



(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To withhold United States support for any action in the International Monetary Fund relating to member states of the Central African Economic Monetary Community until a determination as to gross foreign exchange reserves is made.

IN THE HOUSE OF REPRESENTATIVES

Mr. HUIZENGA introduced the following bill; which was referred to the Committee on _____

A BILL

To withhold United States support for any action in the International Monetary Fund relating to member states of the Central African Economic Monetary Community until a determination as to gross foreign exchange reserves is made.

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 “Central African Exploi-
5 tation and Manipulation of American Companies Act” or
6 the “CEMAC Act”.

1 **SEC. 2. FINDINGS.**

2 The Congress finds as follows:

3 (1) The member states of the Central African
4 Economic Monetary Community (CEMAC) hold sig-
5 nificant oil and gas reserves and have enjoyed dec-
6 ades long relationships and investments with inter-
7 national oil companies (IOCs).

8 (2) In 2018, the central bank for CEMAC, the
9 Bank of Central African States (BEAC) introduced
10 and intended to enact a foreign exchange regulation
11 that mandates extractive industry companies repa-
12 triate restoration funds for site rehabilitation to the
13 BEAC.

14 (3) Significant progress has been made in medi-
15 ated dialogues over the last 7 years to rectify 23
16 issues with this regulation raised by the IOCs. How-
17 ever, significant issues remain including the refusal
18 of BEAC to remove its sovereign immunity from
19 execution, the role of BEAC as custodian of restora-
20 tion fund accounts, and the implementation of dou-
21 ble jeopardy and material adverse change clauses.

22 (4) BEAC has imposed a completely arbitrary
23 deadline of April 30, 2025, for the IOCs to sign this
24 agreement with penalties equivalent to 150 percent
25 of the restoration fund starting May 1, 2025.

1 (5) Implementation of this regulation is ex-
2 pected to create a lasting negative impact on oil and
3 gas investment in the Central African region, and
4 will drastically compound an already challenging in-
5 vestment environment.

6 (6) The member states of BEAC have indicated
7 that these restoration funds will help them shore up
8 their foreign exchange reserves, despite restoration
9 funds being exclusively allocated for restoration work
10 costs and therefore not meeting the criteria of the
11 International Monetary Fund (IMF) for foreign ex-
12 change reserves.

13 (7) The IMF's Balance of Payments and Inter-
14 national Investment Position Manual states that as-
15 sets must be "readily available" and "controlled" by
16 a country's monetary authorities to count towards a
17 country's foreign exchange reserves.

18 (8) Oil and gas investments in the CEMAC re-
19 gion have been declining since 2018 and this BEAC
20 foreign exchange regulation is expected to drastically
21 accelerate this decline.

22 (9) Standard & Poor's estimates that the regu-
23 lation by 2050 will result in a reduction of govern-
24 ment revenue for CEMAC member states of

1 \$86,000,000,000, and a reduction in capital invest-
2 ment of \$45,000,000,000 in the region.

3 (10) By refusing to clarify that these restora-
4 tion funds will not count towards gross foreign ex-
5 change reserves, the IMF has misled the CEMAC
6 member states and directly put tens of billions of
7 dollars of IOCs investment in the region at risk.

8 **SEC. 3. STATEMENT OF POLICY.**

9 It is the policy of the United States that—

10 (1) the presence of United States companies is
11 a good thing for the regions in which they invest;

12 (2) any funds provided to the Bank of Central
13 African States (in this Act referred to as “BEAC”)
14 by any extractive industry company for site rehabili-
15 tation are ineligible to count towards the gross for-
16 eign exchange reserves of a member state of the
17 Central African Economic Monetary Community (in
18 this Act referred to as “CEMAC”) based on the re-
19 quirements of the Balance of Payments and Inter-
20 national Investment Position Manual of the Inter-
21 national Monetary Fund (in this Act referred to as
22 the “IMF”);

23 (3) the IMF has a responsibility to accurately
24 clarify to countries what are eligible and ineligible
25 assets to count towards the gross foreign exchange

1 reserves of a country, so that countries are able to
2 create appropriate financial policies; and

3 (4) the IMF would be responsible for the loss
4 of investment that the CEMAC region would face if
5 a foreign exchange regulation that mandates extrac-
6 tive industry companies repatriate restoration funds
7 for site rehabilitation to the BEAC is enacted.

8 **SEC. 4. WITHDRAWAL OF FUNDING.**

9 (a) IN GENERAL.—Until the Secretary of the Treas-
10 ury, in coordination with the United States Executive Di-
11 rector at the IMF and the Secretary of State, makes the
12 determination described in subsection (b)—

13 (1) neither the President nor any person or
14 agency shall, on behalf of the United States, vote to
15 approve any action by the IMF relating to any
16 CEMAC member state; and

17 (2) the Secretary of the Treasury shall direct
18 the United States Executive Director at the IMF to
19 use the voice and vote of the United States to op-
20 pose any proposal to—

21 (A) increase the quota in the IMF for any
22 CEMAC member state; or

23 (B) modify the exceptional access policy of
24 the IMF for any CEMAC member state.

1 (b) DETERMINATION.—The determination referred to
2 in subsection (a) is a determination that the IMF has pub-
3 licly clarified that any funds provided to BEAC by any
4 international oil company for site rehabilitation are ineli-
5 gible to count towards the gross foreign exchange reserves
6 of any country.

7 (c) PUBLICATION.—On making the determination de-
8 scribed in subsection (b), the Secretary of the Treasury
9 shall publicize the determination and transmit a copy of
10 the determination to the appropriate congressional com-
11 mittees.

12 (d) REPORT.—No later than 30 days after the date
13 the determination described in subsection (b) is made, and
14 no later than 180 days after the enactment of this Act
15 if the determination has, by then, not been made, the Sec-
16 retary of the Treasury shall provide to the appropriate
17 congressional committees a report that details the actions
18 taken by the United States government at the Inter-
19 national Monetary Fund, including those by the United
20 States Executive Director at the IMF, to have the IMF
21 publicly clarify that any funds provided to BEAC by any
22 international oil company for site rehabilitation are ineli-
23 gible to count towards the gross foreign exchange reserves
24 of a country.

1 (e) APPROPRIATE CONGRESSIONAL COMMITTEES.—

2 In this section, the term “appropriate congressional com-
3 mittees” means—

4 (1) the Committee on Financial Services and
5 the Committee on Foreign Affairs of the House of
6 Representatives; and

7 (2) the Committee on Finance and the Com-
8 mittee on Foreign Relations of the Senate.