

117TH CONGRESS  
2D SESSION

# S. 4617

To authorize contributions to international financial institutions to help build the resilience of member countries, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JULY 26, 2022

Mr. MENENDEZ introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

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## A BILL

To authorize contributions to international financial institutions to help build the resilience of member countries, and for other purposes.

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. SHORT TITLE.**

4 This Act may be cited as the “International Financial  
5 Institutions Mobilization Act of 2022”.

6 **SEC. 2. STATEMENT OF POLICY ON UNITED STATES LEAD-**  
7 **ERSHIP AT INTERNATIONAL FINANCIAL IN-**  
8 **STITUTIONS.**

9 It is the policy of the United States—

1           (1) to recognize rising debt stock in emerging  
2 market and developing countries as a national secu-  
3 rity and economic security threat and raise its im-  
4 portance in multilateral fora;

5           (2) to leverage the voice and vote of the United  
6 States at international financial institutions to pre-  
7 vent future unsustainable debt stocks in emerging  
8 market and developing countries;

9           (3) to promote rule-writing standards for trans-  
10 parency and disclosure that hold both debtors and  
11 creditors accountable, allow accurate debt sustain-  
12 ability assessments, and promote better debt man-  
13 agement;

14           (4) to lead the international community in  
15 translating the G20 Common Framework for Debt  
16 Treatments beyond the Debt Service Suspension Ini-  
17 tiative (commonly known as the “Common Frame-  
18 work”) into tangible action, including effective  
19 standstill for debt payments and credit revisions for  
20 petitioner countries and finalizing the debt treat-  
21 ment for the petitioner countries, beginning with  
22 Chad, Ethiopia, and Zambia;

23           (5) to reduce timelines and increase confidence  
24 in outcomes for the Common Framework so that  
25 private creditors continue to provide sufficient fi-

1 nances to petitioner countries and other countries  
2 witness the benefits of petitioning;

3 (6) to expand the Common Framework and  
4 offer its financial assistance to other heavily in-  
5 debted lower-middle-income countries, beyond those  
6 currently covered;

7 (7) to cooperate with counterparts in the Group  
8 of Twenty (G20), international financial institutions,  
9 private credit rating agencies, and regulators to ex-  
10 plore and develop new bond and loan contract  
11 issuance standards that authorize temporary suspen-  
12 sions of debt services to both private and public  
13 creditors without triggering a default in crisis situa-  
14 tions;

15 (8) to engage with petitioner countries, before  
16 those countries exhaust their reserves, to strategize  
17 their ascension into the Common Framework and  
18 prevent further economic costs;

19 (9) to leverage the voice and vote of the United  
20 States in the International Monetary Fund and the  
21 World Bank so that the Fund and the Bank com-  
22 plete preliminary assessments of the debt relief  
23 needed by each country eligible for Common Frame-  
24 work treatment before such countries petition for  
25 debt relief;

1           (10) that assessments described in paragraph  
2 (9) should—

3           (A) include realistic growth and fiscal pro-  
4 jections;

5           (B) include implications of Common  
6 Framework debt relief; and

7           (C) be based on accurate and comprehen-  
8 sive debt data;

9           (11) to support international financial institu-  
10 tions lending into arrears for the Common Frame-  
11 work in the case that private lenders fail to uphold  
12 their initial commitments;

13           (12) to leverage the voice and vote of the  
14 United States at international financial institutions  
15 to promote and finance international initiatives to  
16 procure and deploy more affordable and accessible  
17 COVID–19 vaccinations and treatments for emerg-  
18 ing market and developing countries; and

19           (13) to address the near-term problems associ-  
20 ated with the pandemic-induced global recession and  
21 longer term problems of unsustainable credit lending  
22 and borrowing that victimize emerging market and  
23 developing countries.

1 **SEC. 3. LOANS TO INTERNATIONAL MONETARY FUND FA-**  
2 **CILITIES AND TRUST FUNDS.**

3 (a) AUTHORIZATION OF APPROPRIATIONS.—

4 (1) IN GENERAL.—There are authorized to be  
5 appropriated to the Secretary of the Treasury for  
6 fiscal year 2023, \$20,000,000, for contribution to  
7 the Poverty Reduction and Growth Trust or the Re-  
8 silience and Sustainability Trust of the International  
9 Monetary Fund.

10 (2) AVAILABILITY OF AMOUNTS.—Amounts ap-  
11 propriated pursuant to the authorization of appro-  
12 priations under paragraph (1) shall remain available  
13 until December 31, 2031.

