ernment Organization and Employees, by Pub. L. 89–554, Sept. 6, 1966, 80 Stat. 378, which enacted Title 5. Sections 3 and 10 thereof are covered by section 552 and chapter 7, respectively, of Title 5.

CODIFICATION

The words ''and the District Court of the United States for the District of Columbia'' in subsection (e) following ''district courts of the United States'' have been deleted as superfluous in view of section 132 (a) of Title 28, Judiciary and Judicial Procedure, which states that ''There shall be in each judicial district a district court which shall be a court of record known as the United States District Court for the district'', and section 88 of said Title 28 which states that ''The District of Columbia constitutes one judicial district''.

In subsec. (h), ''chapter 51 and subchapter III of chapter 53 of title 5'' was substituted for ''the Classification Act of 1949'' on authority of Pub. L. 89–554, § 7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

AMENDMENTS

1949—Subsec. (h). Act Oct. 28, 1949, substituted ''Classification Act of 1949'' for ''Classification Act [of 1923]''.

REPEALS

Act Oct. 28, 1949, ch. 782, cited as a credit to this section, was repealed (subject to a savings clause) by Pub. L. 89–554, Sept. 6, 1966, § 8, 80 Stat. 632, 655.

EXECUTIVE ORDER NO. 11108

Ex. Ord. No. 11108, May 22, 1963, 28 F.R. 5185, which delegated to Secretary of Agriculture authority of President under this chapter, was revoked by Ex. Ord. No. 12553, Feb. 25, 1986, 51 F.R. 7237.

CHAPTER 40—HALOGETON GLOMERATUS CONTROL

§§ 1651 to 1656. Repealed. Pub. L. 106–224, title IV, § 438(a)(7), June 20, 2000, 114 Stat. 454

Section 1651, act July 14, 1952, ch. 721, § 2, 66 Stat. 597, set forth Federal Government policy to control, suppress, and eradicate the poisonous weed Halogeton glomeratus.

Section 1652, act July 14, 1952, ch. 721, § 3, 66 Stat. 598, set forth provisions relating to authority of Secretaries of Agriculture and the Interior and requiring consent prior to conducting measures and operations to control, suppress, or eradicate the weed.

Section 1653, act July 14, 1952, ch. 721, § 4, 66 Stat. 598, authorized discretionary expenditure of funds and acceptance of voluntary and uncompensated services of Federal, State, and local employees.

Section 1654, act July 14, 1952, ch. 721, § 5, 66 Stat. 598, gave Secretaries discretion to require contributions by States as prerequisites to making Federal expenditures.

Section 1655, act July 14, 1952, ch. 721, § 6, 66 Stat. 598, authorized appropriations and set forth provisions relating to their use.

Section 1656, act July 14, 1952, ch. 721, § 7, 66 Stat. 599, set forth provisions relating to extent of authority of this chapter.

SHORT TITLE

Section 1 of act July 14, 1952, which provided that this chapter could be cited as the ''Halogeton Glomeratus Control Act'', was repealed by Pub. L. 106–224, title IV, § 438(a)(7), June 20, 2000, 114 Stat. 454.

CHAPTER 41—FOOD FOR PEACE

Sec.
1691. United States policy.
1691a. Food aid to developing countries.

SUBCHAPTER I—BARTER

1692. Transferred.
1693 to 1697. Repealed.

SUBCHAPTER II—ECONOMIC ASSISTANCE AND FOOD SECURITY

1701. Economic assistance and food security.
1702. Agreements regarding eligible countries and private entities.
1703. Terms and conditions of sales.
1704. Use of local currency payment.
1704a. Agreements for use of foreign currencies; reports to Congress.
1704b. Repealed.
1704c. Payments by Secretary of Defense in liquidation of amount due for foreign currencies.
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SUBCHAPTER III—EMERGENCY AND PRIVATE ASSISTANCE PROGRAMS

1721. General authority.
1722. Provision of agricultural commodities.
1723. Generation and use of currencies by private voluntary organizations and cooperatives.
1724. Levels of assistance.
1725. Food Aid Consultative Group.
1726. Repealed.
1726a. Administration.
1726b. Assistance for stockpiling and rapid transportation, delivery, and distribution of shelf-stable prepackaged foods.
1726c. Local and regional food aid procurement projects.

SUBCHAPTER III–A—FOOD FOR DEVELOPMENT

1727. Bilateral grant program.
1727a. Eligible countries.
1727b. Grant programs.
1727c. Direct uses or sales of commodities.
1727d. Local currency accounts.
1727e. Use of local currency proceeds.
1727f, 1727g. Omitted.

SUBCHAPTER III–B—EMERGENCY FOOD ASSISTANCE

1728. Findings regarding emergency food assistance.
1728a. President's Emergency Food Assistance Fund.
1728b. Omitted.

SUBCHAPTER IV—GENERAL AUTHORITIES AND REQUIREMENTS

1731. Commodity determinations.
1732. Definitions.
1733. General provisions.
1734. Agreements.
1735. Consultation.
1736. Use of Commodity Credit Corporation.
1736–1. Special Assistant for Agricultural Trade and Food Assistance.
1736a. Administrative provisions.
1736b. Expiration date.
1736c, 1736d. Repealed.
1736e. Debt forgiveness.
1736f. Authorization of appropriations.
1736f–1. Establishment of commodity trust.
1736g. Coordination of foreign assistance programs.
1736g–1. Assistance in furtherance of narcotics control objectives of United States.
1736g–2. Micronutrient fortification programs.
1736g–3. Use of certain local currency.
1736h. Congressional consultation on bilateral commodity supply agreements.
1736i to 1736k. Repealed.
1736*l*. Consultation on grain marketing.
1736m, 1736n. Repealed.
1736*o*. Food for progress.

Sec.
§ 1736*o*–1. McGovern-Dole International Food for Education and Child Nutrition Program.
1736p. Trade policy declaration.
1736q. Repealed.
1736r. Trade negotiations policy.
1736s, 1736t. Repealed.
1736u. Cooperator market development program.
1736v to 1736x. Repealed.
1736y. Contract sanctity and producer embargo protection.
1736z to 1736cc. Repealed.

SUBCHAPTER V—FARMER-TO-FARMER PROGRAM

1737. John Ogonowski and Doug Bereuter Farmer-to-Farmer Program.

SUBCHAPTER VI—ENTERPRISE FOR THE AMERICAS INITIATIVE

1738. Establishment of Facility.
1738a. Purpose.
1738b. Eligibility for benefits under Facility.
1738c. Reduction of certain debt.
1738d. Repayment of principal.
1738e. Interest of new obligations.
1738f. Environmental framework agreements.
1738g. Enterprise for the Americas environmental funds.
1738h. Disbursement of environmental funds.
1738i. Enterprise for the Americas Board.
1738j. Oversight.
1738k. Eligible activities and grantees.
1738*l*. Encouraging multilateral debt donations.
1738m. Annual report to Congress.
1738n. Consultations with Congress.
1738*o*. Sale of qualified debt to eligible countries.
1738p. Sale, reduction, or cancellation of qualified debt to facilitate certain debt swaps.
1738q. Notification to congressional committees.
1738r. ''Qualified debt'' defined.

§ 1691. United States policy

It is the policy of the United States to use its abundant agricultural productivity to promote the foreign policy of the United States by enhancing the food security of the developing world through the use of agricultural commodities and local currencies accruing under this chapter to—

(1) combat world hunger and malnutrition and their causes;

(2) promote broad-based, equitable, and sustainable development, including agricultural development;

(3) expand international trade;

(4) foster and encourage the development of private enterprise and democratic participation in developing countries; and

(5) prevent conflicts.

(July 10, 1954, ch. 469, § 2, 68 Stat. 454; Pub. L. 89–808, § 2(A), Nov. 11, 1966, 80 Stat. 1526; Pub. L. 94–161, title II, § 201, Dec. 20, 1975, 89 Stat. 850; Pub. L. 99–198, title XI, § 1111(a), Dec. 23, 1985, 99 Stat. 1474; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3633; Pub. L. 107–171, title III, § 3001, May 13, 2002, 116 Stat. 280; Pub. L. 110–246, title III, § 3002, June 18, 2008, 122 Stat. 1821.)

AMENDMENTS

2008—Pars. (4) to (6). Pub. L. 110–246 redesignated pars. (5) and (6) as (4) and (5), respectively, and struck out former par. (4) which read as follows: ''develop and expand export markets for United States agricultural commodities;''.

2002—Par. (6). Pub. L. 107–171 added par. (6).

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions declaring policy of United States to expand trade, develop export markets, encourage economic development and private enterprise in developing countries, improve local food production and promote foreign policy, and requiring President to give priority to countries most affected by food shortages, encourage other donors, link assistance to local agricultural and related development, seek expanded markets for American commodities, and recognize and support American farm economy.

1985—Pub. L. 99–198 included Congressional declaration of policy to use accrued foreign currencies to foster and encourage the development of private enterprise in developing countries and to enhance food security in developing countries through local food production in first sentence.

1975—Pub. L. 94–161 inserted provisions of second sentence, including cls. (1) to (5), respecting considerations in furnishing food aid under this chapter.

1966—Pub. L. 89–808 restated the Congressional declaration of policy to include the use of the abundant agricultural productivity of the United States to combat hunger and malnutrition and the emphasis on assistance to those developing countries that are determined to improve their own agricultural production and to exclude statement of a policy to facilitate the convertibility of currency, to make maximum efficient use of surplus agricultural commodities in furtherance of the foreign policy of the United States, to purchase strategic materials, to pay United States obligations abroad, and to promote collective strength.

CHANGE OF NAME

Pub. L. 110–246, title III, § 3001(c), June 18, 2008, 122 Stat. 1821, provided that: ''Any reference in any Federal, State, tribal, or local law (including regulations) to the 'Agricultural Trade Development and Assistance Act of 1954' shall be considered to be a reference to the 'Food for Peace Act' [see Short Title note below].''

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Section 1513 of Pub. L. 101–624 provided that: ''The amendment made by section 1512 [enacting sections 1736g–1 and 1737 to 1738m of this title, amending this section and sections 1691a, 1701 to 1705, 1721 to 1726a, 1727 to 1727e, 1731 to 1736, 1736a to 1736f, and 1736g of this title, and enacting provisions set out as a note under this section] shall become effective on January 1, 1991.''

EFFECTIVE DATE OF 1966 AMENDMENT

Section 5 of Pub. L. 89–808 provided that: ''This Act [enacting sections 1707a, 1710, 1725, and 1736a to 1736d of this title, amending this section and sections 1431, 1431b, 1446a–1, 1701 to 1704, 1705, 1707, 1708, 1709, 1721 to 1724, and 1731 to 1736 of this title, repealing sections 1693 to 1697 of this title, and amending provisions set out as a note under section 1701 of this title] shall take effect as of January 1, 1967, except that section 4 [enacting section 1707a of this title] shall take effect upon enactment [Nov. 11, 1966].''

SHORT TITLE OF 1998 AMENDMENT

Pub. L. 105–385, § 1(a), Nov. 13, 1998, 112 Stat. 3460, provided that: ''This Act [amending sections 1736f–1 and 4001 of this title and section 1241f of Title 46, Appendix, Shipping, enacting provisions set out as notes under this section, section 1721 of this title, and section 2293 of Title 22, Foreign Relations and Intercourse, and amending provisions set out as a note under section

1736f–1 of this title] may be cited as the 'Africa: Seeds of Hope Act of 1998'.''

Pub. L. 105–385, title II, § 211, Nov. 13, 1998, 112 Stat. 3465, provided that: ''This subtitle [subtitle B (§§ 211, 212) of title II of Pub. L. 105–385, amending sections 1736f–1 and 4001 of this title and section 1241f of Title 46, Appendix, Shipping, and amending provisions set out as a note under section 1736f–1 of this title] may be cited as the 'Bill Emerson Humanitarian Trust Act of 1998'.''

SHORT TITLE OF 1992 AMENDMENT

Pub. L. 102–532, § 1, Oct. 27, 1992, 106 Stat. 3509, provided that: ''This Act [enacting sections 1738*o* to 1738r, 3294, and 5404 of this title and amending section 1738m of this title] may be cited as the 'Enterprise for the Americas Initiative Act of 1992'.''

Pub. L. 102–532, § 2, Oct. 27, 1992, 106 Stat. 3509, which enacted sections 1738*o* to 1738r of this title, is popularly known as the ''Good Neighbor Environmental Act of 1992''.

SHORT TITLE OF 1990 AMENDMENT

Section 1501 of title XV of Pub. L. 101–624 provided that: ''This title [see Tables for classification] may be cited as the 'Agricultural Development and Trade Act of 1990'.''

Section 1511 of Pub. L. 101–624 provided that: ''This subtitle [subtitle A (§§ 1511–1517) of title XV of Pub. L. 101–624, enacting sections 1706, 1736g–1 and 1737 to 1738m of this title and sections 1241g to 1241v of Appendix to Title 46, Shipping, amending this section and sections 1431, 1691a, 1701 to 1705, 1721 to 1726a, 1727 to 1727e, 1731 to 1736g, 1736*o*, 1736bb–6 of this title, and section 1241f of Appendix to Title 46, and enacting provisions set out as notes under this section] may be cited as the 'Mickey Leland Food for Peace Act'.''

SHORT TITLE OF 1988 AMENDMENT

Pub. L. 100–576, § 1, Oct. 31, 1988, 102 Stat. 2897, provided that: ''This Act [amending section 1727 of this title and enacting provisions set out as a note under section 1727 of this title] may be cited as the 'Bangladesh Disaster Assistance Act of 1988'.''

SHORT TITLE OF 1987 AMENDMENT

Pub. L. 100–202, § 16, as added by Pub. L. 100–418, title IV, § 4610(a), Aug. 23, 1988, 102 Stat. 1411, provided that sections 1 to 16 under the heading ''Agricultural Aid and Trade Missions Act'' of Pub. L. 100–202, which enacted sections 1726b and 1736bb to 1736bb–6 of this title, and amended sections 1701, 1703, 1709, 1722, 1726, and 1726a of this title, was to be cited as the ''Agricultural Aid and Trade Missions Act'', prior to repeal by Pub. L. 104–127, title II, § 271(a), Apr. 4, 1996, 110 Stat. 976.

SHORT TITLE OF 1980 AMENDMENT

For short title of title III of Pub. L. 96–494, which enacted section 1736f–1 of this title, as the ''Bill Emerson Humanitarian Trust Act'', see section 301 of Pub. L. 96–494, as added and amended, set out as a Short Title note under section 1736f–1 of this title.

SHORT TITLE OF 1966 AMENDMENT

Section 1 of Pub. L. 89–808 provided: ''That this Act [enacting sections 1707a, 1710, 1725, and 1736a to 1736d, amending this section and sections 1431, 1431b, 1446a–1, 1701 to 1704, 1705, 1707, 1708, 1709, 1721 to 1724, and 1731 to 1736, repealing sections 1693 to 1697 of this title, and amending provisions set out as a note under section 1701 of this title] may be cited as the 'Food for Peace Act of 1966'.''

SHORT TITLE

Section 1 of act July 10, 1954, as amended by act Nov. 28, 1990, Pub. L. 101–624, title XV, § 1512, 104 Stat. 3633; Pub. L. 110–246, title III, § 3001(a), June 18, 2008, 122 Stat. 1820, provided that: ''This Act [enacting this chapter] may be cited as the 'Food for Peace Act'.''

