) shall make a copy of any such statement  
22          available to Committee on Financial Services of the  
23          House of Representatives and the Committee on  
24          Foreign Relations of the Senate; and



1           “(3) should make a copy of any such statement  
2           available to the public.”.

3           (b) CONGRESSIONAL TESTIMONY REQUIRED.—The  
4           United States Executive Directors at the African Develop-  
5           ment Bank, the African Development Fund, the Asian De-  
6           velopment Bank, the Asian Development Fund, a special  
7           fund of the Asian Development Bank, the Inter-American  
8           Development Bank, and the European Bank for Recon-  
9           struction and Development, and the United States Gov-  
10          ernor of the International Fund for Agricultural Develop-  
11          ment shall, at the request of any subcommittee of the  
12          Committee on Financial Services of the House of Rep-  
13          resentatives or of the Committee on Foreign Relations of  
14          the Senate that has jurisdiction over legislation concerning  
15          any such institution, appear before the subcommittee on  
16          an annual basis and testify on the efforts undertaken pur-  
17          suant to section 1504 of the International Financial Insti-  
18          tutions Act and on other matters relating to any such in-  
19          stitution.

20          (c) GRANTS.—

21                 (1) IN GENERAL.—The Secretary of the Treas-  
22                 ury may make grants in such amounts as the Sec-  
23                 retary deems appropriate to any institution specified  
24                 in paragraph (2) which—

1 (A) has implemented the measures de-  
2 scribed in section 1504 of the International Fi-  
3 nancial Institutions Act; and

4 (B) provides assurances to the Secretary  
5 that the institution will use the grant solely for  
6 transparency activities.

7 (2) INSTITUTIONS.—The institutions specified  
8 in this paragraph are the African Development  
9 Bank, the African Development Fund, the Asian De-  
10 velopment Bank, the Asian Development Fund, a  
11 special fund of the Asian Development Bank, the  
12 Inter-American Development Bank, the European  
13 Bank for Reconstruction and Development, and the  
14 International Fund for Agricultural Development.

15 (3) LIMITATIONS ON AUTHORIZATION OF AP-  
16 PROPRIATIONS.—For grants under this subsection,  
17 there are authorized to be appropriated to the Sec-  
18 retary of the Treasury not more than \$10,000,000  
19 for fiscal year 2002.

20 (d) CONGRESSIONAL PURSUIT OF TRANSPARENCY  
21 GOALS IN INTERPARLIAMENTARY DIALOGUES AND MEET-  
22 INGS.—The Congress shall pursue the transparency goals  
23 described in section 1504 of the International Financial  
24 Institutions Act, in all official interparliamentary dia-  
25 logues and meetings.

1 (e) PURSUIT OF TRANSPARENCY GOALS BY THE SEC-  
2 RETARY OF THE TREASURY.—The Secretary of the Treas-  
3 ury shall—

4 (1) transmit to the counterpart minister of each  
5 member country of the institutions specified in sec-  
6 tion 1504 of the International Financial Institutions  
7 Act a letter that sets forth the goals enumerated in  
8 such section 1504 and requests the minister to sup-  
9 port efforts to achieve the goals, and submit to the  
10 Committee on Financial Services of the House of  
11 Representatives and the Committee on Foreign Re-  
12 lations of the Senate a copy of any such letter;

13 (2) promote the goals enumerated in such sec-  
14 tion 1504 at each meeting of the finance ministers  
15 of the Group of Seven countries;

16 (3) ensure that, at any meeting of the Com-  
17 mittee on Multilateral Development Bank Reform of  
18 the Group of Seven, the representatives of the  
19 United States advocate for the goals enumerated in  
20 such section 1504; and

21 (4) submit annually to the Committee on Fi-  
22 nancial Services of the House of Representatives and  
23 the Committee on Foreign Relations of the Senate  
24 a written report detailing the steps that have been  
25 taken by the United States Executive Directors at

1 the institutions, by the finance ministers, and by the  
2 institutions, referred to in paragraph (1) to imple-  
3 ment the measures described in such section 1504.

4 **SEC. 6. GENERAL OBJECTIVES.**

5 Title XVI of the International Financial Institutions  
6 Act (22 U.S.C. 262p-262p-7) is further amended by add-  
7 ing at the end the following:

8 **“SEC. 1627. GENERAL OBJECTIVES.**

9 “The Secretary of the Treasury shall instruct the  
10 United States Executive Director at the African Develop-  
11 ment Bank, the African Development Fund, the Asian De-  
12 velopment Bank, the Asian Development Fund, a special  
13 fund of the Asian Development Bank, and the Inter-Amer-  
14 ican Development Bank, and the United States Governor  
15 of the International Fund for Agricultural Development  
16 to focus on poverty alleviation, economic growth, increased  
17 productivity, sustainable development, environmental pro-  
18 tection, labor rights, and an increased focus on edu-  
19 cation.”.

20 **SEC. 7. STUDY BY THE GENERAL ACCOUNTING OFFICE.**

21 Within 1 year after the date of the enactment of this  
22 Act, the Comptroller General of the United States shall  
23 prepare and submit to the Committee on Financial Serv-  
24 ices of the House of Representatives and the Committee  
25 on Foreign Relations of the Senate a report on the bene-

1 fits and costs of the African Development Fund, the Asian  
2 Development Fund, a special fund of the Asian Develop-  
3 ment Bank, the International Fund for Agricultural De-  
4 velopment, and the Fund for Special Operations of the  
5 Inter-American Development Bank, providing grants in-  
6 stead of loans.

7 **SEC. 8. COMMENDATION.**

8 (a) FINDINGS.—The Congress finds that—

9 (1) the African Development Bank and Fund  
10 elected Omar Kabbaj, an official of the Ministry of  
11 Finance of Morocco, as the new President in 1995;

12 (2) President Kabbaj implemented successful  
13 fiscal and managerial reforms, including refocusing  
14 the activity of the African Development Fund on  
15 poverty alleviation;

16 (3) under the leadership of President Kabbaj,  
17 the African Development Bank began to issue yearly  
18 portfolio status reports reflecting improved project  
19 monitoring and supervision;

20 (4) President Kabbaj successfully emphasized  
21 the importance of project post-evaluation in helping  
22 the Bank avoid problems identified with earlier  
23 funded projects;

24 (5) President Kabbaj has taken a program ap-  
25 proach where all stakeholders, including the bene-

1       ficiaries of the borrower countries, are involved in  
2       program design and implementation;

3           (6) President Kabbaj was unanimously ap-  
4       pointed to a second 5-year term in May 2000; and

5           (7) under the leadership of President Kabbaj,  
6       on June 6, 2001, Standard & Poor's revised the out-  
7       look on its AA+ long term issuer ratings of the Af-  
8       rican Development Bank to stable from negative.

9       (b) COMMENDATION.—The Congress, on behalf of  
10      the people of the United States, commends President  
11      Omar Kabbaj for his successful reform efforts as Presi-  
12      dent of the African Development Bank and Fund, and en-  
13      courages his continued efforts at reform.

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