

116TH CONGRESS
2D SESSION

S. 4834

To require the use of the voice and vote of the United States in international financial institutions to advance the cause of transitioning the global economy to a clean energy economy and to prohibit United States Government assistance to countries or entities to support fossil fuel activity, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 21 (legislative day, OCTOBER 19), 2020

Mr. MERKLEY introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To require the use of the voice and vote of the United States in international financial institutions to advance the cause of transitioning the global economy to a clean energy economy and to prohibit United States Government assistance to countries or entities to support fossil fuel activity, 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 “Sustainable Inter-
5 national Financial Institutions Act of 2020”.

1 **SEC. 2. CLEAN ENERGY AND CLIMATE JUSTICE AT INTER-**
 2 **NATIONAL FINANCIAL INSTITUTIONS.**

3 The International Financial Institutions Act (22
 4 U.S.C. 262c et seq.) is amended by adding at the end the
 5 following:

6 **“TITLE XX—CLEAN ENERGY AND**
 7 **CLIMATE JUSTICE**

8 **“SEC. 2001. CLEAN ENERGY AND CLIMATE JUSTICE.**

9 “(a) IN GENERAL.—The United States Executive Di-
 10 rectors of the international financial institutions specified
 11 in subsection (c) shall use the voice and vote of the United
 12 States in those institutions—

13 “(1) to advance the cause of reducing carbon
 14 emissions and transitioning the global economy to a
 15 clean energy economy, including by seeking to chan-
 16 nel assistance toward countries and entities that are
 17 building clean and sustainable energy systems; and

18 “(2) to oppose any loan or extension of finan-
 19 cial or technical assistance to any country or entity
 20 to create new capacity for fossil fuel activity.

21 “(b) REDUCTION IN CONTRIBUTIONS.—The Sec-
 22 retary of the Treasury shall reduce the contribution of the
 23 United States to an international financial institution
 24 specified in subsection (c) in a fiscal year by the amount
 25 of any loans or extensions of financial or technical assist-
 26 ance provided by the institution to any country or entity

1 to create new capacity for fossil fuel activity during that
 2 fiscal year.

3 “(c) INTERNATIONAL FINANCIAL INSTITUTIONS
 4 SPECIFIED.—The international financial institutions spec-
 5 ified in this subsection are the following:

6 “(1) The International Bank for Reconstruction
 7 and Development.

8 “(2) The International Development Associa-
 9 tion.

10 “(3) The International Finance Corporation.

11 “(4) The Multilateral Investment Guarantee
 12 Agency.

13 “(5) The African Development Fund.

14 “(6) The African Development Bank.

15 “(7) The Asian Development Fund.

16 “(8) The Asian Development Bank.

17 “(9) The European Bank for Reconstruction
 18 and Development.

19 “(10) The Inter-American Development Bank.

20 “(11) The Inter-American Development Bank
 21 Invest.

22 “(12) The North American Development Bank.

23 “(d) DEFINITIONS.—In this section:

24 “(1) FOSSIL FUEL ACTIVITY.—The term ‘fossil
 25 fuel activity’ means the exploration, development,

1 mining or production, processing, refining, transpor-
 2 tation (including pipelines transporting gas, oil, or
 3 products thereof), distribution, or marketing of, or
 4 the construction or operation of plants for the proc-
 5 essing or refining of, coal, petroleum, natural gas, or
 6 any derivative of coal, petroleum, or natural gas that
 7 is used for fuel.

8 “(2) FOSSIL FUEL RESOURCE.—

9 “(A) IN GENERAL.—The term ‘fossil fuel
 10 resource’ means all forms of coal, oil, and gas.

11 “(B) INCLUSIONS.—The term ‘fossil fuel
 12 resource’ includes—

13 “(i) bitumen from oil sands;

14 “(ii) kerogen from oil shale;

15 “(iii) liquids manufactured from coal;

16 “(iv) coal bed methane;

17 “(v) methane hydrates;

18 “(vi) light oil derived from shale or
 19 other formations;

20 “(vii) natural gas liquids; and

21 “(viii) all conventionally and uncon-
 22 conventionally produced hydrocarbons.”.

1 **SEC. 3. PROHIBITION ON FOREIGN ASSISTANCE THAT**
2 **WOULD SUPPORT FOSSIL FUEL ACTIVITY.**

3 The United States may not provide any loan, insur-
4 ance, guarantee, or extension of financial or technical as-
5 sistance to any country or entity for any fossil fuel activity
6 (as defined in section 2001(d) of the International Finan-
7 cial Institutions Act, as added by section 2), including
8 through the United States International Development Fi-
9 nance Corporation, the Export-Import Bank of the United
10 States, the Trade and Development Agency, the United
11 States Agency for International Development, or the Mil-
12 lennium Challenge Corporation.

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