MINIMUM LEVEL OF FOOD ASSISTANCE

Pub. L. 100–418, title IV, § 4310, Aug. 23, 1988, 102 Stat. 1399, as amended by Pub. L. 110–246, title III, § 3001(b)(1)(A), (2)(J), June 18, 2008, 122 Stat. 1820, provided that:

''(a) ANNUAL MINIMUM.—It is the sense of Congress that—

''(1) the United States should maintain its historic proportion of food assistance constituting one-third of all United States foreign economic assistance; and

''(2) accordingly, the total amount of food assistance made available to foreign countries under the Food for Peace Act (7 U.S.C. 1691 et seq.) and section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)) should not be less than one-third of the total amount of foreign economic assistance provided for each fiscal year.

''(b) DEFINITION.—For purposes of this section, the term 'foreign economic assistance' includes—

''(1) assistance under chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), the Food for Peace Act (7 U.S.C. 1691 et seq.), section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)), or any other law authorizing economic assistance for foreign countries; and

''(2) United States contributions to the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, or any other multilateral development bank.''

FOOD AID AND MARKET DEVELOPMENT

Pub. L. 100–418, title IV, § 4311, Aug. 23, 1988, 102 Stat. 1400, which declared it to be the policy of the United States to use food aid and agriculturally-related foreign economic assistance programs more effectively to develop markets for United States agricultural commodities and products, and which directed the President (or, as appropriate, the Secretary of Agriculture) to encourage recipient countries under food assistance agreements entered into under any program administered by the Secretary to agree to give preference to United States food and food products in future food purchases, was repealed by Pub. L. 101–624, title XV, § 1571, Nov. 28, 1990, 104 Stat. 3702.

AGRICULTURAL TRADE AND EXPORT POLICY COMMISSION ACT

Subtitle C (§§ 1217–1224) of title XII of Pub. L. 97–98, as added Pub. L. 98–412, Aug. 30, 1984, 98 Stat. 1576, known as the Agricultural Trade and Export Policy Commission Act, established a National Commission on Agricultural Trade and Export Policy to conduct a study of agriculture-related trade and export policies, programs, and practices of United States, directed Commission to submit to President and Congress a final report and recommendations by July 1, 1986, and provided for termination of Commission 60 days thereafter.

USE OF NONPRICE-SUPPORTED COMMODITIES

Pub. L. 95–113, title XII, § 1209, Sept. 29, 1977, 91 Stat. 957, as amended by Pub. L. 110–246, title III, § 3001(c), June 18, 2008, 122 Stat. 1821, provided that: ''It is the sense of Congress that there be no discrimination between 'price-supported' and 'nonprice-supported' commodities in the programming of commodities under the Food for Peace Act, as amended (Public Law 480) [which enacted this chapter and amended sections 1427 and 1431 of this title].''

SPECIAL TASK FORCE

Pub. L. 95–113, title XII, § 1210, Sept. 29, 1977, 91 Stat. 957, required the Secretary of Agriculture, not later than eighteen months after Sept. 29, 1977, to appoint a special task force to review and report to Congress upon the administration of the Agricultural Trade Development and Assistance Act of 1954 (now Food for Peace Act), 7 U.S.C. 1961 et seq.

EXECUTIVE ORDER NO. 10560

Ex. Ord. No. 10560, Sept. 13, 1954, 19 F.R. 5927, as amended by Ex. Ord. No. 10575, Nov. 8, 1954, 19 F.R. 7249; Ex. Ord. No. 10685, Oct. 29, 1956, 21 F.R. 8261; Ex. Ord. No. 10708, May 6, 1957, 22 F.R. 3213; Ex. Ord. No. 10746, Dec. 13, 1957, 22 F.R. 10027; Ex. Ord. No. 10773, July 1, 1958, 23 F.R. 5061; Ex. Ord. No. 10782, Sept. 8, 1958, 23 F.R. 6971; Ex. Ord. No. 10799, Jan. 16, 1959, 24 F.R. 447; Ex. Ord. No. 10827, June 25, 1959, 24 F.R. 5233; Ex. Ord. No. 10884, Aug. 17, 1960, 25 F.R. 8019, which provided for the delegation of administrative functions, was superseded by Ex. Ord. No. 10900, Jan. 5, 1961, 26 F.R. 143, formerly set out as a note under this section, and was revoked by section 1–502(a) of Ex. Ord. No. 12220, June 27, 1980, 45 F.R. 44247, formerly set out below.

EXECUTIVE ORDER NO. 10685

Ex. Ord. No. 10685, Oct. 29, 1956, 21 F.R. 8261, which designated the International Cooperation Administration as the Federal agency to which funds required for ocean freight costs could be transferred by the Commodity Credit Corporation, was superseded by Ex. Ord. No. 10900, Jan. 5, 1961, 26 F.R. 143, formerly set out as a note under this section, and was revoked by section 1–502(b) of Ex. Ord. No. 12220, June 27, 1980, 45 F.R. 44247, formerly set out below.

EXECUTIVE ORDER NO. 10900

Ex. Ord. No. 10900, Jan. 5, 1961, 26 F.R. 143, as amended by Ex. Ord. No. 10915, Jan. 24, 1961, 26 F.R. 781; Ex. Ord. No. 10972, Nov. 3, 1961, 26 F.R. 10469; Ex. Ord. No. 11036, July 1, 1962, 27 F.R. 6653; Ex. Ord. No. 11051, Sept. 27, 1962, 27 F.R. 9683; Ex. Ord. No. 11963, Jan. 19, 1977, 42 F.R. 4325; Ex. Ord. No. 12148, July 20, 1979, 44 F.R. 43239; Ex. Ord. No. 12163, Sept. 29, 1979, 44 F.R. 56673, which related to the delegation of administrative functions, was revoked by section 1–501 of Ex. Ord. No. 12220, June 27, 1980, 45 F.R. 44247, formerly set out below.

EXECUTIVE ORDER NO. 11252

Ex. Ord. No. 11252, Oct. 20, 1965, 30 F.R. 13507, as amended by Ex. Ord. No. 12527, Aug. 7, 1985, 50 F.R. 32157, which transferred to the Secretary of State all functions of the Director of the Food-For-Peace Program, was revoked by Ex. Ord. No. 12553, Feb. 25, 1986, 51 F.R. 7237.

EXECUTIVE ORDER NO. 12220

Ex. Ord. No. 12220, June 27, 1980, 45 F.R. 44245, which provided for delegation of administrative functions relating to agricultural trade development, was revoked by section 6 of Ex. Ord. No. 12752, Feb. 25, 1991, 56 F.R. 8256, set out below.

EX. ORD. NO. 12752. IMPLEMENTATION OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954, AS AMENDED, AND FOOD FOR PROGRESS ACT OF 1985, AS AMENDED

Ex. Ord. No. 12752, Feb. 25, 1991, 56 F.R. 8255, as amended by Ex. Ord. No. 13044, Apr. 18, 1997, 62 F.R. 19665, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Agricultural Trade Development and Assistance Act of 1954 [now Food for Peace Act, 7 U.S.C. 1691 et seq.], as amended by Public Law 101–624 (''Agricultural Trade Development Act''), the Food for Progress Act of 1985 [7 U.S.C. 1736*o*], as amended by Public Law 101–624 (''Food for Progress Act''), and section 301 of title 3 of the United States Code, it is hereby ordered as follows:

SECTION 1. *Establishment of Programs*. There is hereby established:

(a) a program under title I of the Agricultural Trade Development Act [7 U.S.C. 1701 et seq.] to provide for the sale of agricultural commodities to developing countries and private entities. Such program shall be implemented by the Secretary of Agriculture (hereafter referred to as the ''Secretary'').

(b) a program under title II of the Agricultural Trade Development Act [7 U.S.C. 1721 et seq.] to provide for the donation of agricultural commodities to foreign countries. Such program shall be implemented by the Administrator of the Agency for International Development (hereafter referred to as the ''Administrator'').

(c) a program under title III of the Agricultural Trade Development Act [7 U.S.C. 1727 et seq.] to provide for the donation of agricultural commodities to least developed countries. Such program shall be implemented by the Administrator.

SEC. 2. *International Negotiations and Accounting for Foreign Currencies*. (a) The Secretary with respect to title I, and the Administrator with respect to titles II and III of the Agricultural Trade Development Act, shall negotiate and execute agreements under the Agricultural Trade Development Act in accord with section 112b of title I [sic] of the United States Code and applicable regulations and procedures of the Department of State.

(b)(1) Foreign currencies that accrue to the United States under titles I and III of the Agricultural Trade Development Act may be used for the purposes set forth in section 104 and section 306 of that Act [7 U.S.C. 1704, 1727e], respectively, in amounts consistent with applicable provisions of law and agreements. Such foreign currencies shall be subject to regulations of the Department of the Treasury governing the purchase, custody, deposit, transfer, and sale of foreign currencies received under the Agricultural Trade Development Act.

(2) The Director of the Office of Management and Budget (hereafter referred to as the ''Director'') shall determine the amount of foreign currencies to be used for the purposes of section 104(c)(8) of the Agricultural Trade Development Act, and such purposes shall be carried out by the agencies with authority to pay the obligations abroad. The purposes of the remaining paragraphs of section 104(c) of that Act shall be carried out by the Department of Agriculture, utilizing, where appropriate, the expertise of other agencies.

(3) The Secretary and Administrator shall transmit the reports required by the provisions of paragraph 5 of the Act of August 13, 1957 (71 Stat. 345; 7 U.S.C. 1704a), as related to the use of foreign currencies accruing under title I and title III of the Agricultural Trade Development Act, respectively.

SEC. 3. *Policy Coordination*. (a) To ensure policy coordination of assistance provided under the Agricultural Trade Development Act and the Food for Progress Act, there is hereby established a Food Assistance Policy Council (hereafter referred to as the ''Council'').

(b) The Council will include senior representatives of the Department of Agriculture, the Agency for International Development, the Department of State, and the Office of Management and Budget. Meetings of the Council shall be called by the Secretary or his designee at the request of any senior representative of the Council.

(c) The Council shall advise the President on appropriate policies under the Agricultural Trade Development Act and the Food for Progress Act and shall coordinate decisions on allocations and other policy issues, as well as prepare the report required by section 407(g)(1) of the Agricultural Trade Development Act [7 U.S.C. 1736a(g)(1)].

(d) As necessary for effective coordination, the Council shall provide its advice to the President through the appropriate Cabinet-level body.

SEC. 4. *Delegation of Responsibilities*. (a) The function conferred upon the President in section 403(j) of the Agricultural Trade Development Act [7 U.S.C. 1733(j)] is hereby delegated to the Secretary of State.

(b) The functions conferred upon the President by section 411 of the Agricultural Trade Development Act [7 U.S.C. 1736e] are hereby delegated to the Secretary, in consultation with the Council and the Department of the Treasury.

(c) The functions conferred upon the President by section 412(c) of the Agricultural Trade Development

Act [7 U.S.C. 1736f(c)] are hereby delegated to the Director, who shall consult with the Council on these functions.

(d) The functions conferred upon the President by title V of the Agricultural Trade Development Act [7 U.S.C. 1737] are hereby delegated to the Administrator.

(e) The functions conferred upon the President by the Food for Progress Act, as amended [7 U.S.C. 1736*o*], are hereby delegated to the Secretary.

SEC. 5. *Regulatory Review*. Policies, regulations, and analyses required by this Executive order shall be fully consistent with the standards and criteria, analyses and procedures set forth in Executive Order Nos. 12291 and 12498 [formerly 5 U.S.C. 601 notes].

SEC. 6. *Revocations*. Executive Order No. 12220 of June 27, 1980, and Executive Order No. 12583 of February 19, 1987, are revoked.

§ 1691a. Food aid to developing countries

(a) Policy

In light of the Uruguay Round Agreement on Agriculture and the Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Program on Least-Developed and Net-Food Importing Developing Countries, the United States reaffirms the commitment of the United States to providing food aid to developing countries.

(b) Sense of Congress

It is the sense of Congress that—

(1) in negotiations at the Food Aid Convention, the World Trade Organization, the United Nations Food and Agriculture Organization, and other appropriate venues, the President shall—

(A) seek commitments of higher levels of food aid by donors in order to meet the legitimate needs of developing countries;

(B) ensure, to the maximum extent practicable, that humanitarian nongovernmental organizations, recipient country governments, charitable bodies, and international organizations shall continue—

(i) to be eligible to receive resources based on assessments of need conducted by those organizations and entities; and

(ii) to implement food aid programs in agreements with donor countries; and

(C) ensure, to the maximum extent practicable, that options for providing food aid for emergency and nonemergency needs shall not be subject to limitation, including in-kind commodities, provision of funds for agricultural commodity procurement, and monetization of commodities, on the condition that the provision of those commodities or funds—

(i) is based on assessments of need and intended to benefit the food security of, or otherwise assist, recipients, and

(ii) is provided in a manner that avoids disincentives to local agricultural production and marketing and with minimal potential for disruption of commercial markets; and

(2) the United States should increase its contribution of bona fide food assistance to developing countries consistent with the Agreement on Agriculture.

(July 10, 1954, ch. 469, § 3, as added Pub. L. 94–161, title II, § 202, Dec. 20, 1975, 89 Stat. 851; amended Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3633; Pub. L. 104–127, title II, § 201(a), Apr. 4, 1996, 110 Stat. 951; Pub. L. 110–246, title III, § 3003, June 18, 2008, 122 Stat. 1821.)

AMENDMENTS

2008—Subsec. (b). Pub. L. 110–246 reenacted introductory provisions without change, added par. (1), and struck out former par. (1) which read as follows: ''the President should initiate consultations with other donor nations to consider appropriate levels of food aid commitments to meet the legitimate needs of developing countries; and''.

1996—Pub. L. 104–127 substituted ''Food aid to developing countries'' for ''Global food aid needs'' in section catchline and amended text generally. Prior to amendment, text read as follows: ''In view of the principal findings of the National Research Council of the National Academy of Sciences that doubling food aid above 1990 levels of about 10,000,000 metric tons per year would be necessary to meet projected global food needs throughout the decade of the nineties, it is the sense of Congress that the President should—

''(1) increase the contributions of food aid by the United States, and encourage other donor countries to increase their contributions toward meeting new food aid requirements; and

''(2) encourage other advanced nations to make increased food aid contributions to combat world hunger and malnutrition, particularly through the expansion of international food and agricultural assistance programs.''

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions urging President to maintain United States food assistance and encourage other countries to increase their contributions, in order to meet annual goal of World Food Conference of providing 10,000,000 tons of food assistance annually for needy nations.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

WORLD FOOD CONFERENCE RECOMMENDATIONS

Pub. L. 94–161, title II, § 213, Dec. 20, 1975, 89 Stat. 855, directed the President to strengthen the efforts of the United States to carry out the recommendations of the World Food Conference and to submit a detailed report to the Congress not later than Nov. 1, 1976, prior to repeal by Pub. L. 97–113, title VII, § 734(a)(7), Dec. 29, 1981, 95 Stat. 1560.

SUBCHAPTER I—BARTER

§ 1692. Transferred

CODIFICATION

Section, act July 10, 1954, ch. 469, title III, § 310, formerly § 303, 68 Stat. 459, as amended and renumbered, which related to bartering authority of Secretary, was transferred to section 1727g of this title.

§§ 1693 to 1697. Repealed. Pub. L. 89–808, § 2(D), Nov. 11, 1966, 80 Stat. 1535

Section 1693, acts July 10, 1954, ch. 469, title III, § 304, 68 Stat. 459; Aug. 13, 1957, Pub. L. 85–128, § 1(6), 71 Stat. 345; Oct. 8, 1964, Pub. L. 88–638, § 1(16), 78 Stat. 1037, provided for assistance to friendly nations in being independent of Russian or Communist Chinese trade, prevention of increased availability of commodities to un-

friendly nations, and nonauthorization of transactions with Russia or Communist China. See section 1703(j) of this title.

Section 1694, acts July 10, 1954, ch. 469, title III, § 305, 68 Stat. 459; Sept. 21, 1959, Pub. L. 86–341, title I, § 10, 73 Stat. 607, provided for identification of packages and containers by appropriate markings. See section 1722 of this title.

