

105<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 3331

To ensure the transparency of International Monetary Fund operations.

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IN THE HOUSE OF REPRESENTATIVES

MARCH 4, 1998

Mr. SAXTON (for himself, Mr. ARMEY, and Mr. CAMPBELL) introduced the following bill; which was referred to the Committee on Banking and Financial Services

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## A BILL

To ensure the transparency of International Monetary Fund operations.

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 “IMF Transparency and  
5       Efficiency Act of 1998”.

1 **SEC. 2. DENIAL OF FEDERAL FUNDS TO THE INTER-**  
2 **NATIONAL MONETARY FUND IF ITS OPER-**  
3 **ATIONS ARE NOT MADE MORE TRANS-**  
4 **PARENT.**

5 Title XV of the International Financial Institutions  
6 Act (22 U.S.C. 262o–262o–1) is amended by adding at  
7 the end the following:

8 **“SEC. 1503. DENIAL OF FEDERAL FUNDS TO THE INTER-**  
9 **NATIONAL MONETARY FUND IF ITS OPER-**  
10 **ATIONS ARE NOT MADE MORE TRANS-**  
11 **PARENT.**

12 “(a) IN GENERAL.—An officer, employee, or agent  
13 of the United States may not, directly or indirectly, pro-  
14 vide Federal funds to, or for the benefit of the Inter-  
15 national Monetary Fund unless—

16 “(1) there is in effect a written certification,  
17 made by the Secretary of the Treasury to the Com-  
18 mittee on Banking and Financial Services of the  
19 House of Representatives and the Committee on  
20 Banking, Housing, and Urban Affairs of the Senate,  
21 that the International Monetary Fund has met the  
22 requirements of subsection (b); and

23 “(2) the Congress has enacted a joint resolution  
24 approving the certification.

25 “(b) REQUIREMENTS.—The requirements of this sub-  
26 section are the following:

1           “(1) Within 3 months after any meeting of the  
2 Board of Governors or the Executive Board of the  
3 International Monetary Fund, an edited copy of the  
4 minutes of the meeting shall be made available for  
5 public inspection, with the following information re-  
6 dacted:

7           “(A) Information which, if released, would  
8 adversely affect the national security of a coun-  
9 try, and which is of the type that would be clas-  
10 sified by United States Government.

11           “(B) Information which, if released, would  
12 disrupt markets.

13           “(C) Proprietary information.

14           “(2) Within 3 months after staff of the Inter-  
15 national Monetary Fund makes a loan document,  
16 written review, program document, or assessment of  
17 any proposed or ongoing loan program of the Inter-  
18 national Monetary Fund a copy of the review, docu-  
19 ment, or assessment, and all related and supporting  
20 materials, shall be made available for public inspec-  
21 tion, with the following information redacted:

22           “(A) Information which, if released, would  
23 adversely affect the national security of a coun-  
24 try, and which is of the type that would be clas-  
25 sified by United States Government.

1           “(B) Information which, if released, would  
2           disrupt markets.

3           “(C) Proprietary information.

4           “(3) Not later than 18 months after the date  
5           of the enactment of this section:

6           “(A) The International Monetary Fund  
7           shall establish an independent advisory board to  
8           review the research, operations, and loan pro-  
9           grams of the International Monetary Fund.

10          “(B) The legislature of each country which  
11          is represented on the Executive Board of the  
12          International Monetary Fund shall each appoint  
13          to the advisory board 1 individual with exper-  
14          tise in private sector finance gained in the pri-  
15          vate sector or in academia.

16          “(C) The advisory board shall issue annual  
17          reports summarizing its activities, which shall  
18          be available immediately for public inspection.

19          “(4) The annual rate at which the International  
20          Monetary Fund charges interest on loans made after  
21          the date of the enactment of this section shall be  
22          comparable to the average annual rate of interest in  
23          financial markets for loans of comparable maturity,  
24          adjusted for risk.

25          “(c) EFFECTIVE PERIOD OF CERTIFICATION.—

1           “(1) IN GENERAL.—A certification made under  
2 this section shall cease to be in effect 1 year after  
3 the date the certification is made.

4           “(2) REVOCATION.—

5           “(A) IN GENERAL.—A certification made  
6 under this section shall cease to be in effect if  
7 the Secretary of the Treasury revokes the cer-  
8 tification.

9           “(B) CAUSE FOR REVOCATION.—The Sec-  
10 retary of the Treasury shall revoke a certifi-  
11 cation made under this section if the Secretary  
12 of the Treasury is made aware that the Inter-  
13 national Monetary Fund has ceased to meet a  
14 requirement of subsection (b).”.

15 **SEC. 3. EFFECTIVE DATE.**

16           This Act shall take effect 6 months after the date  
17 of the enactment of this Act.

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