

AMENDMENT TO H.R. 5299
OFFERED BY MR. SHERMAN OF CALIFORNIA

At the appropriate place, insert the following:

1 **SEC. __. OTHER AMENDMENTS.**

2 (a) HIGH INCOME COUNTRY.—Section 1402 of the
3 BUILD Act of 2018 (22 U.S.C. 9601) is amended—

4 (1) by redesignating paragraphs (2), (3), and
5 (4) as paragraphs (3), (4), and (5), respectively; and
6 (2) by inserting after paragraph (1) the fol-
7 lowing:

8 “(2) HIGH-INCOME COUNTRY.—The term ‘high-
9 income country’—

10 “(A) means a country with a high-income
11 economy, as defined by International Bank for
12 Reconstruction and Development and the Inter-
13 national Development Association (collectively
14 referred to as the ‘World Bank’; but

15 “(B) does not include a wealthy country.”;
16 and

17 (3) by adding at the end the following:

18 “(6) UPPER-MIDDLE-INCOME COUNTRY.—The
19 term ‘upper-middle-income country’ means, with re-
20 spect to a fiscal year for the Corporation, a country

1 the per capita income of which at the start of such
2 fiscal year is greater than the then-current World
3 Bank threshold for initiating the International Bank
4 for Reconstruction and Development graduation
5 process, and is equal to or less than the per capita
6 income threshold defined as a high-income economy
7 by the World Bank.

8 “(7) WEALTHY COUNTRY.—The term ‘wealthy
9 country’ means a country that is among the 40
10 countries with the highest gross domestic product
11 per capita at purchasing power parity as calculated
12 by the World Bank.”.

13 (b) UNITED STATES INTERNATIONAL DEVELOPMENT
14 FINANCE CORPORATION.—

15 (1) LESS DEVELOPED COUNTRY FOCUS.— Sec-
16 tion 1412 of the BUILD Act of 2018 (22 U.S.C.
17 9612) is amended—

18 (A) in subsection (b), in the first sentence,
19 by striking “and countries in transition from
20 nonmarket to market economies” and inserting
21 “countries in transition from nonmarket to
22 market economies, and other eligible foreign
23 countries”; and

24 (B) by striking subsection (c) and insert-
25 ing the following:

1 “(c) ELIGIBLE COUNTRIES.—

2 “(1) LESS DEVELOPED COUNTRY FOCUS.—The
3 Corporation shall prioritize the provision of support
4 under title II in less developed countries.

5 “(2) ADVANCING INCOME COUNTRIES.—The
6 Corporation may provide support for a project under
7 title II in an advancing income country if, before
8 providing such support, the Chief Executive Officer
9 certifies in writing to the appropriate congressional
10 committees, that such support will be provided in ac-
11 cordance with the policy established pursuant to sub-
12 section (d)(2). Such certification may be included as
13 an appendix to the report required by section 1446.

14 “(3) HIGH-INCOME COUNTRIES.—

15 “(A) IN GENERAL.—The Corporation may
16 provide support for a project under title II in
17 a high-income country if, before providing such
18 support, the Chief Executive Officer certifies in
19 writing to the appropriate congressional com-
20 mittees that such support will be provided in
21 accordance with the policy established pursuant
22 to subsection (d)(3). Such certification may be
23 included as an appendix to the report required
24 by section 1446.

1 “(B) REPORT.—Not later than 120 days
2 after the date of the enactment of this sub-
3 section, and annually thereafter, the Corpora-
4 tion shall submit to the appropriate congress-
5 sional committees a report, which may be sub-
6 mitted in classified form, that includes—

7 “(i) a list of all high-income countries
8 in which the Corporation anticipates pro-
9 viding support in the subsequent fiscal
10 year (and, with respect to the first such re-
11 port, the then-current fiscal year); and

12 “(ii) to the extent practicable, a de-
13 scription of the type of projects anticipated
14 to receive such support.

15 “(C) PROJECTS IN HIGH-INCOME COUN-
16 TRIES NOT PREVIOUSLY IDENTIFIED IN RE-
17 PORT.—The Corporation may not provide sup-
18 port for a project in a high-income country in
19 any year for which that high-income country is
20 not included on the list required by subpara-
21 graph (B)(i), unless, not later than 15 days be-
22 fore commencing the full due diligence process
23 on such project, the Corporation submits to the
24 appropriate congressional committees a notifica-
25 tion describing how the proposed project ad-

1 vances the foreign policy interests of the United
2 States.