14 (b) LOANS AUTHORIZED.—

15 (1) IN GENERAL.—The Secretary of the Treas-  
16 ury may make loans to the Poverty Reduction and  
17 Growth Trust or the Resilience and Sustainability  
18 Trust of the International Monetary Fund.

19 (2) USE OF AMOUNTS.—Amounts described in  
20 paragraph (3) shall be available—

21 (A) to cover the cost (as defined in section  
22 502 of the Congressional Budget Act of 1974  
23 (2 U.S.C. 661a)) of loans authorized under  
24 paragraph (1); and

1 (B) to subsidize gross obligations for the  
2 principal amount of such loans, not to exceed  
3 \$21,000,000,000 in the aggregate.

4 (3) AMOUNTS DESCRIBED.—Amounts described  
5 in this paragraph are—

6 (A) amounts appropriated pursuant to the  
7 authorization of appropriations under sub-  
8 section (a); and

9 (B) amounts—

10 (i) appropriated under the heading  
11 “Contributions to the International Mone-  
12 tary Fund Facilities and Trust Funds” in  
13 any Act making appropriations for the De-  
14 partment of State, foreign operations, and  
15 related programs for a fiscal year before  
16 fiscal year 2023; and

17 (ii) available for obligation as of the  
18 date of the enactment of this Act.

19 (4) AUTHORIZATION OF CERTAIN TRANS-  
20 ACTIONS.—The Exchange Stabilization Fund estab-  
21 lished under section 5302 of title 31, United States  
22 Code, and the financing account corresponding to  
23 transactions with the International Monetary Fund  
24 are authorized to enter into such transactions as are

1       necessary to effectuate loans authorized under para-  
2       graph (1).

3   **SEC. 4. INTERNATIONAL DEVELOPMENT ASSOCIATION**  
4                           **TWENTIETH REPLENISHMENT.**

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

8   **“SEC. 32. TWENTIETH REPLENISHMENT.**

9       “(a) IN GENERAL.—The United States Governor of  
10 the International Development Association is authorized  
11 to contribute on behalf of the United States  
12 \$3,500,000,000 to the twentieth replenishment of the re-  
13 sources of the Association, subject to obtaining the nec-  
14 essary appropriations.

15       “(b) AUTHORIZATION OF APPROPRIATIONS.—In  
16 order to pay for the United States contribution provided  
17 for in subsection (a), there are authorized to be appro-  
18 priated, without fiscal year limitation, \$3,500,000,000 for  
19 payment by the Secretary of the Treasury.”.

20   **SEC. 5. ASIAN DEVELOPMENT FUND TWELFTH REPLENISH-**  
21                           **MENT.**

22       The Asian Development Bank Act (22 U.S.C. 285 et  
23 seq.) is amended by adding at the end the following:

1 **“SEC. 37. TWELFTH REPLENISHMENT.**

2 “(a) IN GENERAL.—The United States Governor of  
3 the Bank is authorized to contribute, on behalf of the  
4 United States, \$177,440,000 to the twelfth replenishment  
5 of the resources of the Fund, subject to obtaining the nec-  
6 essary appropriations.

7 “(b) AUTHORIZATION OF APPROPRIATIONS.—In  
8 order to pay for the United States contribution provided  
9 for in subsection (a), there are authorized to be appro-  
10 priated, without fiscal year limitation, \$177,440,000 for  
11 payment by the Secretary of the Treasury.”

12 **SEC. 6. SUPPORT FOR INTER-AMERICAN DEVELOPMENT**  
13 **BANK GROUP REFORM AND IDB INVEST CAP-**  
14 **ITAL INCREASE.**

15 (a) SUPPORT FOR REFORM OF INTER-AMERICAN DE-  
16 VELOPMENT BANK GROUP.—The Secretary of the Treas-  
17 ury shall instruct the United States Executive Director of  
18 the Inter-American Development Bank (in this section re-  
19 ferred to as the “Bank”) to use the voice and vote of the  
20 United States to take steps to advance operational and  
21 institutional reforms to improve the effectiveness of the  
22 Inter-American Development Bank Group and accelerate  
23 modernization efforts that strengthen its responsiveness to  
24 the varied development challenges of the countries of  
25 Latin America and the Caribbean, with particular atten-  
26 tion to enhancing the region’s ability to attract private in-



1 vestment, increase social inclusion, and raise climate ambi-  
2 tion.