Section 1695, act July 10, 1954, ch. 469, title III, § 306, as added Sept. 21, 1959, Pub. L. 86–341, title I, § 11, 73 Stat. 608, provided for distribution of surplus food commodities to needy persons in United States: authorization, term of program, and cost limitation; duties of Secretary of Agriculture; issuance of food stamps and their redemption; receipt of benefits not deemed income or resources under provisions of other laws; availability of surplus foods for distribution; definition of needy person; report to Congress; and authorization of appropriations. See Supplemental Nutrition Assistance Program classified to chapter 51 of this title.

Section 1696, act July 10, 1954, ch. 469, title III, § 307, as added Sept. 21, 1959, Pub. L. 86–341, title I, § 12, 73 Stat. 609, provided for availability of surplus commodities for distribution to needy families and persons in United States. See Supplemental Nutrition Assistance Program classified to chapter 51 of this title and provisions of section 1721 et seq. of this title relating to donations of food on a government-to-government basis and through voluntary organizations.

Section 1697, act July 10, 1954, ch. 469, title III, § 308, as added Sept. 21, 1959, Pub. L. 86–341, title I, § 13, 73 Stat. 609; amended Sept. 27, 1962, Pub. L. 87–703, title II, § 203, 76 Stat. 611, related to disposal of animal fats and edible oils. See section 1721 et seq. of this title.

EFFECTIVE DATE OF REPEAL

Repeal effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as an Effective Date of 1966 Amendment note under section 1691 of this title.

SUBCHAPTER II—ECONOMIC ASSISTANCE AND FOOD SECURITY

§ 1701. Economic assistance and food security

(a) In general

The President shall establish a program under this subchapter to provide for the sale of agricultural commodities to developing countries and private entities for dollars on credit terms, or for local currencies (including for local currencies on credit terms) for use under this subchapter. Such program shall be implemented by the Secretary.

(b) General authority

To carry out the policies and accomplish the objectives described in section 1691 of this title, the Secretary may negotiate and execute agreements with developing countries and private entities to finance the sale and exportation of agricultural commodities to such countries and entities.

(July 10, 1954, ch. 469, title I, § 101, 68 Stat. 455; Pub. L. 85–931, § 1, Sept. 6, 1958, 72 Stat. 1790; Pub. L. 87–128, title II, § 201(1), Aug. 8, 1961, 75 Stat. 306; Pub. L. 88–205, pt. IV, § 403(a), Dec. 16, 1963, 77 Stat. 390; Pub. L. 88–638, § 1(1), (2), Oct. 8, 1964, 78 Stat. 1035; Pub. L. 89–808, § 2(B), Nov. 11, 1966, 80 Stat. 1526; Pub. L. 97–113, title IV, § 401(1), Dec. 29, 1981, 95 Stat. 1537; Pub. L. 99–198, title XI, § 1111(c), Dec. 23, 1985, 99 Stat. 1474; Pub. L. 100–202, § 8, Dec. 22, 1987, 101 Stat. 1329–447; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3633; Pub. L. 104–127, title II, § 202, Apr. 4, 1996, 110 Stat. 951; Pub. L. 110–246, title III, § 3004(b), June 18, 2008, 122 Stat. 1822.)

AMENDMENTS

2008—Pub. L. 110–246 substituted ''Economic assistance and food security'' for ''Trade and development assistance'' in section catchline.

1996—Subsec. (a). Pub. L. 104–127, § 202(1), inserted ''and private entities'' after ''developing countries''.

Subsec. (b). Pub. L. 104–127 inserted ''and private entities'' after ''developing countries'' and ''and entities'' after ''such countries''.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions authorizing President to negotiate agreements with friendly countries for sales of commodities for dollars on credit terms, or for foreign currencies, on credit or on terms permitting conversion to dollars, setting minimum level for sales in foreign currencies, limiting extent of sales for foreign currency to amounts that can be productively used in private sector of foreign country, and requiring that sales for foreign currency through financial intermediaries be on terms and conditions specified in agreements.

1987—Subsec. (b)(1). Pub. L. 100–202, § 8(1), inserted provisions which required for each of fiscal years 1988 through 1990 that each agreement provide for some sale of foreign currencies for use under section 1708 of this title unless the President determines that the level of agricultural commodities furnished under this subchapter will be significantly reduced as a result of this sentence.

Subsec. (b)(2). Pub. L. 100–202, § 8(2), inserted '', or enter into sales agreements not providing for sales for foreign currencies for use under section 1708 of this title,'' after ''currencies''.

1985—Pub. L. 99–198 in amending section generally, incorporated existing text in provisions designated subsec. (a) and added subsecs. (b) to (d).

1981—Pub. L. 97–113 substituted '', to the extent that sales for dollars under the terms applicable to such sales are not possible, for foreign currencies on credit terms and on terms which permit conversion to dollars at the exchange rate applicable to the sales agreement'' for ''for foreign currencies''.

1966—Pub. L. 89–808 substituted ''agreements with friendly countries to provide for the sale of agricultural commodities for dollars on credit terms or for foreign currencies'' for ''agreements with friendly nations or organizations of friendly nations to provide for the sale of surplus agricultural commodities for foreign currencies'' and struck out subsecs. (a) to (d), (f), and (g), relating to safeguarding usual marketings and disruption of world prices and normal patterns of commercial trade with friendly countries, use of private channels to maximum extent practicable, development and expansion of foreign markets, restrictive commitments from participating countries, exchange rates, and currency conversion, now covered by section 1703(c), (e) to (h), and (m)(1) of this title, respectively, and subsec. (e), relating to maximum opportunity for friendly nation to purchase surplus agricultural commodities.

1964—Subsec. (f). Pub. L. 88–638, § 1(1), inserted '', and which are not less favorable than the highest of exchange rates obtainable by any other nation'', and struck out ''from the government or agencies thereof'' before ''in the respective countries''.

Subsec. (g). Pub. L. 88–638, § 1(2), added subsec. (g).

1963—Subsec. (f). Pub. L. 88–205 substituted ''the highest of exchange rates legally obtainable from the Government or agencies thereof'' for ''the rates at which United States Government agencies can buy currencies from the United States disbursing officers''.

1961—Subsec. (f). Pub. L. 87–128 added subsec. (f).

1958—Subsec. (a). Pub. L. 85–931 required President to take reasonable precautions to assure that sales of surplus commodities would not disrupt normal patterns of commercial trade with friendly countries.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

EMERGENCY FOOD ASSISTANCE TO INDIA

Pub. L. 90–7, Apr. 1, 1967, 81 Stat. 7, provided: ''That the Congress approves the participation of the United States in cooperation with other countries and with multilateral organizations, including the International Bank for Reconstruction and Development, the Organization for Economic Cooperation and Development, the Food and Agriculture Organization, and others, in urgent international efforts designed to—

''(a) develop a comprehensive self-help approach to the war on hunger based on a fair sharing of the burden among the nations of the world;

''(b) encourage and assist the Government of India in achieving food self-sufficiency; and

''(c) help meet India's critical food and nutritional needs by making available agricultural commodities or other resources needed for food procurement or production.

''Because uncertainty in connection with Public Law 480 transactions tends to depress market prices, it is the sense of Congress that, in carrying out this Aid to India program, the Administration should, subject to the requirement of section 401 of Public Law 480 [section 1731 of this title] with respect to the availability of the commodity at the time of exportation, make announcements of intention, purchases and shipments of commodities on schedules and under circumstances which will protect and strengthen farm market prices to the maximum extent possible.

''The Congress endorses the President's policy of equal participation on the part of the United States with all other nations, under terms and conditions set forth in Public Law 480, as amended [this chapter], in assisting the Government of India to meet these needs.

''Further, the Congress recommends, on the basis of estimates now available, that the United States provide an additional amount of food grain not to exceed three million tons at an estimated cost of $190,000,000 as the United States share toward meeting the India food deficit, provided it is appropriately matched, and specifically extends its support to the allocation of approximately $190,000,000 of funds available to the Commodity Credit Corporation in calendar year 1967 which will be required to accomplish this purpose.

''The Congress further recommends that the President provide an additional $25,000,000 of emergency food relief for distribution by CARE and other American voluntary agencies.''

COTTON AND COTTON PRODUCTS

Pub. L. 85–931, § 8, Sept. 6, 1958, 72 Stat. 1792, as amended by Pub. L. 89–808, § 3(d), Nov. 11, 1966, 80 Stat. 1538; Pub. L. 110–246, title III, § 3001(c), June 18, 2008, 122 Stat. 1821, provided that: ''In carrying out the provisions of the Food for Peace Act, as amended [this chapter], extra long staple cotton shall be made available for sale pursuant to the provisions of title I of the Act [this subchapter] in the same manner as upland cotton or any other surplus agricultural commodity is made available, and products manufactured entirely from upland or long staple cotton shall be made available for sale pursuant to the provisions of title I of the Act [this subchapter] as long as cotton is in surplus supply in the same manner as any other agricultural commodity or product is made available, and no discriminatory or other conditions shall be imposed which will prevent or tend to interfere with their sale or availability for sale under the Act [this chapter].''

[Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.]

CARGO PREFERENCE LAW EXEMPTION

Section 3 of act Aug. 3, 1956, ch. 933, 70 Stat. 988, provided that: ''Sales of fresh fruit and the products thereof under title I of the Act [sections 1701 to 1704, 1705 to 1707, 1708 to 1711 of this title] shall be exempt from the requirements of the cargo preference laws (Public Resolution 17, Seventy-third Congress (15 U.S.C. 616a) [now 46 U.S.C. 55304] and section 901(b) of the Merchant Marine Act, 1936 (46 U.S.C. 1241(b)) [now 46 U.S.C. 55305]).''

IMPLEMENTATION OF PROGRAM

Program under this subchapter to provide for sale of agricultural commodities to developing countries to be implemented by Secretary of Agriculture, see Ex. Ord. No. 12752, § 1(a), Feb. 25, 1991, 56 F.R. 8255, set out as a note under section 1691 of this title.

§ 1702. Agreements regarding eligible countries and private entities

(a) Priority

In selecting agreements to be entered into under this subchapter, the Secretary shall give priority to agreements providing for the export of agricultural commodities to developing countries that—

(1) are undertaking measures for economic development purposes to improve food security and agricultural development, alleviate poverty, and promote broad-based equitable and sustainable development; and

(2) demonstrate the greatest need for food.

(b) Private entities

An agreement entered into under this subchapter with a private entity shall require such security, or such other provisions as the Secretary determines necessary, to provide reasonable and adequate assurance of repayment of the financing extended to the private entity.

(July 10, 1954, ch. 469, title I, § 102, 68 Stat. 455; Apr. 25, 1955, ch. 27, 69 Stat. 44; Pub. L. 88–638, § 1(3), Oct. 8, 1964, 78 Stat. 1035; Pub. L. 89–808, § 2(B), Nov. 11, 1966, 80 Stat. 1526; Pub. L. 90–436, § 9, July 29, 1968, 82 Stat. 451; Pub. L. 95–88, title II, § 201(a), Aug. 3, 1977, 91 Stat. 545; Pub. L. 95–113, title XII, § 1201, Sept. 29, 1977, 91 Stat. 955; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3634; Pub. L. 104–127, title II, § 203, Apr. 4, 1996, 110 Stat. 951; Pub. L. 110–246, title III, § 3005, June 18, 2008, 122 Stat. 1822.)

AMENDMENTS

2008—Subsec. (a). Pub. L. 110–246, § 3005(1), redesignated pars. (2) and (3) as (1) and (2), respectively, and struck out former par. (1) which read as follows: ''have the demonstrated potential to become commercial markets for competitively priced United States agricultural commodities;''.

Subsec. (c). Pub. L. 110–246, § 3005(2), struck out subsec. (c) which related to agricultural market development plan pursuant to which a developing country could demonstrate potential to become a commercial market for competitively priced United States agricultural commodities for the purpose of being granted a priority under former subsec. (a)(1).

1996—Pub. L. 104–127 amended section generally, substituting present provisions for provisions outlining eligibility of developing countries for assistance under this subchapter and factors in determining priority for assistance.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions authorizing Commodity Credit Corporation to finance sales from its own and private stocks, and allowing it, upon request, to serve as purchasing and/or shipping agent.

1977—Pub. L. 95–113 inserted provisions authorizing the Corporation, when requested by the purchaser of commodities, to serve as the purchasing or shipping agent, or both, in arranging the purchasing or shipping of the commodities.

Pub. L. 95–88 struck out proviso prohibiting the financing by the Commodity Credit Corporation of the sale and export of agricultural commodities where the exporter had engaged in any sales, trade, or commerce with North Vietnam, or with any resident thereof, or which owned or controlled any company so engaged either directly or indirectly, and struck out an additional proviso requiring that financing applications be accompanied by statements in which were listed the branches, etc., in which the applicant had a controlling interest and the companies which had a controlling interest in the applicant company.

1968—Pub. L. 90–436 inserted proviso that the Commodity Credit Corporation should not finance the sale and export of any agricultural commodities where the exporter has engaged in any sales, trade or commerce with North Vietnam, or with any resident thereof, or which owns or controls any company so engaged, or which is owned or controlled by any company or person so engaged either directly or indirectly, and the further proviso that the financing application be accompanied by a statement in which are listed the branches, etc., in which the applicant has a controlling interest and the companies which have a controlling interest in the applicant company.

1966—Pub. L. 89–808 incorporated provisions formerly constituting subsec. (a)(2), and struck out other provisions of subsec. (a) and (a)(1) relating to availability of stocks acquired in price support operations and ocean freight charges, such charges now covered by section 1708 of this title, and subsec. (b) for letters of commitment against funds or guaranties and establishment of accounts.

1964—Subsec. (a). Pub. L. 88–638 authorized Commodity Credit Corporation to finance ocean freight charges incurred under agreements entered into after Dec. 31, 1964, to extent such charges are higher because of requirement that commodities be shipped in United States flag vessels, and provided that such agreements require balance of such charges to be paid in dollars.

1955—Subsec. (a). Act Apr. 25, 1955, struck out requirement that exporters of privately owned stocks acquire an equivalent quantity of Commodity Credit Corporation stocks.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1977 AMENDMENTS

Amendment by Pub. L. 95–113 effective Oct. 1, 1977, see section 1901 of Pub. L. 95–113, set out as a note under section 1307 of this title.

Section 215 of Pub. L. 95–88 provided that: ''The provisions of this title [enacting sections 1712 to 1714 and 1727 to 1727f of this title, amending this section and sections 1427, 1431, 1692, 1703, 1706, 1711, 1721, 1722, 1723, 1726, 1731, and 1736b of this title, and enacting provisions set out as notes under sections 1708 and 1722 of this title] shall become effective October 1, 1977.''

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

§ 1703. Terms and conditions of sales

(a) Payment

(1) Dollars

Except as provided in paragraph (2), agreements under this subchapter shall require that payment for agricultural commodities be made in dollars.

(2) Local currencies

(A) In general

The Secretary may permit payment under an agreement under this subchapter in the local currency of the appropriate country in order to use the proceeds from such payments to carry out activities under section 1704 of this title.

(B) Rates of exchange

Payments in local currency shall be at rates of exchange that are no less favorable than the highest exchange rate legally obtainable in the country and that are no less favorable than the highest exchange rate obtainable by any other country.

(b) Interest

Such agreements shall provide that interest accrue on the payment deferred under such agreement at a concessional rate as determined appropriate by the Secretary.

(c) Duration

Payments required under such agreements may be made in reasonable annual amounts over the period (not more than 30 years from the date of the last delivery of commodities in each year under such agreement) specified in the agreement.

