

# Calendar No. 969

110TH CONGRESS  
2D SESSION

# S. 3168

[Report No. 110-464]

To authorize United States participation in the replenishment of resources of the International Development Association, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JUNE 19, 2008

Mr. BIDEN (for himself, Mr. LUGAR, and Mr. HAGEL) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

SEPTEMBER 16, 2008

Reported by Mr. BIDEN, without amendment

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## A BILL

To authorize United States participation in the replenishment of resources of the International Development Association, 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 Association Replenishment Act of 2008”.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) GREENHOUSE GAS.—The term “greenhouse  
4 gas” means carbon dioxide, methane, nitrous oxide,  
5 sulfur hexafluoride, a perfluorocarbon, or a  
6 hydrofluorocarbon.

7 (2) MULTILATERAL DEVELOPMENT BANK.—  
8 The term “multilateral development bank” has the  
9 meaning given that term in section 1307 of the  
10 International Financial Institutions Act (Public Law  
11 95–118; 22 U.S.C. 262m–7).

12 **SEC. 3. INTERNATIONAL DEVELOPMENT ASSOCIATION.**

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

16 **“SEC. 24. FIFTEENTH REPLENISHMENT.**

17 “(a) The United States Governor of the International  
18 Development Association is authorized to contribute on  
19 behalf of the United States \$3,705,000,000 to the fif-  
20 teenth replenishment of the resources of the Association,  
21 subject to obtaining the necessary appropriations.

22 “(b) In order to pay for the United States contribu-  
23 tion provided for in subsection (a), there are authorized  
24 to be appropriated \$3,705,000,000 for payment by the  
25 Secretary of the Treasury.”.

1 **SEC. 4. ANTICORRUPTION TRUST PILOT PROGRAM.**

2 (a) AUTHORIZATION.—The Secretary of the Treasury  
3 (referred to in this section as the “Secretary”) is author-  
4 ized to negotiate the creation of a pilot program that es-  
5 tablishes an anticorruption trust at the World Bank, in  
6 accordance with this section.

7 (b) PURPOSES.—The Secretary shall support the cre-  
8 ation of an Anticorruption Trust Pilot Program (referred  
9 to in this section as the “Trust”) whose purposes in-  
10 clude—

11 (1) assisting poor countries in investigations  
12 and prosecutions of fraud and corruption related to  
13 a loan, grant, or credit from the World Bank; and

14 (2) determining whether such a program should  
15 be carried out at other multilateral development  
16 banks.

17 (c) POOR COUNTRIES DEFINED.—In this section, the  
18 term “poor countries” means countries that are eligible  
19 to borrow from the International Development Associa-  
20 tion, as such eligibility is determined by gross national  
21 product per capita, lack of creditworthiness to borrow on  
22 market terms, and good policy performance.

23 (d) REPAYMENT OF FUNDS.—The Secretary may  
24 support a policy that allows a poor country that assesses  
25 a fine or receives any proceeds as a result of a prosecution  
26 paid for with funds from the Trust to repay the amount

1 received from the Trust, up to the total amount received  
2 by such country.

3 (e) MONITORING.—The Secretary shall be responsible  
4 for establishing a system for—

5 (1) monitoring the disbursement and use of  
6 funds from the Trust; and

7 (2) promoting access to such funds by poor  
8 countries that are challenged by the high cost of in-  
9 vestigating and prosecuting corruption and fraud  
10 linked to a loan from, or a project funded by, the  
11 World Bank.

12 (f) OTHER DONORS.—The Secretary shall encourage  
13 other donors to the multilateral development banks to con-  
14 tribute funds to the Trust.

