

A. Bretton Woods Agreements Act, [International Monetary Fund/World Bank Group]

[As Amended Through P.L. 111–117, Enacted December 16, 2009]

AN ACT To provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. [22 U.S.C. 286 note] This Act may be cited as the “Bretton Woods Agreements Act”.

ACCEPTANCE OF MEMBERSHIP

SEC. 2. [22 U.S.C. 286] The President is hereby authorized to accept membership for the United States in the International Monetary Fund (herein after referred to as the “Fund”), and in the International Bank for Reconstruction and Development (hereinafter referred to as the “Bank”), provided for the Articles of Agreement of the Fund and the Articles of Agreement of the Bank as set forth in the Final Act of the United Nations Monetary and Financial Conference dated July 22, 1944, and deposited in the archives of the Department of State.

APPOINTMENT OF GOVERNORS, EXECUTIVE DIRECTORS, AND ALTERNATES

SEC. 3.¹ [22 U.S.C. 286a] (a) The President, by and with the advice and consent of the Senate, shall appoint a governor of the Fund who shall also serve as governor of the Bank, and an executive director of the Fund and an executive director of the Bank. The executive directors so appointed shall also serve provisional executive directors of the Fund and the Bank for the purposes of the respective Articles of Agreement. The term of office for the governor of the Fund and of the Bank shall be five years. The term of office for the executive directors shall be two years, but the executive directors shall remain in office until their successors have been appointed.

(b) The President, by and with the advice and consent of the Senate, shall appoint an alternate for the governor of the fund and an alternate for the governor of the Bank.² The President, by and with the advice and consent of the Senate, shall appoint an alternate for

¹ See sec. 3 of the International Finance Corporation Act. See sec. 3 of the International Development Association Act.

² Public Law 93–94 (87 Stat. 314) substituted the words “and an alternate for the governor of the Bank” for “who shall also serve as alternate for the governor of the bank”.

each of the executive directors. The alternate for each executive director shall be appointed from among individuals recommended to the President by the executive director. The terms of office for alternates for the governor and the executive directors shall be the same as the terms specified in subsection (a) for the governor and executive directors.

(c)³ Should the provisions of Schedule D of the Articles of Agreement of the Fund apply, the Governor of the Fund shall also serve as councillor, shall designate an alternate for the councillor, and may designate associates.

(d)³ (1)⁴ No person shall be entitled to receive any salary or other compensation from the United States for services as a Governor, executive director, councillor, alternate, or associate.

(2)⁴ The United States executive director of the Fund shall not be compensated by the Fund at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code. The United States alternate executive director of the Fund shall not be compensated by the Fund at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(3)⁴ The Secretary of the Treasury shall instruct the United States executive director of the Fund to present to the Fund's Executive Board a comprehensive set of proposals, consistent with maintaining high levels of competence of Fund personnel and consistent with the Articles of Agreement, with the objective of assuring that salaries and other compensation accorded Fund employees do not exceed those received by persons filling similar levels of responsibility within national government service or private industry. The Secretary shall report these proposals together with any measures adopted by the Fund's Executive Board to the Congress prior to February 1, 1979.

³Upon entry into force on Apr. 1, 1978 of the amendments to the Articles of Agreement to the IMF, subsecs. (c) and (d), as provided for in sec. 2 of Public Law 94-564, became effective. The old subsec. (c) language which was struck was essentially the same as the new subsec. (d)(1) but without references to the councillor or associate.

⁴Sec. 2 of Public Law 95-435 (92 Stat. 1051) added the paragraph designation "(1)" and added pars. (2) and (3).

NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND
FINANCIAL PROBLEMS⁵

SEC. 4.⁶ [22 U.S.C. 286b] (a) In order to coordinate the policies and operations of the representatives of the United States on the Fund and the Bank and of all agencies of the Government which make or participate in making foreign loans or which engage in foreign financial, exchange or monetary transactions, there is hereby established the National Advisory Council on International Monetary and Financial Problems (hereinafter referred to as the "Council"), consisting of the Secretary of the Treasury, as Chairman, the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System,⁷ the President of the Export-Import Bank of Washington, and during such period as the Foreign Operations Administration shall continue to exist, the Director of the Foreign Operations Administration.

(b)(1) The Council, after consultation with the representatives of the United States on the Fund and the Bank, shall recommend to the President general policy directives for the guidance of the representatives of the United States on the Fund and the Bank.

(2) The Council shall advise and consult with the President and the representatives of the United States on the Fund and the Bank on major problems arising in the administration of the Fund and the Bank.

⁵Section 1(a) and 3(a) of Reorganization Plan No. 4 of 1965, effective July 27, 1965, 30 F.R. 9353, abolished the Council and functions, with the President acquiring the duties. Subsequently Executive Order 11269, as amended, reestablished the National Advisory Council on International Monetary and Financial Policies under the executive branch.

The text of the reporting requirement of chapter 3 of Public Law 91-599 (84 Stat. 1658), approved December 30, 1970, is observed in practice by the Executive office. It reads as follows:

"§ 31. Annual report

"The National Advisory Council on International Monetary and Financial Policies shall include in its annual report to the Congress (1) a statement with respect to each loan approved and outstanding, made by the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, and the Asian Development Bank, including an evaluation of new loans made by said organization and a progress report of the project covered by each loan, and a discussion of how each loan will benefit the people of the recipient country, and (2) a statement on steps taken jointly and individually by member countries of the Inter-American Development Bank to restrain their military expenditures, and to preserve and strengthen free and democratic institutions."

⁶See sec. 5 of the International Finance Corporation Act. See sec. 4 of the International Development Association Act and sec. 4 of the Inter-American Development Bank Act.

For revisions of functions and status of the Council, see Reorganization Plan No. 4 of 1965 (sec. 16, sec. 3(a) and sec. 3(b)). See also Executive Order 11269.

⁷The material following ". . . Federal Reserve System," read as follows in the original act: "and the Chairman of the Board of Trustees of the Export-Import Bank of Washington". Subsection 4(a) has been amended by the following:

(1) The Economic Cooperation Act of 1948 (62 Stat. 141), sec. 106 of which amended subsec. 4(a) so as to include the Administrator for Economic Cooperation "during such period as the Economic Cooperation Administration shall continue to exist";

(2) The Mutual Security Act of 1951 (65 Stat. 378), sec. 501(e)(2) of which amended subsec. 4(a), by substituting the Mutual Security Agency and the Director for Mutual Security for the Economic Cooperation Administration and the Administrator for Economic Cooperation respectively;

(3) Reorganization Plan No. 5 of 1953, effective June 30, 1953 (67 Stat. 637), sec. 7 of which abolished the function of the Chairman of the Board of Directors of the Export-Import Bank of Washington of being a member of the National Advisory Council;

(4) Reorganization Plan No. 7 of 1953, effective Aug. 1, 1953 (67 Stat. 6400), sec. 4 of which provided that the Director of the Foreign Operations Administration should be a member of the National Advisory Council;

(5) Public Law 83-570 (68 Stat. 677, 678), sec. 2 of which inserted the part of the text quoted above following ". . . the Federal Reserve System"

Executive Order 10610 (20 F.R. 3179; effective July 1, 1955), abolished the Foreign Operations Administration and the Office of Director of the Foreign Operations Administration, and the membership of the Director of the Foreign Operations Administration on the National Advisory Council thereby expired by operation of law effective on that date.

(3) The Council shall coordinate, by consultation or otherwise, so far as is practicable, the policies and operations of the representatives of the United States on the Fund and the Bank, the Export-Import Bank of Washington and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign, financial, exchange or monetary transactions.

(4) Whenever, under the Articles of Agreement of the Fund or the Articles of Agreement of the Bank, the approval, consent or agreement of the United States is required before an act may be done by the respective institutions, the decision as to whether such approval, consent, or agreement, shall be given or refused shall (to the extent such decision is not prohibited by section 5 of this Act) be made by the Council, under the general direction of the President. No governor, executive director, or alternate representing the United States shall vote in favor of any waiver of condition under article V, section 4, or in favor of any declaration of the United States dollar as a scarce currency under article VII, section 3, of the Articles of Agreement of the Fund, without prior approval of the Council.

(5)⁸ The Council shall make such reports and recommendations to the President as he may from time to time request, or as the Council may consider necessary to more effectively or efficiently accomplish the purposes of this Act or the purposes for which the Council is created.

(6)⁸ The general policy objectives of the guidance of the United States Executive Director of the Bank shall take into account the effect that development assistance loans have upon individual industry sectors and international commodity markets—

(A) to minimize projected adverse impacts; and

(B) to avoid, wherever possible, government subsidization of production and exports of international commodities without regard to economic conditions in the markets for such commodities.

(c) The representatives of the United States on the Fund and the Bank, and the Export-Import Bank of Washington (and all other agencies of the Government to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions) shall keep the Council fully informed of their activities and shall provide the Council with such further information or data in their possession as the Council may deem necessary to the appropriate discharge of its responsibilities under this Act.

⁸Sec. 541 of the International Development and Finance Act of 1989 (Public Law 101-240; 103 Stat. 2518) consolidated several reporting requirements into new secs. 1701-1703 and titles XVIII and XIX of the International Financial Institutions Act and repealed duplicative requirements in other legislation. Sec. 541(d)(1) of the International Development and Finance Act of 1989 (Public Law 101-240; 103 Stat. 2518) repealed clauses (5) and (6), and redesignated clauses (7) and (8) as (5) and (6), respectively. Clauses (5) and (6) formerly read as follows:

"(5) The Council shall transmit to the President and to the Congress an annual report with respect to the participation of the United States in the Fund and Bank.

"(6) Each such report shall contain such data concerning the operations and policies of the Fund and Bank, such recommendations concerning the Fund and Bank, and such other data and material as the Council may deem appropriate."

CERTAIN ACTS NOT TO BE TAKEN WITHOUT AUTHORIZATION

SEC. 5.⁹ [22 U.S.C. 286c] Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States (a) request or consent to any change in the quota of the United States under article III, section 2(a), of the Articles of Agreement of the Fund; (b) propose a par value for the United States dollar under paragraph 2, paragraph 4, or paragraph 10 of schedule C of the Articles of Agreement of the Fund; (c) propose any change in the par value of the United States dollar under paragraph 6 of schedule C of the Articles of Agreement of the Fund, or approve any general change in par values under paragraph 11 of schedule C; (d) subscribe to additional shares of stock under article II, section 3, of the Articles of Agreement of the Bank; (e) accept any amendment under article XXVIII of the Articles of Agreement of the Fund on article VIII of the Articles of Agreement of the Bank; (f) make any loan to the Fund or the Bank; or (g)¹⁰ approve any disposition of Fund gold, unless the Secretary certifies to the Congress that such disposition is necessary for the Fund to reconstitute gold to its members, or for the Fund to provide liquidity that will enable the Fund to meet member country claims on the Fund or to meet threats to the systematic stability of the international financial system. Unless Congress by law authorizes such action, no governor or alternate appointed to represent the United States shall vote for an increase of capital stock of the Bank under article II, section 2, of the Articles of Agreement of the Bank, if such increase involves an increased subscription on the part of the United States.¹¹ Neither the President nor any person or agency shall, on behalf of the United States, consent to any borrowing (other than borrowing from a foreign government or other official public source) by the Fund of funds denominated in United States dollars, unless the Secretary of the Treasury transmits a notice of such proposed borrowing to both Houses of the Congress at least 60 days prior to the date on which such borrowing is scheduled to occur.¹²

⁹Upon entry into force on Apr. 1, 1978 of the amendments to the Articles of Agreement of the IMF, the first sentence of sec. 5, as provided for by Sec. 3 of Public Law 94-564, was amended and restated. It formerly read as follows:

"Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States (a) request or consent to any change in the quota of the United States under article III, section 2, of the Articles of Agreement of the Fund; (b) propose or agree to any change in the par value of the United States dollar under article IV, section 5, or article XX, section 4, of the Articles of Agreement of the Fund, or approve any general change in par values under article IV, section 7; (c) subscribe to additional shares of stock under article II, section 3, of the Articles of Agreement of the Bank; (d) accept any amendment under article XVII of the Articles of Agreement of the Fund or article VIII of the Articles of Agreement of the Bank; (e) make any loan to the Fund or the Bank."

¹⁰Clause (g), which had been added as part of the amendment described in footnote 9, was further amended by sec. 4(a)(1) of Public Law 95-147 (91 Stat. 1228). Although it never became effective, the original clause (g) read as follows:

"(g) approve any disposition of Fund gold, unless the Secretary certifies to the Congress that such disposition is necessary for the Fund to reconstitute gold to its members, or for the Fund to provide liquidity that will enable the Fund to meet member country claims on the Fund or to meet threats to the systematic stability of the international financial system."

¹¹Amended by Public Law 106-113, 113 Stat. 1501A-316. The words "if such increase involves an increased subscription on the part of the United States" were added by sec. 1(2) of Public Law 89-126 (79 Stat. 519).

¹²Sec. 811 of Public Law 98-181 (97 Stat. 1274) added this sentence.

DEPOSITORIES

SEC. 6. [22 U.S.C. 286d] Any Federal Reserve Bank which is requested to do so by the Fund or the Bank shall act as its depository or its fiscal agent, and the Board of Governors of the Federal Reserve System shall supervise and direct the carrying out of these functions by the Federal Reserve banks.

PAYMENT OF SUBSCRIPTIONS

SEC. 7. [22 U.S.C. 286e] (a) Subsection (c) of section 10 of the Gold Reserve Act of 1934, as amended (U.S.C. title 31, sec. 822a),¹³ is amended to read as follows:

“(c) The Secretary of the Treasury is directed to use \$1,800,000,000 of the fund established in this section to pay part of the subscription of the United States to the International Monetary Fund; and any repayment thereof shall be covered into the Treasury as a miscellaneous receipt.”

(b)¹⁴ The Secretary of the Treasury is authorized to pay the balance of the subscription of the United States to the Fund not provided for in subsection (a) and to pay the subscription of the United States to the Bank from time to time when payments are required to be made to the Bank. For the purpose of making these payments, the Secretary of the Treasury is authorized to use as a public-debt transaction \$8,675,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include such purpose. Payment under this subsection of the subscription of the United States to the Fund or the Bank and repayments thereof shall be treated as public-debt transactions of the United States.

(c) For the purpose of keeping to a minimum the cost to the United States of participation in the Fund and the Bank, the Secretary of the Treasury, after paying the subscription of the United States to the Fund, and any part of the subscription of the United States to the Bank required to be made under article II, section 7(i), of the Articles of Agreement of the Bank, is authorized and directed to issue special notes of the United States from time to time at par and to deliver such notes to the Fund and the Bank in exchange for dollars to the extent permitted by the respective Articles of Agreement. The special notes provided for in this subsection shall be issued under the authority and subject to the provisions of the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include the purposes for which special notes are authorized and directed to be issued under the subsection, but such notes shall bear no interest, shall be non-negotiable, and shall be payable on demand of the Fund or the Bank, as the case may be. The face amount of special notes issued to the Fund under the authority of this subsection and outstanding at any one time shall not exceed

¹³Public Law 97-258 recodified title 31, U.S.C., and sec. 822a became sec. 5302. Public Law 97-258, in redesignating sec. 822a as sec. 5302, also amended the text, and the amendment made to subsec. (c) by this sec. was omitted.