(d) Deferral of payments

The Secretary may defer the date on which the developing country or private entity is required to begin making payment, under such agreements, for a period of not in excess of 5 years after the date of the last delivery of commodities in each year under the agreement, and interest shall be computed from the date of such last delivery.

(e) Delivery of commodities

Delivery of the commodities shall be made in accordance with the terms of the agreement.

(July 10, 1954, ch. 469, title I, § 103, 68 Stat. 456; Aug. 12, 1955, ch. 873, § 1, 69 Stat. 721; May 28, 1956, ch. 327, title II, § 208(a), 70 Stat. 201; Aug. 3, 1956, ch. 933, § 1, 70 Stat. 988; Pub. L. 85–128, § 1(2), Aug. 13, 1957, 71 Stat. 345; Pub. L. 85–931, § 2, Sept. 6, 1958, 72 Stat. 1790; Pub. L. 86–341, title I, § 2, Sept. 21, 1959, 73 Stat. 606; Pub. L. 87–28, May 4, 1961, 75 Stat. 64; Pub. L. 87–128, title II, § 201(2), Aug. 8, 1961, 75 Stat. 306; Pub. L. 88–638, § 1(4), (5), Oct. 8, 1964, 78 Stat. 1035; Pub. L. 89–808, § 2(B), Nov. 11, 1966, 80 Stat. 1526; Pub. L. 90–436, §§ 4, 5, July 29, 1968, 82 Stat. 450; Pub. L. 91–524, title VII, § 703, Nov. 30, 1970, as added Pub. L. 93–86, § 1(26), Aug. 10, 1973, 87 Stat. 237; Pub. L. 93–125, § 1(e), Oct. 18, 1973, 87 Stat. 450; Pub. L. 94–161, title II, § 203, Dec. 20, 1975, 89 Stat. 851; Pub. L. 95–88, title II, §§ 201(b), 211(b)(1), Aug. 3, 1977, 91 Stat. 545, 551; Pub. L. 95–424, title I, § 102(b)(2)(B), Oct. 6, 1978, 92 Stat. 941; Pub. L. 96–53, title II,

§ 201, Aug. 14, 1979, 93 Stat. 368; Pub. L. 97–113, title IV, § 401(2)–(4), Dec. 29, 1981, 95 Stat. 1537; Pub. L. 99–198, title XI, § 1111(d), Dec. 23, 1985, 99 Stat. 1475; Pub. L. 100–202, § 9, Dec. 22, 1987, 101 Stat. 1329–448; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3634; Pub. L. 104–127, title II, § 204, Apr. 4, 1996, 110 Stat. 953.)

AMENDMENTS

1996—Subsec. (a)(2)(A). Pub. L. 104–127, § 204(1), struck out ''a recipient country to make'' after ''may permit'' and substituted ''the appropriate country'' for ''such country''.

Subsec. (c). Pub. L. 104–127, § 204(2), struck out ''less than 10 nor'' before ''more than 30''.

Subsec. (d). Pub. L. 104–127, § 204(3), substituted ''developing country or private entity'' for ''recipient country'' and ''5 years'' for ''7 years''.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions requiring President to consider efforts of recipients to increase agricultural production, determine amount needed in foreign currencies, protect other markets for United States commodities, make sales only to friendly countries, use private trade channels whenever practicable, consider expansion of markets, prevent resale by recipients, obtain favorable exchange rates, emphasize production of food crops, assist friendly countries in avoiding Communist domination, require payment of at least 5 per centum of purchase price upon delivery in dollars or convertible currency, obtain commitments from recipients to publicize source of food, require convertibility of foreign currencies, avoid displacement of sales that would otherwise have been made, assure United States obtains fair share in increase of commercial purchases by recipients, assure convertibility of foreign currencies at uniform exchange rates, and favor countries promoting private sector in allocation of commodities.

1987—Subsec. (r). Pub. L. 100–202 added subsec. (r).

1985—Subsec. (b). Pub. L. 99–198, § 1111(d)(1), inserted '', in section 1708 of this title,'' after ''section 1704 of this title''.

Subsec. (d). Pub. L. 99–198, § 1111(d)(2), struck out ''for dollars on credit terms'' after ''agricultural commodities''.

Subsec. (m). Pub. L. 99–198, § 1111(d)(3), inserted introductory text ''except as provided in section 1708 of this title,'' substituted a period for the semicolon at end of cl. (2), and inserted provisions respecting period for convertibility of foreign currencies into dollars and establishment in the agreement for sale of a schedule for conversion without specifying the exchange rate.

Subsec. (n). Pub. L. 99–198, § 1111(d)(4), struck out ''for dollars on credit terms'' after ''sales'' and ''for cash dollars'' after ''made''.

Subsec. (*o*). Pub. L. 99–198, § 1111(d)(5), substituted ''take'' for ''Take''.

Subsecs. (p), (q). Pub. L. 99–198, § 1111(d)(6), (7), substituted ''except as provided in section 1708 of this title, assure convertibility'' for ''Assure convertibility''.

1981—Subsec. (b). Pub. L. 97–113, § 401(2), struck out requirement that President take steps to assure a progressive transition from sales for foreign currencies to sales for dollars (or to the extent that transition to sales for dollars under the terms applicable to such sales is not possible, transition to sales for foreign currencies on credit terms no less favorable to the United States than those for development loans made under section 2151t of title 22, and on terms which permit conversion to dollars at the exchange rate applicable to the sales agreement) at a rate whereby the transition can be completed by Dec. 31, 1971; and struck out reference to subsec. (c) of section 1704 of this title.

Subsec. (d). Pub. L. 97–113, § 401(3), in defining ''friendly country'', struck out provision excluding from term ''for the purpose only of sales of agricultural commodities for foreign currencies under this subchapter, any country or area dominated by a Communist government''.

Subsec. (*l*). Pub. L. 97–113, § 401(4), struck out requirement that President obtain commitments from friendly purchasing countries that will insure, insofar as practicable, that food commodities sold for foreign currencies under this subchapter shall be marked or identified at point of distribution or sale as being provided on a concessional basis to the recipient government through the generosity of the people of the United States of America.

1979—Subsec. (f). Pub. L. 96–53 substituted provisions requiring Presidential consideration to the development and expansion of markets for United States agricultural commodities and local foodstuffs, for provisions requiring special Presidential consideration to the development and expansion of foreign markets for United States agricultural commodities.

1978—Subsec. (b). Pub. L. 95–424 substituted ''section 2151t of title 22'' for ''section 2161 of title 22''.

1977—Subsec. (b). Pub. L. 95–88, § 211(b)(1), substituted ''and in subchapters I and III–A of this chapter'' for ''and in section 1706(b)(2) of this title'' after ''uses specified in subsections (a), (b), (c), (e), and (h) of section 1704''.

Subsec. (d). Pub. L. 95–88, § 201(b), struck out provisions that ''friendly country'' not include, for the purpose only of sales of agricultural commodities under this subchapter, any nation which sold or furnished or permitted ships or aircraft under its registry to transport to or from Cuba or North Vietnam (excluding United States installations in Cuba) any equipment, materials, or commodities so long as they were governed by a Communist regime: *Provided*, That this exclusion from the definition of ''friendly country'' could be waived by the President if he determined that such waiver was in the national interest and reported such determination to the Congress within 10 days of the date of such determination, and struck out provisions that ''friendly country'' also not include, for the purposes only of sales under this subchapter, the United Arab Republic, unless the President determined that such sale was in the national interest of the United States, that no sales to the United Arab Republic be based upon the requirements of that nation for more than one fiscal year, and that the President keep the President of the Senate and the Speaker of the House of Representatives fully and currently informed with respect to sales made to the United Arab Republic under this subchapter.

1975—Subsec. (a). Pub. L. 94–161, § 203(1), substituted ''efforts to increase their own agricultural production, especially through small, family farm agriculture, to improve their facilities for transportation, storage, and distribution of food commodities, and to reduce their rate of population growth'' for ''efforts to meet their problems of food production and population growth''.

Subsec. (b). Pub. L. 94–161, § 203(2), substituted ''section 1704 and in section 1706(b)(2) of this title'' for ''section 1704 of this title''.

Subsec. (d). Pub. L. 94–161, § 203(3), substituted second proviso ''*Provided*, That this exclusion from the definition of 'friendly country' may be waived by the President if he determines that such waiver is in the national interest and reports such determination to the Congress within 10 days of the date of such determination'' for ''*Provided*, That with respect to furnishing, selling, or selling and transporting to Cuba medical supplies, non-strategic raw materials for agriculture, and non-strategic agricultural or food commodities, sales agreements may be entered into if the President finds with respect to each such country and so informs the Senate and the House of Representatives of the reasons therefor, that the making of each such agreement would be in the national interest of the United States and all such findings and reasons therefor shall be published in the Federal Register''.

1973—Subsec. (*o*). Pub. L. 93–125 made technical correction to Pub. L. 93–86, see 1973 Amendment note below.

Pub. L. 91–524, § 703, as added by Pub. L. 93–86 as amended by Pub. L. 93–125, inserted ''and that commer-

cial supplies are available to meet demands developed through programs carried out under this chapter.'' before the semicolon at end.

1968—Subsec. (b). Pub. L. 90–436, § 4, made mandatory, except when determined by President to be inconsistent with objectives of this chapter, proviso that President, in agreements for credit sales, require immediate payment in dollars or in foreign currencies upon delivery of agricultural commodities, such payment to be considered as an advance payment of earliest obligations.

Subsecs. (*o*) to (q). Pub. L. 90–436, § 5, added subsecs. (*o*) to (q).

1966—Subsec. (a). Pub. L. 89–808 substituted provisions respecting self-help measures for meeting problems of food production and population growth for former provisions for appropriations for reimbursement of Commodity Credit Corporation, advance use of other funds, and classification of expenditures, now provided for in part by section 1733 of this title.

Subsec. (b). Pub. L. 89–808 substituted provisions respecting taking steps to assure a progressive transition from sales for foreign currencies to sales for dollars (such transition to be completed by December 31, 1971) but authorizing payment in foreign currencies for purposes of section 1704(a) to (c), (e), and (h) of this title for former limitation on transactions, now provided for by section 1710 of this title.

Subsec. (c). Pub. L. 89–808 redesignated provisions of former section 1701(a) of this title as subsec. (c), substituting ''subchapter'' for ''chapter''.

Subsec. (d). Pub. L. 89–808 redesignated provisions of former section 1707 of this title as subsec. (d), provided for sales agreements only with friendly countries and for periodic reports to Congress of status of such countries, deleted from definition of ''friendly country'' (formerly ''friendly nation'') clause ''(1) the U.S.S.R.'', redesignated cls. (2) to (4) as (1) to (3), substituted ''country'' for ''nation'', struck out ''or controlled'' after ''dominated'' in cl. (2), amended cl. (3) to include North Vietnam, insert selling or furnishing ships or aircraft, substitute ''so long as they are governed by a Communist regime'' for '', so long as Cuba is governed by the Castro regime'', and provided for entry into sales agreements when in the national interest for furnishing, selling, or selling and transporting to Cuba medical supplies, etc., upon information to Congress and publication in Federal Register, designated existing provisions as cl. (4), and substituted requirement of information to the President of the Senate of sales to United Arab Republic rather than the Foreign Relations Committee and Appropriations Committee of the Senate.

Subsec. (e). Pub. L. 89–808 redesignated provisions of former section 1701(b) of this title as subsec. (e), inserting provision for the taking of steps to assure that small business has adequate and fair opportunity to participate in sales made under authority of this chapter.

Subsec. (f). Pub. L. 89–808 redesignated provisions of former section 1701(c) of this title as subsec. (f), substituting ''the development and expansion of foreign markets for United States agricultural commodities'' for ''utilizing the authority and funds provided by this chapter, in order to develop and expand continuous market demand abroad for agricultural commodities'' and ''emphasis on more adequate storage, handling, and food distribution facilities as well as long-term development of new and expanding markets by encouraging economic growth'' for ''emphasis on underdeveloped and new market areas''.

Subsec. (g). Pub. L. 89–808 redesignated provisions of former section 1701(d) of this title as subsec. (g), substituted ''obtain'', ''purchasing countries'', and ''subchapter'' for ''seek and secure'', ''participating countries'', and ''chapter'' and struck out ''surplus'' before ''agricultural commodities''.

Subsec. (h). Pub. L. 89–808 redesignated provisions of former section 1701(f) of this title as subsec. (h).

Subsec. (i). Pub. L. 89–808 added subsec. (i).

Subsec. (j). Pub. L. 89–808 incorporated in provisions added as subsec. (j) former section 1693 of this title, substituting ''to be independent of domination or control by any world Communist movement'' for ''to be independent of trade with the Union of Soviet Socialist Republics or the Communist regime in China and with nations dominated or controlled by the Union of Soviet Socialist Republics'' and ''sales agreements under this subchapter with any government or organization controlling a world Communist movement or with any country with which the United States does not have diplomatic relations'' for ''transactions under this subchapter or subchapter I of this title with the Union of Soviet Socialist Republics or any of the areas dominated or controlled by the Communist regime in China'' and struck out provision for prevention of increased availability of commodities to unfriendly nations.

Subsec. (k). Pub. L. 89–808 added subsec. (k).

Subsec. (*l*). Pub. L. 89–808 added subsec. (*l*).

Subsec. (m). Pub. L. 89–808 redesignated provisions of former section 1701(g) of this title as par. (1) and added par. (2).

Subsec. (n). Pub. L. 89–808 incorporated in provisions added as subsec. (n) part of former section 1734 of this title requiring the Secretary to take such reasonable precautions as he determines necessary to avoid replacing any sales which the Secretary found and determined would otherwise be made for cash dollars.

1964—Subsec. (a). Pub. L. 88–638, § 1(4), directed the President to classify expenditures under this chapter as for international affairs and finance rather than for agriculture and agricultural resources.

Subsec. (b). Pub. L. 88–638, § 1(5), substituted ''1965'' for ''1962'', ''1966'' for ''1964'', and ''$2,700,000,000 plus any amount by which agreements entered into in prior years have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than authorized for such prior years by this chapter as in effect during such years'' for ''$4,500,000,000''.

1961—Subsec. (b). Pub. L. 87–128 substituted authorization provision of $4,500,000,000 for period beginning January 1, 1962, and ending December 31, 1964, with a limitation of $2,500,000,000 for any one calendar year, for authorization provision of $1,500,000,000 plus any amount by which agreements entered into in the preceding calendar year called for appropriations in amount less than authorized for such preceding year by this chapter as in effect during the preceding year for period beginning January 1, 1960, and ending December 31, 1961.

Pub. L. 87–28 authorized agreements during the calendar year 1961 calling for appropriations of not more than $3,500,000,000 plus any unused authority carried over from 1960.

1959—Subsec. (b). Pub. L. 86–341 substituted ''in any calendar year during the period beginning January 1, 1960, and ending December 31, 1961'' for ''during the period beginning July 1, 1958, and ending December 31, 1959'', ''$1,500,000,000'' for ''$2,250,000,000'', ''in the preceding calendar year'' for ''in prior fiscal years'', ''for such preceding year'' for ''for such prior fiscal years'', and ''during such preceding year'' for ''during such fiscal years''.

1958—Subsec. (b). Pub. L. 85–931 amended subsec. (b) generally, substituting ''Agreements entered into'' for ''Transactions carried out'', providing for $2,250,000,000 for sales between July 1, 1958, and Dec. 31, 1959, and for carrying over unused authorizations from one fiscal to succeeding fiscal years, and striking out clause that limitation on sales shall not be apportioned by year or by country and shall be considered as an objective to be reached as rapidly as possible within the safeguards of this chapter.

1957—Subsec. (b). Pub. L. 85–128 substituted ''$4,000,000,000'' for ''$3,000,000,000''.

