

- (1) minimize any projected adverse impacts on such sector or markets of making such loans, credits, or utilization of resources; and
- (2) avoid whenever possible government subsidization of production and exports of international commodities without regard to economic conditions in the markets for such commodities.

(c) Project proposals relating to mining, smelting, refining, and fabricating of minerals and metal products

More specifically, the following criteria should be considered as a basis for a vote by the respective United States Executive Director to each of the international financial institutions described in subsection (d) of this section against a project proposal involving the creation of new capacity or the expansion, improvement, or modification of mining, smelting, refining, and fabricating of minerals and metal products:

- (1) Analysis shows that the risks, returns, and incentives of a project are such that it could be financed at reasonable terms by commercial lending services.
- (2) Analysis by the United States Bureau of Mines indicates that surplus capacity in the industry for the primary product of the defined project would exist over half the period of the economic life of the project because of projected world demand and capacity conditions.
- (3) United States imports of the commodity constitute less than 50 percent of the domestic production of the primary product in those cases where the United States is the substantial producer of such commodities.

(d) International financial institutions

The international financial institutions referred to in subsections (a) and (b) of this section are the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank.

(Pub. L. 99-88, title I, § 502, Aug. 15, 1985, 99 Stat. 330; Pub. L. 102-285, § 10(b), May 18, 1992, 106 Stat. 172.)

CHANGE OF NAME

“United States Bureau of Mines” substituted for “Bureau of Mines” in subsec. (c)(2) pursuant to section 10(b) of Pub. L. 102-285, set out as a note under section 1 of Title 30, Mineral Lands and Mining.

COPPER MINING, SMELTING, AND REFINING

Section 501 of Pub. L. 99-88 provided that: “The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act or any other Act, for the production of any copper commodity for export or for the financing of the expansion, improvement, or modernization of copper mining, smelting, and refining capacity.”

§ 262k-1. Transparency of budgets

(a) Limitation

Beginning three years after September 30, 1996, the Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to use the voice and vote of the United States to oppose any loan or other utilization of the funds of their respective institution, other than to address basic human needs, for the government of any country which the Secretary of the Treasury determines—

- (1) does not have in place a functioning system for reporting to civilian authorities audits of receipts and expenditures that fund activities of the armed forces and security forces;
- (2) has not provided to the institution information about the audit process requested by the institution.

(b) “International financial institution” defined

For purposes of this section, the term “international financial institution” shall include the institutions identified in section 532(b) of this Act.

(Pub. L. 104-208, div. A, title I, § 101(c) [title V, § 576], Sept. 30, 1996, 110 Stat. 3009-121, 3009-168; Pub. L. 105-118, title V, § 572, Nov. 26, 1997, 111 Stat. 2430.)

REFERENCES IN TEXT

Section 532(b) of this Act, referred to in subsec. (b), is section 532(b) of Pub. L. 104-208, div. A, title I, § 101(c) [title V], Sept. 30, 1996, 110 Stat. 3009-121, 3009-152, which is not classified to the Code.

AMENDMENTS

1997—Subsec. (a)(1). Pub. L. 105-118, § 572(a), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “does not have in place a functioning system for a civilian audit of all receipts and expenditures that fund activities of the armed forces and security forces;”.

Subsec. (a)(2). Pub. L. 105-118, § 572(b), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “has not provided a summary of a current audit to the institution.”

§ 262k-2. Female genital mutilation

(a) Limitation

Beginning 1 year after September 30, 1996, the Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to use the voice and vote of the United States to oppose any loan or other utilization of the funds of their respective institution, other than to address basic human needs, for the government of any country which the Secretary of the Treasury determines—

- (1) has, as a cultural custom, a known history of the practice of female genital mutilation; and
- (2) has not taken steps to implement educational programs designed to prevent the practice of female genital mutilation.

(b) “International financial institution” defined

For purposes of this section, the term “international financial institution” shall include the

institutions identified in section 532(b) of this Act.

(Pub. L. 104–208, div. A, title I, §101(c) [title V, §579], Sept. 30, 1996, 110 Stat. 3009–121, 3009–170.)

REFERENCES IN TEXT

Section 532(b) of this Act, referred to in subsec. (b), is section 532(b) of Pub. L. 104–208, div. A, title I, §101(c) [title V], Sept. 30, 1996, 110 Stat. 3009–121, 3009–152, which is not classified to the Code.