3 (b) SUPPORT FOR NEW BUSINESS MODEL FOR IDB  
4 INVEST.—

5 (1) IN GENERAL.—The Secretary shall instruct  
6 the United States Executive Director of the Bank to  
7 use the voice and vote of the United States to take  
8 steps to advance a proposal for a new vision and  
9 business model for the Inter-American Investment  
10 Corporation (commonly known as “IDB Invest”) to  
11 increase sustainable and inclusive private investment  
12 in Latin America and the Caribbean, including—

13 (A) elaboration on the financial, resource,  
14 operational, and institutional implications, such  
15 as the potential recalibration of shareholding at  
16 the Board of Directors of IDB Invest, of imple-  
17 menting the new vision and business model; and

18 (B) as necessary, the redesign and modi-  
19 fication of the management of IDB Invest to  
20 reflect the new vision and business model.

21 (2) CONTINGENT SUPPORT FOR INCREASE IN  
22 CAPITAL STOCK OF IDB INVEST.—

23 (A) IN GENERAL.—If and when the  
24 Boards of Directors of the Bank and the IDB  
25 Invest endorse a proposal described in para-

1 graph (1), the Secretary shall commence nego-  
2 tiations for an increase in the authorized capital  
3 stock of IDB Invest.

4 (B) CONSULTATIONS.—The Secretary shall  
5 consult with the Committee on Foreign Rela-  
6 tions of the Senate and the Committee on Fi-  
7 nancial Services of the House of Representa-  
8 tives regarding the progress of any negotiations  
9 described in subparagraph (A), including with  
10 respect to anticipated timelines for such nego-  
11 tiations.

12 (c) AUTHORIZATION TO SUBSCRIBE TO ADDITIONAL  
13 SHARES OF STOCK OF IDB INVEST.—

14 (1) SENSE OF CONGRESS.—It is the sense of  
15 Congress that the United States Governor to the  
16 Bank should use the voice and vote of the United  
17 States to take steps—

18 (A) to redouble the commitment of the  
19 United States to IDB Invest and the Inter-  
20 American Development Bank Group; and

21 (B) to double the financial capacity of IDB  
22 Invest.

23 (2) AUTHORIZATION.—

24 (A) IN GENERAL.—After a decision by the  
25 Board of Governors of IDB Invest to increase

1 the authorized capital stock of IDB Invest, the  
2 United States Governor is authorized to sub-  
3 scribe on behalf of the United States to addi-  
4 tional shares of stock in such amounts as the  
5 Governor considers appropriate, subject to sub-  
6 paragraph (B).

7 (B) LIMITATION.—The United States Gov-  
8 ernor may not subscribe on behalf of the United  
9 States to additional shares of stock in IDB In-  
10 vest if such additional shares would result in  
11 the share of stock held by the United States in  
12 IDB Invest to exceed the share of stock held by  
13 the United States in the Bank.

14 (3) REPORT REQUIRED.—

15 (A) IN GENERAL.—Not later than 15 days  
16 after the conclusion of negotiations described in  
17 subsection (b)(2) and not less than 15 days be-  
18 fore the United States Governor subscribes on  
19 behalf of the United States to additional shares  
20 of stock in IDB Invest under paragraph (2),  
21 the Secretary shall submit to the Committee on  
22 Foreign Relations of the Senate and the Com-  
23 mittee on Financial Services of the House of  
24 Representatives a report setting forth—

1 (i) the amount of the proposed in-  
2 crease in the capital stock of IDB Invest;

3 (ii) the amount of shares proposed for  
4 subscription by the United States in con-  
5 nection with the proposed increase;

6 (iii) the share of the stock of IDB In-  
7 vest held by each member country and the  
8 corresponding change in that share associ-  
9 ated with the proposed increase;

10 (iv) the anticipated increased financ-  
11 ing levels to be achieved by the proposed  
12 increase;

13 (v) the expected financial and oper-  
14 ational impact of the proposed increase, in-  
15 cluding a description of relevant institu-  
16 tional reforms by IDB Invest; and

17 (vi) a description of whether the Bank  
18 and IDB Invest are successfully respond-  
19 ing to the mandates outlined by their re-  
20 spective Boards of Governors in resolutions  
21 AG-7/22 and CII/AG-3/22 of March 28,  
22 2022.

23 (4) AUTHORIZATION OF APPROPRIATIONS.—

24 There are authorized to be appropriated such sums  
25 as may be necessary to pay for the subscription to

- 1 additional shares of stock in IDB Invest authorized
- 2 by paragraph (2).

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