1956—Subsec. (a). Act May 28, 1956, authorized appropriations equal to all Commodity Credit Corporation funds expended for ocean freight costs.

Subsec. (b). Act Aug. 3, 1956, increased from $1,500,000,000 to $3,000,000,000 the limitation on sales.

1955—Subsec. (b). Act Aug. 12, 1955, increased from $700,000,000 to $1,500,000,000 the limitation on sales, and provided that this limitation shall not be apportioned by year or by country.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–53 effective Oct. 1, 1979, see section 512(a) of Pub. L. 96–53, set out as a note under section 2151 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–424 effective Oct. 1, 1978, see section 605 of Pub. L. 95–424, set out as a note under section 2151 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–88 effective Oct. 1, 1977, see section 215 of Pub. L. 95–88, set out as a note under section 1702 of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1964 AMENDMENT

Section 1(5) of Pub. L. 88–638 provided that the amendment made by that section is effective Jan. 1, 1965.

EFFECTIVE DATE OF 1961 AMENDMENT

Section 201(2) of Pub. L. 87–128 provided that the amendment made by that section is effective Jan. 1, 1962.

EFFECTIVE DATE OF 1959 AMENDMENT

Section 2 of Pub. L. 86–341 provided that the amendment made by that section is effective Jan. 1, 1960.

§ 1704. Use of local currency payment

(a) In general

Agreements under this subchapter may provide that the Secretary shall use payments made in local currencies by the developing country or private entity in accordance with this section.

(b) Special account

Foreign currencies received by the Secretary under this subchapter shall be deposited in a separate account, that may be interest-bearing, to the credit of the United States and such currencies and interest thereon shall be used as provided for in this section.

(c) Activities

The proceeds from the payments referred to in subsection (a) of this section may be used in the appropriate developing country, through agreements with recipient governments, private voluntary organizations, and cooperatives, for the following:

(1) Agricultural development

To support—

(A) increased agricultural production, including availability of agricultural inputs, with emphasis on small farms, processing of agricultural commodities, forestry management, and land and water management;

(B) credit policies for private-sector agriculture development;

(C) establishment and expansion of institutions for basic and applied agricultural research and the use of such research through development of extension services;

(D) programs to control rodents, insects, weeds, and other animal or plant pests; and

(E) the improvement of the trade capacity of the recipient country.

(2) Agricultural business development loans

To make loans to United States business entities (including cooperatives) and branches, subsidiaries, or affiliates of such entities for development of agricultural businesses and agricultural trade capacity in such appropriate developing countries.

(3) Agricultural facilities loans

To make loans to domestic or foreign entities (including cooperatives) for the establishment of facilities for aiding in the utilization or distribution of agricultural products.

(4) Trade promotion

To promote agricultural trade development, under procedures established by the Secretary, by making loans or through other activities (including trade fairs to promote agricultural products produced in appropriate developing countries) that the Secretary determines to be appropriate.

(5) Private sector agricultural trade development

To conduct private sector agricultural trade development activities in the appropriate developing country, as determined appropriate by the Secretary.

(6) Research

To conduct research in agriculture, forestry, and aquaculture, including collaborative research which is mutually beneficial to the United States and the appropriate developing country.

(7) United States obligations

To make payments of United States obligations (including obligations entered into pursuant to other laws).

(8) Safe water and sanitation

To provide assistance under section 2152h[1] of title 22 to promote good health, economic development, poverty reduction, women's empowerment, conflict prevention, and environmental sustainability by increasing affordable and equitable access to safe water and sanitation.

(d) Fiscal requirements regarding use of local currencies

(1) Exemption

Section 1306 of title 31 shall not apply to local currencies used by the President under paragraphs (1) through (7) of subsection (c) of this section.

[1] See References in Text note below.

(2) Use of currencies by other agencies

Any department or agency of the Federal Government other than the Department of Agriculture using any such local currencies for a purpose for which funds have been appropriated shall reimburse the Commodity Credit Corporation in an amount equivalent to the dollar value of the currencies used.

(July 10, 1954, ch. 469, title I, § 104, 68 Stat. 456; Aug. 26, 1954, ch. 937, title V, § 544(h), (i), as added July 18, 1956, ch. 627, § 11(a), 70 Stat. 564, 565; amended Aug. 3, 1956, ch. 933, § 2, 70 Stat. 988; Pub. L. 85–128, § 1(4), Aug. 13, 1957, 71 Stat. 345; Aug. 26, 1954, ch. 937, title V, § 544(c), as added Pub. L. 85–141, § 11(b)(2), Aug. 14, 1957, 71 Stat. 365; Pub. L. 85–477, ch. V, § 502(*l*), June 30, 1958, 72 Stat. 275; Pub. L. 85–931, § 3, Sept. 6, 1958, 72 Stat. 1790; Pub. L. 86–108, ch. VII, § 701(d), July 24, 1959, 73 Stat. 258; Pub. L. 86–341, title I, §§ 4–9, Sept. 21, 1959, 73 Stat. 606, 607; Pub. L. 87–128, title II, § 201(3), Aug. 8, 1961, 75 Stat. 306; Pub. L. 87–195, pt. III, § 612(b), pt. IV, § 704, Sept. 4, 1961, 75 Stat. 443, 463; Pub. L. 87–839, § 2, Oct. 18, 1962, 76 Stat. 1074; Pub. L. 88–205, pt. III, § 301(d)(2), Dec. 16, 1963, 77 Stat. 386; Pub. L. 88–638, §§ 1(6)–(10), 2, Oct. 8, 1964, 78 Stat. 1035–1038; Pub. L. 89–106, § 5, Aug. 4, 1965, 79 Stat. 432; Pub. L. 89–808, § 2(B), Nov. 11, 1966, 80 Stat. 1528; Pub. L. 90–436, §§ 2(a), 3, 6, July 29, 1968, 82 Stat. 450, 451; Pub. L. 91–524, title VII, § 702, Nov. 30, 1970, 84 Stat. 1379; Pub. L. 94–161, title II, § 204, Dec. 20, 1975, 89 Stat. 852; Pub. L. 96–53, title I, § 121, Aug. 14, 1979, 93 Stat. 366; Pub. L. 97–113, title IV, §§ 401(5), 402, Dec. 29, 1981, 95 Stat. 1537; Pub. L. 100–418, title IV, § 4401, Aug. 23, 1988, 102 Stat. 1400; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3635; Pub. L. 104–127, title II, § 205, Apr. 4, 1996, 110 Stat. 953; Pub. L. 109–121, § 5(b), Dec. 1, 2005, 119 Stat. 2537; Pub. L. 110–246, title III, § 3006, June 18, 2008, 122 Stat. 1822.)

REFERENCES IN TEXT

Section 2152h of title 22, referred to in subsec. (c)(8), was in the original ''section 135 of the Foreign Assistance Act of 1961'' which was translated as meaning the section 135 of the Act which is classified to section 2152h of Title 22, Foreign Relations and Intercourse, rather than to the section 135 of the Act which is classified to section 2152f of Title 22, to reflect the probable intent of Congress.

AMENDMENTS

2008—Subsec. (c). Pub. L. 110–246, § 3006(7), redesignated pars. (2) to (9) as (1) to (8), respectively.

Pub. L. 110–246, § 3006(1), inserted '', through agreements with recipient governments, private voluntary organizations, and cooperatives,'' after ''developing country'' in introductory provisions.

Subsec. (c)(1). Pub. L. 110–246, § 3006(2), struck out par. (1). Prior to amendment, text read as follows: ''To carry out programs to help develop markets for United States agricultural commodities on a mutually beneficial basis in the appropriate developing country.''

Subsec. (c)(2)(E). Pub. L. 110–246, § 3006(3), added subpar. (E).

Subsec. (c)(3). Pub. L. 110–246, § 3006(4), substituted ''development of agricultural businesses and agricultural trade capacity'' for ''agricultural business development and agricultural trade expansion''.

Subsec. (c)(4). Pub. L. 110–246, § 3006(5), struck out '', or otherwise increasing the consumption of and markets for, United States'' before ''agricultural products''.

Subsec. (c)(5). Pub. L. 110–246, § 3006(6), inserted ''to promote agricultural products produced in appropriate developing countries'' after ''trade fairs''.

2005—Subsec. (c)(9). Pub. L. 109–121 added par. (9).

1996—Subsec. (a). Pub. L. 104–127, § 205(1), substituted ''developing country or private entity'' for ''recipient country''.

Subsec. (c). Pub. L. 104–127, § 205(2), substituted ''appropriate developing country'' for ''recipient country'' in introductory provisions and pars. (1), (6), and (7), and ''appropriate developing countries'' for ''recipient countries'' in par. (3).

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions authorizing President to use local currencies received as payments to pay United States obligations, for agricultural market development, for educational and cultural exchange, for scientific activities, for purchase of real property abroad, for purchase of foreign books, periodicals, etc., for United States libraries, to meet emergency relief requirements, for loans to United States businesses for trade expansion and to firms for development of facilities increasing market for commodities, for loans to recipients to improve food production and marketing, to purchase goods and services for other friendly countries, to pay for food production assistance programs, for sale for dollars to United States citizens, to pay for animal and plant pest control, and provisions relating to application of section 1306 of title 31, and to use of currencies of which United States has amounts in excess of needs for next two fiscal years.

1988—Subsec. (b)(1). Pub. L. 100–418 inserted ''(including wood and processed wood products of the United States)'' after first reference to ''agricultural commodities''.

1981—Pub. L. 97–113, § 401(5)(A), (B), substituted in introductory text ''agreements for such sales entered into prior to January 1, 1972,'' for ''this subchapter'' and struck out from penultimate proviso, par. (3), ''except as provided in subsection (c) of this section),'' after ''foreign currencies''.

Subsec. (d). Pub. L. 97–113, § 402, increased fiscal year limitation to $10,000,000 from $5,000,000.

1979—Subsec. (f). Pub. L. 96–53 substituted ''Agency for International Development'' for ''Advisory Committee on Voluntary Foreign Aid''.

1975—Pub. L. 94–161 inserted references to the House Committee on International Relations and the Senate Committee on Foreign Relations in first proviso of subsec. (b)(1), in par. (3) of penultimate proviso following subsec. (k), and in last sentence of section and repealed subsec. (c) which read: ''To procure equipment, materials, facilities, and services for the common defense including internal security;'', respectively.

1970—Pub. L. 91–524 inserted provision allowing appropriation acts to specifically authorize the use of foreign currencies in the educational and cultural exchange program without requiring the appropriation of dollars for the purchase of those same foreign currencies.

1968—Subsec. (b)(2). Pub. L. 90–436, § 3, authorized the financing with at least 2 percent of the total sales proceeds each year in each country of additional activities to strengthen the resources of American schools, colleges, universities, and other public and nonprofit private educational agencies for international studies and research pursuant to programs authorized by title VI of the National Defense Education Act, the Mutual Educational and Cultural Exchange Act of 1961, the International Education Act of 1966, the Higher Education Act of 1965, the Elementary and Secondary Education Act of 1965, the National Foundation on the Arts and the Humanities Act of 1965, and the Public Broadcasting Act of 1967.

Subsec. (h). Pub. L. 90–436, § 2(a), inserted provision that not less than 5 percent of the total sales proceeds, if requested by the foreign country, be used for voluntary programs to control population growth.

Subsec. (k). Pub. L. 90–436, § 6, added subsec. (k).

1966—Pub. L. 89–808, in introductory text, struck out ''section 724 of title 31, or'' after ''Notwithstanding'', substituted ''foreign countries or international organizations'' for ''friendly nations, or organizations of nations'', and inserted ''in connection with sales for foreign currencies'' after ''accrue''.

Subsec. (a). Pub. L. 89–808 redesignated subsec. (f) as (a), struck out ''abroad'' after ''obligations'' and inserted ''(including obligations entered into pursuant to other legislation)''. Former subsec. (a) redesignated (b)(1).

Subsec. (b). Pub. L. 89–808 struck out subsec. (b) which provided for purchase, in such amounts as may be specified from time to time in appropriation acts, strategic or other materials for a supplemental stockpile of such materials as the president may determine from time to time.

Subsec. (b)(1). Pub. L. 89–808 redesignated former subsec. (a) as (b)(1), inserted ''For carrying out programs of United States Government agencies to—'' preceding par. (1) and restriction against making a release until expiration of requisite number of days following transmittal to congressional committees, struck out ''after September 21, 1959,'' before ''shall be set aside'' and ''*Provided further*, That no such funds shall be allocated under this subsection after June 30, 1960, except as may be specified from time to time, in appropriation acts'' before convertibility of proceeds provision, substituted ''as he determines cannot be effectively used for agricultural market development purposes under this section'' for ''as he determines not to be needed, within a reasonable period of time, for such purpose:'' and ''sale of agricultural commodities'' for ''sale of surplus agricultural commodities'' and inserted provisions of utilization of nonprofit agricultural trade organizations to maximum extent possible in carrying out agricultural market development activities and inclusion as a purpose of subsec. (b) such representation of agricultural industries as may be required during course of discussions on trade programs relating either to individual commodities or groups of commodities.

Subsec. (b)(2). Pub. L. 89–808 incorporated in provisions designated as par. (2) provisions of subsec. (h) which provided for financing of international exchange activities under programs authorized by section 1641(b)(2) of Appendix to title 50 and for financing in such amounts as may be specified from time to time in appropriation acts of programs for interchange of persons under section 1446 of title with a particular effort for allocation of funds with regard to countries where adequate funds are not available from other sources for such purposes and countries where agreements can be negotiated to establish a fund to be available over a period of years for such purposes, including setting aside of such amounts from sale proceeds and loan repayments not in excess of $1,000,000 a year in any one country for not more than 5 years in advance, as determined to be required for such purposes by the Secretary of State.

Subsec. (b)(3). Pub. L. 89–808 redesignated subsec. (k) as par. (3), included use of foreign currencies for family planning programs, and struck out proviso for availability of foreign currencies for subsec. (k) purposes (in addition to funds otherwise made available for such purposes) only in such amounts as may be specified from time to time in appropriation Acts.

Subsec. (b)(4). Pub. L. 89–808 redesignated subsec. (*l*) as par. (4), striking out subsec. (*l*) proviso for availability of foreign currencies for subsec. (*l*) purposes (in addition to funds otherwise made available for such purposes) in such amounts as may be specified from time to time in appropriation acts.

Subsec. (b)(5). Pub. L. 89–808 redesignated subsec. (n)(1) to (3) as par. (5)(A) to (C), striking out provision for use of foreign currencies ''in such amounts as may be specified from time to time in appropriation acts''.

Subsec. (c). Pub. L. 89–808 reenacted existing provisions.

Subsec. (d). Pub. L. 89–808 redesignated subsec. (q) as (d). Former subsec. (d) redesignated (g).

Subsec. (e). Pub. L. 89–808 substituted provisions for use of foreign currencies to maximum extent and for due consideration to be given to the continued expansion of markets for United States agricultural commodities or products thereof in proviso for former provisions for availability of such currencies to maximum usable extent and for manufacture or production of any commodity to be marketed in competition with United States agricultural commodities or products thereof in the proviso, authorized loans to cooperatives and for private home construction in foreign countries, struck out introductory phrase for uses of such currencies ''For promoting balanced economic development and trade among nations'', and that loans be mutually agreeable to the agency and the country making the agreement, and inserted ''intended'' in proviso.

Subsec. (f). Pub. L. 89–808 redesignated subsec. (g) as (f), provided for promotion of agricultural development, establishment of procedures by the President, use of funds in any other manner than loans as determined by the President to be in the national interest, assistance to programs of recipient countries designed to promote, increase, or improve food production, processing, distribution, or marketing in food-deficit countries friendly to the United States, and utilization for such purpose to extent practicable the services of registered and approved nonprofit voluntary agencies, prohibited use of funds to promote religious activities, and struck out provisions for loans made through established banking facilities of the friendly nation from which the foreign currency was obtained or in any other manner which the President may deem to be appropriate and authorization for acceptance of strategic materials, services, or foreign currencies in payment of such loans. Former subsec. (f) redesignated (a).

