

118TH CONGRESS
2^D SESSION

H. R. 7125

To require the Secretary of the Treasury to instruct the United States Executive Directors at the international financial institutions to advocate opposition to projects that make use of forced labor.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 29, 2024

Ms. WEXTON (for herself, Mr. GALLAGHER, Mr. KRISHNAMOORTHY, Mr. ROSE, Mr. SHERMAN, Mrs. KIM of California, Mr. MEEKS, and Mr. NUNN of Iowa) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To require the Secretary of the Treasury to instruct the United States Executive Directors at the international financial institutions to advocate opposition to projects that make use of forced labor.

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 “No Funds for Forced
5 Labor Act”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds as follows:

1 (1) The International Labor Organization has
2 expressed “deep concern” about the “extensive use
3 of forced labor in the Xinjiang Uyghur Autonomous
4 Region”.

5 (2) In its 2022 annual report, the Congres-
6 sional-Executive Commission on China (CECC)
7 found that “Authorities in the XUAR (Xinjiang
8 Uyghur Autonomous Region) maintained a system
9 of forced labor that involved former mass internment
10 camp detainees and other Turkic and Muslim indi-
11 viduals.”.

12 (3) In 2022, the Atlantic Council published a
13 report detailing that the World Bank’s private lend-
14 ing body, the International Finance Corporation
15 (IFC), determined that several IFC clients were ac-
16 tive participants in the People’s Republic of China
17 campaign against the Uyghur people and Uyghur
18 culture in the XUAR.

19 **SEC. 3. SENSE OF THE CONGRESS.**

20 It is the sense of the Congress that—

21 (1) international financial institutions should
22 not fund, finance, or provide loan guarantees to any
23 entity that has been credibly accused of using forced
24 labor; and

1 (2) the United States should work with allies,
2 partners, and all countries around the globe to elimi-
3 nate forced labor and ensure that international fi-
4 nancial institutions do not fund projects that use
5 forced labor.

6 **SEC. 4. UNITED STATES OPPOSITION TO INTERNATIONAL**
7 **FINANCIAL INSTITUTION LOANS FOR**
8 **PROJECTS THAT WOULD USE, OR HAVE A SIG-**
9 **NIFICANT RISK OF USING, FORCED LABOR.**

10 (a) IN GENERAL.—Title VII of the International Fi-
11 nancial Institutions Act (22 U.S.C. 262d, 262e note, 262e,
12 and 262d note) is amended by adding at the end the fol-
13 lowing:

14 **“SEC. 706. UNITED STATES OPPOSITION TO LOANS FOR**
15 **PROJECTS THAT WOULD USE, OR HAVE A SIG-**
16 **NIFICANT RISK OF USING, FORCED LABOR.**

17 “(a) IN GENERAL.—The Secretary of the Treasury
18 shall instruct the United States Executive Director at each
19 international financial institution (as defined in section
20 1701(c)(2)) to use the voice, vote, and influence of the
21 United States, to the maximum extent practicable, to—

22 “(1) oppose the provision of a loan to any
23 project that will—

24 “(A) pose a significant risk of using forced
25 labor; or

1 “(B) be carried out by a state-owned or
2 heavily state-influenced entity in the Xinjiang
3 Uyghur Autonomous Region; and

4 “(2) require the institution to provide, with re-
5 spect to each project supported by the institution, an
6 explanation, specific to the project, of—

7 “(A) how the institution has vetted the
8 project for forced labor risks; and

9 “(B) the actions taken to mitigate, track,
10 and reverse that risk.

11 “(b) DEFINITION OF FORCED LABOR.—In this sec-
12 tion, the term ‘forced labor’—

13 “(1) has the meaning given the term in section
14 307 of the Tariff Act of 1930 (19 U.S.C. 1307); and

15 “(2) includes convict labor and indentured labor
16 under penal sanctions.”.

17 (b) REPORT.—

18 (1) IN GENERAL.—Not later than 1 year after
19 the date of the enactment of this Act, and annually
20 thereafter for the next 5 years, the Secretary of the
21 Treasury shall submit to the Committee on Finan-
22 cial Services of the House of Representatives, the
23 Committee on Foreign Affairs of the House of Rep-
24 resentatives, the Committee on Foreign Relations of
25 the Senate, and the Committee on Banking, Hous-

1 ing, and Urban Affairs of the Senate a written re-
2 port on the implementation of the amendment made
3 by subsection (a), which shall include details
4 about—

5 (A) any project approved by an inter-
6 national financial institution (as defined in sec-
7 tion 1701(c)(2) of the International Financial
8 Institutions Act) in which forced labor could
9 possibly be used; and

10 (B) the efforts of the United States Execu-
11 tive Director at each such institution to con-
12 vince other countries to oppose any project in
13 which forced labor could be used.

14 (2) PUBLIC AVAILABILITY.—The Secretary of
15 the Treasury shall make the report (or an unclassi-
16 fied version of the report) available to the public.

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