

[DISCUSSION DRAFT]

112TH CONGRESS
1ST SESSION

H. R. _____

To maintain American leadership in multilateral development banks in order to support United States economic and national security by authorizing general capital increases for the International Bank for Reconstruction and Development, the Inter-American Development Bank, the African Development Bank, and the European Bank for Reconstruction and Development, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To maintain American leadership in multilateral development banks in order to support United States economic and national security by authorizing general capital increases for the International Bank for Reconstruction and Development, the Inter-American Development Bank, the African Development Bank, and the European Bank for Reconstruction and Development, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Supporting Economic
3 and National Security by Maintaining U.S. Leadership in
4 Multilateral Development Banks Act”.

5 **SEC. 2. CAPITAL STOCK INCREASE FOR THE INTER-**
6 **NATIONAL BANK FOR RECONSTRUCTION AND**
7 **DEVELOPMENT.**

8 The Bretton Woods Agreements Act (22 U.S.C. 286–
9 286tt) is amended by adding at the end the following:

10 **“SEC. 69. CAPITAL STOCK INCREASE.**

11 **“(a) INCREASE AUTHORIZED.—**

12 **“(1) IN GENERAL.—**The United States Gov-
13 **ernor of the Bank may—**

14 **“(A) vote for an increase of 484,102**
15 **shares in the authorized capital stock of the**
16 **Bank; and**

17 **“(B) subscribe on behalf of the United**
18 **States to 81,074 additional shares of the au-**
19 **thorized capital stock of the Bank.**

20 **“(2) SUBJECT TO APPROPRIATIONS.—**Any sub-
21 **scription under paragraph (1) shall be effective only**
22 **to such extent or in such amounts as are provided**
23 **in advance in appropriations Acts.**

24 **“(b) LIMITATIONS ON AUTHORIZATION OF APPRO-**
25 **PRIATIONS.—**

1 “(1) IN GENERAL.—For subscriptions under
2 subsection (a), there are authorized to be appro-
3 priated, without fiscal year limitation,
4 \$9,780,361,991 for payment by the Secretary of the
5 Treasury.

6 “(2) ALLOCATION.—Of the amount authorized
7 by paragraph (1)—

8 “(A) \$586,821,720 shall be for paid-in
9 shares of the authorized capital stock of the
10 Bank; and

11 “(B) \$9,193,540,271 shall be for callable
12 shares of the authorized capital stock of the
13 Bank”.

14 **SEC. 3. CAPITAL STOCK INCREASE FOR THE INTER-AMER-**
15 **ICAN DEVELOPMENT BANK.**

16 The Inter-American Development Bank Act (22
17 U.S.C. 283–283z-12) is amended by adding at the end the
18 following:

19 **“SEC. 41. CAPITAL STOCK INCREASE.**

20 “(a) INCREASE AUTHORIZED.—

21 “(1) IN GENERAL.—The United States Gov-
22 ernor of the Bank may—

23 “(A) vote in favor of the resolution pro-
24 viding for an increase in the authorized capital

1 stock of the Bank, as approved by the Board of
2 Governors of the Bank on July 21, 2010; and

3 “(B) subscribe on behalf of the United
4 States to 1,741,135 additional shares of the au-
5 thorized capital stock of the Bank

6 “(2) SUBJECT TO APPROPRIATIONS.—Any sub-
7 scription under paragraph (1) shall be effective only
8 to such extent or in such amounts as are provided
9 in advance in appropriations Acts.

10 “(b) LIMITATIONS ON AUTHORIZATION OF APPRO-
11 PRIATIONS.—

12 “(1) IN GENERAL.—For the subscription under
13 subsection (a), there are authorized to be appro-
14 priated, without fiscal year limitation,
15 \$21,004,064,337 for payment by the Secretary of
16 the Treasury.

17 “(2) ALLOCATION.—Of the amount authorized
18 by paragraph (1)—

19 “(A) \$510,090,175 shall be for paid-in
20 shares of the authorized capital stock of the
21 Bank; and

22 “(B) \$20,493,974,162 shall be for callable
23 shares of the authorized capital stock of the
24 Bank.”.

1 **SEC. 4. CAPITAL STOCK INCREASE FOR THE AFRICAN DE-**
2 **VELOPMENT BANK.**

3 The African Development Bank Act (22 U.S.C. 290i–
4 290i-10) is amended by adding at the end the following:

5 **“SEC. 1344. CAPITAL STOCK INCREASE.**

6 “(a) SUBSCRIPTION AUTHORIZED.—

7 “(1) IN GENERAL.—The United States Gov-
8 ernor of the Bank may subscribe to 289,391 addi-
9 tional shares of the authorized capital stock of the
10 Bank.

11 “(2) SUBJECT TO APPROPRIATIONS.—Any sub-
12 scription under paragraph (1) shall be effective only
13 to such extent or in such amounts as are provided
14 in advance in appropriations Acts.

15 “(b) LIMITATIONS ON AUTHORIZATION OF APPRO-
16 PRIATIONS.—

17 “(1) IN GENERAL.—For the subscription under
18 subsection (a), there are authorized to be appro-
19 priated, without fiscal year limitation,
20 \$4,322,228,221 for payment by the Secretary of the
21 Treasury.

22 “(2) ALLOCATION.—Of the amount authorized
23 under paragraph (1)—

24 “(A) \$259,341,759 shall be for paid-in
25 shares of the authorized capital stock of the
26 Bank; and

1 “(B) \$4,062,886,462 shall be for callable
2 shares of the authorized capital stock of the
3 Bank.”.

