

112TH CONGRESS  
1ST SESSION

# H. R. 3188

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

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 13, 2011

Mr. DOLD introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

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

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

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

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

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

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

11 “(a) INCREASE AUTHORIZED.—

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

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

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

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

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

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

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

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

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

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

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

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

20       “(a) INCREASE AUTHORIZED.—

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

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

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

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

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

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

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

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

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

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

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

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

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

6 “(a) SUBSCRIPTION AUTHORIZED.—

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

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

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

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

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

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

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

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

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

10           “(12) CAPITAL STOCK INCREASE.—

11           “(A) SUBSCRIPTION AUTHORIZED.—

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

17           “(ii) SUBJECT TO APPROPRIATIONS.—

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

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

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

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

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

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

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

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

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

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

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

3 **SEC. 7. CORRUPTION.**

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

7 **“SEC. 1630. CORRUPTION.**

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

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

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



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

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

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

10 **SEC. 8. PROCUREMENT.**

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

14 **“SEC. 1631. PROCUREMENT.**

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

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

4 **SEC. 9. ARGENTINA.**

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

8 **“SEC. 1632. ARGENTINA.**

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

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

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

1 until the Secretary determines and certifies to the Con-  
2 gress that Argentina is normalizing its status in the inter-  
3 national community as demonstrated by improved rela-  
4 tions with the Financial Action Task Force, the Inter-  
5 national Monetary Fund, and its official and private credi-  
6 tors, including in the context of compliance with the Inter-  
7 national Centre for Settlement of Investment Disputes.

8 “(b) WAIVER AUTHORITY.—The President may  
9 waive the application of subsection (a)(1) if the President  
10 determines and reports to Congress that—

11 “(1) applying subsection (a)(1) would cause se-  
12 rious harm to the national security of the United  
13 States; or

14 “(2) it is in the vital economic interests of the  
15 United States to do so.”.

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