¹⁴Sec. 2. of Public Law 86-48 (73 Stat. 80), struck out the words “of \$950,000,000” and substituted “\$8,675,000,000” for “\$4,125,000,000”.

in the aggregate the amount of the subscription of the United States actually paid to the Fund and the dollar equivalent of currencies and gold which the United States shall have purchased from the Fund in accordance with Articles of Agreement,¹⁵ and the face amount of such notes issued to the Bank and outstanding at any one time shall not exceed in the aggregate the amount of the subscription of the United States actually paid to the Bank under article II, section 7(i), of the Articles of Agreement of the Bank.

(d) Any payment made to the United States by the Fund or the Bank as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

OBTAINING AND FURNISHING INFORMATION

SEC. 8. [22 U.S.C. 286f] (a) Whenever a request is made by the Fund to the United States as a member to furnish data under article VIII, section 5, of the Articles of Agreement, of the Fund, the President may, through any agency he may designate, require any person to furnish such information as the President may determine to be essential to comply with such request. In making such determination the President shall seek to collect the information only in such detail as is necessary to comply with the request of the Fund. No information so acquired shall be furnished to the Fund in such detail that the affairs of any person are disclosed.

(b) In the event any person refuses to furnish such information when requested to do so, the President, through any designated governmental agency, may by subpoena require such person to appear and testify or to appear and produce records and other documents, or both. In case of contumacy by, or refusal to obey a subpoena served upon any such person, the district court for any district in which such person is found or resides or transacts business, upon application by the President or any governmental agency designated by him, shall have jurisdiction to issue an order requiring such person to appear and give testimony or appear and produce records and documents, or both; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(c) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Government, to disclose, otherwise than in the course of official duty, any information obtained under this section, or to use such information for his personal benefit. Whoever violates any of the provisions of this subsection shall, upon conviction, be fined not more than, \$5,000, or imprisoned for not more than five years, or both.

(d) The term "person" as used in this section means an individual, partnership, corporation or association.

FINANCIAL TRANSACTIONS WITH FOREIGN GOVERNMENTS IN DEFAULT

SEC. 9. The Act entitled "An Act to prohibit financial transactions with any foreign government in default of its obligations to the United States", approved April 13, 1934 (U.S.C. title 31, sec.

¹⁵The words beginning at "and" and ending at "Agreement" were added by sec. 2 of Public Law 87-490 (76 Stat. 105).

804a),¹⁶ is amended by adding at the end thereof a new section to read as follows:

“SEC. 3. While any foreign government is a member both of the International Monetary Fund and of the International Bank for Reconstruction and Development, this Act shall not apply to the sale or purchase of bonds, securities, or other obligations of such government or any political subdivision thereof or of any organization or association acting for or on behalf of such government or political subdivision, or to the making of any loan to such government, political subdivision, organization, or association.”.

JURISDICTION AND VENUE OF ACTIONS

SEC. 10. [22 U.S.C. 286g] For the purpose of any action which may be brought within the United States or its Territories or possessions by or against the Fund or the Bank in accordance with the Articles of Agreement of the Fund or the Articles of Agreement of the Bank, the Fund or the Bank, as the case may be, shall be deemed to be an inhabitant of the Federal judicial district in which its principal office in the United States is located, and any such action at law or in equity to which either the Fund or the Bank shall be a party shall be deemed to arise under the laws of the United States, and the district courts of the United States shall have original jurisdiction of any such action. When either the Fund or the Bank is a defendant in any such action, it may, at any time before the trial thereof, remove such action from a State court into the district court of the United States for the proper district by following the procedure for removal of causes otherwise provided by law.

STATUS, IMMUNITIES AND PRIVILEGES

SEC. 11. [22 U.S.C. 286h] The provisions of article IX, sections 2 to 9, both inclusive, and the first sentence of article VIII, section 2(b), of the Articles of Agreement of the Fund, and the provisions of article VI, section 5(i), and article VII, sections 2 to 9, both inclusive, of the Articles of Agreement of the Bank, shall have full force and effect in the United States and its Territories and possessions upon acceptance of membership by the United States in, and the establishment of, the Fund and the Bank, respectively.

STABILIZATION LOANS BY THE BANK

SEC. 12. [22 U.S.C. 286i] The governor and executive director of the Bank appointed by the United States are hereby directed to obtain promptly an official interpretation by the Bank as to its authority to make or guarantee loans for programs of economic reconstruction and the reconstruction of monetary systems, including loan-term stabilization loans. If the Bank does not interpret its powers to include the making or guaranteeing of such loans, the governor of the Bank representing the United States is hereby directed to propose promptly and support an amendment to the Articles of Agreement for the purpose of explicitly authorizing the

¹⁶Sec. 21 of the Act of June 25, 1948 (62 Stat. 862) repealed 31 U.S.C. 804a. Matters related to financial transactions with foreign governments in default to the United States are now covered by 18 U.S.C. 955.

Bank, after consultation with the Fund, to make or guarantee such loans. The President is hereby authorized and directed to accept an amendment to that effect on behalf of the United States.

STABILIZATION OPERATIONS BY THE FUND

SEC. 13. [22 U.S.C. 286j] (a) The governor and executive director of the Fund appointed by the United States are hereby directed to obtain promptly an official interpretation by the Fund as to whether its authority to use its resources extends beyond current monetary stabilization operations to afford temporary assistance to members in connection with seasonal, cyclical, and emergency fluctuations in the balance of payments of any member for current transactions, and whether it has authority to use its resources to provide facilities for relief, reconstruction, or armaments, or to meet a large or sustained outflow of capital on the part of any member.

(b) If the interpretation by the Fund answers in the affirmative any of the questions stated in subsection (a), the governor of the Fund representing the United States is hereby directed to propose promptly and support an amendment to the Articles of Agreement for the purpose of expressly negating such interpretation. The President is hereby authorized and directed to accept an amendment to that effect on behalf of the United States.

FURTHER PROMOTION OF INTERNATIONAL ECONOMIC RELATIONS

SEC. 14. [22 U.S.C. 286k] (a)¹⁷ In the realization that additional measures of international economic cooperation are necessary to facilitate the expansion and balanced growth of international trade and render most effective the operations of the Fund and the Bank, it is hereby declared to be the policy of the United States to seek to bring about further agreement and cooperation among nations and international bodies, as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade, eliminate unfair trade practices, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations. In considering the policies of the United States in foreign lending and the policies of the Fund and the Bank, particularly in conducting exchange transactions, the Council and the United States representatives on the Fund and the Bank shall give careful consideration to the progress which has been made in achieving such agreement and cooperation.

(b)¹⁷ The President shall, upon the request of any committee of the Congress with legislative or oversight jurisdiction over monetary policy or the International Monetary Fund, provide to such committee any appropriate information relevant to that committee's jurisdiction which is furnished to any department or agency of the United States by the International Monetary Fund. The President shall comply with this provision consistent with United States membership obligations in the International Monetary Fund

¹⁷Sec. 4(a)(2) of Public Law 95-147 (91 Stat. 1228) added subsection designation "(a)" and a new subsec. (b).

and subject to such limitations as are appropriate to the sensitive nature of the information.

SEC. 15.¹⁸ [22 U.S.C. 286k-1] (a) Any securities issued by International Bank for Reconstruction and Development (including any guaranty by the Bank, whether or not limited in scope), and any securities guaranteed by the Bank as to both principal and interest, shall be deemed to be exempted securities within the meaning of paragraph (A)(2) of section 3 of the Act of May 27, 1933, as amended (U.S.C., title 15, sec. 77c), and paragraph (a)(12) of section 3 of the Act of June 6, 1934, as amended (U.S.C., title 15, sec. 78c). The Bank shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Bank and its operations and necessary in the public interest for the protection of investors.

(b)¹⁹ * * * [Repealed—1989]

SEC. 16.²⁰ [22 U.S.C. 286e-1] (a) The United States Governor of the Fund is authorized to request and consent to an increase of \$1,375,000,000 in the quota of the United States under article III, section 2, of the articles of agreement of the Fund as proposed in the resolution of the Board of Governors of the Fund dated February 2, 1959.

(b) The United States Governor of the Bank is authorized (1) to vote for increases in the capital stock of the Bank under article II, section 2, of the Articles of Agreement of the Bank, as recommended in the resolution of the Board of Governors of the Bank dated February 2, 1959, and (2) if such increases become effective to subscribe on behalf of the United States to thirty-one thousand

¹⁸Sec. 15 was added by sec. 2 of Public Law 81-142 (63 Stat. 298-299). Sec. 1 of that Act provided as follows:

"That paragraph Seventh or section 8 of the National Bank Act, as amended (U.S.C., title 12, sec. 24), is amended by adding to the end thereof the following new sentence: 'The limitations and restrictions herein contained as to dealing in and underwriting investment securities shall not apply to obligations issued by the International Bank for Reconstruction and Development which are at the time eligible for purchase by a national bank for its own account: *Provided*, That no association shall hold obligations issued by said bank as a result of underwriting, dealing, or purchasing for its own account (and for this purpose obligations as to which it is under commitment shall be deemed to be held by it) in a total amount exceeding at any one time 10 per centum of its capital stock actually paid in and unimpaired and 10 per centum of its unimpaired surplus fund.'"

Sec. 3 of Public Law 81-142 also provided as follows:

"SUSPENSION OF RIGHT OF INTERNATIONAL BANK TO ISSUE SECURITIES UNDER SECTION 286K-1: REPORT OF SECURITIES AND EXCHANGE COMMISSION [22 U.S.C. 286k-2. Heading inserted by United States Code.]

"Sec. 3. The Securities and Exchange Commission acting in consultation with the National Advisory Council on International Monetary and Financial Problems is authorized to suspend the provisions of section 15(a) of the Bretton Woods Agreements Act at any time as to any or all securities issued or guaranteed by the Bank the period of such suspension. The Commission shall include in its annual reports to Congress such information as it shall deem advisable with regard to the operations and effect of this Act and in connection therewith shall include any views submitted for such purpose by an association of dealers registered with the Commission."

¹⁹Sec. 541 of the International Development and Finance Act of 1989 (Public Law 101-240; 103 Stat. 2518) consolidated several reporting requirements into new secs. 1701-1703 and titles XVIII and XIX of the International Financial Institutions Act and repealed duplicative requirements in other legislation. Sec. 541(d)(1) of the International Development and Finance Act of 1989 (Public Law 101-240; 103 Stat. 2518) repealed sec. 15(b), which read as follows:

"The reports of the National Advisory Council provided for in section 4(a)(6) of the Bretton Woods Agreements Act shall also cover and include the effectiveness of the provisions of section 15(a) of this Act and the exemption for securities issued by the Bank provided by Section 8 of the National Bank Act in facilitating the operations of the Bank and the extent to which the operations of the Bank may assist in financing European recovery and the reconstruction and development of the economic resources of member countries of the Bank and the recommendations of the Council as to any modifications it may deem desirable in the provisions of this Act."

²⁰Sec. 16 was added by Public Law 86-48, section 1, 73 Stat. 80.

seven hundred and fifty additional shares of stock under article II, section 3, of the Articles of Agreement of the Bank.

SEC. 17.²¹ [22 U.S.C. 286e–2] (a)(1) In order to carry out the purposes of the decisions of January 5, 1962, and February 24, 1983, as amended in accordance with their terms,²² of the Executive Directors of the International Monetary Fund, the Secretary of the Treasury is authorized to make loans, in an amount not to exceed the equivalent of 4,250,000,000 Special Drawing Rights, limited to such amounts as are provided in advance in appropriations Acts,²³ except that prior to activation, the Secretary of the Treasury shall certify that supplementary resources are needed to forestall or cope with an impairment of the international monetary system and that the Fund has fully explored other means of funding,²⁴ to the Fund under article VII, section 1(i),²⁵ of the Articles of Agreement of the Fund. Any loan under the authority granted in this subsection shall be made with due regard to the present and prospective balance of payments and reserve position of the United States.

(2) In order to carry out the purposes of a one-time decision of the Executive Directors of the International Monetary Fund (the Fund) to expand the resources of the New Arrangements to Borrow, established pursuant to the decision of January 27, 1997 referred to in paragraph (1) above, and to make other amendments to the New Arrangements to Borrow to achieve an expanded and more flexible New Arrangements to Borrow as contemplated by paragraph 17 of the G–20 Leaders’ Statement of April 2, 2009 in London, the Secretary of the Treasury is authorized to instruct the United States Executive Director to consent to such amendments notwithstanding subsection (d) of this section, and to make loans, in an amount not to exceed the dollar equivalent of 75,000,000,000 Special Drawing Rights, in addition to any amounts previously authorized under this section and limited to such amounts as are provided in advance in appropriations Acts, except that prior to activation, the Secretary of the Treasury shall report to Congress on whether supplementary resources are needed to forestall or cope with an impairment of the international monetary system and whether the Fund has fully explored other means of funding, to the Fund under article VII, section 1(i), of the Articles of Agreement of the Fund: *Provided*, That prior to instructing the United States Executive Director to provide consent to such amendments, the Secretary of the Treasury shall consult with the appropriate congressional committees on the amendments to be made to the New Arrangements to Borrow, includ-

²¹ Sec. 17 was added by Public Law 87–490 (76 Stat. 105).

²² Sec. 802(a)(1) of Public Law 98–181 (97 Stat. 1268) added the phrase “and February 24, 1983, as amended in accordance with their terms.”

²³ Sec. 1101(b) of Public Law 98–181 (97 Stat. 1287) appropriated for an increase in loans to the IMF under the General Arrangements to Borrow, the dollar equivalent of 4,250 million Special Drawing Rights, less \$2 billion previously appropriated by Public Law 87–872.

²⁴ Sec. 802(a)(1) of Public Law 98–181 (97 Stat. 1268) substituted the words to this point beginning with “in an amount not to exceed the equivalent of 4,250,000,000 . . .” in lieu of “not to exceed \$2,000,000,000 outstanding at any one time”.

²⁵ Upon entry into force of the amendments to the Articles of Agreement of the IMF on Apr. 1, 1978, this reference to sec. 1(i) was substituted in lieu of a reference to sec. 2(i), as had been provided for by sec. 4 of Public Law 94–564.

ing guidelines and criteria governing the use of its resources; the countries that have made commitments to contribute to the New Arrangements to Borrow and the amount of such commitments; and the steps taken by the United States to expand the number of countries so the United States share of the expanded New Arrangements to Borrow remains not greater than 20 percent, which approximates the United States share as of the date of the enactment of the Supplemental Appropriations Act, 2009 Public Law 111–32¹: *Provided further*, That any loan under the authority granted in this subsection shall be made with due regard to the present and prospective balance of payments and reserve position of the United States.

