

119TH CONGRESS
1ST SESSION

H. R. 692

IN THE SENATE OF THE UNITED STATES

FEBRUARY 11, 2025

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

AN ACT

To require the United States Executive Director at the International Monetary Fund to advocate for increased transparency with respect to exchange rate policies of the People's Republic of China, 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 “China Exchange Rate
3 Transparency Act of 2025”.

4 **SEC. 2. FINDINGS.**

5 The Congress finds as follows:

6 (1) Under Article IV of the Articles of Agree-
7 ment of the International Monetary Fund (IMF),
8 the People’s Republic of China has committed to or-
9 derly exchange rate arrangements, the avoidance of
10 exchange rate manipulation, and cooperation with
11 the IMF to ensure “firm surveillance” of the ex-
12 change rate policies of the People’s Republic of
13 China. Pursuant to Article VIII of the Articles of
14 Agreement of the IMF, the IMF may require the
15 People’s Republic of China to furnish data on gold
16 and foreign exchange holdings, including assets held
17 by non-official agencies of the People’s Republic of
18 China.

19 (2) In its November 2022 report, entitled
20 “Macroeconomic and Foreign Exchange Policies of
21 Major Trading Partners of the United States”, the
22 Department of the Treasury concluded, “China pro-
23 vides very limited transparency regarding key fea-
24 tures of its exchange rate mechanism, including the
25 policy objectives of its exchange rate management
26 regime and its activities in the offshore RMB mar-

1 ket.”. The Department continued: “China’s lack of
2 transparency and use of a wide array of tools com-
3 plicate Treasury’s ability to assess the degree to
4 which official actions are designed to impact the ex-
5 change rate.”.

6 (3) In that report, the Department further
7 noted that “China’s failure to publish foreign ex-
8 change intervention and broader lack of trans-
9 parency around key features of its exchange rate
10 mechanism make it an outlier among major econo-
11 mies and warrants Treasury’s close monitoring.”.

12 **SEC. 3. ADVOCACY FOR INCREASED EXCHANGE RATE**
13 **TRANSPARENCY FROM CHINA.**

14 The Secretary of the Treasury shall instruct the
15 United States Executive Director at the International
16 Monetary Fund (in this Act referred to as the “IMF”)
17 to use the voice and vote of the United States to advocate
18 for—

19 (1) increased transparency from the People’s
20 Republic of China, and enhanced multilateral and bi-
21 lateral surveillance by the IMF, with respect to the
22 exchange rate arrangements of the People’s Republic
23 of China, including any indirect foreign exchange
24 market intervention through Chinese financial insti-
25 tutions or state-owned enterprises;

1 (2) in connection with consultations with the
2 People's Republic of China under Article IV of the
3 Articles of Agreement of the IMF, the inclusion of
4 any significant divergences by the People's Republic
5 of China from the exchange rate policies of other
6 issuers of currencies used in determining the value
7 of Special Drawing Rights; and

8 (3) during governance reviews of the IMF,
9 stronger consideration by IMF members and man-
10 agement of the performance of China as a respon-
11 sible stakeholder in the international monetary sys-
12 tem when evaluating quota and voting shares at the
13 IMF.

14 **SEC. 4. SUNSET.**

15 This Act shall have no force or effect on or after the
16 date that is 30 days after the earlier of—

17 (1) the date that the United States Governor of
18 the IMF reports to the Congress that the People's
19 Republic of China—

20 (A) is in substantial compliance with obli-
21 gations of the People's Republic of China under
22 the Articles of Agreement of the IMF regarding
23 orderly exchange rate arrangements; and

24 (B) has undertaken exchange rate policies
25 and practices consistent with those of other

Attest: KEVIN F. MCCUMBER,
Clerk.