

117TH CONGRESS
1ST SESSION

H. R. 4111

IN THE SENATE OF THE UNITED STATES

OCTOBER 26, 2021

Received; read twice and referred to the Committee on Foreign Relations

AN ACT

To require the Secretary of the Treasury to direct the United States Executive Director at the International Monetary Fund to advocate that the Fund provide technical assistance to Fund members seeking to enhance their capacity to evaluate the legal and financial terms of sovereign debt contracts, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Sovereign Debt Con-
5 tract Capacity Act”.

6 **SEC. 2. SUPPORT TO ENHANCE THE CAPACITY OF INTER-**
7 **NATIONAL MONETARY FUND MEMBERS TO**
8 **EVALUATE THE LEGAL AND FINANCIAL**
9 **TERMS OF SOVEREIGN DEBT CONTRACTS.**

10 (a) IN GENERAL.—Title XVI of the International Fi-
11 nancial Institutions Act (22 U.S.C. 262p–262p–13) is
12 amended by adding at the end the following:

13 **“SEC. 1630. SUPPORT TO ENHANCE THE CAPACITY OF FUND**
14 **MEMBERS TO EVALUATE THE LEGAL AND FI-**
15 **NANCIAL TERMS OF SOVEREIGN DEBT CON-**
16 **TRACTS.**

17 “The Secretary of the Treasury shall instruct the
18 United States Executive Director at the International
19 Monetary Fund to use the voice and vote of the United
20 States to advocate that the Fund promote international
21 standards and best practices with respect to sovereign
22 debt contracts and provide technical assistance to Fund
23 members, and in particular to lower middle-income coun-
24 tries and countries eligible to receive assistance from the
25 International Development Association, seeking to en-

1 hance their capacity to evaluate the legal and financial
2 terms of sovereign debt contracts with multilateral, bilat-
3 eral, and private sector creditors.”.

4 (b) REPORT TO THE CONGRESS.—Within 1 year after
5 the date of the enactment of this Act, and annually there-
6 after for the next 4 years, the Secretary of the Treasury
7 shall report to the Committee on Financial Services of the
8 House of Representatives and the Committee on Foreign
9 Relations of the Senate on—

10 (1) the activities of the International Monetary
11 Fund in the then most recently completed fiscal year
12 to provide technical assistance described in section
13 1630 of the International Financial Institutions Act,
14 including the ability of the Fund to meet the de-
15 mand for the assistance; and

16 (2) the efficacy of efforts by the United States
17 to achieve the policy goal described in such section
18 and any further actions that should be taken, if nec-
19 essary, to implement that goal.

(c) SUNSET.—The amendment made by subsection (a) shall have no force or effect after the 5-year period that begins with the date of the enactment of this Act.

Passed the House of Representatives October 25,
2021.

Attest: **CHERYL L. JOHNSON,**
Clerk.