(3) The authority to make loans under this section shall expire on the date that is 5 years after the date of the enactment of this paragraph unless the Secretary of the Treasury, not later than 60 days before such expiration date or 60 days prior to the renewal of the decision governing the New Arrangements to Borrow (NAB), whichever occurs first, certifies to the appropriate congressional committees, that—

(A) no amendments made, or anticipated to be made, to the NAB to achieve an expanded and more flexible NAB, as described in paragraph 17 of the G20 Leaders' Statement at the 2009 London Summit, will impair the ability of the Secretary of the Treasury to consider a renewal of the NAB decision at intervals no greater than 5 years and to withdraw the adherence of the United States to the NAB decision as is currently provided under paragraph 19 of the New Arrangement to Borrow, adopted by the Executive Board of the International Monetary Fund (IMF) on January 27, 1997; and

(B)(i) the IMF will borrow resources from members under the NAB only when quota resources need to be supplemented in order to forestall or cope with an impairment of the international monetary system or to deal with an exceptional situation that poses a threat to the stability of that system;

(ii) the IMF has, prior to any activation of the NAB, fully explored other means of funding to supplement any potential shortfall in quota resources necessary to forestall or cope with an impairment of the international monetary system or to deal with an exceptional situation that poses a threat to the stability of that system; or

(iii) it is in the United States' strategic economic interest to maintain the relative size or lower of the United

¹ Section 7090(c) of division F of Public Law 111–117 provides as follows:

(c) LIMITATION ON PERCENTAGE OF NEW ARRANGEMENTS TO BORROW TO BE FUNDED BY THE UNITED STATES.—Section 17(a)(2) of the Bretton Woods Agreements Act (22 U.S.C. 286e–2(a)(2)) is amended by striking “is representative of its share as of the date of [the] enactment of this Act” and inserting “remains not greater than 20 percent, which approximates the United States share as of the date of the enactment of the Supplemental Appropriations Act, 2009 Public Law 111–32”.

Such amendment probably should have been made to strike “is representative of its share as of the date of enactment of this Act” and inserting new language; however, the amendment was executed to subsection (a)(2) to reflect the probable intent of Congress.

States contribution to the NAB as in effect on the date of the certification.

(4) Not later than 15 days before submitting the certification under paragraph (3), the Secretary of the Treasury shall consult with the appropriate congressional committees regarding such certification.

(b)(1) For the purpose of making loans to the International Monetary Fund pursuant to subsection (a)(1) of this section, there is hereby authorized to be appropriated 4,250,000,000 Special Drawing Rights, except that prior to activation, the Secretary of the Treasury shall certify whether supplementary resources are needed to forestall or cope with an impairment of the international monetary system and that the Fund has fully explored other means of funding,²⁶ to remain available until expended to meet calls by the International Monetary Fund. Any payments made to the United States by the International Monetary Fund as a repayment on account of the principal of a loan made under this section shall continue to be available for loans to the International Monetary Fund.

(2) For the purpose of making loans to the International Monetary Fund pursuant to subsection (a)(2) of this section, there is hereby authorized to be appropriated not to exceed the dollar equivalent of 75,000,000,000 Special Drawing Rights, in addition to any amounts previously authorized under this section, except that prior to activation, the Secretary of the Treasury shall report to Congress on whether supplementary resources are needed to forestall or cope with an impairment of the international monetary system and whether the Fund has fully explored other means of funding, to remain available until expended to meet calls by the Fund. Any payments made to the United States by the Fund as a repayment on account of the principal of a loan made under this section shall continue to be available for loans to the Fund.

(c) Payments of interest and charges to the United States on account of any loan to the International Monetary Fund shall be covered into the Treasury as miscellaneous receipts. In addition to the amount authorized in subsection (b), there is hereby authorized to be appropriated such amounts as may be necessary for the payment of charges in connection with any purchases of currencies or gold by the United States from the International Monetary Fund.

(d)²⁷ Unless the Congress by law so authorizes, neither the President, the Secretary of the Treasury, nor any other person acting on behalf of the United States, may instruct the United States Executive Director to the Fund to consent to any amendment to the Decision of February 24, 1983, of the Executive Directors of the Fund, if the adoption of such amendment would significantly alter the amount, terms, or conditions of participation by the United States in the General Arrangements to Borrow.

SEC. 18.²⁸ [22 U.S.C. 286e-3] Any purchases of currencies or gold by the United States from the International Monetary Fund

²⁶ Sec. 802(a)(2) of Public Law 98-181 (97 Stat. 1268) substituted the words to this point beginning with "4,250,000,000 Special Drawing Rights, . . ." in lieu of "\$2,000,000,000".

²⁷ Sec. 802(a)(3) of Public Law 98-181 (97 Stat. 1268) added subsec. (d).

²⁸ Sec. 18 was added by Public Law 87-490 (76 Stat. 105).

may be transferred to and administered by the Fund established by section 10 of the Gold Reserve Act of 1934, as amended (31 U.S.C. 822a),²⁹ for use in accordance with the provisions of that section. The Secretary of the Treasury is authorized to utilize the resources of that fund for the purpose of any repayments in connection with such transactions.

SEC. 19.³⁰ [22 U.S.C. 286e-1a] The United States Governor of the Bank is authorized to vote for an increase of \$1,000,000,000 in the authorized capital stock of the Bank under Article II, section 2, of the articles of agreement of the Bank, as recommended in the report, dated November 6, 1962, to the Board of Governors of the Bank by the Bank's Executive Directors.

SEC. 20.³¹ [22 U.S.C. 286e-1b] (a) The United States Governor of the Fund is authorized to consent to an increase of \$1,035,000,000 in the quota of the United States in the Fund.

(b) In order to pay the increase in the United States subscription to the Fund provided for in this section, there is hereby authorized to be appropriated \$1,035,000,000, to remain available until expended.

SEC. 21.³² [22 U.S.C. 286e-4] The United States Governor of the Bank is authorized to agree to an amendment to the articles of agreement of the Bank to permit the Bank to make, participate in, or guarantee loans to the International Finance Corporation for use in the lending operations of the latter.

SEC. 22.³³ [22 U.S.C. 286e-1c] (a) The United States Governor of the Fund is authorized to consent to an increase of \$1,540,000,000 in the quota of the United States in the Fund.

(b) In order to pay the increase in the United States quota in the Fund provided for in this section, there is hereby authorized to be appropriated \$1,540,000,000, to remain available until expended.

SEC. 23.³⁴ [22 U.S.C. 286e-1d] (a) The United States Governor of the Bank is authorized (1) to vote for an increase of \$3,000,000,000 in the authorized capital stock of the Bank, and (2) if such increase becomes effective, to subscribe on behalf of the United States to two thousand four hundred and sixty-one additional shares of the capital stock of the Bank.

(b) In order to pay for the increase in the United States subscription to the Bank provided for in this section, there is hereby authorized to be appropriated \$246,100,000 to remain available until expended.

SEC. 24.³⁵ [22 U.S.C. 286e-5] The United States Governor of the Fund is authorized to accept the amendments to the Articles of Agreement of the Fund approved in resolution numbered 31-4 of the Board of Governors of the Fund.

SEC. 25.³⁶ [22 U.S.C. 286e-1e] The United States Governor of the Fund is authorized to consent to an increase in the quota of

²⁹ Public Law 97-258 recodified title 31, U.S.C., and sec. 822a became sec. 5302.

³⁰ Sec. 19 was added by Public Law 88-178 (77 Stat. 334).

³¹ Sec. 20 was added by Public Law 89-31 (79 Stat. 119).

³² Sec. 21 was added by Public Law 89-126 (79 Stat. 519).

³³ Sec. 22 was added by Public Law 91-599 (84 Stat. 1657).

³⁴ Sec. 23 was added by Public Law 91-599 (84 Stat. 1657).

³⁵ Sec. 24 was added by sec. 1 of Public Law 94-564 (90 Stat. 2660).

³⁶ Sec. 25 was added by sec. 1 of Public Law 94-564 (90 Stat. 2660).

the United States in the Fund equivalent to 1,705 million Special Drawing Rights.

SEC. 26.³⁷ [22 U.S.C. 286e–6] The United States Governor of the Fund is directed to vote against the establishment of a Council authorized under Article XII, Section 1 of the Fund Articles of Agreement as amended, if under any circumstances the United States' vote in the Council would be less than its weighted vote in the Fund.

SEC. 27.³⁸ [22 U.S.C. 286e–1f] (a) The United States Governor of the Bank is authorized—

(1) to vote for an increase of seventy thousand shares in the authorized capital stock of the Bank; and

(2) if such increase becomes effective, to subscribe on behalf of the United States to thirteen thousand and five additional shares of the capital stock of the Bank: *Provided, however,* That any subscription to additional shares shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts.³⁹

(b) In order to pay for the increase in the United States subscription to the Bank provided for in this section, there are hereby authorized to be appropriated, without fiscal year limitations, \$1,568,856,318 for payment by the Secretary of the Treasury.⁴⁰

SEC. 28.⁴¹ [22 U.S.C. 286e–7] (a) For the purpose of participation of the United States in the Supplementary Financing Facility (hereinafter referred to as the “facility”) established by the decision numbered 5508–(77/127) of the Executive Directors of the Fund, the Secretary of the Treasury is authorized to make resources available as provided in the decision numbered 5509–(77/127) of the Fund, in an amount not to exceed the equivalent of 1,450 million Special Drawing Rights.

(b) The Secretary of the Treasury shall account, through the Fund established by section 10 of the Gold Reserve Act of 1934 (31 U.S.C. 822a), for any adjustment in the value of monetary assets held by the United States in respect to United States participation in the facility.

(c) Notwithstanding any other provision of this section, the authority of the Secretary to enter into agreements making resources available under this section shall be limited to such amounts as are appropriated in advance in appropriation Acts. Effective October 1, 1978, there are hereby authorized to be appropriated to the Secretary of the Treasury, without fiscal year limitation, such sums as are necessary to carry out subsection (a) of this section, but not to

³⁷Sec. 26 was added by sec. 1 of Public Law 94–564 (90 Stat. 2660).

³⁸Sec. 27 was added by sec. 201 of Public Law 95–118 (91 Stat. 1067).

³⁹The proviso clause in par. (2) was amended and restated by sec. 1312 of Public Law 97–35 (95 Stat. 740). It formerly read as follows: “That any subscription to additional shares shall be made only after the amount required for such description has been appropriated.”

⁴⁰U.S. payments for this increase were made in the following amounts and Public Laws: fiscal year 1978—\$380 million (\$38 million paid-in capital; \$342 million callable capital) (Public Law 95–148); fiscal year 1979—\$163.1 million (\$16.3 million paid-in capital; \$146.8 million callable capital) (Public Law 95–481); fiscal year 1980—\$163.1 million (\$16.3 million paid-in capital; \$146.8 million callable capital) (Public Law 96–123); fiscal year 1981—\$328 million (\$32.8 million paid-in capital; \$295.2 million callable capital) (Public Law 96–536); fiscal year 1982 \$371.7 million (\$37.2 million paid-in capital; \$334.5 million callable capital) (Public Law 97–121); fiscal year 1983—\$163.2 million (\$16.3 million paid-in capital; \$146.9 million callable capital) (Public Law 97–377).

⁴¹Sec. 28 was added by sec. 1 of Public Law 95–435 (92 Stat. 1051).

exceed an amount of dollars equivalent to 1,450 million Special Drawing Rights.⁴²

SEC. 29.⁴³ [22 U.S.C. 286e–8] The Secretary of the Treasury shall instruct the United States executive director to seek to assure that no decision by the International Monetary Fund⁴⁴ undermines or departs from United States policy regarding the comparability of treatment of public and private creditors in cases of debt rescheduling where official United States credits are involved.

SEC. 30.⁴⁵ [22 U.S.C. 286e–9] The Secretary of the Treasury shall instruct the United States executive director on the Executive Board of the International Monetary Fund to initiate a wide consultation with the managing director of the Fund and other member country executive directors with regard to encouraging the staff of the Fund to formulate stabilization programs⁴⁶ which, to the maximum feasible extent, foster a broader base of productive investment and employment, especially in those productive activities which are designed to meet basic human needs.

(b)⁴⁷ * * * [Repealed—1989]

SEC. 31.⁴⁸ * * * [Repealed—1981]

SEC. 32.⁴⁹ [22 U.S.C. 286e–1g] The United States Governor of the Fund is authorized to consent to an increase in the quota of the United States in the Fund equivalent to 4,202.5 million Special Drawing Rights, limited to such amounts as are appropriated in advance in appropriation Acts.⁵⁰

⁴²Title V of Public Law 95–481 (92 Stat 1600) stated:

“For the purpose of participation by the United States, in an amount equivalent to 1,450,000,000 Special Drawing Rights, in the Supplementary Financing Facility established by decision numbered 5508–(77/127) of the Executive Directors of the Fund, as provided in the decision numbered 5509–(77/127) of the Fund, and for the expenditures resulting therefrom, not to exceed \$1,831,640,000, to remain available until the termination of the facility: . . .”.

⁴³Sec. 29 was added by sec. 3 of Public Law 95–435 (92 Stat. 1052).

⁴⁴The words “on the use of the facility” which previously appeared at this point, were struck out by sec. 5 of Public Law 96–389 (94 Stat. 1554).

⁴⁵Sec. 30 was added by sec. 4 of Public Law 95–435 (92 Stat. 1052). Subsec. designation “(a)” was struck out by sec. 541(f)(2) of International Development and Finance Act of 1989 (Public Law 101–240; 103 Stat. 2518). See note 47.

⁴⁶The words “entered into pursuant to loans from the Supplementary Financing Facility” which previously appeared at this point, were struck out by sec. 2(b) of Public Law 96–389 (94 Stat. 1553).

⁴⁷Sec. 541 of the International Development and Finance Act of 1989 (Public Law 101–240; 103 Stat. 2518) consolidated several reporting requirements into new secs. 1701–1703 and titles XVIII and XIX of the International Financial Institutions Act and repealed duplicative requirements in other legislation. Sec. 541(d)(1) of the International Development and Finance Act of 1989 (Public Law 101–240; 103 Stat. 2518) repealed subsec. (b). It formerly read as follows:

“(b) In order to gain a better understanding of the social, political and economic impact of the Fund’s stabilization programs on borrowing countries, especially as it relates to the poor majority within those countries, the United States Governor of the Fund shall prepare and submit, not later than 180 days after the close of each calendar year, a report to the Congress. Such report shall evaluate, to the maximum extent feasible, with respect to countries to which loans are made during each year, the effects of policies of those countries which result from the standby agreements on basic human needs in such countries.”.

