

Union Calendar No. 230

103D CONGRESS
1ST SESSION

H. R. 3063

[Report No. 103-411]

A BILL

To authorize United States participation in the replenishment of the resources of the International Development Association and the Asian Development Bank, to authorize a United States contribution to the Global Environment Facility, to authorize the provision of special debt relief for the poorest, most heavily indebted countries through the multilateral approach of the Paris Club, and for other purposes.

NOVEMBER 22, 1993

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 14, 1993

Mr. FRANK of Massachusetts introduced the following bill; which was referred to the Committee on Banking, Finance and Urban Affairs

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[Strike out all after the enacting clause and insert the part printed in italic]

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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 Develop-
5 ment and Debt Relief Act of 1993”.

6 **TITLE I—INTERNATIONAL**
7 **DEVELOPMENT ASSOCIATION**

8 **SEC. 101. TENTH REPLENISHMENT.**

9 The International Development Association Act (22
10 U.S.C. 284–284s) is amended by adding at the end the
11 following:

12 **“SEC. 22. TENTH REPLENISHMENT.**

13 **“(a) AUTHORITY TO AGREE TO REPLENISHMENT**
14 **RESOLUTION.—**The United States Governor may, on be-
15 half of the United States, agree to the resolution of the
16 Association entitled ‘Additions to IDA Resources: Tenth
17 Replenishment’.

18 **“(b) CONTRIBUTION AUTHORITY.—**The United
19 States Governor may, on behalf of the United States, con-
20 tribute funds to the Association to pay 2 annual install-
21 ments of the subscription and contribution of the United
22 States in accordance with the resolution specified in sub-
23 section (a), subject to obtaining the necessary appropria-
24 tions.

1 “(c) LIMITATIONS ON AUTHORIZATION OF APPRO-
2 PRIATIONS.—In order to pay for the United States con-
3 tribution authorized by subsection (b), there are author-
4 ized to be appropriated for payment by the Secretary of
5 the Treasury \$2,500,000,000, without fiscal year limita-
6 tion.”.

7 **SEC. 102. ADVOCACY OF CERTAIN POLICIES.**

8 (a) IN GENERAL.—Title XVI of the International Fi-
9 nancial Institutions Act (22 U.S.C. 262p-262p-5) is
10 amended by redesignating section 1620 as section 1621
11 and by inserting after section 1619 the following:

12 **“SEC. 1620. ADVOCACY OF CERTAIN POLICIES.**

13 “The Secretary of the Treasury shall instruct the
14 United States Executive Directors of the International
15 Bank for Reconstruction and Development and the Inter-
16 national Development Association to use the voices and
17 votes of the Executive Directors to encourage vigorously
18 their respective institutions to—

19 “(1) develop new methodologies and indicators
20 to evaluate adequately the effectiveness of the
21 projects and programs of the respective institution
22 in improving, on a sustainable basis, the standard of
23 living of the poorest segments of the populations of
24 the borrowing countries, including methodologies

1 and indicators to evaluate the impact of the Pro-
2 gram of Targeted Interventions (PTI);

3 “(2) increase the amount of resources of the re-
4 spective institution devoted to the projects and pro-
5 grams identified as most effective by the methodolo-
6 gies and indicators referred to in paragraph (1), and
7 as part of this effort, expand significantly the per-
8 centage of International Development Association in-
9 vestment lending included in the Program of Tar-
10 geted Interventions;

11 “(3) include affected populations, local govern-
12 ments, and nongovernmental organizations in all
13 phases of the project cycle, from project identifica-
14 tion to post-project evaluation;

15 “(4) include the economic empowerment of
16 women as a factor in evaluating the projects and
17 programs of the respective institution;

18 “(5) encourage borrowing countries to redirect
19 military expenditures to fund investments in human
20 capital, including measures that promote education,
21 training, and health;

22 “(6) evaluate adequately, through environ-
23 mental impact assessments, the effect on the envi-
24 ronment and nonrenewable resource base of recipi-
25 ents’ economic growth strategies and the structural

1 adjustment and sector lending programs of the re-
2 spective institution;

3 “(7) maintain or expand debt relief programs;
4 and

5 “(8) promote good governance and the rule of
6 law in borrowing countries, by promoting fair and
7 workable laws that are—

8 “(A) necessary for economic development,
9 private sector development, and human rights;

10 “(B) fully communicated to the public; and

11 “(C) administered by an independent and
12 well-trained judiciary.”.

13 (b) REPORTS TO THE CONGRESS.—Not later than
14 September 30, 1994, and not later than September 30,
15 1995, the Secretary of the Treasury shall submit to the
16 Committee on Banking, Finance and Urban Affairs of the
17 House of Representatives and the Committee on Foreign
18 Relations of the Senate reports on the efforts made pursu-
19 ant to section 1620 of the International Financial Institu-
20 tions Act, and the results of such efforts.

21 **SEC. 103. USE OF LOANS FOR MILITARY DEMOBILIZATION.**

22 Title XVI of the International Financial Institutions
23 Act (22 U.S.C. 262p-262p-5), as amended by section 102
24 of this Act, is amended by redesignating section 1621 as

1 fund of the Bank, for the subscription and contribution
2 of the United States in accordance with the resolution
3 specified in subsection (a), subject to obtaining the nec-
4 essary appropriations.