15 (g) REPORTS.—

16 (1) IMPLEMENTATION AND FEASIBILITY RE-  
17 PORT.—Not later than June 1, 2009, the Secretary  
18 shall submit a report to the Committee on Foreign  
19 Relations of the Senate and the Committee on Fi-  
20 nancial Services of the House of Representatives  
21 that—

22 (A) describes the actions taken to establish  
23 the Trust;

1 (B) evaluates the feasibility of establishing  
2 similar trusts at other multilateral development  
3 banks; and

4 (C) evaluates the feasibility of encouraging  
5 each of the multilateral development banks to  
6 develop their own funding for programs, rather  
7 than through a trust, to assist poor countries in  
8 investigations and prosecutions of fraud and  
9 corruption related to a loan, grant, or credit  
10 from such bank.

11 (2) EVALUATION REPORT.—If the Trust is es-  
12 tablished in accordance with this section, the Sec-  
13 retary, not later than June 1, 2010, shall submit a  
14 report to the Committee on Foreign Relations of the  
15 Senate and the Committee on Financial Services of  
16 the House of Representatives that evaluates the ef-  
17 fectiveness of the Trust.

18 (h) AUTHORIZATION OF APPROPRIATIONS.—There is  
19 authorized to be appropriated to the Secretary \$2,000,000  
20 for contribution on behalf of the United States to the  
21 Trust, if the Trust is established in accordance with this  
22 section.

1 **SEC. 5. REQUIREMENTS TO CONSIDER GREENHOUSE GAS**  
2 **EMISSIONS IN ENVIRONMENTAL IMPACT AS-**  
3 **SESSMENTS AND TO MAKE SUCH ASSESS-**  
4 **MENTS AVAILABLE IN THE LANGUAGES OF**  
5 **THE PEOPLE AFFECTED.**

6 (a) IN GENERAL.—Section 1307(a) of the Inter-  
7 national Financial Institutions Act (22 U.S.C. 262m–  
8 7(a)) is amended by striking paragraphs (1) and (2) and  
9 inserting the following:

10 “(1) an assessment analyzing the environmental  
11 impacts, including associated and cumulative im-  
12 pacts and net greenhouse gas emissions, of the pro-  
13 posed action and of alternatives to the proposed ac-  
14 tion, has been made available to the board of direc-  
15 tors of the bank; and

16 “(2)(A) such assessment or a comprehensive  
17 summary of the assessment (with propriety informa-  
18 tion redacted) has been made available to affected  
19 groups and local nongovernmental organizations in  
20 English and in the official languages of the countries  
21 of the affected groups; and

22 “(B) notice of the availability of the assessment  
23 or comprehensive summary at the bank and in the  
24 countries of the affected groups has been posted on  
25 the Internet website of the bank.”.

1 (b) EFFECTIVE DATE.—The amendment made by  
2 subsection (a) shall apply with respect to proposals for  
3 multilateral development bank projects made on or after  
4 October 1, 2009.

5 **SEC. 6. REPORT ON GREENHOUSE GAS EMISSIONS ASSOCI-**  
6 **ATED WITH MULTILATERAL DEVELOPMENT**  
7 **BANK ACTIONS.**

8 (a) IN GENERAL.—Not later than January 1, 2010,  
9 and annually thereafter, the Secretary of the Treasury,  
10 after consultation with the Secretary of State, the Admin-  
11 istrator of the United States Agency for International De-  
12 velopment, and the Administrator of the Environmental  
13 Protection Agency, shall submit to the Committee on For-  
14 eign Relations of the Senate and the Committee on Finan-  
15 cial Services of the House of Representatives a report on  
16 the assessments provided for in section 1307(a) of the  
17 International Financial Institutions Act (22 U.S.C.  
18 262m–7(a)).