⁴⁸Sec. 31, which was added by sec. 4 of Public Law 95–435 (92 Stat. 1052) and required the Secretary of the Treasury to submit an annual report to Congress on the status of human rights in countries drawing on funds made available under the Supplementary Financing Facility of the IMF, was repealed by sec. 137(a)(1) of Public Law 97–35 (95 Stat. 746). See sec. 701 of the International Financial Institutions Act. See also sec. 116 of the Foreign Assistance Act of 1961 (*Legislation on Foreign Relations Through 1996*, vol. I–A) for a reporting requirement on country human rights practices.

⁴⁹Sec. 32 was added by sec. 1 of Public Law 96–389 (94 Stat. 1551). Such Act also amended sec. 32 by substituting the final phrase in lieu of original text of “to such extent or in such amounts are provided in appropriation Acts.”.

⁵⁰Public Law 96–544 (94 Stat. 3213) provided: “For an increase in the United States quota in the International Monetary Fund, the dollar equivalent of 4,202.5 million Special Drawing Rights (approximately \$5,537,839,000), to remain available until expended, and balances equiva-

SEC. 33.⁵¹ [22 U.S.C. 286s] (a) The President shall instruct the Secretary of the Treasury, the Secretary of State, and other appropriate Federal officials to use all appropriate means to encourage countries, in formulating economic adjustment programs to deal with their balance of payments difficulties, to design those programs so as to safeguard, to the maximum feasible extent, jobs, investment, real per capita income, policies to reduce the gap in wealth between rich and poor, and social programs such as health, housing, and education.

(b) To ensure the effectiveness of economic adjustment programs supported by Fund resources and the reinforcement of those programs by longer term efforts to promote sustained growth and improved living conditions—

(1) United States representatives to the Fund shall recommend and shall work for changes in Fund guidelines, policies, and decisions that would—

(A) permit stand-by arrangements to be extended beyond three years, as necessary to enable Fund members to implement their economic adjustment programs successfully;

(B) provide that in approving any economic adjustment program the Fund shall take into account the effect such program will have on jobs, investment, real per capita income, the gap in wealth between the rich and poor, and social programs such as health, housing, and education, in order to seek to minimize the adverse impact of those adjustment programs on basic human needs; and

(C) provide that letters of intent submitted to the Fund in support of an economic adjustment program reflect that the member country has taken into account the effect such program will have on the factors listed in subparagraph (B);

(2)(A) before voting on the approval of any standby arrangement with respect to any economic adjustment program, the United States Executive Director shall review—

(i) any analysis of factors prepared by the Fund or the member country in accordance with subparagraphs (B) and (C) of paragraph (1), or

(ii) if no such analysis is prepared and available for such review, an analysis which shall be prepared by the United States Governor of the Fund which examines the effect of the program on the factors listed in subparagraph (B) of paragraph (1); and

(B) the United States Executive Director of the Fund shall take into account the analysis reviewed pursuant to subparagraph (A) of this paragraph in voting on approval of that standby arrangement;

(3) United States representatives to the Fund, to the Bank and to other appropriate institutions shall work toward improving coordination among these institutions and, in particular, shall work toward formulation of programs in association with economic adjustment programs supported by Fund

lent to the current SDR value of the United States quota in the Fund shall be merged with this appropriation.”

⁵¹Sec. 33 was added by Sec. 2(a) of Public Law 96-389 (94 Stat. 1551).

resources which (A) will, among other things, promote employment, investment, real income per capita, improvements in income distribution, and the objectives of social programs such as health, housing, and education, and (B) will, to the maximum extent feasible and consistent with the borrowing country's need to improve its balance of payments position within a reasonable period, ameliorate any adverse effects of economic adjustment programs on the poor;

(4) United States representatives to the Fund and the Bank shall seek amendments to decisions on policies on the use of Fund and Bank resources to provide that, where countries are seeking Extended Fund Facility or upper credit tranche drawings from the Fund and are eligible to receive financing from the Bank, the Fund and Bank will coordinate their financing activities in order—

(A) to take into account the effects of economic adjustment programs on the areas listed in clause (A) of paragraph (3),

(B) to provide, to the extent feasible, Bank project loans designed to safeguard and further basic human needs in countries adopting economic adjustment programs supported by Fund resources, and

(C) to provide, as appropriate, Bank financing for programs of structural adjustment that will facilitate development of a productive economic base and greater attainment of basic human needs objectives over the longer term; and

(5) United States representatives to the Fund and the Bank shall request the Fund and the Bank to provide periodic analyses of the effects of economic adjustment programs supported by Fund or Bank financing on jobs, investment, real income per capita, income distribution, and social programs such as health, housing, and education.

(c)⁵² * * * [Repealed—1989]

SEC. 34.⁵³ [22 U.S.C. 286t] The Secretary of the Treasury, in consultation with the United States Executive Director of the Fund, shall study and, following consultations with member countries, shall report to the Congress prior to May 15, 1981, with respect to—

(1) the current adequacy of Fund resources, together with projected needs of the Fund over the next five years;

(2) the feasibility of increasing Fund liquidity by encouraging the Fund to borrow directly from the governments of oil exporting countries;

(3) the feasibility of increasing Fund liquidity by encouraging the Fund to borrow in private capital markets through the issuance of securities backed by Fund resources;

⁵²Sec. 541 of the International Development and Finance Act of 1989 (Public Law 101-240; 103 Stat. 2518) consolidated several reporting requirements into new secs. 1701-1703 and titles XVIII and XIX of the International Financial Institutions Act and repealed duplicative requirements in other legislation. Sec. 541(d)(1) repealed subsec. (c). It formerly read as follows:

"(c) The National Advisory Council on International Monetary and Financial Policies shall include in each of its annual reports to the Congress a statement detailing the actions and progress made in carrying out the requirements of subsections (a) and (b) of this section."

⁵³Sec. 34 was added by sec. 4(b) of Public Law 96-389 (94 Stat. 1553).

(4) the feasibility of an offer by the Fund of incentives to oil exporting countries, including financial guarantees by the Fund for government-to-government loans to countries with balance-of-payments deficits, in order to promote more direct recycling of oil surpluses; and

(5) methods to enhance cooperation between commercial banks and the Fund to promote the availability of adequate resources for balance-of-payments financing.

SEC. 35.⁵⁴ [22 U.S.C. 286u] It is the sense of the Congress that the Secretary of the Treasury and the United States Executive Director of the Fund shall encourage member countries of the Fund to negotiate a dollar-Special Drawing Rights substitution account in which equitable burden sharing would exist among participants in the account.

SEC. 36.⁵⁵ [22 U.S.C. 286v] It is the sense of the Congress that it is the policy of the United States that Taiwan (before January 1, 1979, known as the Republic of China) shall be granted appropriate membership in the Fund and that the United States Executive Director of the Fund shall so notify the Fund.

SEC. 37.⁵⁶ [22 U.S.C. 286w] It is the policy of the United States that the Palestine Liberation Organization should not be given membership in the Fund or be given observer status or any other official status at any meeting sponsored by or associated with the Fund. The United States Executive Director of the Fund shall promptly notify the Fund of such policy.

In the event that the fund provides either membership, observer status, or any other official status to the Palestine Liberation Organization, such action would result in a serious diminution of United States support. Upon review of such action, the President would be required to report his recommendations to the Congress with regard to any further United States participation in the Fund.⁵⁷

⁵⁴Sec. 35 was added by sec. 4(b) of Public Law 96-389 (94 Stat. 1554). A report required by sec. 35 from the Secretary of the Treasury by May 15, 1981, concerning progress made in achieving the goal stated in the section, was deleted by sec. 1371(a)(2) of Public Law 97-35 (95 Stat. 746).

⁵⁵Sec. 36 was added by sec. 6 of Public Law 96-389 (94 Stat. 1554).

⁵⁶Sec. 37 was added by sec. 7 of Public Law 96-389 (94 Stat. 1554).

⁵⁷Sec. 3 of the Middle East Peace Facilitation Act of 1993, as amended (Public Law 103-125; 107 Stat. 1309), authorized the President to suspend certain provisions of law, including sec. 37 of this Act, as they applied to the P.L.O. or entities associated with it if certain conditions were met and the President so certified and consulted with relevant congressional committees. This authority was continued in the Middle East Peace Facilitation Act of 1994 (part E of Public Law 103-236) and the Middle East Peace Facilitation Act of 1995, (title VI of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996; Public Law 104-107).

The President issued such a certification in Presidential Determination No. 94-13 of January 14, 1994 (59 F.R. 4777), which was extended until January 1, 1995, by Presidential Determination No. 94-30 of June 30, 1994 (59 F.R. 35607); until July 1, 1995, by Presidential Determination No. 95-12 of December 31, 1994 (60 F.R. 2673); until August 15, 1995, by Presidential Determination No. 95-31 of July 2, 1995 (60 F.R. 35827); until October 1, 1995, by Presidential Determination No. 95-36 of August 14, 1995 (60 F.R. 44725); until November 1, 1995, by Presidential Determination No. 95-50 of September 30, 1995 (60 F.R. 53093); until December 31, 1995, by Presidential Determination No. 96-5 of November 13, 1995 (60 F.R. 57821); until March 31, 1996, by Presidential Determination No. 96-8 of January 4, 1996 (61 F.R. 2889); until June 15, 1996, by Presidential Determination No. 96-20 of April 1, 1996 (61 F.R. 26019); until August 12, 1996, by Presidential Determination No. 96-32 of June 14, 1996 (61 F.R. 32629); until February 12, 1997, by Presidential Determination No. 96-41 of August 12, 1996 (61 F.R. 43137); and until August 12, 1997, by Presidential Determination No. 97-17 of February 21, 1997 (62 F.R. 9903).

New authority to waive certain provisions was continued in general provisions of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (Public Law 105-118; 111 Stat. 2386); see secs. 539(c) and (d), 552, 555, and 566.

Continued

SEC. 38.⁵⁸ [22 U.S.C. 286x] It is the sense of the Congress that in providing assistance through loans or other means to any nation, in particular El Salvador and Nicaragua, the Fund and the Bank should encourage programs which assist the private sector to create an environment which will stabilize the economy of the nation; and that the United States representatives to the Fund and the Bank shall promote the use of assistance by the Fund and the Bank to encourage such programs.

SEC. 39.⁵⁹ [22 U.S.C. 286e-1h] (a) The United States Governor of the Bank is authorized—

(1) to vote to increase by three hundred and sixty-five thousand shares the authorized capital stock of the Bank; and

(2) to subscribe on behalf of the United States to not more than seventy-three thousand and ten shares of the capital stock of the Bank: *Provided, however,* That not more than seven and one-half percent (\$658,305,195) of the price of the shares subscribed may be paid in to the Bank on subscription, with the remainder of that price (\$8,149,256,155) being subject to call only when a call on unpaid subscriptions is required to meet obligations of the Bank for funds borrowed or on loans guaranteed by it and not for use by the Bank in its lending activities or for administrative expenses: *Provided further,* That any subscription to such additional shares shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

(b) In order to pay for the paid-in portion of the United States subscription to the Bank provided for in this section, there is authorized to be appropriated, without fiscal year limitation, \$658,305,195 for payment by the Secretary of the Treasury: *Provided, however,* That not more than \$109,720,549 of such sum may be made available for each of the fiscal years 1982, 1983, and 1984.⁶⁰

PROMOTING CONDITIONS FOR EXCHANGE RATE STABILITY

SEC. 40.⁶¹ [22 U.S.C. 286y] (a) In order to help assure that the resources provided under section 41 are used to support pro-growth policies which will help establish the economic conditions necessary for more appropriate financial and exchange rate alignment and

⁵⁸On December 5, 1997, the President waived the provisions of section 1003 of the Anti-Terrorism Act of 1987 (Public Law 100-204) through June 4, 1998 (Presidential Determination No. 98-8; 62 F.R. 66255).

⁵⁹Sec. 38 was added by sec. 8 of Public Law 96-389 (94 Stat. 1554).

⁵⁹Sec. 39 was added by sec. 1311 of Public Law 97-35 (95 Stat. 740).

⁶⁰U.S. payments for this increase were made in the following amounts and Public Laws: fiscal year 1982—\$1,462.9 million (\$109.7 million paid-in capital; \$1,353.2 million callable capital) (Public Law 97-121); fiscal year 1983—\$1,463.1 million (\$109.7 million paid-in capital; \$1,353.4 million callable capital) (Public Law 97-377); fiscal year 1984—\$1,062.9 million (\$79.7 million paid-in capital; \$983.2 million callable capital) (Public Law 98-151); fiscal year 1985—\$1,462.9 million (\$109.7 million paid in capital; \$1,353.2 million callable capital) (Public Law 98-473); fiscal year 1985 supplemental—\$400 million (\$30 million paid-in capital; \$370 million callable capital) (Public Law 99-88); fiscal year 1986—\$1,462.9 million (\$109.7 million paid-in capital; \$1,353.2 million callable capital) (Public Law 99-190), reduced by \$4.7 million as a result of sequestration (Public Law 99-177); fiscal year 1987—\$744.1 million (\$55.8 million paid-in capital; \$688.3 million callable capital) (Public Law 99-591); fiscal year 1988—\$477.5 million (\$40.2 million paid-in capital; \$437.3 million callable capital) (Public Law 100-202).

⁶¹Sec. 40 was added by sec. 801 of Public Law 98-181 (97 Stat. 1267).

stability, it is the sense of Congress that the Secretary of the Treasury shall—

(1) in consultation with the Secretary of State and the United States Trade Representative, initiate discussions with other countries regarding the economic dislocations which result from structural exchange rate imbalances; and

(2) instruct the United States Executive Director of the Fund to work for adoption of policies in the Funds, both within the framework of article IV (of the Articles of Agreement of the Fund) consultations and with respect to the conditions associated with Fund-supported balance of payments adjustments programs, which promote conditions contributing to the stability of exchange rates and avoid the manipulation of exchange rates between major currencies. Among other initiatives, the Secretary of the Treasury shall propose strengthening the article IV consultation procedures of the Fund to attempt to ensure that countries which are artificially maintaining undervalued or overvalued rates of exchange agree to adopt market determined exchange rates.

(b) In determining his vote on extensions of assistance to any Fund borrower, the United States Executive Director of the Fund shall take into account whether such borrower's policies are consistent with the requirements of article IV of the Articles of Agreement of the Fund.

QUOTA INCREASE

SEC. 41.⁶² [22 U.S.C. 286e-1i] (a) The United States Governor of the Fund is authorized to consent to an increase in the quota of the United States in the Fund equivalent to 5,310,800,000 Special Drawing Rights, limited to such amounts as are provided in advance in appropriations Acts.⁶³

(b)(1) The Secretary of the Treasury shall consult with the chairman and the ranking minority member of—

(A) the Committee on Banking, Finance and Urban Affairs⁶⁴ and the Committee on Appropriations of the House of Representatives, and any appropriate subcommittee of each such committee; and

(B) the Committee on Foreign Relations, the Committee on Appropriations, and the Committee on Banking, Housing, and Urban Affairs of the Senate, and any appropriate subcommittee of each such committee,

for purposes of discussing the position of the executive branch and the views of the Congress with respect to any international negotiations being held to consider any future quota increase for the International Monetary Fund which may involve an increased contribution, subscription, or loan by the United States.