Subsec. (g). Pub. L. 89–808 redesignated former subsec. (d) as (g), struck out ''financing'' before ''the purchase''. Former subsec. (g) redesignated (f).

Subsec. (h). Pub. L. 89–808 added subsec. (h) Former subsec. (h) redesignated (b)(2).

Subsec. (i). Pub. L. 89–808 substituted provisions respecting use of foreign currencies for paying costs outside the United States of carrying out food production assistance programs for former provisions for financing ($5,000,000 fiscal year limitation) translation, publication, and distribution of books and periodicals, including Government publications, abroad.

Subsec. (j). Pub. L. 89–808 redesignated subsec. (t) as (j), authorized sale of foreign currencies to nonprofit organizations, and struck out provisions making the currencies available for sale at United States embassies or other convenient locations, describing such currencies as acquired through operations under Foreign Assistance Act of 1961, as amended, Mutual Security Act of 1954, as amended, or any Act repealed thereby, or Agricultural Trade Development and Assistance Act of 1954, as amended, prohibiting such sales for travel purposes under agreement entered into with another country or when so committed by agreement to other uses, depositing dollars from such sales into United States Treasury as miscellaneous receipts, and treating dollars deposited into the CCC account as a reimbursement under section 1705 of this title. Former subsec. (j) provided for assistance to schools, libraries, and community centers abroad founded or sponsored by United States citizens and serving as demonstration centers, and is now covered by subsec. (b)(2) of this section.

Subsecs. (k), (*l*). Pub. L. 89–808 redesignated subsecs. (k) and (*l*) as (b)(3) and (4).

Subsec. (m). Pub. L. 89–808 struck out subsec. (m) which provided for financing in such amounts as may be specified from time to time in appropriation acts trade fair participation and related activities and agricultural and horticultural fair participation and related activities.

Subsec. (n). Pub. L. 89–808 redesignated subsec. (n) as (b)(5).

Subsecs. (*o*), (p). Pub. L. 89–808 struck out subsec. (*o*) which provided for assistance, in such amounts as may be specified from time to time in appropriation acts, in

expansions or operation in foreign countries of schools, colleges, or universities founded or sponsored by United States citizens for carrying out programs of vocational, professional, scientific, technological, or general education, and subsec. (p) which provided for supporting workshops in American studies or American educational techniques, and supporting chairs in American studies.

Subsec. (q). Pub. L. 89–808 redesignated subsec. (q) as (d).

Subsec. (r). Pub. L. 89–808 struck out subsec. (r) which provided for financing ($2,500,000 fiscal year limitation) preparation, distribution, and exhibition of audio-visual informational and educational materials abroad without limiting or affecting use of foreign currencies for such materials in connection with trade fairs and other market development activities under subsec. (a) of this section.

Subsecs. (s), (t). Pub. L. 89–808 incorporated subsecs. (s) and (t) in subsec. (j), and struck out from former subsec. (s) ''under such terms and conditions as the President may prescribe''.

Penultimate proviso. Pub. L. 89–808 incorporated part of existing proviso following subsec. (t) in provisions designated as par. (1) and inserted reference to subsec. (b).

Pub. L. 89–808 incorporated part of existing initial proviso and second proviso following subsec. (t) in provisions designated as par. (2), substituted references to subsecs. (f) and (g) for (d) and (e), and struck out a third proviso restricting the availability of foreign currencies pursuant to subsecs. (k), (p), and (r) to such amounts as may be specified from time to time in appropriation Acts.

Pub. L. 89–808 redesignated penultimate par. as par. (3) and struck out ''and then only if, between the date of transmittal and the expiration of such period there has not been passed by either of the two Committees a resolution stating in substance that that Committee does not favor such agreement or proposal'' after ''sessions.''.

Pub. L. 89–808 redesignated last par. as par. (4) and substituted ''after consultation with the advisory committee established under section 1736a of this title'' for ''upon the recommendation of the advisory committee herein established''.

Ultimate proviso. Pub. L. 89–808 inserted ultimate proviso making pars. (2) to (4) of penultimate proviso inapplicable in the case of any nation where the foreign currencies or credits owned by the United States and available for use by it in such nation are determined by the Secretary of the Treasury to be in excess of the normal requirements of Federal departments and agencies for expenditures in such nations for two fiscal years following fiscal year in which such determination is made.

Concluding text. Pub. L. 89–808 inserted provisions for devotion of excess foreign currencies to acquisition of sites, buildings, and grounds under subsec. (b)(4) of this section, for assistance in self-help measures, and for reports to congressional committees of determinations of existence of excess foreign currencies with respect to any nation, uses for such excess, and effects of such use.

Pub. L. 89–808 struck out pars. for establishment of an advisory committee and for consultations with such committee respecting loan, currency convertibility, and currency reservations (in sales agreements) policies and for establishment of higher than minimum interest rate for dollar sales. Advisory committee provisions are now covered in section 1736a of this title.

1965—Subsec. (a). Pub. L. 89–106 authorized the Secretary of Agriculture to release such amounts of the foreign currencies set aside for the market development program as he determined not to be needed, within a reasonable period of time, for that purpose.

1964—Subsec. (c). Pub. L. 88–638, §1(6), inserted ''including internal security'' and struck out ''military'' before ''equipment''.

Subsec. (e). Pub. L. 88–638, §1(7), substituted ''currencies shall also be available to the maximum usable extent'' for ''not more than 25 per centum of the currencies received pursuant to each such agreement shall be available''.

Subsec. (t). Pub. L. 88–638, §2, redesignated subsec. (b) of section 612 of Pub. L. 87–195, as subsec. (t) of this section, inserted ''For sale to United States citizens as provided herein'', substituted ''the Foreign Assistance Act of 1961, as amended'' for ''this chapter'', and provided that except in the case of foreign currencies acquired under this subchapter, dollars received from the sale of foreign currencies shall be deposited to the account of the Commodity Credit Corporation and shall be treated as a reimbursement to such Corporation.

Pub. L. 88–638, §1(8)–(10), established an advisory committee, specified its composition, directed it to review the status and usage of foreign currencies accruing under this subchapter and to make various recommendations, provided that the committee be consulted with respect to various matters, for the transmittal of certain proposals to congressional committees, and that any loan under this section shall bear interest as the President shall determine, within certain limits and taking various matters into consideration, and inserted ''pursuant to agreements entered into on or before December 31, 1964 and to not less than 20 per centum in the aggregate of the foreign currencies which accrue pursuant to agreements entered into thereafter'' in first proviso.

1963—Subsec. (t). Pub. L. 88–205 added subsec. (b) to section 612 of Pub. L. 87–195, which was designated as subsec. (t) of this section by Pub. L. 88–638.

1962—Subsec. (m). Pub. L. 87–839 inserted ''or section 1122b of title 46''.

1961—Pub. L. 87–128, §201(3)(a), inserted '', including principal and interest from loan repayments,'' after ''foreign currencies'', in opening provisions.

Subsec. (a). Pub. L. 87–128, §201(3)(d), inserted, in second sentence, ''each year'' after ''made'' and ''set aside in the amounts and kinds of foreign currencies specified by the Secretary of Agriculture and'' after ''be'', where ''made'' and ''be'' first appear; substituted, in third sentence, ''Provision shall be made'' for ''Particular regard shall be given to provide'' and ''the Secretary of Agriculture determines to'' for ''may'' and inserted ''(not less than 2 per centum)'' after ''thereof''; inserted sentence concerning conversion of monies into foreign currencies and deposit in special Treasury account; and substituted, in last sentence, ''the Secretary of Agriculture is authorized and directed to enter into agreements'' for ''agreements may be entered into''.

Subsec. (e). Pub. L. 87–195 substituted ''procedures established by such agency as the President shall direct for loans mutually agreeable to said agency'' for ''procedures established by the Export-Import Bank for loans mutually agreeable to said bank''.

Subsec. (s). Pub. L. 87–128, §201(3)(c), added subsec. (s).

Pub. L. 87–128, §201(3)(b), substituted in final proviso ''pursuant to'' for ''for the purpose of subsection (p) of this section, except in such amounts as may be specified from time to time in appropriation Acts, and no foreign currencies shall be allocated under any provision of this chapter after June 30, 1960, for the purposes specified in''.

1959—Subsec. (a). Pub. L. 86–341, §4, provided that from sale proceeds and loan repayments under this subchapter not less than the equivalent of 5 per centum of the total sales made under this subchapter after September 21, 1959, shall be made available in advance for use as provided by this subsection over such period of years as the Secretary of Agriculture determines will most effectively carry out the purposes of this subsection, prohibited the allocation of such funds after June 30, 1960, except as may be specified in appropriation acts, required particular regard to be given for provisions in sale and loan agreements for the convertibility of such amount of the proceeds thereof as may be needed to carry out the purpose of this subsection in those countries which are or offer reasonable potential of becoming dollar markets for United States agricultural commodities, and permitted the entering into

agreements for the sale of surplus agricultural commodities in such amounts as the Secretary of Agriculture determines to be adequate and for the use of the proceeds to carry out the purpose of this subsection in cases where sufficient foreign currencies for carrying out the purpose of this subsection in such countries are not otherwise available.

Subsec. (b). Pub. L. 86–341, § 5, among other changes, substituted ''strategic or other materials'' for ''strategic and critical materials'' in two places, limited purchases or contracts to purchase to such amounts as may be specified from time to time in appropriation acts, and eliminated provisions which authorized contracts, including advance payment contracts, for supply extending over periods up to ten years, and which permitted the strategic and critical materials acquired under authority of this subchapter to be additional to the amounts acquired under authority of the Strategic and Critical Materials Stockpile Act.

Subsec. (k). Pub. L. 86–341, § 6, authorized the use of foreign currencies to promote and support programs of medical and scientific research, cultural and educational development, health, nutrition, and sanitation.

Pub. L. 86–108 substituted ''conduct research and support'' for ''conduct and support'', and '': *Provided*, That foreign currencies shall be available for the purposes of this subsection (in addition to funds otherwise made available for such purposes) only in such amounts as may be specified from time to time in appropriation Acts;'' for '', but no foreign currencies shall be used for the purposes of this subsection unless specific appropriations be made therefor;''.

Subsec. (*o*). Pub. L. 86–341, § 7, struck out provisions which permitted the use of foreign currencies in the supporting of workshops in American studies or American educational techniques, and supporting chairs in American studies. See subsec. (p) of this section.

Subsecs. (p) to (r). Pub. L. 86–341, § 8, added subsecs. (p) to (r).

Pub. L. 86–341, § 9, inserted proviso in closing provisions limiting availability of foreign currencies for the purpose of subsec. (p) of this section to such amounts as may be specified from time to time in appropriation Acts, and prohibiting allocation of foreign currencies after June 30, 1960, for the purposes specified in subsections (k), (p), and (r) of this section to such amounts as may be specified from time to time in appropriation Acts.

1958—Subsec. (h). Pub. L. 85–931, § 3(a), authorized use of foreign currencies to finance programs for interchange of persons between United States and foreign countries.

Subsec. (k). Pub. L. 85–477 added subsec. (k).

Subsecs. (*l*) to (*o*). Pub. L. 85–931, § 3(b), added subsecs. (*l*) to (*o*).

1957—Subsec. (e). Pub. L. 85–128 provided that not more than 25 percent of the currencies received pursuant to each agreement be available through the Export-Import Bank for loans mutually agreeable to said bank and the country with which the agreement is made for business development in such countries and for loans to domestic or foreign firms for facilities to aid markets for United States agricultural products, provided no such loans be made for the manufacture of products to be exported to United States in competition with United States products or for manufacture or production of any commodity to be marketed in competition with United States agricultural commodities or products thereof, and that foreign currencies may be accepted in repayment of such loans.

Subsec. (h). Pub. L. 85–141, § 11(b)(2), added section 544(c) to act Aug. 26, 1954, which section inserted provisions in this subsection authorizing the setting aside of amounts from sale proceeds and loan repayments.

1956—Subsec. (h). Act July 18, 1956, added section 544(h) to act Aug. 26, 1954, which section inserted provisions in this section relating to allocation of funds and to the special and particular effort to be made to provide for the purposes of this subsection.

Subsec. (i). Act Aug. 26, 1954, § 544(i), as added by act July 18, 1956, added subsec. (i).

Subsec. (j). Act Aug. 3, 1956, added subsec. (j).

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–53 effective Oct. 1, 1979, see section 512(a) of Pub. L. 96–53, set out as a note under section 2151 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

REPEALS

Section 704 of Pub. L. 87–195, cited as a credit to this section, was repealed by section 401 of Pub. L. 87–565, pt. IV, Aug. 1, 1962, 76 Stat. 263, except insofar as section 704 affected this section.

Pub. L. 85–477, ch. IV, § 401(h), June 30, 1958, 72 Stat. 270, repealed section 544(c) of act Aug. 26, 1954, cited as a credit to this section, except insofar as such section 544(c) affected this section.

Pub. L. 85–141, § 11(b)(1), repealed section 544(h), (i) of act Aug. 26, 1954, cited as a credit to this section, except insofar as such section 544(h), (i) affected this section.

PAYMENT FROM FOREIGN CURRENCIES FOR FAMILY HOUSING PROJECTS OR COMMUNITY FACILITIES CONSTRUCTED OR ACQUIRED BY DEPARTMENT OF DEFENSE

Pub. L. 86–500, title V, § 509, June 8, 1960, 74 Stat. 186, as amended by Pub. L. 110–246, title III, § 3001(c), June 18, 2008, 122 Stat. 1821, provided that: ''Notwithstanding the provisions of any other law, at least 75 per centum of the total cost of any family housing project or community facility hereafter constructed or acquired in any foreign country by the Department of Defense or any military department shall be paid for from foreign currencies acquired by the Commodity Credit Corporation pursuant to the provisions of the Food for Peace Act [this chapter]; except that the following projects authorized pursuant to this Act shall not be subject to this requirement:

''Air Force activities, Japan, one hundred fifty units;

''Cigli Air Base, Turkey, community facilities;

''Clark Air Force Base, Philippine Islands, one hundred units;

''Iraklion Air Station, Crete, community facilities;

''Kirknewton RAF, United Kingdom, fifty units;

''Naval Air Station, Naha, Okinawa, two hundred; and

''Site I–5, Italy, one hundred units and community facilities.''

LIMITATION ON USE OF FOREIGN CURRENCIES FOR PARTICIPATION IN TRADE, AGRICULTURAL AND HORTICULTURAL FAIRS

Pub. L. 86–30, title I, § 101, May 20, 1959, 73 Stat. 35, as amended by Pub. L. 110–246, title III, § 3001(c), June 18, 2008, 122 Stat. 1821, provided that: ''Subject to allocation in such manner as may now or hereafter be prescribed by the President, foreign currencies which have accrued under title I of the Food for Peace Act, as amended (7 U.S.C. 1704) [this section] may be used without fiscal year limitation for the purposes of section 104(m) of that Act [former subsec. (m) of this section],

including administrative expenses directly related thereto, in an amount not to exceed the equivalent of $1,275,000.''

INTERNATIONAL COOPERATION IN HEALTH RESEARCH, RESEARCH TRAINING, AND RESEARCH PLANNING

Use of foreign currencies accruing under this subchapter to carry out purposes of International Health Research Act of 1960, see section 2103 of Title 22, Foreign Relations and Intercourse.