4 **SEC. 5. CAPITAL STOCK INCREASE FOR THE EUROPEAN**
5 **BANK FOR RECONSTRUCTION AND DEVELOP-**
6 **MENT.**

7 The European Bank for Reconstruction and Develop-
8 ment Act (22 U.S.C. 2901–2901-8) is amended by adding
9 at the end the following:

10 “(12) CAPITAL STOCK INCREASE.—

11 “(A) SUBSCRIPTION AUTHORIZED.—

12 “(i) IN GENERAL.—The United States
13 Governor of the Bank may subscribe on
14 behalf of the United States to not more
15 than 90,044 additional callable shares of
16 the authorized capital stock of the Bank.

17 “(ii) SUBJECT TO APPROPRIATIONS.—

18 Any subscription under clause (i) shall be
19 effective only to such extent or in such
20 amounts as are provided in advance in ap-
21 propriations Acts.

22 “(B) LIMITATIONS ON AUTHORIZATION OF
23 APPROPRIATIONS.—For the subscription under
24 subparagraph (A), there are authorized to be
25 appropriated, without fiscal year limitation,

1 \$1,252,331,952 for payment by the Secretary
2 of the Treasury for callable shares of the au-
3 thorized capital stock of the Bank.”.

4 **SEC. 6. TRANSPARENCY AND ACCOUNTABILITY.**

5 Title XVI of the International Financial Institutions
6 Act (22 U.S.C. 262–262p-12) is amended by adding at
7 the end the following:

8 **“SEC. 1629. TRANSPARENCY AND ACCOUNTABILITY.**

9 “The Secretary of the Treasury shall instruct the
10 United States Executive Director at the International
11 Bank for Reconstruction and Development, the Inter-
12 American Development Bank, the European Bank for Re-
13 construction and Development, and the African Develop-
14 ment Bank to initiate discussions to advocate and promote
15 efforts to—

16 “(1) require the government of each country re-
17 ceiving adjustment or budget support loans to dem-
18 onstrate transparent budgetary processes including
19 budget publication and public scrutiny before loan or
20 grant approval;

21 “(2) provide greater public disclosure of loan
22 documents of the respective bank; and

23 “(3) use technology to improve multilateral de-
24 velopment outcomes by making available to the pub-
25 lic data about projects carried out using financing

1 provided by the respective bank and about programs
2 of the respective bank.”.

3 **SEC. 7. CORRUPTION.**

4 Title XVI of the International Financial Institutions
5 Act (22 U.S.C. 262–262p-12) is further amended by add-
6 ing at the end the following:

7 **“SEC. 1630. CORRUPTION.**

8 “The Secretary of the Treasury shall instruct the
9 United States Executive Director at the International
10 Bank for Reconstruction and Development, the Inter-
11 American Development Bank, the European Bank for Re-
12 construction and Development, and the African Develop-
13 ment Bank to initiate discussions in order to advocate and
14 promote efforts to—

15 “(1) implement best practices in domestic laws
16 and international conventions against corruption for
17 whistleblower and witness disclosures, and protec-
18 tions against retaliation for internal and lawful pub-
19 lic disclosures by the employees of the respective
20 bank and others affected by the operations of the re-
21 spective bank who challenge illegality or other mis-
22 conduct that could threaten the mission of the re-
23 spective bank, including—

24 “(A) best practices for legal burdens of
25 proof;

1 “(B) access to independent adjudicative
2 bodies; and

3 “(C) results which eliminate the effects of
4 proven retaliation; and

5 “(2) implement clear anti-corruption procedures
6 setting forth circumstance under which a person will
7 be barred from receiving a loan, contract, grant,
8 guarantee or credit from the respective bank, and
9 make the procedures available to the public.”.

10 **SEC. 8. PROCUREMENT.**

11 Title XVI of the International Financial Institutions
12 Act (22 U.S.C. 262–262p-12) is further amended by add-
13 ing at the end the following:

14 **“SEC. 1631. PROCUREMENT.**

15 “The Secretary of the Treasury shall instruct the
16 United States Executive Director at the International
17 Bank for Reconstruction and Development, the Inter-
18 American Development Bank, the European Bank for Re-
19 construction and Development, and the African Develop-
20 ment Bank to advocate and promote efforts by the respec-
21 tive bank to maintain strong procurement standards that”
22 maintain international competitive bidding for projects
23 funded by the respective bank, to maximize broad United
24 States and international participation in accordance with
25 sound procurement practices, including transparency,

1 broad international competition, established standards and
2 documentation for bidding and bid evaluation, and cost-
3 effective results for the borrowers.”.

4 **SEC. 9. ARGENTINA.**

5 Title XVI of the International Financial Institutions
6 Act (22 U.S.C. 262–262p-12) is further amended by add-
7 ing at the end the following:

8 **“SEC. 1632. ARGENTINA.**

9 “The Secretary of the Treasury shall instruct the
10 United States Executive Directors at the International
11 Bank for Reconstruction and Development and the Inter-
12 American Development Bank to—

13 “(1) oppose any loan to the government of Ar-
14 gentina (other than a loan that serves basic human
15 needs); and

16 “(2) to initiate discussions with other executive
17 directors at the respective bank to advocate and vig-
18 orously promote efforts to encourage Argentina to
19 normalize relations with its official and private credi-
20 tors and elsewhere in the international community,
21 including in its dealings with the International Cen-
22 tre for Settlement of Investment Disputes, the Paris
23 Club, the Financial Action Task Force, and the
24 International Monetary Fund,

1 until the Secretary determines and certifies to the Con-
2 gress that Argentina is taking steps toward normalizing
3 its status in the international community as demonstrated
4 by improved relations with its official and private credi-
5 tors, the International Centre for Settlement of Invest-
6 ment Disputes, the Financial Action Task Force, or the
7 International Monetary Fund.”.