

117TH CONGRESS
1ST SESSION

S. 2587

To oppose the provision of assistance to the People’s Republic of China
by the multilateral development banks.

IN THE SENATE OF THE UNITED STATES

AUGUST 3, 2021

Mr. BARRASSO (for himself, Mr. GRASSLEY, Ms. LUMMIS, Mr. RUBIO, Mr. SCOTT of Florida, Mr. LANKFORD, Mr. INHOFE, Mr. COTTON, Mr. TILLIS, Mr. BRAUN, Mr. SASSE, Mr. CORNYN, Mr. BOOZMAN, Mrs. BLACKBURN, Mr. TUBERVILLE, Mr. MORAN, and Mr. HAWLEY) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To oppose the provision of assistance to the People’s
Republic of China by the multilateral development banks.

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. OPPOSITION TO PROVISION OF ASSISTANCE TO**
4 **PEOPLE’S REPUBLIC OF CHINA BY MULTI-**
5 **LATERAL DEVELOPMENT BANKS.**

6 (a) FINDINGS.—Congress makes the following find-
7 ings:

1 (1) The People’s Republic of China is the
2 world’s second largest economy and a major global
3 lender.

4 (2) In February 2021, the foreign exchange re-
5 serves of the People’s Republic of China totaled
6 more than \$3,200,000,000,000.

7 (3) The World Bank classifies the People’s Re-
8 public of China as having an upper-middle-income
9 economy.

10 (4) On February 25, 2021, President Xi
11 Jinping announced “complete victory” over extreme
12 poverty in the People’s Republic of China.

13 (5) The Government of the People’s Republic of
14 China utilizes state resources to create and promote
15 the Asian Infrastructure Investment Bank, the New
16 Development Bank, and the Belt and Road Initia-
17 tive.

18 (6) The People’s Republic of China is the
19 world’s largest official creditor.

20 (7) Through a multilateral development bank,
21 countries are eligible to borrow until they can man-
22 age long-term development and access to capital
23 markets without financial resources from the bank.

24 (8) The World Bank reviews the graduation of
25 a country from eligibility to borrow from the Inter-

1 national Bank for Reconstruction and Development
2 once the country reaches the graduation discussion
3 income, which is equivalent to the gross national in-
4 come. For fiscal year 2021, the graduation discus-
5 sion income is a gross national income per capita ex-
6 ceeding \$7,065.

7 (9) Many of the other multilateral development
8 banks, such as the Asian Development Bank, use
9 the gross national income per capita benchmark
10 used by the International Bank for Reconstruction
11 and Development to trigger the graduation process.

12 (10) The People's Republic of China exceeded
13 the graduation discussion income threshold in 2016.

14 (11) Since 2016, the International Bank for
15 Reconstruction and Development has approved
16 projects totaling \$8,930,000,000 to the People's Re-
17 public of China.

18 (12) Since 2016, the Asian Development Bank
19 has continued to approve loans and technical assist-
20 ance to the People's Republic of China totaling
21 \$7,600,000,000. The Bank has also approved non-
22 sovereign commitments in the People's Republic of
23 China totaling \$1,800,000,000 since 2016.

1 (13) The World Bank calculates the People's
2 Republic of China's most recent year (2019) gross
3 national income per capita as \$10,390.

4 (b) STATEMENT OF POLICY.—It is the policy of the
5 United States to oppose any additional lending from the
6 multilateral development banks, including the Inter-
7 national Bank for Reconstruction and Development and
8 the Asian Development Bank, to the People's Republic of
9 China as a result of the People's Republic of China's suc-
10 cessful graduation from the eligibility requirements for as-
11 sistance from those banks.

12 (c) OPPOSITION TO LENDING TO PEOPLE'S REPUB-
13 LIC OF CHINA.—The Secretary of the Treasury shall in-
14 struct the United States Executive Director at each multi-
15 lateral development bank to use the voice, vote, and influ-
16 ence of the United States—

17 (1) to oppose any loan or extension of financial
18 or technical assistance by the bank to the People's
19 Republic of China; and

20 (2) to end lending and assistance to countries
21 that exceed the graduation discussion income of the
22 bank.

23 (d) REPORT REQUIRED.—Not later than one year
24 after the date of the enactment of this Act, and annually
25 thereafter, the Secretary of the Treasury shall submit to

1 the appropriate congressional committees a report that in-
2 cludes—

3 (1) an assessment of the status of borrowing by
4 the People’s Republic of China from each multilat-
5 eral development bank;

6 (2) a description of voting power, shares, and
7 representation by the People’s Republic of China at
8 each such bank;

9 (3) a list of countries that have exceeded the
10 graduation discussion income at each such bank;

11 (4) a list of countries that have graduated from
12 eligibility for assistance from each such bank; and

13 (5) a full description of the efforts taken by the
14 United States to graduate countries from such eligi-
15 bility once they exceed the graduation discussion in-
16 come at each such bank.

17 (e) DEFINITIONS.—In this section:

18 (1) APPROPRIATE CONGRESSIONAL COMMIT-
19 TEES.—The term “appropriate congressional com-
20 mittees” means—

21 (A) the Committee on Foreign Relations of
22 the Senate; and

23 (B) the Committee on Financial Services
24 and the Committee on Foreign Affairs of the
25 House of Representatives.

1 (2) MULTILATERAL DEVELOPMENT BANKS.—
2 The term “multilateral development banks” has the
3 meaning given that term in section 1701(c) of the
4 International Financial Institutions Act (22 U.S.C.
5 262r(c)).

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