

115TH CONGRESS
2D SESSION

H. R. 3326

IN THE SENATE OF THE UNITED STATES

JANUARY 18, 2018

Received; read twice and referred to the Committee on Foreign Relations

AN ACT

To increase accountability, combat corruption, and
strengthen management effectiveness at the World Bank.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “World Bank Account-
3 ability Act of 2017”.

4 **SEC. 2. WITHHOLDING OF FUNDS UNTIL CERTAIN CONDI-**
5 **TIONS ARE MET.**

6 (a) INSTITUTIONAL REFORMS.—

7 (1) IN GENERAL.—With respect to each of fis-
8 cal years 2018 through 2023, in addition to any
9 amounts withheld from disbursement under sub-
10 section (b), 15 percent of the amounts provided in
11 appropriations Acts for the International Develop-
12 ment Association for the fiscal year—

13 (A) shall be withheld from disbursement
14 until the conditions of paragraph (2) or (3) are
15 satisfied; and

16 (B)(i) shall be disbursed after the condi-
17 tions of paragraph (2) are satisfied; and

18 (ii) may be disbursed after the conditions
19 of paragraph (3) are satisfied.

20 (2) INITIAL CONDITIONS.—The conditions of
21 this paragraph are satisfied with respect to the
22 amounts provided in appropriations Acts for a fiscal
23 year if, in the fiscal year, the Secretary of the Treas-
24 ury reports to the appropriate congressional commit-
25 tees that the International Bank for Reconstruction
26 and Development—

1 (A) is implementing institutional incen-
2 tives, including through formal staff evaluation
3 criteria, that prioritize poverty reduction, devel-
4 opment outcomes, and capable project manage-
5 ment over the volume of the Bank's lending and
6 grantmaking;

7 (B) is taking steps to address the manage-
8 ment failures described in Inspection Panel In-
9 vestigation Report 106710–UG, and to prevent
10 their recurrence in countries that are eligible
11 for World Bank support; and

12 (C) is taking measures to strengthen its
13 management of trust funds, with the goal of in-
14 creasing the accountability of the trust funds
15 for poverty reduction and development out-
16 comes.

17 (3) SUBSEQUENT CONDITIONS.—The conditions
18 of this paragraph are satisfied if the Secretary of
19 the Treasury reports to the appropriate congres-
20 sional committees, in each of the 3 fiscal years most
21 recently preceding the fiscal year in which the report
22 is made, that the International Bank for Recon-
23 struction and Development has instituted the meas-
24 ures described in paragraph (2) of this subsection
25 and the measures described in subsection (b)(2).

1 (b) GOVERNANCE AND ANTICORRUPTION RE-
2 FORMS.—

3 (1) IN GENERAL.—With respect to each of fis-
4 cal years 2018 through 2023, in addition to any
5 amounts withheld from disbursement under sub-
6 section (a), 15 percent of the amounts provided in
7 appropriations Acts for the International Develop-
8 ment Association for the fiscal year—

9 (A) shall be withheld from disbursement
10 until the conditions of paragraph (2) or (3) are
11 satisfied; and

12 (B)(i) shall be disbursed after the condi-
13 tions of paragraph (2) are satisfied; and

14 (ii) may be disbursed after the conditions
15 of paragraph (3) are satisfied.

16 (2) INITIAL CONDITIONS.—The conditions of
17 this paragraph are satisfied with respect to the
18 amounts provided in appropriations Acts for a fiscal
19 year if, in the fiscal year, the Secretary of the Treas-
20 ury reports to the appropriate congressional commit-
21 tees that the International Bank for Reconstruction
22 and Development—

23 (A) is emphasizing in appropriate oper-
24 ational policies, directives, and country strate-
25 gies its support for secure property rights, due

1 process of law, and economic freedom, including
2 reduction of government barriers to entrepre-
3 neurship, as essential conditions for sustained
4 poverty reduction in World Bank borrowing
5 countries;

6 (B)(i) in the preceding fiscal year, has not
7 approved any loans or grants assistance by the
8 Bank to a country designated by the United
9 States as a state sponsor of terrorism; and

10 (ii) is strengthening the ability of Bank-
11 funded projects to undermine violent extre-
12 mism;

13 (C) is taking steps to conduct forensic au-
14 dits of projects receiving assistance from the
15 Bank, increase the number of the forensic au-
16 dits, and strengthen the capacity of the Bank's
17 Integrity Vice Presidency, and that not less
18 than 50 percent of the forensic audits initiated
19 by the Bank in each fiscal year are of projects
20 randomly selected from among International
21 Development Association borrowing countries;
22 and

23 (D) is taking measures to detect and mini-
24 mize corruption in all World Bank projects in-
25 volving development policy lending.