(2) Such consultation shall be made—

⁶² Sec. 41 was added by sec. 802(a)(4) of Public Law 98-181 (97 Stat. 1268).

⁶³ Sec. 1101(a) of Public Law 98-181 (97 Stat. 1287) appropriated for an increase in the U.S. quota in the IMF, the dollar equivalent of 5,310,800,000 Special Drawing Rights.

⁶⁴ Sec. 1(a)(2) of Public Law 104-14 (109 Stat. 186) provided that references to the Committee on Banking, Finance and Urban Affairs of the House of Representatives shall be treated as referring to the Committee on Banking and Financial Services of the House of Representatives.

(A) not later than thirty days before the initiation of such international negotiations;

(B) during the period in which such negotiations are being held, in a frequent and timely manner; and

(C) before a session of such negotiations is held at which the United States representatives may agree to such quota increase.

COLLECTION AND EXCHANGE OF INFORMATION ON MONETARY AND FINANCIAL PROBLEMS

SEC. 42.⁶⁵ [22 U.S.C. 286z] (a) It is the sense of the Congress that—

(1) the lack of sufficient information currently available to allow members of the Fund to make sound and prudent decisions concerning their public and private sector international borrowing, and to allow lenders to make sound and prudent decisions concerning their international lending, threatens the stability of the international monetary system; and

(2) in recognition of the Fund's duties, as provided particularly by article VIII of the Articles of Agreement of the Fund, to act as a center for the collection and exchange of information on monetary and financial problems, the Fund should adopt necessary and appropriate measures to ensure that more complete and timely financial information will be available.

(b) To this end, the Secretary of the Treasury shall instruct the United States Executive Director of the Fund to initiate discussions with other directors of the Fund and with Fund management, and to propose and vote for, the adoption of procedures, within the Fund—

(1) to collect and disseminate information, on a quarterly basis, from and to Fund members, and to such other persons as the Fund deems appropriate, concerning—

(A) the extension of credit by banks or nonbanks to private and public entities, including all government entities, instrumentalities, and central banks of member countries; and

(B) the receipt of such credit by those private and public entities of member countries, where such banks or nonbanks are not principally established within the borders of the member country to which the credits are extended; and

(2) to disseminate publicly information which is developed in the course of the Fund's collection, and to review and comment on efforts which the Fund determines would serve to enhance the informational base upon which international borrowing and lending decisions are taken.

(c) For purposes of this section, the term "credit" includes—

(1) outstanding loans to private and public entities, including government entities, instrumentalities, and central banks of any member, and

(2) unused lines of credit which have been made available to those private and public entities of any member,

⁶⁵Sec. 42 was added by sec. 802(4) of Public Law 98-181 (97 Stat. 1269).

where such loans or lines of credit are repayable in freely convertible currency.

(d) The President is authorized to use the authority provided under section 8 of this Act to require any person (as defined in such section) subject to the jurisdiction of the United States to provide such information as the Fund determines to be necessary in order to carry out the provisions of this section.

INSTRUCTIONS TO THE UNITED STATES EXECUTIVE DIRECTOR

SEC. 43.⁶⁶ [22 U.S.C. 286aa] The Congress hereby finds that Communist dictatorships result in severe constraints on labor and capital mobility and other highly inefficient labor and capital supply rigidities which contribute to balance of payments deficits in direct contradiction of the goals of the International Monetary Fund. Therefore, the Secretary of the Treasury shall instruct the United States Executive Director of the Fund to actively oppose any facility involving use of Fund credit by any Communist dictatorship, unless the Secretary of the Treasury certifies and documents in writing upon request and so notifies and appears, if requested, before the Foreign Relations and Banking, Housing, and Urban Affairs Committees of the Senate and the Banking, Finance and Urban Affairs Committee of the House of Representatives, at least twenty-one days in advance of any vote on such drawing that such drawing—

(1) provides the basis for correcting the balance of payments difficulties and restoring a sustainable balance of payments position;

(2) would reduce the severe constraints on labor and capital mobility or other highly inefficient labor and capital supply rigidities and advances market-oriented forces in that country; and

(3) is in the best economic interest of the majority of the people in that country.

Should the Secretary not meet a request to appear before the aforementioned committees at least twenty-one days in advance of any vote on any facility involving use of Fund credit by any communist

⁶⁶Sec. 43 was added by sec. 804 of Public Law 98–181 (97 Stat. 1270). Sec. 4(b)(6) of the South African Democratic Transition Support Act of 1993 (Public Law 103–149; 107 Stat. 1505) struck out subsec. designation “(a)” preceding the first para. in this section, and repealed subsec. (b), which formerly read as follows:

“(b) The Congress hereby finds that the practice of apartheid results in severe constraints on labor and capital mobility and other highly inefficient labor and capital supply rigidities which contribute to balance of payments deficits in direct contradiction of the goals of the International Monetary Fund. Therefore, the President shall instruct the United States Executive Director of the Fund to actively oppose any facility involving use of Fund credit by any country which practices apartheid unless the Secretary of the Treasury certifies and documents in writing, upon request, and so notifies and appears, if requested, before the Foreign Relations and Banking, Housing and Urban Affairs Committees of the Senate and the Banking, Finance and Urban Affairs Committee of the House of Representatives, at least twenty-one days in advance of any vote on such drawing, that such drawing: (1) would reduce the severe constraints on labor and capital mobility, through such means as increasing access to education by workers and reducing artificial constraints on worker mobility and substantial reduction of racially-based restrictions on the geographical mobility of labor; (2) would reduce other highly inefficient labor and capital supply rigidities; (3) would benefit economically the majority of the people of any country which practices apartheid; (4) is suffering from a genuine balance of payments imbalance that cannot be met by recourse to private capital markets. Should the Secretary not meet a request to appear before the aforementioned Committees at least twenty-one days in advance of any vote on any facility involving use of Fund credit by any country practicing apartheid and certify and document in writing that these four conditions have been met, the United States Executive Director shall vote against such program.”

dictatorship and certify and document in writing that these three conditions have been met, the United States Executive Director shall vote against such program.

ELIMINATION OF AGRICULTURAL EXPORT SUBSIDIES

SEC. 44.⁶⁷ [22 U.S.C. 286bb] The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to propose and work for the adoption of a policy encouraging Fund members to eliminate all predatory agricultural export subsidies which might result in the reduction of other member countries' exports.

SUSTAINING ECONOMIC GROWTH

SEC. 45.⁶⁸ [22 U.S.C. 286cc] (a)(1) The President shall instruct the Secretary of the Treasury, the Secretary of State, and other appropriate Federal officials, and shall request the chairman of the board of Governors of the Federal Reserve System, to use all appropriate means to encourage countries to formulate economic adjustment programs to deal with their balance of payment difficulties and external debt owed to private banks.

(2) Such economic adjustment programs should be designed to safeguard, to the maximum extent feasible, international economic growth, world trade, employment, and long-term solvency of banks, and to minimize the likelihood of civil disturbances in countries needing economic adjustment programs.

(b) To ensure the effectiveness of economic adjustment programs supported by Fund resources—

(1) the United States Executive Director of the Fund shall recommend and shall work for changes in Fund guidelines, policies, and decisions which would—

(A) convert short-term bank debt which was made at high interest rates into long-term debt at lower rates of interest;

(B) assure that the annual external debt service, which shall include principal, interest, points, fees, and other charges required of the country involved, is a manageable and prudent percentage of the projected annual export earning of such country; and

(C) provide that in approving any economic adjustment program the Fund shall take into account the number of countries applying to the Fund for economic adjustment programs and the aggregate effects that such programs will have on international economic growth, world trade, exports and employment of other member countries, and the long-term solvency of banks; and

(2) except as provided in subsection (c) of this section, the United States Executive Director of the Fund shall oppose and vote against providing assistance from the Fund for any economic adjustment program for a country in which the annual external debt service exceeds 85 per centum of the annual export earnings of such country, unless the Secretary of the Treasury first determines and provides written documentation

⁶⁷Sec. 44 was added by sec. 805 of Public Law 98-181 (97 Stat. 1271).

⁶⁸Sec. 45 was added by sec. 806 of Public Law 98-181 (97 Stat. 1272).

to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives that—⁶⁴

(A) the economic adjustment program converts high interest rate, short-term bank debt into long-term debt at significantly narrower interest rate spreads than the average interest rate spreads prevailing on bank debt reschedulings negotiated between August 1982 and August 1983 for countries receiving assistance from the Fund for economic adjustment programs in order to minimize the burdens of adjustment on the debtor nation, provided that such interest rate spreads are consistent with that nation's need to obtain adequate external private financing;

(B) the annual external debt service required of the country involved is a manageable and prudent percentage of the projected annual export earnings of such country; and

(C) the economic adjustment program will not have an adverse impact on international economic growth, world trade, exports, and employment of other member countries, and the long-term solvency of banks.

(c) The provisions of subsection (b)(2) shall not apply in any case in which the Secretary of the Treasury first determines and provides written documentation to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives that—⁶⁴

(1) an emergency exists in a nation that has applied to the Fund for assistance that requires an immediate short-term loan to avoid disrupting orderly financial markets;

(2) a sudden decrease in export earnings in the country applying to the Fund for assistance has increased the ratio of annual external debt service to annual export earnings, to greater than 85 per centum for a period projected to be no more than one year; or

(3) other extraordinary circumstances exist which warrant waiving the provisions of subsection (b)(2).

OPPOSING FUND BAILOUTS OF BANKS

SEC. 46.⁶⁹ [22 U.S.C. 286dd] The Secretary of the Treasury shall instruct the United States Executive Director of the Fund—

(1) to oppose and vote against any Fund drawing by a member country where, in his judgment, the Fund resources would be drawn principally for the purpose of repaying loans which have been imprudently made by banking institutions to the member country; and

(2) to work to insure that the Fund encourages borrowing countries and banking institutions to negotiate, where appropriate, a rescheduling of debt which is consistent with safe and sound banking practices and the country's ability to pay.

⁶⁹Sec. 46 was added by sec. 807 of Public Law 98-181 (97 Stat. 1273).

INTERNATIONAL COOPERATION

SEC. 47.⁷⁰ [22 U.S.C. 286ee] The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to propose that the Fund adopt the following policies with respect to international lending:

(1) In its consultations with a member government on its economic policies pursuant to article IV of the Articles of Agreement of the Fund, the Fund should—

(A) intensify its examination of the trend and volume of external indebtedness of private and public borrowers in the member country and comment, as appropriate, in its report to the Executive Board from the viewpoint of the contribution of such borrowings to the economic stability of the borrower; and

(B) consider to what extent and in what form these comments might be made available to the international banking community and the public.

(2) As part of any Fund-approved stabilization program, the Fund should give consideration to placing limits on public sector external short- and long-term borrowing.

(3) As a part of its annual report, and at such times as it may consider desirable, the Fund should publish its evaluation of the trend and volume of international lending as it affects the economic situation of lenders, borrowers, and the smooth functioning of the international monetary system.

IMF INTEREST RATES

SEC. 48.⁷¹ [22 U.S.C. 286ff] The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to propose and work for the adoption of Fund policies regarding the rate of remuneration paid on use of member's quota subscriptions and the rate of charges on Fund drawings to bring those rates in line with market rates.

TRADE PROVISIONS

SEC. 49.⁷² [22 U.S.C. 286gg] (a)(1) The Secretary of the Treasury shall instruct the United States Executive Director of each of the multilateral development banks⁷³ (in this section referred to as the "banks") and of the Fund to initiate a wide consultation with the Managing Director of each of the banks⁷³ and of the Fund and the other directors of the banks⁷³ and of the Fund with regard to the development of financial assistance policies which, to the maximum feasible extent—

(A) reduce obstacles to and restrictions upon international trade and investment in goods and services;

(B) eliminate unfair trade and investment practices; and

(C) promote mutually advantageous economic relations.

⁷⁰ Sec. 47 was added by sec. 809 of Public Law 98–181 (97 Stat. 1274).

⁷¹ Sec. 48 was added by sec. 810 of Public Law 98–181 (97 Stat. 1274).

⁷² Sec. 49 was added by sec. 812 of Public Law 98–181 (97 Stat. 1275).

⁷³ References to the multilateral development banks were added by sec. 555 of the Foreign Assistance and Related Programs Appropriations Act, 1987 (as contained in section 101(f) of the Continuing Appropriations, 1987; Public Law 99–591; 100 Stat. 3341–240).

(2) The Secretary of the Treasury shall work closely in this effort with the Trade Policy Committee.

(3) As part of this effort, the Secretary of the Treasury shall also instruct the United States Executive Director of each of the banks⁷³ and of the Fund to encourage close cooperation between their staff and the Secretariat of the World Trade Organization (as the term “World Trade Organization” is defined in section 2(8) of the Uruguay Round Agreements Act)⁷⁴.

(b)(1) The Secretary of the Treasury shall instruct the United States Executive Director of each of the banks⁷³ and of the Fund, prior to the extension of any country of financial assistance by the banks⁷³ and by the Fund to work to have the banks⁷³ and the Fund obtain the agreement of such country to eliminate, in a manner consistent with its balance of payments adjustment program, unfair trade and investment practices with respect to goods and services which the United States Trade Representative, after consultation with the Trade Policy Committee, has determined to have a significant deleterious effect on the international trading system.

(2) Such practices include—

(A) the provision of predatory export subsidies, employed in connection with the exporting of agricultural commodities and products thereof to foreign countries;

(B) the provision of other export subsidies, such as government subsidized below-market interest rate financing for commodities or manufactured goods;

(C) unreasonable import restrictions;

(D) the imposition of trade-related performance requirements on foreign investment; and

(E) practices which are inconsistent with international agreements.

(c)(1) In determining the United States position on requests for periodic drawing under bank⁷³ and Fund programs, the Secretary of the Treasury shall take full account of the progress countries have made in achieving targets for eliminating or phasing out the practices referred to in subsection (b) of this section.

(2) In the event that the United States supports a request for drawing by a country that has not achieved the bank⁷³ and Fund targets relating to such practices specified in its program, the Secretary of the Treasury shall report to the appropriate committees of the Congress the reasons for the United States position.

(d)⁷⁵ For purposes of this section, the term “multilateral development banks” means the International Bank for Reconstruction and Development, the Inter-American Development Bank, the African Development Bank, and the Asian Development Bank.

SEC. 50.⁷⁶ * * * [Repealed—1989]

⁷⁴ Amended by Public Law 106–36, 113 Stat. 133.

⁷⁵ Subsection (d) was added by sec. 555(a) of the Foreign Assistance and Related Programs Appropriations Act, 1987 (section 101(f) of the Continuing Appropriations Act, 1987; Public Law 99–591; 100 Stat. 3341).

