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(Original Signature of Member)

118TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To increase transparency regarding the activities, and reduce the malign influence of, the People's Republic of China in the Inter-American Development Bank, and for other purposes.

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**IN THE HOUSE OF REPRESENTATIVES**

Mr. GALLAGHER introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To increase transparency regarding the activities, and reduce the malign influence of, the People's Republic of China in the Inter-American Development Bank, 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 “IDB Transparency  
5       Act”.

1 **SEC. 2. REPORT ON INFLUENCE OF THE PEOPLE'S REPUB-**  
2 **LIC OF CHINA AT THE INTER-AMERICAN DE-**  
3 **VELOPMENT BANK.**

4 (a) IN GENERAL.—Within 180 days after the date  
5 of the enactment of this Act, the Secretary of the Treas-  
6 ury, in consultation with the Secretary of State, shall sub-  
7 mit to the appropriate congressional committees a report  
8 that includes the following:

9 (1) The scope and scale of the influence of the  
10 PRC and PRC companies in the IDB, including  
11 in—

12 (A) the organization and personnel of the  
13 IDB;

14 (B) IDB governance and transparency;

15 (C) the financing of the IDB;

16 (D) determinations around which projects  
17 to fund or finance;

18 (E) deliberations regarding the involve-  
19 ment or membership of Taiwan in the IDB; and

20 (F) any other modes through which the  
21 PRC or PRC companies influence the IDB.

22 (2) A complete list of all projects of the IDB  
23 that include financing or funding from the PRC,  
24 PRC companies, or PRC trust funds created at the  
25 IDB since the PRC joined the IDB as a member  
26 country on January 12, 2009, including—

1 (A) the title and identification number of  
2 the project;

3 (B) a description of the project;

4 (C) the location of the project;

5 (D) the amount of funding or financing  
6 initially allocated for the project;

7 (E) the amount of funding or financing  
8 disbursed under the project;

9 (F) a summary of the status of the imple-  
10 mentation of the project; and

11 (G) a description of any incidents in which  
12 funding or financing for a project has been dis-  
13 bursed, but has not been implemented or com-  
14 pleted.

15 (3) A complete list of the projects of the IDB  
16 in which PRC companies participate, whether  
17 through direct or indirect procurement or other con-  
18 tracting, including—

19 (A) the title and identification number of  
20 the project;

21 (B) a description of the project;

22 (C) the location of the project;

23 (D) the amount of funding or financing  
24 initially allocated for the project;

1 (E) the amount of funding or financing  
2 disbursed under the project;

3 (F) the name of the participating PRC  
4 companies and, in the case of each such com-  
5 pany, whether the participation consists of di-  
6 rect or indirect procurement or other con-  
7 tracting;

8 (G) the amount of funding or financing re-  
9 ceived by the PRC companies under the project;

10 (H) a summary of the work conducted by  
11 the PRC companies as part of direct or indirect  
12 procurement or other contracting; and

13 (I) a description of any incidents in which  
14 the PRC companies received funding or financ-  
15 ing as part of a direct or indirect procurement  
16 or other contracting, but required work has not  
17 been implemented or completed.

18 (4) A full review of projects described in para-  
19 graphs (2) and (3) to assess whether any of the  
20 projects featured any human rights abuses, delays,  
21 corruption, or poor results, and an analysis of the  
22 procurement practices involved in the projects.

23 (5) The extent to which—

24 (A) the IDB uses equipment or services  
25 produced by technology providers covered by

1 section 2 of the Secure and Trusted Commu-  
2 nications Networks Act of 2019 or PRC compa-  
3 nies on the list of entities set forth in Supple-  
4 ment No. 4 to part 744 of the Export Adminis-  
5 tration Regulations, set forth in subchapter C  
6 of chapter VII of title 15, Code of Federal Reg-  
7 ulations, or any successor regulations; or

8 (B) projects funded or financed by the  
9 IDB use technology provided by the providers  
10 or entities.

11 (6) A review of how and to what extent the  
12 PRC has used the IDB to, within IDB member  
13 countries—

14 (A) spread the diplomatic, economic, and  
15 military influence of the PRC;

16 (B) promote the adoption and use of tech-  
17 nologies of PRC companies; and

18 (C) promote the preferred values of the  
19 PRC.

20 (7) An action plan for the Executive Director to  
21 work to reduce the involvement of the PRC and  
22 PRC companies in the IDB and projects funded or  
23 financed by the IDB, as determined under this sub-  
24 section.

1           (8) The extent to which PRC persons sanc-  
2           tioned by the United States serve in leadership or  
3           management positions in PRC companies working  
4           on IDB-funded or IDB-financed projects.

5           (9) The extent to which the PRC has used its  
6           voice, vote, and influence in the IDB to promote the  
7           interests of the PRC at the expense of regional de-  
8           velopment interests.

9           (10) A summary of the in-depth reviews con-  
10          ducted under section 3(a)(2)(A) of this Act.