§ 262I. Omitted

CODIFICATION

Section, Pub. L. 102–391, title V, §532, Oct. 6, 1992, 106 Stat. 1666, which related to involvement of Multilateral Development Banks in promoting environmental and energy initiatives and required reports to Congress on progress in meeting benchmarks in sustainable energy development, forest conservation, forced displacement of populations, and environmental impact assessment, was from the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993, and was omitted from the Code as not repeated in subsequent appropriation acts. Similar provisions were contained in the following prior appropriation acts:

Pub. L. 101–513, title V, §533, Nov. 5, 1990, 104 Stat. 2013, as amended by Pub. L. 102–27, title III, §308, Apr. 10, 1991, 105 Stat. 152.

Pub. L. 101–167, title V, §533, Nov. 21, 1989, 103 Stat. 1225.

Pub. L. 100–461, title V, §535, Oct. 1, 1988, 102 Stat. 2268–28.

Pub. L. 100–202, §101(e) [title V, §537], Dec. 22, 1987, 101 Stat. 1329–131, 1329–161, as amended by Pub. L. 101–240, title V, §541(d)(8), Dec. 19, 1989, 103 Stat. 2518.

Pub. L. 99–500, §101(f) [title V, §539], Oct. 18, 1986, 100 Stat. 1783–213, 1783–232, and Pub. L. 99–591, §101(f) [title V, §539], Oct. 30, 1986, 100 Stat. 3341–214, 3341–232.

Pub. L. 99–190, §101(i) [title V, §540], Dec. 19, 1985, 99 Stat. 1291, 1309.

§ 262m. Congressional findings and policies for multilateral development banks respecting environment, public health, natural resources, and indigenous peoples

The Congress finds that—

(1) United States assistance to the multilateral development banks should promote sustainable use of natural resources and the protection of the environment, public health, and the status of indigenous peoples in developing countries;

(2) multilateral development bank projects, policies, and loans have failed in some cases to provide adequate safeguards for the environment, public health, natural resources, and indigenous peoples;

(3) many development efforts of the multilateral development banks are more enduring and less costly if based on consultations with directly affected population groups and communities;

(4) developing country governments sometimes do not ensure that appropriate policies and procedures are in place to use natural resources sustainably or consult with affected population groups and communities, where costs could be reduced or benefits made more enduring; and

(5) in general, the multilateral development banks do not yet provide systematic and adequate assistance to their borrowers to encourage sustainable resource use and consultation

with affected communities, where costs could be reduced or benefits made more enduring.

(Pub. L. 95–118, title XIII, §1301, as added Pub. L. 100–202, §101(e) [title I], Dec. 22, 1987, 101 Stat. 1329–131, 1329–134.)

CODIFICATION

Section 1301 of Pub. L. 95–118 is based on section 701 of title VII of H.R. 3750, One Hundredth Congress, as introduced Dec. 11, 1987, and enacted into law by Pub. L. 100–202.

§ 262m–1. Environmental performance of banks; mechanisms for improvement

The Secretary of the Treasury and the Secretary of State, in cooperation with the Administrator of the Agency for International Development, shall vigorously promote mechanisms to strengthen the environmental performance of these banks. These mechanisms shall include strengthening organizational, administrative, and procedural arrangements within the banks which will substantially improve management of assistance programs necessary to ensure the sustainable use of natural resources and the protection of indigenous peoples.

(Pub. L. 95–118, title XIII, §1302, as added Pub. L. 100–202, §101(e) [title I], Dec. 22, 1987, 101 Stat. 1329–131, 1329–134.)

CODIFICATION

Section 1302 of Pub. L. 95–118 is based on section 701 of title VII of H.R. 3750, One Hundredth Congress, as introduced Dec. 11, 1987, and enacted into law by Pub. L. 100–202.

DEFINITIONS

The definition in section 262p of this title applies to this section.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 262p of this title.

§ 262m–2. Environmental impact of assistance proposals

(a) Analysis by agencies, United States embassies and overseas missions of Agency for International Development; factors considered; affirmative investigation of adverse impacts; availability of information to public

(1) In the course of reviewing assistance proposals of the multilateral development banks, the Administrator of the Agency for International Development, in consultation with the Secretary of the Treasury and the Secretary of State, shall ensure that other agencies and appropriate United States embassies and overseas missions of the Agency for International Development are instructed to analyze, where feasible, the environmental impacts of multilateral development loans well in advance of such loans' approval by the relevant institutions to determine whether the proposals will contribute to the sustainable development of the borrowing country.

(2) To the extent possible, such reviews shall address the economic viability of the project, adverse impacts on the environment, natural resources, public health, and indigenous peoples, and recommendations as to measures, including