⁷⁶ Sec. 541 of the International Development and Finance Act of 1989 (Public Law 101–240; 103 Stat. 2518) consolidated several reporting requirements into new secs. 1701–1703 and titles XVIII and XIX of the International Financial Institutions Act and repealed duplicative requirements in other legislation. Sec. 541(d)(1) repealed sec. 50. For original text, see sec. 813 of Public Law 98–181 (97 Stat. 1276).

CAPITAL STOCK INCREASE

SEC. 51.⁷⁷ [22 U.S.C. 286e-1j] (a) The United States Governor of the Bank is authorized—

(1) to vote for an increase of seventy thousand shares in the authorized capital stock of the Bank; and

(2) to subscribe on behalf of the United States to twelve thousand four hundred and fifty-three additional shares of the capital stock of the Bank, except that any subscription to such additional shares shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

(b) In order to pay for the increase in the United States subscription to the Bank provided for in this section, there are authorized to be appropriated, without fiscal year limitation, \$1,502,267,655 for payment by the Secretary of the Treasury.

SEC. 52.⁷⁸ [22 U.S.C. 286e-5a] The United States Governor of the Bank is hereby authorized to agree to and to accept the amendment to the Articles of Agreement in the proposed resolution entitled “Amendment to the Articles of Agreement of the Bank”, forwarded to the United States on February 27, 1987.

SEC. 53.⁷⁹ [22 U.S.C. e-1k] CAPITAL STOCK INCREASE.

(a) INCREASE AUTHORIZED.—The United States Governor of the Bank is authorized—

(1) to vote for an increase of 620,000 shares in the authorized capital stock of the Bank; and

(2) to subscribe on behalf of the United States to 116,262 additional shares of the capital stock of the Bank, except that any subscription to such additional shares shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

(b) AUTHORIZATION OF APPROPRIATIONS.—In order to pay for the increase in the United States subscription to the Bank provided for in this section, there are authorized to be appropriated, without fiscal year limitation, \$14,025,266,370 for payment by the Secretary of the Treasury.⁸⁰

⁷⁷The Selective Capital Increase (SCI) authorized by sec. 51 was added by sec. 301 of H.R. 2253, as enacted into law by sec. 101(i) of the Further Continuing Appropriations, 1986 (Public Law 99-190; 99 Stat. 1291).

⁷⁸Sec. 52 was added by sec. 601 of H.R. 3750, as introduced by the House Committee on Banking, Finance and Urban Affairs, on December 11, 1987, and enacted into law by reference in Title I of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988 (sec. 101(e) of the Continuing Appropriations; 1988, Public Law 100-202; 101 Stat. 1329 at 1329-1340).

⁷⁹Sec. 53 was added by sec. 1 of H.R. 4645, as reported by the Committee on Banking, Finance, and Urban Affairs on Sept. 22, 1988, and enacted into law by reference in sec. 555 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 (Public Law 100-461; 102 Stat. 2268-36).

⁸⁰U.S. payment for this increase was made in the following amounts and Public Laws: fiscal year 1989—\$2,342.9 million (\$50 million paid-in capital; \$2,292.9 million callable capital) (Public Law 100-461); fiscal year 1990—\$49.8 million paid-in capital (Public Law 101-167); fiscal year 1991—\$3,010.2 million (\$110.59 million paid-in capital; \$2,899.61 million callable capital) (Public Law 101-513); fiscal year 1992—\$2,302.99 million (\$69.09 million paid-in capital; \$2,233.9 million callable capital) (Public Law 102-145, as amended by Public Law 102-266); fiscal year 1993—\$2,072.69 million (\$62.18 million paid-in capital; \$2,010.51 million callable capital) (Public Law 102-391); fiscal year 1994—\$1,860.7 million (\$55.82 million paid-in capital; \$1,804.88 million callable capital) (Public Law 103-87). Pursuant to Public Law 103-211 (108 Stat. 30), however, a portion of fiscal year 1994 funds were rescinded. Paid-in capital was reduced by \$27.9 million, and callable capital was limited to not exceed \$902.4 million. For fiscal year

SEC. 54.⁸¹ [22 U.S.C. 286e-12] CONTRIBUTION TO THE INTEREST SUBSIDY ACCOUNT OF THE ENHANCED STRUCTURAL ADJUSTMENT FACILITY OF THE INTERNATIONAL MONETARY FUND⁸².

(a) CONTRIBUTION AUTHORIZED.—

(1) IN GENERAL.—Subject to paragraph (2), the United States Governor of the Fund may contribute \$150,000,000 to the Interest Subsidy Account of the Enhanced Structural Adjustment Facility of the Fund on behalf of the United States.

(2) CONDITION.—The United States Governor of the Fund may not make a commitment to contribute any amount authorized to be contributed under paragraph (1) before an amount equal to such amount has been appropriated for such purpose.

(b) LIMITATION ON AUTHORIZATION OF APPROPRIATIONS.—To pay for the contribution authorized by subsection (a), there are authorized to be appropriated not to exceed \$150,000,000, without fiscal year limitation, for payment by the Secretary of the Treasury.⁸³

SEC. 55.⁸⁴ [22 U.S.C. 286kk] DISCUSSIONS TO ENHANCE THE CAPACITY OF THE FUND TO ALLEVIATE THE POTENTIALLY ADVERSE IMPACTS OF FUND PROGRAMS ON THE POOR AND THE ENVIRONMENT.

The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to seek policy changes by the Fund, through formal initiatives and through bilateral discussions, which will result in—

(1) the initiation of a systematic review of policy prescriptions implemented by the Fund, for the purpose of determining whether the Fund's objectives were met and the social and environmental impacts of such policy prescriptions; and

(2) the establishment of procedures which ensure the inclusion, in future economic reform programs approved by the Fund, of policy options which eliminate or reduce the potential

1995—\$766.9 million (\$23.009 million paid-in; \$743.9 million callable capital) (Public Law 103-306).

⁸¹Sec. 301 of the International Development and Finance Act of 1989 (Public Law 101-240; 103 Stat. 2500) added sec. 54.

⁸²Section 526(c) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995 (108 Stat. 1632), provided, in part, the following authorization requirement:

"(c) The Secretary of the Treasury may, to fulfill commitments of the United States, * * * (2) contribute to * * * the Interest Subsidy Account of the successor to the Enhanced Structural Adjustment Facility of the International Monetary Fund. * * * The amount authorized to be appropriated * * * for payment of the contribution to the Interest Subsidy Account of the successor to the Enhanced Structural Adjustment Facility of the International Monetary Fund is limited to \$25,000,000. The amount to be paid in respect of each such contribution or subscription is authorized to be appropriated without fiscal year limitation. Each such subscription or contribution shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts."

Title I of Public Law 103-306 (108 Stat. 1610) made available \$25 million, to remain available until expended, for the Interest Subsidy Account of the successor to the Enhanced Structural Adjustment Facility.

⁸³U.S. payment for this contribution was made in the following amount and Public Law: fiscal year 1990—\$139.4 million (Public Law 101-167); fiscal year 1991—\$10.6 million (Public Law 101-513), reduced by \$0.2 million as a result of sequestration (Public Laws 99-177, 100-119, and 101-508), restored by \$0.2 million by a 1991 sequestration restoration (Public Law 102-27). For fiscal year 1992, sec. 115 of the Further Continuing Appropriations (Public Law 102-145, as amended by Public Law 102-266) "Provided, That no funds are provided by this joint resolution for 'Contribution to the Enhanced Structural Adjustment Facility of the International Monetary Fund'". For fiscal year 1995—\$0.025 million was contributed (Public Law 103-306), and no funds were appropriated for fiscal years 1996 and 1997.

⁸⁴Sec. 302 of the International Development and Finance Act of 1989 (Public Law 101-240; 103 Stat. 2500) added sec. 55.

adverse impact on the well-being of the poor or the environment resulting from such programs.

SEC. 56.⁸⁵ [22 U.S.C. 286e-1/] QUOTA INCREASE.

The United States Governor of the Fund may consent to an increase in the quota of the United States in the Fund equivalent to 8,608,500,000 Special Drawing Rights, limited to such amounts as are provided in advance in appropriations Acts.⁸⁶

SEC. 57.⁸⁷ [22 U.S.C. 286e-5b] ACCEPTANCE OF AMENDMENTS TO THE ARTICLES OF AGREEMENT OF THE FUND.

The United States Governor of the Fund may agree to and accept the amendments to the Articles of Agreement of the Fund as proposed in the resolution numbered 45-3 of the Board of Governors of the Fund that was approved by such Board on June 28, 1990.

SEC. 58.⁸⁸ [22 U.S.C. 286e-13] APPROVAL OF FUND PLEDGE TO SELL GOLD TO PROVIDE RESOURCES FOR THE RESERVE ACCOUNT OF THE ENHANCED STRUCTURAL ADJUSTMENT FACILITY TRUST.

The Secretary of the Treasury is authorized to instruct the United States Executive Director of the Fund to vote to approve the Fund's pledge to sell, if needed, up to 3,000,000 ounces of the Fund's gold, to restore the resources of the Reserve Account of the Enhanced Structural Adjustment Facility Trust to a level that would be sufficient to meet obligations of the Trust payable to lenders which have made loans to the Loan Account of the Trust that have been used for the purpose of financing programs to Fund members previously in arrears to the Fund.

SEC. 59.⁸⁹ [22 U.S.C. 286//] FUND POLICY CHANGES.

(a) **POLICY CHANGES WITHIN THE IMF.**—The Secretary of the Treasury shall instruct the United States Executive Director of the Fund to promote regularly and vigorously in program discussions and quota increase negotiations the following proposals:

(1) **POVERTY ALLEVIATION, REDUCTION OF BARRIERS TO ECONOMIC AND SOCIAL PROGRESS, AND PROGRESS TOWARD ENVIRONMENTALLY SOUND POLICIES AND PROGRAMS.**—(A)(i) Considerations of poverty alleviation and the reduction of barriers to economic and social progress should be incorporated into all Fund programs and all consultations under article IV of the Articles of Agreement of the Fund.

(ii) Preparation of Policy Framework Papers should be extended to all nations which have Fund programs and active Bank or International Development Association lending programs, and existence of a Policy Framework Paper should be a precondition for new lending to such nations by the Fund.

⁸⁵ Added by sec. 1001 of the FREEDOM Support Act (Public Law 102-511; 106 Stat. 3357).

⁸⁶ Title II of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993 (Public Law 102-391; 106 Stat. 1636) provided the following:

"INTERNATIONAL MONETARY FUND

"There is appropriated for an increase in the United States quota in the International Monetary Fund, the dollar equivalent of 8,608.5 million Special Drawing Rights, to remain available until expended and, among other uses, such funds may be used to promote efforts by the International Monetary Fund to support monetary stability in member countries through the instrumentality of currency boards."

⁸⁷ Added by sec. 1001 of the FREEDOM Support Act (Public Law 102-511; 106 Stat. 3357).

⁸⁸ Added by sec. 1001 of the FREEDOM Support Act (Public Law 102-511; 106 Stat. 3357).

⁸⁹ Added by sec. 1002 of the FREEDOM Support Act (Public Law 102-511; 106 Stat. 3357).

(iii) All Policy Framework Papers should articulate the principal poverty, economic, and social measures that the borrowing nation needs to address, and this portion of the Policy Framework Paper (or a summary thereof that includes specific measures and timing) should be made available when the Policy Framework Paper is submitted to the Executive Directors of the Bank and of the Fund for consideration.

(iv) In considering whether to allocate resources of the Fund to a borrower, the Fund should take into consideration the nature of the program and commitment of the borrower to address the issues referred to in clause (iii).

(v) The Fund should establish procedures to enable the Fund to cooperate with the Bank in evaluating the effectiveness of the measures referred to in clause (iii), at the levels of policy, project design, monitoring, and reporting, in the international financial institutions and in the borrowing nations.

(B)(i) The Fund should be encouraged to make further progress toward environmentally sound policies and programs.

(ii) The Fund should incorporate environmental considerations into all Fund programs, including consultations under article IV of the Articles of Agreement of the Fund.

(iii) The Fund should be encouraged to support the efforts of nations to implement systems of natural resource accounting in their national income accounts.

(iv) The Fund should be encouraged to assist and cooperate fully with the statistical research being undertaken by the Organization for Economic Cooperation and Development and by the United Nations in order to facilitate development and adoption of a generally applicable system for taking account of the depletion or degradation of natural resources in national income accounts.

(v) The Fund should be encouraged to consider and implement, as appropriate, revisions in its national income reporting systems consistent with such new systems as are of general applicability.

(2) POLICY AUDITS.—(A) The Fund should conduct periodic audits to review systematically the policy prescriptions recommended and required by the Fund in the areas of poverty and the environment.

(B) The purposes of such audits would be—

(i) to determine whether the Fund's objectives were met; and

(ii) to evaluate the social and environmental impacts of the implementation of the policy prescriptions.

(C) Such audits would have access to all ongoing programs and activities of the Fund and the ability to review the effects of Fund-supported programs, on a country-by-country basis, with respect to poverty, economic development, and environment.

(D) Such audits should be made public as appropriate with due respect to confidentiality.

(3) ENSURING POLICY OPTIONS THAT INCREASE THE PRODUCTIVE PARTICIPATION OF THE POOR.—The Fund should establish procedures that ensure the focus of future economic reform

programs approved by the Fund on policy options that increase the productive participation of the poor in the economy.

(4) PUBLIC ACCESS TO INFORMATION.—(A) The Fund should establish procedures for public access to information.

(B) Such procedures shall seek to ensure access of the public to information while paying due regard to appropriate confidentiality.

(C) Policy Framework Papers and the supporting documents prepared by the Fund's mission to a country are examples of documents that should be made public at an appropriate time and in appropriate ways.

(b) PROGRESS REPORT.—Each annual report of the National Advisory Council on International Monetary and Financial Policies shall describe the following:

(1) The actions that the United States Executive Director and other officials have taken to convince the Fund to adopt the proposals set forth in subsection (a) through formal initiatives before the Board and management of the Fund, through bilateral discussions with other member nations, and through any further quota increase negotiations.

(2) The status of the progress being made by the Fund in implementing the proposals set forth in subsection (a).

(c) STUDY.—The Secretary of the Treasury shall instruct the United States Executive Director to the Fund to urge the Fund—

(1) to explore ways to increase the involvement and participation of important ministries, national development experts, environmental experts, free-market experts, and other legitimate experts and representatives from the loan-recipient country in the development of Fund programs; and

(2) to report on the status of Fund efforts in this regard.

SEC. 60.⁹⁰ [22 U.S.C. 286mm] MEASURES TO REDUCE MILITARY SPENDING BY DEVELOPING NATIONS.