3 “(4) CONTINUATION OF ELIGIBILITY.—Projects
4 previously justified to Congress and approved by the
5 Board shall remain eligible for support notwith-
6 standing any change in the income classification of
7 the country for which project support has been ap-
8 proved.

9 “(d) STRATEGIC INVESTMENTS POLICY.—

10 “(1) IN GENERAL.—The Board shall establish
11 policies, which shall be applied on a project-by-
12 project basis, to evaluate and determine the strategic
13 merits of providing support for projects and invest-
14 ments in advancing income countries and high-in-
15 come countries.

16 “(2) INVESTMENT POLICY FOR ADVANCING IN-
17 COME COUNTRIES.—Any policy used to evaluate and
18 determine the strategic merits of providing support
19 for projects in an advancing income country shall re-
20 quire that such projects—

21 “(A) advance—

22 “(i) the national security interests of
23 the United States in accordance with
24 United States foreign policy, as determined
25 by the Secretary of State; or

1 “(ii) significant strategic economic
2 competitiveness imperatives;

3 “(B) are designed in a manner to produce
4 significant developmental outcomes or provide
5 developmental benefits to the poorest popu-
6 lations of such country; and

7 “(C) are structured in a manner that
8 maximizes private capital mobilization.

9 “(3) INVESTMENT POLICY FOR HIGH-INCOME
10 COUNTRIES.—Any policy used to evaluate and deter-
11 mine the strategic merits of providing support for
12 projects in high-income countries shall require
13 that—

14 “(A) each such project meets the require-
15 ments described in paragraph (2);

16 “(B) with respect to each project in a
17 high-income country—

18 “(i) private sector entities have been
19 afforded an opportunity to support the
20 project on viable terms in place of support
21 by the Corporation; and

22 “(ii) such support does not exceed
23 more than 25 percent of the total cost of
24 the project;

1 “(C) with respect to support for all
2 projects in all high- income countries, the ag-
3 gregate amount of such support does not exceed
4 8 percent of the total contingent liability of the
5 Corporation outstanding as of the date on
6 which any such support is provided in a high-
7 income country; and

8 “(D) the Chief Executive Officer submit a
9 report to the appropriate congressional commit-
10 tees that—

11 “(i) certifies that the Corporation has
12 applied the policy to each supported
13 project in a high-income country; and

14 “(ii) describes whether such support—

15 “(I) is a preferred alternative to
16 state-directed investments by a for-
17 eign country of concern; or

18 “(II) otherwise furthers the stra-
19 tegic interest of the United States to
20 counter or limit the influence of for-
21 eign countries of concern.

22 “(e) INELIGIBLE COUNTRIES.—The Corporation
23 shall not provide support for a project in a country of con-
24 cern.

1 “(f) SENSE OF CONGRESS.—It is the sense of Con-
2 gress that—

3 “(1) the Corporation should continuously oper-
4 ate in a manner that advances its core mission and
5 purposes, as described in this title; and

6 “(2) resources of the Corporation should not be
7 diverted for domestic or other activities extending
8 beyond the scope of such mission and purpose.”.

9 (2) LIMITATION ON ELIGIBLE COUNTRIES AND
10 PROJECTS.—Section 1412 of the BUILD Act of
11 2018 (22 U.S.C. 9612), as amended by paragraph
12 (1), is further amended by adding at the end the fol-
13 lowing:

14 “(g) LIMITATION ON ELIGIBLE COUNTRIES AND
15 PROJECTS.—

16 “(1) IN GENERAL.—The Corporation shall
17 prioritize support for projects in low-income and
18 lower-middle-income countries, as defined by the
19 World Bank.

20 “(2) UPPER-MIDDLE-INCOME COUNTRIES.—Fi-
21 nancing in upper-middle-income countries shall be
22 permitted only upon a written determination by the
23 President of the Corporation that the project is like-
24 ly to have significant developmental impact and is

1 not primarily motivated by political or strategic con-
2 siderations.

3 “(3) PROHIBITION.—The Corporation shall not
4 provide financing for projects located in the United
5 States or its territories.”.