USE OF FOREIGN CURRENCIES

Foreign currencies accruing to United States under this subchapter may be used for purposes set forth in this section, see Ex. Ord. No. 12752, § 2(b)(1), (2), Feb. 25, 1991, 56 F.R. 8255, set out as a note under section 1691 of this title.

§ 1704a. Agreements for use of foreign currencies; reports to Congress

Within sixty days after any agreement is entered into for the use of any foreign currencies, a full report thereon shall be made to the Senate and the House of Representatives of the United States and to the Committees on Agriculture and Appropriations thereof.

(Pub. L. 85–128, § 1(5), Aug. 13, 1957, 71 Stat. 345.)

CODIFICATION

Section was not enacted as part of the Food for Peace Act which comprises this chapter.

TRANSMISSION OF REPORTS

For provisions requiring Secretary of Agriculture and Administrator of Agency for International Development to transmit reports required by this section as related to use of foreign currencies accruing under subchapters II and III–A of this chapter, see section 2(b)(3) of Ex. Ord. No. 12752, Feb. 25, 1991, 56 F.R. 8255, set out as a note under section 1691 of this title.

§ 1704b. Repealed. Pub. L. 97–214, § 7(4), July 12, 1982, 96 Stat. 173

Section, Pub. L. 86–149, title IV, § 420, Aug. 10, 1959, 73 Stat. 324, related to utilization of foreign currencies for construction of military projects and reimbursement of Commodity Credit Corporation.

EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 1982, and applicable to military construction projects, and to construction and acquisition of military family housing before, on, or after such date, see section 12(a) of Pub. L. 97–214, set out as an Effective Date note under section 2801 of Title 10, Armed Forces.

§ 1704c. Payments by Secretary of Defense in liquidation of amount due for foreign currencies

The Secretary of Defense shall pay to the Commodity Credit Corporation an amount not to exceed $6,000,000 per year until the amount due for foreign currencies used for housing constructed or acquired under title II of the Food for Peace Act (7 U.S.C. 1721–1726) has been liquidated.

(Pub. L. 97–214, § 9(a), July 12, 1982, 96 Stat. 174; Pub. L. 110–246, title III, § 3001(b)(1)(A), (2)(C), June 18, 2008, 122 Stat. 1820.)

REFERENCES IN TEXT

The Food for Peace Act (7 U.S.C. 1721–1726), referred to in text, is act July 10, 1954, ch. 469, 68 Stat. 457. Title II of the Act is classified generally to subchapter III (§ 1721 et seq.) of chapter 41 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1691 of this title and Tables.

CODIFICATION

Section consists of section 9(a) of Pub. L. 97–214. Section 9(b) of Pub. L. 97–214 is classified as a note set out under section 1594k of Title 42, The Public Health and Welfare. Section was enacted as part of the Military Construction Codification Act, and not as part of the Food for Peace Act which comprises this chapter.

AMENDMENTS

2008—Pub. L. 110–246 substituted ''Food for Peace Act'' for ''Agricultural Trade Development and Assistance Act of 1954''.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE

Section effective Oct. 1, 1982, and applicable to military construction projects, and to construction and acquisition of military family housing before, on or after such date, see section 12(a) of Pub. L. 97–214, set out as a note under section 2801 of Title 10, Armed Forces.

§§ 1705, 1706. Repealed. Pub. L. 104–127, title II, §§ 206, 265(a), Apr. 4, 1996, 110 Stat. 953, 974

Section 1705, acts July 10, 1954, ch. 469, title I, § 105, 68 Stat. 457; Dec. 16, 1963, Pub. L. 88–205, pt. IV, § 403(b), 77 Stat. 390; Nov. 11, 1966, Pub. L. 89–808, § 2(B), 80 Stat. 1532; Dec. 23, 1985, Pub. L. 99–198, title XI, § 1111(e), 99 Stat. 1475; Nov. 28, 1990, Pub. L. 101–624, title XV, § 1512, 104 Stat. 3636, set out congressional declaration of policy with regard to value-added foods.

Section 1706, Pub. L. 101–624, title XV, § 1517, Nov. 28, 1990, 104 Stat. 3664, related to debt-for-health-and-protection swap.

A prior section 1706, acts July 10, 1954, ch. 469, title I, § 106, 68 Stat. 457; Aug. 12, 1955, ch. 873, § 2, 69 Stat. 721; Aug. 8, 1961, Pub. L. 87–128, title II, § 201(4), 75 Stat. 307; Dec. 16, 1963, Pub. L. 88–205, pt. IV, § 403 (c)(1), 77 Stat. 390; Nov. 11, 1966, Pub. L. 89–808, § 2(B), 80 Stat. 1532; Dec. 20, 1975, Pub. L. 94–161, title II, § 205, 89 Stat. 852; Aug. 3, 1977, Pub. L. 95–88, title II, § 211(b)(2), 91 Stat. 551; Oct. 6, 1978, Pub. L. 95–424, title I, § 102(b)(2)(C), 92 Stat. 941; Dec. 29, 1981, Pub. L. 97–113, title IV, § 401(6), 95 Stat. 1537; Dec. 23, 1985, Pub. L. 99–198, title XI, § 1111(f), (g), 99 Stat. 1475, related to payments for commodities and use of proceeds prior to the general revision of this chapter by Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3633.

§ 1707. Omitted

CODIFICATION

Section, acts July 10, 1954, ch. 469, title I, § 107, 68 Stat. 457; Oct. 8, 1964, Pub. L. 88–638, § 1(11), 78 Stat. 1036; Sept. 6, 1965, Pub. L. 89–171, pt. III, § 401, 79 Stat. 662; Nov. 11, 1966, Pub. L. 89–808, § 2(B), 80 Stat. 1532, relating to policy of encouraging overseas sales of commodities, was omitted in the general revision of this chapter by Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3633.

§ 1707a. Repealed. Pub. L. 101–624, title XV, § 1574, Nov. 28, 1990, 104 Stat. 3702

Section, Pub. L. 89–808, § 4, Nov. 11, 1966, 80 Stat. 1538; Pub. L. 95–501, title I, § 101, Oct. 21, 1978, 92 Stat. 1685; Pub. L. 97–98, title XII, § 1201, Dec. 22, 1981, 95 Stat. 1274; Pub. L. 98–623, title IV, § 405(c), Nov. 8, 1984, 98 Stat. 3409; Pub. L. 99–198, title XI, §§ 1130, 1131, Dec. 23, 1985, 99 Stat. 1486; Pub. L. 100–418, title IV, § 4402(b), Aug. 23,

1988, 102 Stat. 1400, provided for an export credit sales program. See section 5621 et seq. of this title.

§§ 1707b to 1707d. Omitted

CODIFICATION

Sections were omitted as part of the complete revision of the Agricultural Trade Act of 1978 (Pub. L. 95–501) by Pub. L. 101–624, title XV, § 1531, Nov. 28, 1990, 104 Stat. 3668. See chapter 87 (§ 5601 et seq.) of this title.

Section 1707b, Pub. L. 95–501, title II, § 201, Oct. 21, 1978, 92 Stat. 1686, provided for a program of deferred payment sales of agricultural commodities.

Section 1707c, Pub. L. 95–501, title II, § 202, Oct. 21, 1978, 92 Stat. 1687, provided for a program of credit sales to People's Republic of China.

Section 1707d, Pub. L. 95–501, title II, § 203, Oct. 21, 1978, 92 Stat. 1687, defined ''agricultural commodity''.

§§ 1708 to 1715. Omitted

CODIFICATION

Sections were omitted in the general revision of this chapter by Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3633.

Section 1708, act July 10, 1954, ch. 469, title I, § 108, as added Dec. 23, 1985, Pub. L. 99–198, title XI, § 1111(h), 99 Stat. 1476; amended Aug. 23, 1988, Pub. L. 100–418, title II, § 2309, 102 Stat. 1346, related to agreements with financial intermediaries in developing countries for purchase of commodities.

A prior section 1708, acts July 10, 1954, ch. 469, title I, § 108, 68 Stat. 457; Oct. 8, 1964, Pub. L. 88–638, § 1(12), 78 Stat. 1037; Nov. 11, 1966, Pub. L. 89–808, § 2(B), 80 Stat. 1533, which authorized Commodity Credit Corporation to finance ocean freight charges pursuant to agreements for sales of agricultural commodities for foreign currencies, was repealed by Pub. L. 97–113, title IV, § 401(7), Dec. 29, 1981, 95 Stat. 1537.

Section 1709, acts July 10, 1954, ch. 469, title I, § 109, 68 Stat. 457; Aug. 13, 1957, Pub. L. 85–128, § 1(1), 71 Stat. 345; Sept. 6, 1958, Pub. L. 85–931, § 4, 72 Stat. 1791; Sept. 21, 1959, Pub. L. 86–341, title I, § 1, 73 Stat. 606; Aug. 8, 1961, Pub. L. 87–128, title II, § 201(5), 75 Stat. 307; Oct. 8, 1964, Pub. L. 88–638, § 1(15), 78 Stat. 1037; Nov. 11, 1966, Pub. L. 89–808, § 2(B), 80 Stat. 1533; July 29, 1968, Pub. L. 90–436, § 2(b), 82 Stat. 450; Dec. 20, 1975, Pub. L. 94–161, title II, § 206, 89 Stat. 853; Dec. 22, 1981, Pub. L. 97–98, title XII, § 1210, 95 Stat. 1281; Dec. 29, 1981, Pub. L. 97–113, title IV, § 401(8), 95 Stat. 1537; Dec. 23, 1985, Pub. L. 99–198, title XI, § 1112(a)(1), 99 Stat. 1478; Dec. 22, 1987, Pub. L. 100–202, § 10, 101 Stat. 1329–448, related to self-help measures developing countries should take before entering into agreements for purchases of commodities.

Section 1710, act July 10, 1954, ch. 469, title I, § 110, as added Nov. 11, 1966, Pub. L. 89–808, § 2(B), 80 Stat. 1534, limited agreements under this subchapter so that they would not call for appropriations of more than $1,900,000,000 for any calendar year.

Section 1711, act July 10, 1954, ch. 469, title I, § 111, as added Dec. 20, 1975, Pub. L. 94–161, title II, § 207, 89 Stat. 853; amended Aug. 3, 1977, Pub. L. 95–88, title II, § 202, 91 Stat. 545, restricted 75% of food aid under this subchapter to countries meeting International Development Association poverty criterion.

Section 1712, act July 10, 1954, ch. 469, title I, § 112, as added Aug. 3, 1977, Pub. L. 95–88, title II, § 203, 91 Stat. 545; amended H. Res. 89, Feb. 5, 1979; Dec. 16, 1980, Pub. L. 96–533, title VII, § 701(c), 94 Stat. 3156, prohibited financing of commodity sales to foreign governments engaging in gross violations of human rights.

Section 1713, act July 10, 1954, ch. 469, title I, § 113, as added Aug. 3, 1977, Pub. L. 95–88, title II, § 204, 91 Stat. 546, required priority to be given to financing sales of food and fiber commodities.

Section 1714, act July 10, 1954, ch. 469, title I, § 114, as added Aug. 3, 1977, Pub. L. 95–88, title II, § 205, 91 Stat. 546, related to provision of high protein, blended and fortified foods to developing countries, and waiver of repayments.

Section 1715, act July 10, 1954, ch. 469, title I, § 115, as added Sept. 29, 1977, Pub. L. 95–113, title XII, § 1202, 91 Stat. 955; amended H. Res. 89, Feb. 5, 1979; Dec. 22, 1981, Pub. L. 97–98, title XII, § 1211, 95 Stat. 1281, related to commodity sale procedures.

SUBCHAPTER III—EMERGENCY AND PRIVATE ASSISTANCE PROGRAMS

§ 1721. General authority

The President shall establish a program under this subchapter to provide agricultural commodities to foreign countries on behalf of the people of the United States to—

(1) address famine and food crises, and respond to emergency food needs, arising from man-made and natural disasters;

(2) combat malnutrition, especially in children and mothers;

(3) carry out activities that attempt to alleviate the causes of hunger, mortality and morbidity;

(4) promote economic and community development;

(5) promote food security and support sound environmental practices;

(6) carry out feeding programs; and

(7) promote economic and nutritional security by increasing educational, training, and other productive activities.

Such program shall be implemented by the Administrator.

(July 10, 1954, ch. 469, title II, § 201, 68 Stat. 457; May 28, 1956, ch. 327, title II, § 208(b), 70 Stat. 201; Aug. 3, 1956, ch. 933, § 4, 70 Stat. 988; Pub. L. 89–808, § 2(C), Nov. 11, 1966, 80 Stat. 1534; Pub. L. 94–161, title II, § 208, Dec. 20, 1975, 89 Stat. 853; Pub. L. 95–88, title II, § 206, Aug. 3, 1977, 91 Stat. 547; Pub. L. 97–113, title IV, § 404, Dec. 29, 1981, 95 Stat. 1538; Pub. L. 99–83, title X, § 1002, Aug. 8, 1985, 99 Stat. 270; Pub. L. 99–198, title XI, §§ 1102, 1103, Dec. 23, 1985, 99 Stat. 1465; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3636; Pub. L. 110–246, title III, § 3007, June 18, 2008, 122 Stat. 1823.)

AMENDMENTS

2008—Par. (1). Pub. L. 110–246, § 3007(1), added par. (1) and struck out former par. (1) which read as follows: ''address famine or other urgent or extraordinary relief requirements;''.

Par. (5). Pub. L. 110–246, § 3007(2)(A), inserted ''food security and support'' after ''promote''.

Par. (7). Pub. L. 110–246, § 3007(2)(B)–(4), added par. (7).

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions requiring President to furnish commodities to meet famine, combat malnutrition, promote economic development in friendly countries, and for needy persons and school lunch and preschool feeding programs, setting minimum quantity for distribution, requiring use of certain distribution networks, requiring President to consider benefits of distributing processed and protein-fortified foods, nutritional needs of recipients, cost effectiveness of particular commodities, and purposes of this subchapter, requiring that 75 percent of commodities distributed be in form of processed or fortified products or bagged commodities, and authorizing waiver of such 75 percent requirement.

1985—Subsec. (b). Pub. L. 99–198, § 1102, amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: ''The minimum quantity of agricultural commodities distributed under this subchapter—

''(1) for fiscal years 1978 through 1980 shall be 1,600,000 metric tons, of which not less than 1,300,000 metric tons shall be distributed through nonprofit voluntary agencies and the World Food Program;

''(2) for fiscal year 1981 shall be 1,650,000 metric tons, of which not less than 1,350,000 metric tons shall be distributed through nonprofit voluntary agencies and the World Food Program; and

''(3) for fiscal year 1982 and each fiscal year thereafter shall be 1,700,000 metric tons, of which not less than 1,200,000 metric tons for nonemergency programs shall be distributed through nonprofit voluntary agencies and the World Food Program, except that for fiscal year 1986 the minimum quantity distributed shall be 1,800,000 metric tons, of which not less than 1,300,000 metric tons for nonemergency programs shall be distributed through nonprofit voluntary agencies and the World Food Program, and for fiscal year 1987 the minimum quantity distributed shall be 1,900,000 metric tons, of which not less than 1,425,000 metric tons for nonemergency programs shall be distributed through nonprofit voluntary agencies and the World Food Program;

unless the President determines and reports to the Congress, together with his reasons, that such quantity cannot be used effectively to carry out the purposes of this subchapter: *Provided*, That such minimum quantity shall not exceed the total quantity of commodities determined to be available for disposition under this chapter pursuant to section 1731 of this title, less the quantity of commodities required to meet famine or other urgent or extraordinary relief requirements.''

Pub. L. 99–83 inserted provisions relating to minimum quantities for fiscal years 1986 and 1987.

Subsec. (c). Pub. L. 99–198, § 1103, added subsec. (c).

