

Chixoy International Financial Institution Reparations Act

Section-by-Section

Section 1. Short title

- *Chixoy International Financial Institution Reparations Act of 2022*

Section 2. Findings (selected examples)

- Beginning in 1976, the World Bank and Inter-American Development Bank financed construction of the Chixoy Dam in Guatemala during the country's civil war. The Maya Achi community was forcibly displaced by dam construction, and individuals who resisted were killed, kidnapped, or raped. A U.N.-sponsored Commission on the events concluded that the community's treatment constituted an act of genocide.
- From 2007 to 2013, the World Bank funded a conservation program implemented by the Kenya Forest Services (KFS). KFS violently displaced the Sengwer, an Indigenous group from the targeted area. Ten years later, many Sengwer individuals remain landless and impoverished.
- The U.S. has previously used its voting power for strengthened accountability at international financial institutions (IFIs), which have an obligation to comply with international human rights law.

Section 3. Reparations Fund

- Directs U.S. representatives at each IFI to use the voice and vote of the United States to promote:
 - Policies to ensure the institution does not support activities that cause or contribute to human rights abuses, including by conducting assessments of potential adverse effects on human rights;
 - Procedures whereby individuals or community that suffer human rights violations resulting from a loan from the institution may initiate a reparations process;
 - Creation of a reparations fund, which shall be financed by a fixed percentage of all revenue earned through investments by the institution and operated transparently, to fully implement negotiated reparations plans.

Section 4. Verification of Proposal Effects

- Directs U.S. representatives at each IFI to request an assessment of human rights and corruption risks associated with the project and how those risks will be avoided.
- Directs U.S. representatives at each IFI not to vote in support of a project if:
 - They have not received the assessment described above;
 - The government of the project's country has refused to accept or renew the mandate of international human rights treaty entities;
 - The government is obstructing implementation of a reparations plan.

Section 5. Verification of Proposal Effects

- Directs U.S. representatives at each IFI to oppose the financing of projects from corporations that have been involved in human rights violations, until those corporations have made full reparation or remedy.

Section 6. Definition of International Financial Institutions