1 (3) SUBSEQUENT CONDITIONS.—The conditions
2 of this paragraph are satisfied if the Secretary of
3 the Treasury reports to the appropriate congressional
4 committees, in each of the 3 fiscal years most
5 recently preceding the fiscal year in which the report
6 is made that the International Bank for Reconstruction
7 and Development has instituted the measures
8 described in paragraph (2) of this subsection and
9 the measures described in subsection (a)(2).

10 (c) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term “appropriate congressional
11 committees” means the Committees on Financial
12 Services and on Appropriations of the House of Representatives
13 and the Committees on Foreign Relations and
14 on Appropriations of the Senate.

16 **SEC. 3. REPORTS TO CONGRESS.**

17 The Chairman of the National Advisory Council on
18 International Monetary and Financial Policies shall include
19 in the report required by section 1701 of the International
20 Financial Institutions Act for each of fiscal years
21 2018 through 2023 a detailed description of the actions
22 undertaken by the International Bank for Reconstruction
23 and Development in the fiscal year covered by the report
24 to institute the measures described in subsections (a)(2)
25 and (b)(2) of section 2 of this Act, to institute the meas-

1 ures described in section 203 of the William Wilberforce
2 Trafficking Victims Protection Reauthorization Act of
3 2008 (8 U.S.C. 1375c), and to ensure that persons to
4 whom a G–5 visa (as defined in such section 203) has
5 been issued and who are employed by a diplomat or staff
6 of the Bank are informed of their rights and protections
7 under such section 203.

8 **SEC. 4. OPPOSITION TO WORLD BANK ASSISTANCE FOR**
9 **GOVERNMENT THAT FAILS TO IMPLEMENT**
10 **OR ENFORCE MEASURES REQUIRED UNDER**
11 **AN APPLICABLE UNITED NATIONS SECURITY**
12 **COUNCIL RESOLUTION.**

13 The Bretton Woods Agreements Act (22 U.S.C. 286
14 et seq.) is amended by adding at the end the following:

15 **“SEC. 73. OPPOSITION TO ASSISTANCE FOR GOVERNMENT**
16 **THAT FAILS TO IMPLEMENT OR ENFORCE**
17 **MEASURES REQUIRED UNDER AN APPLICA-**
18 **BLE UNITED NATIONS SECURITY COUNCIL**
19 **RESOLUTION.**

20 “(a) IN GENERAL.—The Secretary of the Treasury
21 shall instruct the United States Executive Director at the
22 International Bank for Reconstruction and Development
23 to use the voice and vote of the United States to oppose
24 the provision of financial assistance, other than assistance
25 to support basic human needs, to the government of a bor-

1 rowing country of the International Development Associa-
2 tion if the President of the United States determines that
3 the government has knowingly failed to implement or en-
4 force sanctions required under an applicable United Na-
5 tions Security Council resolution (as defined in section 3
6 of the North Korea Sanctions and Policy Enhancement
7 Act of 2016 (Public Law 114–122; 22 U.S.C. 9202)) that
8 is in effect.

9 “(b) WAIVER.—The President may waive subsection
10 (a) for not more than 180 days at a time with respect
11 to a foreign government if the President reports to the
12 Congress that—

13 “(1) the failure described in subsection (a) by
14 the foreign government is due exclusively to a lack
15 of capacity of the foreign government;

16 “(2) the foreign government is taking effective
17 steps to prevent the failure from recurring; or

18 “(3) the waiver is vital to the national security
19 interests of the United States.”.

20 **SEC. 5. EIGHTEENTH REPLENISHMENT OF THE INTER-**
21 **NATIONAL DEVELOPMENT ASSOCIATION; RE-**
22 **DUCTION FROM IDA-17 AUTHORIZED LEVEL.**

23 The International Development Association Act (22
24 U.S.C. 284 et seq.) is amended by adding at the end the
25 following:

1 **“SEC. 30. EIGHTEENTH REPLENISHMENT.**

2 “(a) CONTRIBUTION AUTHORITY.—The United
3 States Governor of the International Development Asso-
4 ciation may contribute on behalf of the United States
5 \$3,291,030,000 to the eighteenth replenishment of the re-
6 sources of the Association, subject to obtaining the nec-
7 essary appropriations.

8 “(b) LIMITATIONS ON AUTHORIZATION OF APPRO-
9 PRIATIONS.—In order to pay for the contribution provided
10 for in subsection (a), there are authorized to be appro-
11 priated, without fiscal year limitation, \$3,291,030,000 for
12 payment by the Secretary of the Treasury.”.

Passed the House of Representatives January 17,
2018.

Attest:

KAREN L. HAAS,
Clerk.