11          (11) A list of IDB projects funded by the PRC  
12          or PRC companies assessed to pose a risk to United  
13          States interests due to their proximity to a coopera-  
14          tive security location, a United States military in-  
15          stallation outside the contiguous United States, or a  
16          military installation of a partner or ally of the  
17          United States.

18          (b) SUBSEQUENT REPORTS.—Within 2 years after  
19          the Secretary submits the report required by subsection  
20          (a), and every 2 years thereafter for 8 years, the Secretary  
21          shall submit to the appropriate congressional committees  
22          a report that includes—

23                (1) any updates to information included in all  
24                reports submitted under subsection (a); and

1           (2) any new information related to the matters  
2       described in subsection (a).

3       (c) **FORMAT.**—The reports required under sub-  
4       sections (a) and (b) shall be submitted to the appropriate  
5       congressional committees in unclassified form, but may in-  
6       clude a classified annex.

7       (d) **PUBLIC AVAILABILITY.**—Not earlier than 60  
8       days, and not later than 90 days, after the Secretary sub-  
9       mits a report required by subsection (a) or (b), the Sec-  
10      retary shall post an unclassified summary of the report  
11      on a public-facing web page of the Department of the  
12      Treasury.

13      **SEC. 3. REQUIRED USE OF UNITED STATES VOICE, VOTE,**  
14                              **AND INFLUENCE AT THE INTER-AMERICAN**  
15                              **DEVELOPMENT BANK.**

16      (a) **IN GENERAL.**—The Secretary of the Treasury  
17      shall instruct the United States Executive Director at the  
18      Inter-American Development Bank to use the voice, vote,  
19      and influence of the United States to do the following:

20           (1) Facilitate greater IDB transparency about  
21      the role of the PRC and PRC companies in the  
22      IDB, including by fostering a more open release pol-  
23      icy toward working papers, past evaluations, and  
24      other IDB documents.

1           (2) Reduce the influence of the PRC and PRC  
2       companies in all IDB deliberations, activities, and  
3       projects, including by—

4           (A) conducting an in-depth review of all  
5       projects, financing, loans, and grants in which  
6       at least 10 percent of—

7           (i) the funding or financing for such  
8       a project, financing, loan, or grant comes  
9       from the PRC or PRC companies; or

10          (ii) the value of direct or indirect pro-  
11       curements or other contracting for such a  
12       project, financing, loan, or grant is pro-  
13       vided to PRC companies; and

14          (B) voting against or taking action to pre-  
15       vent a quorum for all votes related to—

16          (i) any project, financing, loan, or  
17       grant for which the in-depth review re-  
18       quired in subparagraph (A) determines  
19       presents risks to United States national in-  
20       terests; and

21          (ii) any project, financing, loan, or  
22       grant that would include the participation  
23       of PRC trust funds created with the IDB.

24       (3) Beginning 180 days after date of the enact-  
25       ment of this Act, if the Secretary has failed to sub-



1       mit the report required by section 2, vote against, or  
2       take action to prevent a quorum for all votes related  
3       to, IDB budgets until the IDB provides the Sec-  
4       retary with the information required for the Sec-  
5       retary to prepare and submit the report.

6           (4) Vote against, or withhold quorum for all  
7       votes related to, the issuance, sale, or transfer of ad-  
8       ditional shares of stock in the IDB to the PRC.

9       (b) WAIVER.—The Secretary may waive the require-  
10      ments of subsection (a)(3) on a case-by-case basis if the  
11      Secretary certifies and reports to the appropriate congres-  
12      sional committees before the waiver is exercised that the  
13      waiver would serve a national interest of the United States  
14      or address basic human needs.

15   **SEC. 4. DEFINITIONS.**

16       In this Act:

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

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

22           (B) the Committee on Financial Services  
23       and the Select Committee on the Strategic  
24       Competition Between the United States and the

1 Chinese Communist Party of the House of Rep-  
2 resentatives.

3 (2) EXECUTIVE DIRECTOR.—The term “Execu-  
4 tive Director” means the United States Executive  
5 Director at the IDB.

6 (3) IDB.—The term “IDB” means all of the  
7 current and former institutions in the IDB Group,  
8 including the Inter-American Development Bank,  
9 IDB Invest, IDB lab, and any related predecessor  
10 entities.

11 (4) PRC.—The term “PRC”—

12 (A) means the People’s Republic of China;  
13 and

14 (B) includes any and all Special Adminis-  
15 trative Regions of China, including Hong Kong  
16 and Macau but not including Taiwan.

17 (5) PRC COMPANIES.—The term “PRC compa-  
18 nies” means any corporation, company, limited li-  
19 ability company, limited partnership, business trust,  
20 business association, or other similar entity owned  
21 by, controlled by, or subject to the jurisdiction or di-  
22 rection of the Government of the PRC.

23 (6) SECRETARY.—The term “Secretary” means  
24 the Secretary of the Treasury.