

117TH CONGRESS
2D SESSION

H. R. 6729

To require a report on the People’s Republic of China’s use of international financial institutions, to set United States policy regarding the identification of the People’s Republic of China as a “developing nation” and address this matter in regional multilateral financial institutions, to prohibit the use of Federal funds to purchase certain goods from the People’s Republic of China, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 15, 2022

Mr. GUEST (for himself, Mr. McCAUL, Mr. CRENSHAW, Mr. MCKINLEY, Mr. MAST, and Mr. BABIN) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committees on Ways and Means, and Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To require a report on the People’s Republic of China’s use of international financial institutions, to set United States policy regarding the identification of the People’s Republic of China as a “developing nation” and address this matter in regional multilateral financial institutions, to prohibit the use of Federal funds to purchase certain goods from the People’s Republic of 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Securing Transparent
3 Operations to Prevent China’s Abuse of International Fi-
4 nancing Act” or the “STOP China’s Abuse of Inter-
5 national Financing Act”.

6 **SEC. 2. REPORT ON THE PEOPLE’S REPUBLIC OF CHINA’S**
7 **USE OF AND INFLUENCE IN INTERNATIONAL**
8 **FINANCIAL INSTITUTIONS.**

9 Within 1 year after the date of the enactment of this
10 Act, the Secretary of State, in consultation with the Sec-
11 retary of the Treasury, shall prepare and submit to the
12 Committee on Foreign Affairs of the House of Representa-
13 tives and the Committee on Foreign Relations of the Sen-
14 ate a written report on the ways that the People’s Repub-
15 lic of China has used its role in international financial in-
16 stitutions to influence the policies of the institutions and
17 advance its diplomatic objectives during the period that
18 begins with calendar year 2000 and ends with the present,
19 including—

20 (1) a statement of the percentage of funds do-
21 nated to each international financial institution dur-
22 ing that period, that is represented by donations
23 from the People’s Republic of China, and how each
24 such percentage has changed during that period;

25 (2) a statement of the percentage of capital
26 loaned to the People’s Republic of China during that

1 period that is represented by loans from each inter-
2 national financial institution, and how each such
3 percentage has changed during that period, includ-
4 ing—

5 (A) how the People’s Republic of China
6 used financing from any institution in the
7 World Bank Group for projects which the Peo-
8 ple’s Republic of China did not finance inter-
9 nally; and

10 (B) how United States technical assistance
11 has been used by each institution of the World
12 Bank Group in evaluating loans to the People’s
13 Republic of China;

14 (3) a statement of the percentage of the staff
15 of each international financial institution who iden-
16 tify as Chinese nationals, and how each such per-
17 centage has changed during that period; and

18 (4) a statement of the involvement of enter-
19 prises controlled by, or whose headquarters are in,
20 the People’s Republic of China in bidding on con-
21 tracts offered by any international financial institu-
22 tion during that period, and the percentage of the
23 contracts that were awarded to any such enterprise,
24 including—

1 (A) how the People's Republic of China
2 subsidizes the enterprises in order to drive
3 down bid prices; and

4 (B) the criteria necessary for a transparent
5 bidding process for contracts offered by any
6 such institution.

7 **SEC. 3. STATEMENT OF POLICY.**

8 (a) SENSE OF THE CONGRESS.—It is the sense of the
9 Congress that international financial institutions, related
10 trade groups, and multilateral organizations should not
11 consider the People's Republic of China to be a developing
12 nation for any purpose.

13 (b) PROCEDURES OF WORLD ORGANIZATIONS.—The
14 United States representatives to the United Nations, the
15 World Trade Organization, and the international financial
16 institutions shall pursue changes in the procedures of their
17 respective institutions to ensure that their respective insti-
18 tutions do not consider the People's Republic of China to
19 be a developing nation for any purpose.

20 **SEC. 4. REPORT FROM UNITED STATES TRADE REPRESENT-**
21 **ATIVE.**

22 Not later than 90 days after the date of the enact-
23 ment of this Act, the United States Trade Representative
24 shall submit to Congress a report that describes the man-
25 ner in which the Trade Representative plans to pursue a

1 strategy with respect to the World Trade Organization
2 (WTO) to carry out and achieve the following:

3 (1) Facilitate the full implementation of cur-
4 rently negotiated and possible future agreements of
5 the WTO.

6 (2) Enable the maximum benefits from trade to
7 accrue to members of the WTO that face the great-
8 est difficulty integrating into multilateral and re-
9 gional trade institutions.

10 (3) Ensure that none of the following members
11 of the WTO receives “special and differential” treat-
12 ment in currently negotiated or possible future
13 agreements of the WTO:

14 (A) Members that are also members of the
15 Organization for Economic Cooperation and
16 Development (OECD) or begun the accession
17 process to OECD.

18 (B) Members that are also members of the
19 G20.

20 (C) Members that are classified as “high
21 income” countries by the International Bank
22 for Reconstruction and Development.

1 **SEC. 5. PROHIBITION ON USE OF FEDERAL FUNDS PRO-**
2 **VIDED TO INTERNATIONAL FINANCIAL INSTI-**
3 **TUTIONS FOR GOODS FROM CHINA.**

4 The Secretary of the Treasury shall direct the United
5 States representatives to the United Nations, the World
6 Trade Organization, and the international financial insti-
7 tutions to use the voice and vote of the United States to
8 prevent the institutions from using any contribution made
9 on behalf of the United States to—

10 (1) procure goods from, or sourced in, the Peo-
11 ple's Republic of China; or

12 (2) fulfill any contract awarded by the Bank to
13 any enterprise controlled by, or whose headquarters
14 is in, the People's Republic of China.

15 **SEC. 6. DEFINITION OF INTERNATIONAL FINANCIAL INSTI-**
16 **TUTION.**

17 In this Act, the term “international financial institu-
18 tion” means—

19 (1) each institution of the World Bank Group;

20 (2) the African Development Bank;

21 (3) the Asian Development Bank;

22 (4) the Caribbean Development Bank;

23 (5) the European Bank for Reconstruction and
24 Development;

25 (6) the Inter-American Development Bank;

- 1 (7) the Arab Fund for Economic and Social De-
2 velopment;
3 (8) the European Investment Bank;
4 (9) the Global Environment Facility;
5 (10) the Islamic Development Bank;
6 (11) the North American Development Bank;
7 and
8 (12) the Organization of American States.

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