(a) DEVELOPMENT BY THE FUND OF MEANS TO MEASURE MILITARY SPENDING.—

(1) POSITION OF THE UNITED STATES.—The United States Executive Director of the Fund shall use the voice and vote of the United States to urge the Fund, in consultation with the Bank, to continue to develop an economic methodology to measure the level of military spending by each developing country.

(2) PROGRESS REPORT TO THE CONGRESS.—No later than 1 year after the date of the enactment of this section, the Secretary of the Treasury shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives⁹¹ and the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate a report on the status of the development by the Fund of a workable economic methodology to measure military spending by developing countries.

(b) ANNUAL REPORTS BY FUND ON LEVELS OF MILITARY SPENDING.—The United States Executive Director of the Fund shall use

⁹⁰Added by sec. 1003 of the FREEDOM Support Act (Public Law 102-511; 106 Stat. 3359).

⁹¹Sec. 1(a)(2) of Public Law 104-14 (109 Stat. 186) provided that references to the Committee on Banking, Finance and Urban Affairs of the House of Representatives shall be treated as referring to the Committee on Banking and Financial Services of the House of Representatives.

the voice and vote of the United States to urge the Fund, beginning with 1994, to provide the Executive Board of the Fund with annual reports stating the estimate by the Fund of the level of military spending by each developing country in the immediately preceding calendar year (or, with respect to developing countries whose fiscal years are not calendar years, in the most recently completed fiscal year of the developing country), not later than the date of the annual fall Interim and Development Committee meetings.

(c) ANALYSIS AND ASSESSMENT OF MILITARY SPENDING TO BE INCLUDED IN ARTICLE IV CONSULTATIONS BY THE FUND.—The United States Executive Director of the Fund shall use the voice and vote of the United States to urge the Fund, beginning no later than the date of the first report provided as described in subsection (b), to include in every article IV consultation with a developing country an analysis of the level of military spending by the developing country in the immediately preceding calendar year (or, with respect to developing countries whose fiscal years are not calendar years, in the most recently completed fiscal year of the developing country).

SEC. 61.⁹² [22 U.S.C. 286e–1m] QUOTA INCREASE.

(a) IN GENERAL.—The United States Governor of the Fund may consent to an increase in the quota of the United States in the Fund equivalent to 10,622,500,000 Special Drawing Rights.

(b) SUBJECT TO APPROPRIATIONS.—The authority provided by subsection (a) shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

SEC. 62.⁹³ [22 U.S.C. 286nn] APPROVAL OF CONTRIBUTIONS FOR DEBT REDUCTIONS FOR THE POOREST COUNTRIES.

For the purpose of mobilizing the resources of the Fund in order to help reduce poverty and improve the lives of residents of poor countries and, in particular, to allow those poor countries with unsustainable debt burdens to receive deeper, broader, and faster debt relief, without allowing gold to reach the open market or otherwise adversely affecting the market price of gold, the Secretary of the Treasury is authorized to instruct the United States Executive Director of the Fund to vote—

(1) to approve an arrangement whereby the Fund—

(A) sells a quantity of its gold at prevailing market prices to a member or members in nonpublic transactions sufficient to generate 2.226 billion Special Drawing Rights in profits on such sales;

(B) immediately after, and in conjunction with each such sale, accepts payment by such member or members of such gold to satisfy existing repurchase obligations of such

⁹² Added by Public Law 102–511, 106 Stat. 3359.

⁹³ Added by sec. 503(a) of the Miscellaneous Appropriations, 2000 (H.R. 3425, enacted by reference in sec. 1000(a)(5) of Public Law 106–113; 113 Stat. 1501A–316). Sec. 503(b) of that Act provided the following:

“(b) CERTIFICATION.—Within 15 days after the United States Executive Director casts the votes necessary to carry out the instruction described in section 62 of the Bretton Woods Agreements Act, the Secretary of the Treasury shall certify to the Congress that neither the profits nor the earnings on the investment of profits from the gold sales made pursuant to the instruction or of the funds attributable to United States participation in SCA–2 will be used to augment the resources of any reserve account of the International Monetary Fund for the purpose of making loans.”

member or members so that the Fund retains ownership of the gold at the conclusion of such payment; and

(C) uses the earnings on the investment of the profits of such sales through a separate subaccount, only for the purpose of providing debt relief from the Fund under the modified Heavily Indebted Poor Countries (HIPC) Initiative (as defined in section 1623 of the International Financial Institutions Act); and

(2) to support a decision that shall terminate the Special Contingency Account 2 (SCA-2) of the Fund so that the funds in the SCA-2 shall be made available to the poorest countries. Any funds attributable to the United States participation in SCA-2 shall be used only for debt relief from the Fund under the modified HIPC Initiative.

SEC. 63. [22 U.S.C. 28600] PRINCIPLES FOR INTERNATIONAL MONETARY FUND LENDING.

It is the policy of the United States to work to implement reforms in the International Monetary Fund (IMF) to achieve the following goals:

(1) **SHORT-TERM BALANCE OF PAYMENTS FINANCING.**—Lending from the general resources of the Fund should concentrate chiefly on short-term balance of payments financing.

(2) **LIMITATIONS ON MEDIUM-TERM FINANCING.**—Use of medium-term lending from the general resources of the Fund should be limited to a set of well-defined circumstances, such as—

(A) when a member's balance of payments problems will be protracted;

(B) such member has a strong structural reform program in place; and

(C) the member has little or no access to private sources of capital.

(3) **PREMIUM PRICING.**—Premium pricing should be introduced for lending from the general resources of the Fund, for greater than 200 percent of a member's quota in the Fund, to discourage excessive use of Fund lending and to encourage members to rely on private financing to the maximum extent possible.

(4) **REDRESSING MISREPORTING OF INFORMATION.**—The Fund should have in place and apply systematically a strong framework of safeguards and measures to respond to, correct, and discourage cases of misreporting of information in the context of a Fund program, including—

(A) suspending Fund disbursements and ensuring that Fund lending is not resumed to members that engage in serious misreporting of material information until such time as remedial actions and sanctions, as appropriate, have been applied;

(B) ensuring that members make early repayments, where appropriate, of Fund resources disbursed on the basis of misreported information;

(C) making public cases of serious misreporting of material information;

(D) requiring all members receiving new disbursements from the Fund to undertake annually independent audits of central bank financial statements and publish the resulting audits; and

(E) requiring all members seeking new loans from the Fund to provide to the Fund detailed information regarding their internal control procedures, financial reporting and audit mechanisms and, in cases where there are questions about the adequacy of these systems, undertaking an on-site review and identifying needed remedies.

SEC. 64. [22 U.S.C. 286pp] ACCEPTANCE OF AMENDMENTS TO THE ARTICLES OF AGREEMENT OF THE FUND.

The United States Governor of the Fund may agree to and accept the amendments to the Articles of Agreement of the Fund as proposed in the resolutions numbered 63–2 and 63–3 of the Board of Governors of the Fund which were approved by such Board on April 28, 2008 and May 5, 2008, respectively.

SEC. 65. [22 U.S.C. 286qq] QUOTA INCREASE.

(a) IN GENERAL.—The United States Governor of the Fund may consent to an increase in the quota of the United States in the Fund equivalent to 4,973,100,000 Special Drawing Rights.

(b) SUBJECT TO APPROPRIATIONS.—The authority provided by subsection (a) shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

SEC. 66. [22 U.S.C. 286rr] APPROVAL TO SELL A LIMITED AMOUNT OF THE FUND'S GOLD.

(a) The Secretary of the Treasury is authorized to instruct the United States Executive Director of the Fund to vote to approve the sale of up to 12,965,649 ounces of the Fund's gold acquired since the second Amendment to the Fund's Articles of Agreement, only if such sales are consistent with the guidelines agreed to by the Executive Board of the Fund described in the Report of the Managing Director to the International Monetary and Financial Committee on a New Income and Expenditure Framework for the International Monetary Fund (April 9, 2008) to prevent disruption to the world gold market: *Provided*, That at least 30 days prior to any such vote, the Secretary shall consult with the appropriate congressional committees regarding the use of proceeds from the sale of such gold: *Provided further*, That the Secretary of the Treasury shall seek to ensure that:

(1) the Fund will provide support to low-income countries that are eligible for the Poverty Reduction and Growth Facility or other low-income lending from the Fund by making available Fund resources of not less than \$4,000,000,000;

(2) such Fund resources referenced above will be used to leverage additional support by a significant multiple to provide loans with substantial concessionality and debt service payment relief and/or grants, as appropriate to a country's circumstances:

(3) support provided through forgiveness of interest on concessional loans will be provided for not less than two years; and

(4) the support provided to low-income countries occurs within six years, a substantial amount of which shall occur within the initial two years.

(b) In addition to agreeing to and accepting the amendments referred to in section 64 of this Act relating to the use of proceeds from the sale of such gold, the United States Governor is authorized, consistent with subsection (a), to take such actions as may be necessary, including those referred to in section 5(e) of this Act, to also use such proceeds for the purpose of assisting low-income countries.

SEC. 67. [22 U.S.C. 286ss] ACCEPTANCE OF AMENDMENT TO THE ARTICLES OF AGREEMENT OF THE FUND.

The United States Governor of the Fund may agree to and accept the amendment to the Articles of Agreement of the Fund as proposed in the resolution numbered 52-4 of the Board of Governors of the Fund which was approved by such Board on October 22, 1997: *Provided*, That not more than one year after the acceptance of such amendments to the Fund's Articles of Agreement, the Secretary of the Treasury shall submit a report to the appropriate congressional committees analyzing Special Drawing Rights, to include a discussion of how those countries that significantly use or acquire Special Drawing Rights in accordance with Article XIX, Section 2(c), use or acquire them; the extent to which countries experiencing balance of payment difficulties exchange or use their Special Drawing Rights to acquire reserve currencies; and the manner in which those reserve currencies are acquired when utilizing Special Drawing Rights.

B. Other Law Affecting the International Monetary Fund**1. Act of July 15, 1946**

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, [22 U.S.C. 2861] That the Secretary of the Treasury, in consultation with the National Advisory Council on International Monetary and Financial Problems, is hereby authorized to carry out the agreement dated December 6, 1945, between the United States and the United Kingdom which was transmitted by the President to the Congress on January 30, 1946, and the action of the Secretary of the Treasury in signing the agreement dated March 6, 1957, amending said agreement is hereby approved.

SEC. 2. [22 U.S.C. 286m] For the purpose of carrying out the agreement dated December 6, 1945, between the United States and the United Kingdom, the Secretary of the Treasury is authorized to use as a public-debt transaction not to exceed \$3,750,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include such purpose. Payments to the United Kingdom under this joint resolution and pursuant to the agreement and repayments thereof shall be treated as public-debt transactions of the United States. Payments of interest to the United States under the agreement shall be covered into the Treasury as miscellaneous receipts.

2. Act of June 29, 1949

SEC. 3. [22 U.S.C. 286k-2] The Securities and Exchange Commission acting in consultation with the National Advisory Council on International Monetary and Financial Problems is authorized to suspend the provisions of section 15(a) of the Bretton Woods Agreements Act at any time as to any or all securities issued or guaranteed by the bank during the period of such suspension. The Commission shall include in its annual reports to Congress such information as it shall deem advisable with regard to the operations and effect of this Act and in connection therewith shall include any views submitted for such purpose by any association of dealers registered with the Commission.

3. Special Drawing Rights Act

Sec. 2 OTHER LAW AFFECTING THE INTERNATIONAL MONETARY FUND 38

Public Law 90-349 [H.R. 16911], 82 Stat. 188, approved June 19, 1968; as amended by Public Law 91-599 [H.R. 18306], 84 Stat. 1657, approved December 30, 1970; Public Law 94-564 [H.R. 13955], 90 Stat. 2660, approved October 18, 1976; and by Public Law 98-181 [Supplemental Appropriations Act, 1984; H.R. 3959], 97 Stat. 1153 at 1270, approved November 30, 1983

AN ACT To provide for United States participation in the facility based on Special Drawing Rights in the International Monetary Fund, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Special Drawing Rights Act".

SEC. 2. [22 U.S.C. 286n] The President is hereby authorized (a) to accept the amendment to the articles of agreement of the International Monetary Fund (hereinafter referred to as the "Fund"), attached to the April 1968 report by the Executive Directors to the Board of Governors of the Fund, for the purpose of (i) establishing a facility based on Special Drawing Rights in the Fund and (ii) giving effect to certain modifications in the present rules and practices of the Fund, and (b) to participate in the special drawing account established by the amendment.

SEC. 3. [22 U.S.C. 286o] (a) Special Drawing Rights allocated to the United States pursuant to article XVIII¹ of the Articles of Agreement of the Fund, and Special Drawing Rights otherwise acquired by the United States, shall be credited to the account of, and administered as part of, the Exchange Stabilization Fund established by section 10 of the Gold Reserve Act of 1934, as amended (31 U.S.C. 822a).

(b) The proceeds resulting from the use of Special Drawing Rights by the United States, and payments of interest to the United States Articles of Agreement of the Fund, shall be deposited in the Exchange Stabilization Fund. Currency payments by the United States in return for Special Drawing Rights, and payments of charges or assessments pursuant to article XX, article XXIV, and article XXV¹ of the Articles of Agreement of the Fund, shall be made from the resources of the Exchange Stabilization Fund.

SEC. 4. [22 U.S.C. 286p] (a) The Secretary of the Treasury is authorized to issue to the Federal Reserve banks, and such banks shall purchase, Special Drawing Right certificates in such form and in such denominations as he may determine, against any Special Drawing Rights held to the credit of the Exchange Stabilization Fund. Such certificates shall be issued and remain outstanding only for the purpose of financing the acquisition of Special Drawing Rights or for financing exchange stabilization operations. The amount of special Drawing Right certificates issued and outstanding shall at no time exceed the value of the Special Drawing Rights held against the Special Drawing Right certificates. The proceeds resulting from the issuance of Special Drawing Right certificates shall be covered into the Exchange Stabilization Fund.

(b) Special Drawing Right certificates owned by the Federal Reserve banks shall be redeemed from the resources of the Exchange

¹ Upon entry into force on Apr. 1, 1978, of the amendments to the Articles of Agreement of the IMF, certain technical changes regarding references to articles in secs. 3, 6, and 7 became effective, as provided for by sec. 5 of Public Law 94-564.

Stabilization Fund at such times and in such amounts as the Secretary of the Treasury may determine.

SEC. 5.² * * *

SEC. 6.³ [22 U.S.C. 286q] (a)⁴ Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States vote to allocate in each basic period Special Drawing Rights under article XVIII,¹ sections 2 and 3, of the Articles of Agreement of the Fund so that allocations to the United States in that period exceed an amount equal to the United States quota in the Fund as authorized under the Bretton Woods Agreements Act.

(b)(1) Neither the President nor any person or agency shall on behalf of the United States vote to allocate Special Drawing Rights under article XVIII, sections 2 and 3, of the Articles of Agreement of the Fund without consultations by the Secretary of the Treasury at least 90 days prior to any such vote, with the Chairman and ranking minority members of the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs⁵ of the House of Representatives, and the appropriate subcommittees thereof.