19 (b) CONTENTS.—Each report submitted under sub-  
20 section (a) shall describe the assessments provided for in  
21 section 1307(a) of such Act, including—

22 (1) an assessment of—

23 (A) the amount of greenhouse gas emis-  
24 sions associated with each project with respect  
25 to which each multilateral development bank

1           has provided a loan, guarantee, extension of  
2           credit, or grant, or has taken any other action,  
3           in the last year; and

4           (B) the total greenhouse gas emissions of  
5           all projects described in subparagraph (A);

6           (2) an assessment of the greenhouse gas emis-  
7           sions of project alternatives that would address simi-  
8           lar economic and social goals; and

9           (3) a description of the plans of the Secretary  
10          of the Treasury to direct the United States Execu-  
11          tive Director of each multilateral development bank  
12          in which the United States participates to use the  
13          voice and vote of the United States to encourage re-  
14          ductions of greenhouse gas emissions associated with  
15          projects with respect to which the bank provides a  
16          loan, guarantee, extension of credit, or grant, or  
17          takes any other action.

18          (c) PERFORMANCE EVALUATIONS OF ASSESS-  
19          MENTS.—Each report submitted under subsection (a)  
20          shall include an evaluation of—

21               (1) the methods that could be used to reduce  
22               greenhouse gas emissions associated with projects  
23               with respect to which a multilateral development  
24               bank provides a loan, guarantee, extension of credit,  
25               or grant, or takes any other action;

1           (2) an identification of best practices for assess-  
2           ing the direct and indirect greenhouse gas emissions  
3           associated with such projects; and

4           (3) an evaluation of the extent to which each  
5           multilateral development bank is using the best  
6           practices identified in paragraph (2) in conducting  
7           the assessments of projects as provided for in section  
8           1307(a) of such Act.

9 **SEC. 7. REPORT ON PROCESS TO ADDRESS GRIEVANCES**  
10                           **WITH THE MULTILATERAL DEVELOPMENT**  
11                           **BANKS.**

12           (a) IN GENERAL.—Not later than August 1, 2009,  
13 the Secretary of the Treasury shall submit, to the Com-  
14 mittee on Foreign Relations of the Senate and the Com-  
15 mittee on Financial Services of the House of Representa-  
16 tives, a report that evaluates the efficacy of the World  
17 Bank Inspection Panel, the Compliance Advisor Ombuds-  
18 man of the International Finance Corporation and Multi-  
19 lateral Investment Guarantee Agency, the African Devel-  
20 opment Bank Independent Review Mechanism, the Inter-  
21 American Development Bank Independent Investigation  
22 Mechanism, the Asian Development Bank Accountability  
23 Mechanism, and the European Bank for Reconstruction  
24 and Development Independent Recourse Mechanism.

1 (b) CONTENTS.—The report submitted under sub-  
2 section (a) shall include—

3 (1) an assessment of—

4 (A) the number of cases, key findings, and  
5 outcomes of completed grievance processes;

6 (B) the level and adequacy of participation  
7 of requesters and other affected people in the  
8 compliance investigation process, including the  
9 extent to which their concerns were raised be-  
10 fore the Board and senior management of the  
11 bank;

12 (C) the level and adequacy of participation  
13 of requesters and other affected people in the  
14 problem-solving process, if applicable, including  
15 the extent to which their concerns were raised  
16 before the Board and management of the bank;

17 (D) inclusion of stakeholders in the cre-  
18 ation of action plans to—

19 (i) remedy identified violations of the  
20 policies and procedures of the bank; and

21 (ii) address outstanding issues identi-  
22 fied in problem-solving initiatives, if appli-  
23 cable;

24 (E) the quality and timeliness of the imple-  
25 mentation of action plans;

1           (F) the degree to which the Board exer-  
2           cises systematic oversight of the implementation  
3           of action plans;

4           (G) the degree to which stakeholders par-  
5           ticipate in monitoring and implementation of  
6           action plans; and

7           (H) if action plans are not adequately im-  
8           plemented, the suitability of the mechanisms for  
9           recourse for affected people; and

10          (2) a discussion regarding how the United  
11          States Executive Director of each multilateral devel-  
12          opment bank will strengthen weaknesses identified  
13          with each applicable grievance mechanism.

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