5 “(c) LIMITATIONS ON AUTHORIZATION OF APPRO-
6 PRIATIONS.—In order to pay for the United States con-
7 tribution authorized by subsection (b), there are author-
8 ized to be appropriated for payment by the Secretary of
9 the Treasury \$680,000,000 without fiscal year limita-
10 tion.”.

11 **TITLE III—GLOBAL** 12 **ENVIRONMENT FACILITY**

13 **SEC. 301. GLOBAL ENVIRONMENT FACILITY.**

14 The Bretton Woods Agreements Act (22 U.S.C. 286–
15 286mm) is amended by adding at the end the following:

16 **“SEC. 61. GLOBAL ENVIRONMENT FACILITY.**

17 “(a) CONTRIBUTION AUTHORIZED.—The Secretary
18 of the Treasury may contribute to the Global Environment
19 Facility \$30,810,000, subject to obtaining the necessary
20 appropriations.

21 “(b) LIMITATIONS ON AUTHORIZATION OF APPRO-
22 PRIATIONS.—In order to pay for the United States con-
23 tribution provided for in subsection (a), there are author-
24 ized to be appropriated for payment by the Secretary of
25 the Treasury, \$30,810,000 without fiscal year limitation,

1 if, not later than September 30, 1994, the Secretary of
2 the Treasury has certified that—

3 “(1) the Facility has established clear proce-
4 dures ensuring public availability of documentary in-
5 formation on all Facility projects and associated
6 projects of the Facility implementing agencies;

7 “(2) the Facility has established clear proce-
8 dures ensuring that affected peoples in recipient
9 countries are consulted on all aspects of identifica-
10 tion, preparation, and implementation of Facility
11 projects; and

12 “(3) the Facility governance process will pro-
13 vide for contributor country oversight of individual
14 projects in the work program, and specific provisions
15 will be established for the participation of non-
16 governmental organizations in all phases of the
17 project cycle, including identification, appraisal, im-
18 plementation, and evaluation.”.

19 **TITLE IV—REGIONAL MULTILAT-**
20 **ERAL DEVELOPMENT BANKS**

21 **SEC. 401. ADVOCACY OF CERTAIN POLICIES.**

22 (a) IN GENERAL.—Title XVI of the International Fi-
23 nancial Institutions Act (22 U.S.C. 262p–262p–5), as
24 amended by sections 102 and 103 of this Act, is amended

1 by redesignating section 1622 as section 1623 and by in-
2 serting after section 1621 the following:

3 **“SEC. 1622. ADVOCACY OF CERTAIN POLICIES.**

4 “The Secretary of the Treasury shall instruct the
5 United States Executive Directors of each regional multi-
6 lateral development bank and of the European Bank for
7 Reconstruction and Development to use their voices and
8 votes to encourage vigorously their respective institutions
9 to—

10 “(1) develop new methodologies to evaluate ade-
11 quately the effectiveness of projects and programs of
12 the respective institution in improving, on a sustain-
13 able basis, the standard of living of the poorest seg-
14 ments of the populations of the borrowing countries,
15 and increase the amount of resources of the respec-
16 tive institution devoted to the projects and programs
17 identified as most effective;

18 “(2) include affected populations, local govern-
19 ments, and nongovernmental organizations in all
20 phases of the project cycle, from project identifica-
21 tion to post-project evaluation;

22 “(3) include the economic empowerment of
23 women as a factor in evaluating projects and pro-
24 grams of the respective institution;

1 “(4) encourage borrowing countries to redirect
2 military expenditures to fund investments in human
3 capital, including measures that promote education,
4 training, and health;

5 “(5) evaluate adequately, through environ-
6 mental impact assessments, the effect on the envi-
7 ronment and nonrenewable resource base of recipi-
8 ents’ economic growth strategies and structural ad-
9 justment and sector lending programs of the respec-
10 tive institution; and

11 “(6) support the development of the private sec-
12 tor of borrowing countries.”.

13 (b) REPORTS TO THE CONGRESS.—Not later than
14 September 30, 1994, and not later than September 30,
15 1995, the Secretary of the Treasury shall submit to the
16 Committee on Banking, Finance and Urban Affairs of the
17 House of Representatives and the Committee on Foreign
18 Relations of the Senate reports on the efforts made pursu-
19 ant to section 1622 of the International Financial Institu-
20 tions Act, and the results of such efforts.