(2) Such consultations shall include an explanation of the consistency of such proposal to allocate with the requirements of the Articles of Agreement of the Fund, in particular the requirement that in all its decisions with respect to allocation of Special Drawing Rights, the Fund shall “seek to meet the long-term global need, as and when it arises, to supplement existing reserve assets in such manner as will promote the attainment of its purposes and will avoid economic stagnation and deflation as well as excess demand and inflation in the world”.

SEC. 7. [22 U.S.C. 286r] The provisions of article XXI(b)¹ of the Articles of Agreement of the Fund shall have full force and effect in the United States and its territories and possessions when the United States becomes a participant in the special drawing account.

4. Bretton Woods Agreements Act Amendments, 1978

Partial text of Public Law 95-435 [H.R. 9214], 92 Stat. 1051, approved October 10, 1978, as amended by Public Law 96-389 [S. 2271], 94 Stat. 1551 at 1553, approved October 7, 1980

AN ACT To amend the Bretton Woods Agreements Act to authorize the United States to participate in the Supplementary Financing Facility of the International Monetary Fund.

²Sec. 5 made conforming amendments at 12 U.S.C. 412, 12 U.S.C. 415, 12 U.S.C. 417, and 12 U.S.C. 467.

³Amended and restated by sec. 2 of Public Law 91-599 (84 Stat. 1657).

⁴Sec. 803 of Public Law 98-181 (97 Stat. 1270) added the subsec. designation “(a)” and a new subsec. (b).

⁵Sec. 1(a)(2) of Public Law 104-14 (109 Stat. 186) provided that references to the Committee on Banking, Finance and Urban Affairs of the House of Representatives shall be treated as referring to the Committee on Banking and Financial Services of the House of Representatives.

Sec. 5 OTHER LAW AFFECTING THE INTERNATIONAL MONETARY FUND 40

NOTE.—Except for the provisions included below, Public Law 95–435 contained amendments to the Bretton Woods Agreements Act and the Export Administration Act of 1969. These are incorporated in the text at the appropriate locations.

* * * * *

SEC. 5. (a)⁶ * * *

(b) It is the sense of the Congress that the Government of the United States should take steps to disassociate itself from any foreign government which engages in the international crime of genocide.

(c) * * *

(d) * * *

(e) * * *

SEC. 6. [22 U.S.C. 286e–11] The Secretary of the Treasury shall instruct the Executive Director of the United States to the International Monetary Fund to work in opposition to any extension of financial or technical assistance by the Supplemental Financing Facility or by any other agency or facility of such Fund to any country the government of which—

(1) permits entry into the territory of such country to any person who has committed an act of international terrorism, including any act of aircraft hijacking, or otherwise supports, encourages, or harbors such person; or

(2) fails to take appropriate measures to prevent any such person from committing any such act outside the territory of such country.

5. Bretton Woods Agreements Act Amendments, 1980

Partial text of Public Law 96–389 [S. 2271], 94 Stat. 1551, approved October 7, 1980

AN ACT To amend the Bretton Woods Agreements Act to authorize consent to an increase in the United States quota in the International Monetary Fund, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

⁶Subsecs. (a), (c), (d), and (e) of sec. 5, which provided for a prohibition on imports into the United States from Uganda, were repealed by sec. 2(a) of Public Law 96–67 (93 Stat. 415; Sept. 21, 1979). During 1979, prior to this repeal several actions were taken pursuant to this act. On Feb. 6, 1979, the President issued Executive Order 12117 (44 F.R. 7937) “in order to provide for the consistent implementation of import restrictions imposed against Uganda by Section 5(c)”. Both sec. 5(c) and the Executive Order provided for the lifting of this prohibition if the President determined that Uganda was no longer committing a consistent pattern of gross violations of human rights and so certified to the Congress. Pursuant to this authority, the President determined on May 15, 1979, that the Government of Uganda was no longer violating human rights. This determination also has the effect of revoking Executive Order 12117 and immediately allowed for the resumption of imports from and exports to Uganda. Public Law 96–67, then, legislatively repealed the appropriate subsections of Public Law 95–435.

NOTE.—Except for the provisions included below, Public Law 96–389 contained amendments to the Bretton Woods Agreements Act and to the Bretton Woods Agreements Acts Amendments, 1978. These are incorporated in the text at the appropriate locations.

* * * * *

RECYCLING BALANCE-OF-PAYMENTS SURPLUSES

SEC. 4. (a) [22 U.S.C. 286t note] It is the sense of the Congress that (1) the interests of the United States and those of other member countries require an effective International Monetary Fund equipped with resources adequate to facilitate orderly balance-of-payments adjustments; (2) persistent balance-of-payments surpluses in oil exporting countries have placed, and will continue to place, severe strains on the resources of oil importing countries and on the liquidity of the Fund; (3) these strains can only be relieved if the oil exporting countries assume a greater burden for financing balance-of-payments deficits through direct methods of recycling their surpluses and through proportionally greater contributions to the Fund and to the international lending institutions; and (4) the Fund must explore innovative proposals to encourage more direct recycling of oil surpluses and to increase its own liquidity.

* * * * *

SEC. 9. [22 U.S.C. 286a note] The United States Executive Director to the Fund shall seek to insure (a) that Fund salaries do not exceed those levels endorsed by the Fund Bank Joint Committee on Staff Compensation Issues; and (b) that travel costs are minimized by limiting first class and supersonic travel to instances where no reasonable alternative exists.

ROLE OF GOLD IN INTERNATIONAL MONETARY SYSTEMS

SEC. 10. [31 U.S.C. 5302 note] (a) The Secretary of the Treasury shall establish and chair a commission consisting of—

(1) three members of the Board of Governors of the Federal Reserve System and two members of the Council of Economic Advisors, all of whom shall be designated by the Secretary of the Treasury;

(2) one majority and one minority member of each from (A) the Joint Economic Committee of the Congress, (B) the Committee on Banking, Housing, and Urban Affairs of the Senate, and (C) the Committee on Banking, Finance and Urban Affairs of the House of Representatives,⁷ who shall be designated by the Speaker of the House of Representatives and the President of the Senate, respectively, upon the recommendations of the majority and minority leaders of the respective Houses; and

⁷Sec. 1(a)(2) of Public Law 104–14 (109 Stat. 186) provided that references to the Committee on Banking, Finance and Urban Affairs of the House of Representatives shall be treated as referring to the Committee on Banking and Financial Services of the House of Representatives.

(3) four distinguished private citizens with business, finance, or academic backgrounds who shall be designated by the Secretary.

(b) The commission shall conduct a study to assess and make recommendations with regard to the policy of the United States Government concerning the role of gold in domestic and international monetary systems, and shall transmit to the Congress a report containing its findings and recommendations not later than one year after the date of enactment of this Act.

(c) Sums appropriated pursuant to section 5 of Public Law 95-612 shall be available to the commission to carry out its functions.⁸

* * * * *

EFFECTIVE DATE

SEC. 12. This Act shall take effect on its date of enactment, except that funds may not be appropriated under any authorization contained in this Act for any period prior to October 1, 1980.

6. Providing for U.S. Participation in a Capital Stock Increase for the International Bank for Reconstruction and Development and Replenishment of the African Development Fund

Partial text of H.R. 4645 as passed by the House on September 28, 1988, and enacted into law by sec. 555 of Public Law 100-461 [Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989; H.R. 4637], 102 Stat. 2268, approved October 1, 1988

A BILL To provide for participation by the United States in a capital stock increase of the International Bank for Reconstruction and Development and a replenishment of the African Development Fund, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1.⁹ * * *

SEC. 2.¹⁰ * * *

SEC. 3. [22 U.S.C. 286hh] POLICY BASED LENDING FOR DEBT REDUCTION.

(a) CRITERIA.—The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development to initiate discussions with other directors of such bank and to advocate and support the facilitation of voluntary market-based programs for the reduction of sovereign debt and the promotion of sustainable economic development, which, if implemented, would—

- (1) not require any organization or government to participate in such a program;
- (2) result in debt reduction for each participating country tailored to the particular situation of each country;

⁸Sec. 5 of Public Law 95-612 (92 Stat. 3092) authorized “not to exceed \$24,000,000 for fiscal year 1979, including sums for official functions and reception and representation expenses, to carry out the international affairs functions of the Department of the Treasury.”

⁹Sec. 1 amended the Bretton Woods Agreements Act (22 U.S.C. 286 et seq.).

¹⁰Sec. 2 amended the African Development Fund Act (22 U.S.C. 290g et seq.).

(3) provide assistance to participating countries conditioned on the implementation of economic reforms, and the preservation of economic reforms previously implemented, by the country that are consistent with the principles of sustainable development;

(4) encourage participating countries to make economic adjustments steadily and over a period of time in order to achieve policy reform;

(5) use debt reduction techniques that would not compensate commercial banks for the reduction in the value of such debt, but would serve as a catalyst for new lending;

(6) involve such bank in lending for purposes of debt reduction and conversion only where such involvement would not lower the credit rating of such bank;

(7) not require public sector funding beyond that provided through any capital increase for such bank, and any replenishment for the International Development Association, which is agreed to by the member countries of such institutions; and

(8) accomplish debt reduction, not as an end, but as a means to greater growth and investment in, and the restoration of voluntary private lending to, participating countries for environmentally and economically sustainable development.

(b) **POLICY BASED LENDING FOR DEBT REDUCTION AND SUSTAINABLE GROWTH.**—The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development to initiate discussions with other directors of such bank and to propose that policy based loans be made by such bank for, among other reasons, facilitating a reduction in the debt service burden of any country which is participating in a voluntary market-based program for debt reduction described in subsection (c).

(c) **VOLUNTARY MARKET-BASED PROGRAM FOR DEBT REDUCTION AND SUSTAINABLE GROWTH.**—In connection with the discussions initiated pursuant to subsection (b), The Secretary shall instruct the United States Executive Director of the International Bank for Reconstruction and Development to propose that a country be considered to be participating in a voluntary market-based program of debt reduction for purposes of subsection (b) if the creditors of such country agree to significantly reduce the debt service of such country through forgiveness of a percentage of the interest owed by such country on any sovereign debt or through any other means.

(d) **REPORTS.**—Not later than March 1, 1989, March 1, 1991, and March 1, 1993, respectively, the Secretary of the Treasury shall submit to the Committee on Banking, Finance and Urban Affairs¹¹ of the House of Representatives and the Committee on Foreign Relations of the Senate 3 reports each of which—

(1) describes the long term strategy and lending programs of the International Bank for Reconstruction and Development for reducing and managing the debt burden of the countries designated as “Highly Indebted Countries” in the 1987-1988 World Debt Tables published by such bank, and summarize the

¹¹Sec. 1(a)(2) of Public Law 104-14 (109 Stat. 186) provided that references to the Committee on Banking, Finance and Urban Affairs of the House of Representatives shall be treated as referring to the Committee on Banking and Financial Services of the House of Representatives.

long term strategy and lending programs of such bank for other seriously indebted countries;

(2) contains an explanation of the measures taken by such bank to facilitate the reduction of the debt burden of the countries designated as "Highly Indebted Countries" in the 1987-1988 World Debt Tables published by such bank;

(3) describes the extent (if any) to which such bank has implemented the measures described in subsections (b) and (c); and

(4) describes the success each of such countries has had in managing and reducing their debt burdens and achieving sustainable and equitable economic growth as measured by criteria including the ratio of debt service to exports, the ratio of debt to gross national product, net resource flows, and per capita income.

(e) REVIEW BY HOUSE BANKING COMMITTEE.—On receipt of each report required to be submitted pursuant to subsection (d), and after consultation with the Secretary of the Treasury, the Committee on Banking, Finance and Urban Affairs¹¹ of the House of Representatives shall forward such report to the Committee on Appropriations of the House of Representatives with an assessment by the Committee on Banking, Finance and Urban Affairs¹¹ describing the effect on the international debt situation of funding the subscription of the United States to the shares of capital stock of the International Bank for Reconstruction and Development due for payment by the United States in the then next fiscal year.

SEC. 4. [22 U.S.C. 286ii] LIMITATIONS ON WORLD BANK POLICY BASED LENDING; ACTIONS REQUIRED TO BE TAKEN TO OPPOSE EXCESSIVE POLICY BASED LENDING BY WORLD BANK.

The Secretary of the Treasury shall—

(1) take all necessary steps to encourage the International Bank for Reconstruction and Development to limit—

(A) the aggregate value of the policy based loans made by such bank (other than for the purpose described in section 3(b)) in any fiscal year of such bank beginning after June 30, 1989, to 25 percent of the aggregate value of all loans made by such bank in such fiscal year; and

(B) the aggregate value of the policy based loans made by such bank to the government of a particular country (other than for the purpose described in section 3(b)) in any fiscal year of such bank beginning after June 30, 1989, and occurring during any period of 3 consecutive fiscal years of such bank (determined after disregarding any such fiscal year in which such bank did not make a policy based loan to such government), to 50 percent of the aggregate value of all loans made by such bank to such government during such 3-year period;

(2) instruct the United States Executive Director of such bank to propose and actively seek the adoption by the board of Executive Directors of such bank of a resolution establishing as official bank operating policy for fiscal years 1990 through 1995 of such bank the limits specified in paragraph (1); and

(3) until the resolution described in paragraph (2) is adopted, undertake, in consultation with the Secretary of State, discus-

sions with other member country governments to secure the consent and cooperation of such governments with respect to the adoption of the limits specified in paragraph (1).

SEC. 5. [22 U.S.C. 286jj] PARTIAL GUARANTEES IN CONNECTION WITH DEBT REDUCTION FOR BORROWER COUNTRIES.

The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development to initiate discussion with other directors of such bank and to propose that such bank establish criteria under which such bank would provide partial guarantees on debt service payments by borrower countries to private creditors when such guarantees would serve a catalytic role in facilitating final agreement on financing packages which involve significant debt reduction.

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SEC. 12. SENSE OF CONGRESS REGARDING IMPROVING ACCESS OF SMALL BUSINESSES TO WORLD BANK PROCUREMENT.

It is the sense of the Congress that the Secretary of the Treasury should—

(1) attach a high priority to facilitating the efforts of small businesses to gain access to the process for bidding on contracts offered by the International Bank for Reconstruction and Development for—

(A) the procurement of goods and services associated with projects financed by such bank; and

(B) consulting services required in the operation of such bank;

(2) coordinate the efforts of the Department of the Treasury with the efforts of other appropriate agencies of the United States Government, particularly with regard to the dissemination of information on specific opportunities offered by such bank to assist small businesses located in the United States; and

(3) encourage the United States Executive Director of such bank to work with the management of such bank in developing programs within such bank designed to improve opportunities for small businesses located in member countries of such bank to bid successfully for contracts described in paragraph (1).

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