

116TH CONGRESS
1ST SESSION

H. R. 5051

To increase transparency and accountability with respect to World Bank lending for China, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 12, 2019

Mr. GONZALEZ of Ohio introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To increase transparency and accountability with respect to World Bank lending for 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Accountability for
5 World Bank Loans to China Act of 2019”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds as follows:

8 (1) Possessing more than \$3,000,000,000,000
9 in foreign exchange reserves, the People’s Republic
10 of China has devoted state resources to establish the

1 Asian Infrastructure Investment Bank, the New De-
2 velopment Bank, and activities under the Belt and
3 Road Initiative, potentially creating rivals to the
4 multilateral development banks led by the United
5 States and its allies.

6 (2) The International Bank for Reconstruction
7 and Development (IBRD), the World Bank’s pri-
8 mary financing institution for middle-income coun-
9 tries, ceases to finance (“graduates”) countries that
10 are able to sustain long-term development without
11 recourse to Bank resources.

12 (3) The IBRD examines a country’s potential
13 graduation when the country reaches the Graduation
14 Discussion Income (GDI), which amounts to a Gross
15 National Income (GNI) per capita of \$6,975.

16 (4) The World Bank calculates China’s GNI
17 per capita as equivalent to \$9,470.

18 (5) According to the Center for Global Develop-
19 ment, China has received \$7,800,000,000 in IBRD
20 commitments since crossing the GDI threshold in
21 2016.

22 **SEC. 3. UNITED STATES SUPPORT FOR GRADUATION OF**
23 **CHINA FROM WORLD BANK ASSISTANCE.**

24 (a) IN GENERAL.—The United States Governor of
25 the International Bank for Reconstruction and Develop-

1 ment (IBRD) shall instruct the United States Executive
2 Director at the IBRD that it is the policy of the United
3 States to pursue the expeditious graduation of the Peo-
4 ple’s Republic of China from assistance by the IBRD, con-
5 sistent with the lending eligibility criteria of the IBRD.

6 (b) SUNSET.—Subsection (a) shall have no force or
7 effect on or after the earlier of—

8 (1) the date that is 7 years after the date of the
9 enactment of this Act; or

10 (2) the date that the Secretary of the Treasury
11 reports to the Committee on Financial Services of
12 the House of Representatives and the Committee on
13 Foreign Relations of the Senate that termination of
14 subsection (a) is important to the national interest
15 of the United States, with a detailed explanation of
16 the reasons therefor.

17 **SEC. 4. ACCOUNTABILITY FOR WORLD BANK LOANS TO THE**
18 **PEOPLE’S REPUBLIC OF CHINA.**

19 (a) IN GENERAL.—Before contributing on behalf of
20 the United States to the nineteenth replenishment of the
21 resources of the International Development Association (in
22 this section referred to as the “Association”), the United
23 States Governor of the Association, shall submit the report
24 described in subsection (b) to the Committee on Financial

1 Services of the House of Representatives and the Com-
2 mittee on Foreign Relations of the Senate.

3 (b) REPORT DESCRIBED.—The report described in
4 this subsection shall include the following:

5 (1) A detailed description of the efforts of the
6 United States Governor of the Association and the
7 United States Governor of the International Bank
8 for Reconstruction and Development (in this section
9 referred to as the “IBRD”) to enforce the timely
10 graduation of countries from the International De-
11 velopment Association and the IBRD, with a par-
12 ticular focus on the efforts with regard to the Peo-
13 ple’s Republic of China.

14 (2) If the People’s Republic of China is a mem-
15 ber country of the IBRD, an explanation of any eco-
16 nomic or political factors that have prevented the
17 graduation of the People’s Republic of China from
18 the IBRD.

19 (3) A discussion of any effects resulting from
20 fungibility and IBRD lending to China, including
21 the potential for IBRD lending to allow for funding
22 by the government of the People’s Republic of China
23 of activities that may be inconsistent with the na-
24 tional interest of the United States.

1 (4) An action plan to help ensure that the Peo-
 2 ple’s Republic of China graduates from the IBRD
 3 within 2 years after submission of the report, con-
 4 sistent with the lending eligibility criteria of the
 5 IBRD.

6 (c) WAIVER OF REQUIREMENT THAT REPORT IN-
 7 CLUDE ACTION PLAN.—The Secretary of the Treasury
 8 may waive the requirement of subsection (b)(4) on report-
 9 ing to the Committee on Financial Services of the House
 10 of Representatives and the Committee on Foreign Rela-
 11 tions of the Senate that the waiver is important to the
 12 national interest of the United States, with a detailed ex-
 13 planation of the reasons therefor.

14 **SEC. 5. ENSURING DEBT TRANSPARENCY WITH RESPECT**
 15 **TO THE BELT AND ROAD INITIATIVE.**

16 Within 180 days after the date of the enactment of
 17 this Act, the Secretary of the Treasury shall submit to
 18 the Committee on Financial Services of the House of Rep-
 19 resentatives and the Committee on Foreign Relations of
 20 the Senate a report that includes the following:

21 (1) An analysis of debt management assistance
 22 provided by the World Bank, the International Mon-
 23 etary Fund, and the Office of Technical Assistance
 24 of the Department of the Treasury to borrowing
 25 countries of the Belt and Road Initiative of the Peo-

1 ple's Republic of China (or any comparable initiative
2 or successor initiative of China).

3 (2) A discussion of United States efforts at the
4 World Bank, the International Monetary Fund, and
5 any other international financial institution to pro-
6 mote debt transparency with respect to credit pro-
7 vided by China.

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