21 **SEC. 402. OPPOSITION TO LOANS FOR VIETNAM.**

22 Title XVI of the International Financial Institutions
23 Act (22 U.S.C. 262p-262p-5), as amended by sections
24 102, 103, and 401 of this Act, is amended by redesignat-

1 ing section 1623 as section 1624 and by inserting after
2 section 1622 the following:

3 **“SEC. 1623. OPPOSITION TO LOANS FOR VIETNAM.**

4 “The Secretary of the Treasury shall instruct the
5 United States Executive Directors of the International
6 Development Association, the International Bank for Re-
7 construction and Development, the Asian Development
8 Bank, and the Asian Development Fund to use the voices
9 and votes of the Executive Directors, respectively, to op-
10 pose any loan to Vietnam except for basic human needs,
11 until the President certifies to the Congress that accept-
12 able progress has been made toward the fullest possible
13 accounting of all Americans still prisoner, missing, and
14 unaccounted for in Southeast Asia, through, inter alia, ac-
15 cess to—

16 “(1) all pertinent records of Group 875 of the
17 General Political Directorate;

18 “(2) all pertinent records of Group 559;

19 “(3) all photographs and negatives relating to
20 such Americans;

21 “(4) all grave registrations relating to such
22 Americans;

23 “(5) all documents indicating that Vietnam
24 knew of any American remains;

1 “(6) any supporting documents that confirm or
2 deny the 1205 Russian document; and

3 “(7) any other remaining archival information
4 relating to such Americans.”.

5 **TITLE V—SPECIAL DEBT RELIEF**

6 **SEC. 501. SPECIAL DEBT RELIEF FOR THE POOREST, MOST** 7 **HEAVILY INDEBTED COUNTRIES.**

8 (a) DEBT REDUCTION AUTHORITY.—The President
9 may reduce amounts of principal and interest owed by any
10 eligible country to the Export-Import Bank of the United
11 States as a result of loans or guarantees made under the
12 Export-Import Bank Act of 1945.

13 (b) LIMITATIONS.—

14 (1) TYPES OF DEBT REDUCTION.—The author-
15 ity provided by subsection (a) may be exercised only
16 to implement multilateral agreements to reduce the
17 burden of official bilateral debt as set forth in the
18 minutes of the so-called “Paris Club” (also known
19 as “Paris Club Agreed Minutes”).

20 (2) ELIGIBLE COUNTRIES.—

21 (A) DEFINITION.—As used in subsection
22 (a), the term “eligible country” means any
23 country that—

24 (i) has excessively burdensome exter-
25 nal debt;

1 (ii) is eligible to borrow from the
2 International Development Association;
3 and

4 (iii) is not eligible to borrow from the
5 International Bank for Reconstruction and
6 Development.

7 (B) DETERMINATIONS.—Subject to sub-
8 paragraph (A), the President may determine
9 whether a country is an eligible country for
10 purposes of subsection (a).

11 (C) AUTHORITY TO EXCLUDE COUNTRIES
12 WITH UNACCEPTABLE HUMAN RIGHTS RECORDS
13 OR EXCESSIVE MILITARY EXPENDITURES.—
14 Notwithstanding subparagraphs (A) and (B), a
15 country shall not be an eligible country for pur-
16 poses of subsection (a) if, in the sole discretion
17 of the President, the President determines
18 that—

19 (i) the human rights record of the
20 country is unacceptable; or

21 (ii) the level of military expenditures
22 by the country is excessive.

23 (3) APPROPRIATIONS.—The authority provided
24 by subsection (a) may be exercised only in such

1 amounts or to such extent as is provided in advance
2 in appropriations Acts.

3 (c) LIMITATIONS ON AUTHORIZATION OF APPRO-
4 PRIATIONS.—For debt reduction pursuant to this section,
5 there are authorized to be appropriated to the President
6 \$48,300,000, without fiscal year limitation, except that
7 not more than \$11,500,000 may be so appropriated for
8 fiscal year 1994.

9 (d) The Congress encourages the President to use the
10 amounts appropriated pursuant to subsection (c) to reduce
11 the bilateral debt of any eligible country in accordance
12 with the so-called “Trinidad Terms”.

13 **TITLE VI—MEASURES OF** 14 **MILITARY SPENDING**

15 **SEC. 601. JOINT DEVELOPMENT OF MEASURES OF MILI-** 16 **TARY SPENDING.**

17 Section 60 of the Bretton Woods Agreements Act (22
18 U.S.C. 286mm) is amended—

19 (1) in subsection (a)—

20 (A) in the heading, by striking “BY THE
21 FUND”;

22 (B) in paragraph (1)—

23 (i) by striking “Director of the Fund”
24 and inserting “Directors of the Fund and
25 of the Bank”;

1 (ii) by striking “urge the Fund, in
2 consultation with the Bank, to continue to
3 develop” and inserting “urge the Fund and
4 the Bank to cooperate and coordinate in
5 the continued development of”; and

6 (iii) by inserting “, and in the report-
7 ing of such levels” before the period; and

8 (C) in paragraph (2), by inserting “and
9 the Bank” after “Fund”; and
10 (2) in subsection (b)—

11 (A) by striking “BY FUND”;

12 (B) by striking “Director of the Fund”
13 and inserting “Directors of the Fund and of the
14 Bank”;

15 (C) by striking “urge the Fund” and in-
16 serting “urge the Fund and the Bank”;

17 (D) by striking “Board of the Fund” and
18 inserting “Boards of the Fund and of the
19 Bank, respectively,”; and

20 (E) by striking “estimate by the Fund”
21 and inserting “joint estimate of the Fund and
22 the Bank”.