H. R. 3326

[Report No. 115–298]

To increase accountability, combat corruption, and strengthen management effectiveness at the World Bank.

IN THE HOUSE OF REPRESENTATIVES

JULY 20, 2017

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

SEPTEMBER 7, 2017

Additional sponsor: Mr. SHERMAN

SEPTEMBER 7, 2017

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on July 20, 2017]
A BILL

To increase accountability, combat corruption, and strengthen management effectiveness at the World Bank.
Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “World Bank Account-
ability Act of 2017”.

SEC. 2. WITHHOLDING OF FUNDS UNTIL CERTAIN CONDI-
TIONS ARE MET.

(a) INSTITUTIONAL REFORMS.—

(1) IN GENERAL.—With respect to each of fiscal
years 2018 through 2023, in addition to any amounts
withheld from disbursement under subsection (b), 15
percent of the amounts provided in appropriations
Acts for the International Development Association
for the fiscal year—

(A) shall be withheld from disbursement
until the conditions of paragraph (2) or (3) are
satisfied; and

(B)(i) shall be disbursed after the conditions
of paragraph (2) are satisfied; and

(ii) may be disbursed after the conditions of
paragraph (3) are satisfied

(2) INITIAL CONDITIONS.—The conditions of this
paragraph are satisfied with respect to the amounts
provided in appropriations Acts for a fiscal year if,
in the fiscal year, the Secretary of the Treasury re-
ports to the appropriate congressional committees that
the International Bank for Reconstruction and Develop-
ment—

(A) is implementing institutional incen-
tives, including through formal staff evaluation
criteria, that prioritize poverty reduction, devel-
opment outcomes, and capable project manage-
ment over the volume of the Bank’s lending and
grantmaking;

(B) is taking steps to address the manage-
ment failures described in Inspection Panel In-
vestigation Report 106710–UG, and to prevent
their recurrence in countries that are eligible for
World Bank support; and

(C) is taking measures to strengthen its
management of trust funds, with the goal of in-
creasing the accountability of the trust funds for
poverty reduction and development outcomes.

(3) SUBSEQUENT CONDITIONS.—The conditions
of this paragraph are satisfied if the Secretary of the
Treasury reports to the appropriate congressional
committees, in each of the 3 fiscal years most recently
preceding the fiscal year in which the report is made,
that the International Bank for Reconstruction and
Development has instituted the measures described in
paragraph (2) of this subsection and the measures de-
scribed in subsection (b)(2).

(b) Governance and Anticorruption Reforms.—

(1) In general.—With respect to each of fiscal
years 2018 through 2023, in addition to any amounts
withheld from disbursement under subsection (a), 15
percent of the amounts provided in appropriations
Acts for the International Development Association
for the fiscal year—

(A) shall be withheld from disbursement
until the conditions of paragraph (2) or (3) are
satisfied; and

(B)(i) shall be disbursed after the conditions
of paragraph (2) are satisfied; and

(ii) may be disbursed after the conditions of
paragraph (3) are satisfied

(2) Initial Conditions.—The conditions of this
paragraph are satisfied with respect to the amounts
provided in appropriations Acts for a fiscal year if,
in the fiscal year, the Secretary of the Treasury re-
ports to the appropriate congressional committees that
the International Bank for Reconstruction and Devel-
opment—

(A) is emphasizing in appropriate oper-
ational policies, directives, and country strate-
gies its support for secure property rights, due
process of law, and economic freedom as essential
conditions for sustained poverty reduction in
World Bank borrowing countries;

(B)(i) in the preceding fiscal year, has not
approved any loans or grants assistance by the
Bank to a country designated by the United
States as a state sponsor of terrorism; and

(ii) is strengthening the ability of Bank-
funded projects to undermine violent extremism;

(C) is taking steps to conduct forensic au-
dits of projects receiving assistance from the
Bank, increase the number of the forensic audits,
and strengthen the capacity of the Bank’s Integ-
rity Vice Presidency, and that not less than 50
percent of the forensic audits initiated by the
Bank in each fiscal year are of projects ran-
domly selected from among International Devel-
opment Association borrowing countries; and

(D) is taking measures to detect and mini-
mize corruption in all World Bank projects in-
volving development policy lending.

(3) SUBSEQUENT CONDITIONS.—The conditions
of this paragraph are satisfied if the Secretary of the
Treasury reports to the appropriate congressional
committees, in each of the 3 fiscal years most recently preceding the fiscal year in which the report is made that the International Bank for Reconstruction and Development has instituted the measures described in paragraph (2) of this subsection and the measures described in subsection (a)(2).

(c) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term “appropriate congressional committees” means the Committees on Financial Services and on Appropriations of the House of Representatives and the Committees on Foreign Relations and on Appropriations of the Senate.

SEC. 3. REPORTS TO CONGRESS.

The Chairman of the National Advisory Council on International Monetary and Financial Policies shall include in the report required by section 1701 of the International Financial Institutions Act for each of fiscal years 2018 through 2023 a detailed description of the actions undertaken by the International Bank for Reconstruction and Development in the fiscal year covered by the report to institute the measures described in subsections (a)(2) and (b)(2) of section 2 of this Act.
SEC. 4. OPPOSITION TO WORLD BANK ASSISTANCE FOR
GOVERNMENT THAT FAILS TO IMPLEMENT
OR ENFORCE MEASURES REQUIRED UNDER
AN APPLICABLE UNITED NATIONS SECURITY
COUNCIL RESOLUTION.

The Bretton Woods Agreements Act (22 U.S.C. 286 et
seq.) is amended by adding at the end the following:

“SEC. 73. OPPOSITION TO ASSISTANCE FOR GOVERNMENT
THAT FAILS TO IMPLEMENT OR ENFORCE
MEASURES REQUIRED UNDER AN APPLICABLE
UNITED NATIONS SECURITY COUNCIL
RESOLUTION.

“The Secretary of the Treasury should instruct the
United States Executive Director at the International Bank
for Reconstruction and Development to use the voice and
vote of the United States to oppose the provision of assist-
ance to the government of a borrowing country of the Inter-
national Development Association if the President of the
United States determines that the government has know-
ingly failed to implement or enforce sanctions required
under an applicable United Nations Security Council reso-
lution (as defined in section 3 of the North Korea Sanctions
and Policy Enhancement Act of 2016 (Public Law 114–
122; 22 U.S.C. 9202)) that is in effect.”.
SEC. 5. EIGHTEENTH REPLENISHMENT OF THE INTERNATIONAL DEVELOPMENT ASSOCIATION; REDUCTION FROM IDA-17 AUTHORIZED LEVEL.

The International Development Association Act (22 U.S.C. 284 et seq.) is amended by adding at the end the following:

“SEC. 30. EIGHTEENTH REPLENISHMENT.

“(a) CONTRIBUTION AUTHORITY.—The United States Governor of the International Development Association may contribute on behalf of the United States $3,291,030,000 to the eighteenth replenishment of the resources of the Association, subject to obtaining the necessary appropriations.

“(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—In order to pay for the contribution provided for in subsection (a), there are authorized to be appropriated, without fiscal year limitation, $3,291,030,000 for payment by the Secretary of the Treasury.”.
A BILL

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Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed.

September 7, 2017

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