To instruct the United States Executive Director at each of the multilateral development banks to vote against any project that provides a public subsidy to a private sector firm unless the subsidy is awarded using an open, competitive process or on an open-access basis, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. WATERS introduced the following bill; which was referred to the Committee on __________

A BILL

To instruct the United States Executive Director at each of the multilateral development banks to vote against any project that provides a public subsidy to a private sector firm unless the subsidy is awarded using an open, competitive process or on an open-access basis, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,
SECTION 1. UNITED STATES OPPOSITION TO MULTILATERAL DEVELOPMENT BANK PROJECTS THAT PROVIDE A PUBLIC SUBSIDY TO A PRIVATE SECTOR FIRM UNLESS THE SUBSIDY IS AWARDED USING AN OPEN, COMPETITIVE PROCESS OR ON AN OPEN-ACCESS BASIS.

Title XV of the International Financial Institutions Act (22 U.S.C. 262o-262o-4) is amended by adding at the end the following:

“SEC. 1506. UNITED STATES OPPOSITION TO MULTILATERAL DEVELOPMENT BANK PROJECTS THAT PROVIDE A PUBLIC SUBSIDY TO A PRIVATE SECTOR FIRM UNLESS THE SUBSIDY IS AWARDED USING AN OPEN, COMPETITIVE PROCESS OR ON AN OPEN-ACCESS BASIS.

“(a) IN GENERAL.—The Secretary of the Treasury shall instruct the United States Executive Director at each multilateral development bank—

“(1) to use voice, vote, and influence of the United States to ensure that private sector subsidies provided by the respective bank, including through the Private Sector Window of the International Development Association, are provided in accordance with the World Bank guidelines; and

“(2) to vote against any project at the respective bank, including through the Private Sector Win-
dow of the International Development Association, that provides a public subsidy to a private sector firm unless—

“(A) the subsidy is awarded using an open, competitive process;

“(B) the subsidy is awarded on an open access basis; or

“(C) the United States Executive Director at the respective bank determines that the subsidy falls within an exception provided in the World Bank guidelines for the use of direct contracting.

“(b) Publication of Determination.—Within 60 days after the United States Executive Director at any multilateral development bank makes a determination described in subsection (a)(2)(C), the Secretary of the Treasury shall cause to be posted on the website of the Department of the Treasury a justification for the determination.

“(c) Definitions.—In this section:

“(1) Multilateral Development Bank.—The term ‘multilateral development bank’ has the meaning given in section 1701(c)(4).

“(2) World Bank Guidelines.—The term ‘World Bank Guidelines’ means the July 2014 re-