PUBLIC LAW 109–102—NOV. 14, 2005

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2006

NONPROLIFERATION AND COUNTERPROLIFERATION EFFORTS

SEC. 599A. Funds appropriated under title II under the heading "Nonproliferation, Anti-Terrorism, Demining and Related Programs" may be made available to the Under Secretary of State for Arms Control and International Security for use in certain nonproliferation efforts and counterproliferation efforts such as increased voluntary dues to the International Atomic Energy Agency and Proliferation Security Initiative activities.

PROMOTION OF POLICY GOALS AT MULTILATERAL DEVELOPMENT BANKS

SEC. 599B. Title XV of the International Financial Institutions Act (22 U.S.C. 262o et seq.) is amended by adding at the end the following:

"SEC. 1505. PROMOTION OF POLICY GOALS. 22 USC 262o–4.

"(a) The Secretary of the Treasury shall instruct the United States Executive Director at each multilateral development bank to inform each such bank and the executive directors of each such bank of the policy of the United States as set out in this section and to actively promote this policy and the goals set forth in section 1504 of this Act. It is the policy of the United States that each bank should—

"(1) require the bank's employees, officers and consultants to make an annual disclosure of their financial interests and income and of any other potential source of conflict of interest;

"(2) link project and program design and results to management and staff performance appraisals, salaries, and bonuses;

"(3) implement voluntary disclosure programs for firms and individuals participating in projects financed by such bank;

"(4) ensure that all loan, credit, guarantee, and grant documents and other agreements with borrowers include provisions for the financial resources and conditionality necessary to ensure that a person or country that obtains financial support from a bank complies with applicable bank policies and national and international laws in carrying out the terms and conditions of such documents and agreements, including bank policies and national and international laws pertaining to the comprehensive assessment and transparency of the activities related to access to information, public health, safety, and environmental protection;

"(5) implement clear anti-corruption procedures setting forth the circumstances under which a person will be barred from receiving a loan, contract, grant, guarantee or credit from such bank, make such procedures available to the public, and make the identity of such person available to the public;

"(6) coordinate policies across multilateral development banks on issues including debarment, cross-debarment, procurement guidelines, consultant guidelines, and fiduciary standards so that a person that is debarred by one such bank is subject to a rebuttable presumption of ineligibility to conduct business with any other such bank during the specific ineligibility period;

"(7) require each bank borrower and grantee and each bidder, supplier and contractor for MDB projects to comply

with the highest standard of ethics prohibiting coercive, collusive, corrupt and fraudulent practices, such as are defined in the World Bank's Procurement Guidelines of May, 2004;

"(8) maintain a functionally independent Investigations Office, Auditor General Office and Evaluation Office that are free from interference in determining the scope of investigations (including forensic audits), internal auditing (including assessments of management controls for meeting operational objectives and complying with bank policies), performing work and communicating results, and that regularly report to such bank's board of directors and, as appropriate and in a manner consistent with such functional independence of the Investigations Office and the Auditor General Office, to the bank's President;

"(9) require that each candidate for adjustment or budget support loans demonstrate transparent budgetary and procurement processes including budget publication and public scrutiny prior to loan or grant approval;

"(10) require that for each project where compensation is to be provided to persons adversely affected by the project, such persons have recourse to an impartial and responsive mechanism to receive and resolve complaints. The mechanism should be easily accessible to all segments of the affected community without impeding access to other judicial or administrative remedies and without retribution;

"(11) implement best practices in domestic laws and international conventions against corruption for whistleblower and witness disclosures and protections against retaliation for internal and lawful public disclosures by the bank's employees and others affected by such bank's operations who challenge illegality or other misconduct that could threaten the bank's mission, including: (1) best practices for legal burdens of proof; (2) access to independent adjudicative bodies, including external arbitration based on consensus selection and shared costs; and (3) results that eliminate the effects of proven retaliation; and

"(12) require, to the maximum extent possible, that all draft country strategies are issued for public consideration no less than 45 days before the country strategy is considered by the multilateral development bank board of directors.

Deadline.
Internet.

"(b) The Secretary of the Treasury shall, beginning thirty days after the enactment of this Act and within sixty calendar days of the meeting of the respective bank's Board of Directors at which such decisions are made, publish on the Department of the Treasury website a statement or explanation of the United States position on decisions related to: (1) operational policies; and (2) any proposal which would result or be likely to result in a significant effect on the environment.

"(c) In this section the term 'multilateral development bank' has the meaning given that term in section 1307 of the International Financial Institutions Act (22 U.S.C. 262m–7) and also includes the European Bank for Reconstruction and Development and the Global Environment Facility.".

AUTHORIZATIONS

SEC. 599C. (a) To authorize the United States participation in and appropriations for the United States contribution to the fourteenth replenishment of the resources of the International