

[DISCUSSION DRAFT]

117TH CONGRESS
1ST SESSION

H. R. _____

To instruct the United States Executive Director at each of the multilateral development banks to vote against any project that provides a public subsidy to a private sector firm unless the subsidy is awarded using an open, competitive process or on an open-access basis, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. WATERS introduced the following bill; which was referred to the
Committee on _____

A BILL

To instruct the United States Executive Director at each of the multilateral development banks to vote against any project that provides a public subsidy to a private sector firm unless the subsidy is awarded using an open, competitive process or on an open-access basis, 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. UNITED STATES OPPOSITION TO MULTILAT-**
2 **ERAL DEVELOPMENT BANK PROJECTS THAT**
3 **PROVIDE A PUBLIC SUBSIDY TO A PRIVATE**
4 **SECTOR FIRM UNLESS THE SUBSIDY IS**
5 **AWARDED USING AN OPEN, COMPETITIVE**
6 **PROCESS OR ON AN OPEN-ACCESS BASIS.**

7 Title XV of the International Financial Institutions
8 Act (22 U.S.C. 2620-2620-4) is amended by adding at the
9 end the following:

10 **“SEC. 1506. UNITED STATES OPPOSITION TO MULTILAT-**
11 **ERAL DEVELOPMENT BANK PROJECTS THAT**
12 **PROVIDE A PUBLIC SUBSIDY TO A PRIVATE**
13 **SECTOR FIRM UNLESS THE SUBSIDY IS**
14 **AWARDED USING AN OPEN, COMPETITIVE**
15 **PROCESS OR ON AN OPEN-ACCESS BASIS.**

16 “(a) IN GENERAL.—The Secretary of the Treasury
17 shall instruct the United States Executive Director at each
18 multilateral development bank—

19 “(1) to use voice, vote, and influence of the
20 United States to ensure that private sector subsidies
21 provided by the respective bank, including through
22 the Private Sector Window of the International De-
23 velopment Association, are provided in accordance
24 with the World Bank guidelines; and

25 “(2) to vote against any project at the respec-
26 tive bank, including through the Private Sector Win-

1 dow of the International Development Association,
2 that provides a public subsidy to a private sector
3 firm unless—

4 “(A) the subsidy is awarded using an open,
5 competitive process;

6 “(B) the subsidy is awarded on an open
7 access basis; or

8 “(C) the United States Executive Director
9 at the respective bank determines that the sub-
10 sidy falls within an exception provided in the
11 World Bank guidelines for the use of direct
12 contracting.

13 “(b) PUBLICATION OF DETERMINATION.—Within 60
14 days after the United States Executive Director at any
15 multilateral development bank makes a determination de-
16 scribed in subsection (a)(2)(C), the Secretary of the
17 Treasury shall cause to be posted on the website of the
18 Department of the Treasury a justification for the deter-
19 mination.

20 “(c) DEFINITIONS.—In this section:

21 “(1) MULTILATERAL DEVELOPMENT BANK.—
22 The term ‘multilateral development bank’ has the
23 meaning given in section 1701(c)(4).

24 “(2) WORLD BANK GUIDELINES.—The term
25 ‘World Bank Guidelines’ means the July 2014 re-

1 vised edition of the document, entitled ‘Procurement
2 of Goods, Works, and Non-Consulting Services
3 under IBRD Loans and IDA Credits & Grants by
4 World Bank Borrowers’, published by the World
5 Bank Group.’.