1981—Subsec. (b)(3). Pub. L. 97–113 substituted ''1,200,000 metric tons for nonemergency programs'' for ''1,400,000 metric tons''.

1977—Subsec. (b). Pub. L. 95–88 substituted provisions increasing and setting specific minimums for commodities to be distributed for fiscal years 1978 through 1980, for 1981, and for fiscal year 1982 and each fiscal year thereafter, for provisions which had set a fixed minimum of 1,300,000 tons of agricultural commodities each fiscal year, of which the minimum to be distributed through nonprofit voluntary agencies and the World Food Program was 1,000,000 tons each fiscal year.

1975—Pub. L. 94–161 designated existing provisions as subsec. (a) and added subsec. (b).

1966—Pub. L. 89–808 expanded scope of assistance to include emergency relief without regard to recipient being a friendly people, combating malnutrition in children, promotion of economic and community development in friendly developing areas, and for nonprofit school lunch and preschool feeding programs outside the United States and to be furnished from available commodities rather than surplus agricultural commodities.

1956—Act Aug. 3, 1956, inserted ''or extraordinary'' after ''urgent'' wherever appearing.

Act May 28, 1956, struck out ''f.o.b. vessels in United States ports,'' before ''as he may request''.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99–83 effective Oct. 1, 1985, see section 1301 of Pub. L. 99–83, set out as a note under section 2151–1 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–88 effective Oct. 1, 1977, see section 215 of Pub. L. 95–88, set out as a note under section 1702 of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

NONEMERGENCY FOOD ASSISTANCE PROGRAMS

Pub. L. 105–385, title II, § 201, Nov. 13, 1998, 112 Stat. 3465, as amended by Pub. L. 110–246, title III, § 3001(b)(1)(A), (2)(D), June 18, 2008, 122 Stat. 1820, provided that:

''(a) IN GENERAL.—In providing nonemergency assistance under title II of the Food for Peace Act (7 U.S.C. 1721 et seq.), the Administrator of the United States Agency for International Development shall ensure that—

''(1) in planning, decisionmaking, and implementation in providing such assistance, the Administrator takes into consideration local input and participation directly and through United States and indigenous private and voluntary organizations;

''(2) each of the nonemergency activities described in paragraphs (2) through (6) of section 201 of such Act (7 U.S.C. 1721), including programs that provide assistance to people of any age group who are otherwise unable to meet their basic food needs (including feeding programs for the disabled, orphaned, elderly, sick and dying), are carried out; and

''(3) greater flexibility is provided for program and evaluation plans so that such assistance may be developed to meet local needs, as provided for in section 202(f) of such Act (7 U.S.C. 1722(f)).

''(b) OTHER REQUIREMENTS.—In providing assistance under the Food for Peace Act [7 U.S.C. 1691 et seq.], the Secretary of Agriculture and the Administrator of United States Agency for International Development shall ensure that commodities are provided in a manner that is consistent with sections 403(a) and (b) of such Act (7 U.S.C. 1733(a) and (b)).''

[Section 3001(b)(1)(A), (2)(D) of Pub. L. 110–246, which directed amendment of section 201 of Pub. L. 105–385, set out above, by substituting ''Food for Peace Act'' for ''Agricultural Trade Development and Assistance Act of 1954'', was executed in subsec. (b) by making the substitution for ''Agriculture Trade Development and Assistance Act of 1954'', to reflect the probable intent of Congress.]

AUTHORIZATION FOR COMMODITY CREDIT CORPORATION TO PURCHASE AND DONATE FLOUR AND CORNMEAL

Pub. L. 85–683, Aug. 19, 1958, 72 Stat. 635, as authorizing Commodity Credit Corporation to purchase and donate flour and cornmeal when it has wheat or corn available for donation pursuant to this subchapter, see note set out under section 1431 of this title.

IMPLEMENTATION OF PROGRAM

Program under this subchapter to provide for donation of agricultural commodities to foreign countries to be implemented by Administrator of the Agency for International Development, see Ex. Ord. No. 12752, § 1(b), Feb. 25, 1991, 56 F.R. 8255, set out as a note under section 1691 of this title.

§ 1722. Provision of agricultural commodities

(a) Emergency assistance

Notwithstanding any other provision of law, the Administrator may provide agricultural commodities to meet emergency food needs under this subchapter through governments and public or private agencies, including intergovernmental organizations such as the World Food

Program and other multilateral organizations, in such manner and on such terms and conditions as the Administrator determines appropriate to respond to the emergency.

(b) Nonemergency assistance

(1) In general

The Administrator may provide agricultural commodities for nonemergency assistance under this subchapter through eligible organizations (as described in subsection (d) of this section) that have entered into an agreement with the Administrator to use the commodities in accordance with this subchapter.

(2) Limitation

The Administrator may not use as a sole rationale for denying a request for funds submitted under this subsection because the program for which the funds are requested—

(A) would be carried out by the eligible organization in a foreign country in which the Agency for International Development does not have a mission, office, or other presence; or

(B) is not part of a development plan for the country prepared by the Agency.

(3) Program diversity

The Administrator shall—

(A) encourage eligible organizations to propose and implement program plans to address 1 or more aspects of the program under section 1721 of this title; and

(B) consider proposals that incorporate a variety of program objectives and strategic plans based on the identification by eligible organizations of appropriate activities, consistent with section 1721 of this title, to assist development of foreign countries.

(c) Uses of assistance

Agricultural commodities provided under this subchapter may be made available for direct distribution, sale, barter, or other appropriate disposition.

(d) Eligible organizations

To be eligible to receive assistance under subsection (b) of this section an organization shall be—

(1) a private voluntary organization or cooperative that is, to the extent practicable, registered with the Administrator; or

(2) an intergovernmental organization, such as the World Food Program.

(e) Support for eligible organizations

(1) In general

Of the funds made available in each fiscal year under this subchapter to the Administrator, not less than 7.5 percent nor more than 13 percent of the funds shall be made available in each fiscal year to eligible organizations described in subsection (d) of this section, to assist the organizations in—

(A) establishing new programs under this subchapter;

(B) meeting specific administrative, management, personnel and internal transportation and distribution costs for carrying out programs in foreign countries under this subchapter; and

(C) improving and implementing methodologies for food aid programs, including needs assessments (upon the request of the Administrator), monitoring, and evaluation.

(2) Request for funds

To receive funds made available under paragraph (1), an eligible organization described in subsection (d) of this section shall submit a request for the funds that is subject to approval by the Administrator.

(3) Assistance with respect to sale

Upon the request of an eligible organization, the Administrator may provide assistance to the eligible organization with respect to the sale of agricultural commodities made available to it under this subchapter.

(f) Effective use of commodities

To ensure that agricultural commodities made available under this subchapter are used effectively and in the areas of greatest need, organizations or cooperatives through which such commodities are distributed shall—

(1) to the extent feasible, work with indigenous institutions and employ indigenous workers;

(2) assess and take into account nutritional and other needs of beneficiary groups;

(3) help such beneficiary groups design and carry out mutually acceptable projects;

(4) recommend to the Administrator methods of making assistance available that are the most appropriate for each local setting;

(5) supervise the distribution of commodities provided and the implementation of programs carried out under this subchapter; and

(6) periodically evaluate the effectiveness of projects undertaken under this subchapter.

(g) Labeling

Commodities provided under this subchapter shall, to the extent practicable, be clearly identified with appropriate markings on the package or container of such commodity in the language of the locality in which such commodities are distributed, as being furnished by the people of the United States of America.

(h) Food aid quality

(1) In general

The Administrator shall use funds made available for fiscal year 2009 and subsequent fiscal years to carry out this subchapter—

(A) to assess the types and quality of agricultural commodities and products donated for food aid;

(B) to adjust products and formulations (including the potential introduction of new fortificants and products) as necessary to cost-effectively meet nutrient needs of target populations; and

(C) to test prototypes.

(2) Administration

The Administrator—

(A) shall carry out this subsection in consultation with and through independent entities with proven expertise in food aid commodity quality enhancements;

(B) may enter into contracts to obtain the services of such entities; and

(C) shall consult with the Food Aid Consultative Group on how to carry out this subsection.

(3) Funding limitation

Of the funds made available under section 1726a(f) of this title,[1] for fiscal years 2009 through 2011, not more than $4,500,000 may be used to carry out this subsection.

(July 10, 1954, ch. 469, title II, § 202, 68 Stat. 458; Pub. L. 86–472, ch. VI, § 601 (a)(1), May 14, 1960, 74 Stat. 140; Pub. L. 88–205, pt. IV, § 403(d), Dec. 16, 1963, 77 Stat. 390; Pub. L. 89–808, § 2(C), Nov. 11, 1966, 80 Stat. 1534; Pub. L. 95–88, title II, §§ 207, 208(a), Aug. 3, 1977, 91 Stat. 547; Pub. L. 96–53, title I, § 121, title II, § 202, Aug. 14, 1979, 93 Stat. 366, 368; Pub. L. 99–83, title X, §§ 1003, 1004(a), 1005, Aug. 8, 1985, 99 Stat. 270, 271; Pub. L. 100–202, § 11, Dec. 22, 1987, 101 Stat. 1329–448; Pub. L. 101–508, title I, § 1204(b)(1), Nov. 5, 1990, 104 Stat. 1388–11; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3636; Pub. L. 104–127, title II, § 207(a), Apr. 4, 1996, 110 Stat. 953; Pub. L. 107–171, title III, § 3002, May 13, 2002, 116 Stat. 280; Pub. L. 110–246, title III, § 3008, June 18, 2008, 122 Stat. 1823.)

AMENDMENTS

2008—Subsec. (b)(2). Pub. L. 110–246, § 3008(1), substituted ''may not use as a sole rationale for denying a request for funds'' for ''may not deny a request for funds'' in introductory provisions.

Subsec. (e)(1). Pub. L. 110–246, § 3008(2)(A), substituted ''not less than 7.5 percent nor more than 13 percent'' for ''not less than 5 percent nor more than 10 percent'' in introductory provisions.

Subsec. (e)(1)(C). Pub. L. 110–246, § 3008(2)(B)–(D), added subpar. (C).

Subsec. (h). Pub. L. 110–246, § 3008(3), added subsec. (h) and struck out former subsec. (h) which required Administrator to streamline program procedures and guidelines not later than 1 year after May 13, 2002, and incorporate changes, to the maximum extent practicable, beginning in fiscal year 2004.

2002—Subsec. (b)(3). Pub. L. 107–171, § 3002(1), added par. (3).

Subsec. (e)(1). Pub. L. 107–171, § 3002(2), substituted ''not less than 5 percent nor more than 10 percent of the funds'' for ''not less than $10,000,000, and not more than $28,000,000,''.

Subsec. (h). Pub. L. 107–171, § 3002(3), added subsec. (h).

1996—Subsec. (b). Pub. L. 104–127, § 207(a)(1), added subsec. (b) and struck out heading and text of former subsec. (b). Text read as follows: ''The Administrator may provide agricultural commodities for non-emergency assistance under this subchapter through eligible organizations (as described in subsection (d) of this section) that have entered into an agreement with the Administrator to use such commodities in accordance with this subchapter.''

Subsec. (e). Pub. L. 104–127, § 207(a)(2)(A), substituted ''eligible organizations'' for ''private voluntary organizations and cooperatives'' in heading.

Subsec. (e)(1). Pub. L. 104–127, § 207(a)(2)(B), in introductory provisions, substituted ''$28,000,000'' for ''$13,500,000'' and ''eligible organizations described in subsection (d) of this section, to assist the organizations'' for ''private voluntary organizations and cooperatives to assist such organizations and cooperatives''.

Subsec. (e)(2). Pub. L. 104–127, § 207(a)(2)(C), added par. (2) and struck out heading and text of former par. (2). Text read as follows: ''In order to receive funds made available under paragraph (1), a private voluntary organization or cooperative must submit a request for such funds (which must be approved by the Administrator) when submitting a proposal to the Administrator for an agreement under this subchapter. Such request for funds shall include a specific explanation of—

''(A) the program costs to be offset by such funds;

''(B) the reason why such funds are needed in carrying out the particular assistance program; and

''(C) the degree to which such funds will improve the provision of food assistance to foreign countries (particularly those in sub-Saharan Africa suffering from acute, long-term food shortages).''

Subsec. (e)(3). Pub. L. 104–127, § 207(a)(2)(D), substituted ''an eligible organization, the Administrator may provide assistance to the eligible organization'' for ''a private voluntary organization or cooperative, the Administrator may provide assistance to that organization or cooperative''.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions relating to furnishing commodities through friendly governments, agencies, and organizations, assistance for community and other self-help activities, and multiyear agreements for distribution of commodities through nonprofit voluntary agencies and cooperatives.

Subsec. (e)(1). Pub. L. 101–508, in introductory provisions, substituted ''the Administrator, not less than $10,000,000, and not more than $13,500,000, shall be made available in each fiscal year to private voluntary organizations and cooperatives'' for ''private voluntary organizations and cooperatives, not less than $10,000,000 and not more than $13,500,000 shall be made available by the Administrator''.

1987—Subsec. (a). Pub. L. 100–202 inserted ''or cooperatives'' after ''voluntary agencies''.

1985—Subsec. (a). Pub. L. 99–83, § 1003, inserted provisions relating to appropriate disposition under section 1721 of this title.

Subsec. (b)(4). Pub. L. 99–83, § 1004(a), added par. (4).

Subsec. (c). Pub. L. 99–83, § 1005, added subsec. (c).

1979—Subsec. (a). Pub. L. 96–53, § 121, substituted ''Agency for International Development'' for ''Advisory Committee on Voluntary Foreign Aid'', and ''Advisory Committee'' wherever appearing.

Subsec. (b)(2). Pub. L. 96–53, § 202, substituted provisions relating to encouragement of entities distributing commodities to work with indigenous institutions and to employ indigenous workers, for provisions relating to employment of indigenous workers.

1977—Subsec. (a). Pub. L. 95–88, §§ 207(1), (2), 208(a), designated existing provisions as subsec. (a), struck out requirement that assistance to needy persons, insofar as practicable, be directed toward community and other self-help activities designed to alleviate the causes of the need for such assistance, and inserted provisions authorizing the President to utilize a foreign nonprofit voluntary agency which is registered with and approved by the Advisory Committee on Voluntary Foreign Aid if no United States nonprofit voluntary agency registered with and approved by the Advisory Committee is available.

Subsec. (b). Pub. L. 95–88, § 207(3), added subsec. (b).

1966—Pub. L. 89–808 substituted provisions for furnishing commodities for prescribed purposes through use of friendly governments, agencies, and organizations, using to extent practicable registered and approved nonprofit voluntary agencies, identification of source of commodities, determination by the President of the manner and terms and conditions of furnishing the commodities and for directions of the assistance toward community and self-help activities for former provisions for transfer of commodities on a grant bases to assist the prescribed programs.

1963—Pub. L. 88–205 substituted ''economic and community development'' for ''economic developments''.

1960—Pub. L. 86–472 substituted ''In order to facilitate the utilization of surplus agricultural commodities in meeting the requirements of needy peoples, and in order to promote economic development in underdeveloped areas in addition to that which can be ac-

[1] So in original. The comma probably should not appear.

complished under sections 1701 to 1704 and 1705 to 1709 of this title, the'' for ''The''.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENTS

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

Amendment by Pub. L. 101–508 effective Nov. 29, 1990, see section 1301 of Pub. L. 101–508, set out as an Effective Date note under section 940d of this title.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99–83 effective Oct. 1, 1985, see section 1301 of Pub. L. 99–83, set out as a note under section 2151–1 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–53 effective Oct. 1, 1979, see section 512(a) of Pub. L. 96–53, set out as a note under section 2151 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–88 effective Oct. 1, 1977, see section 215 of Pub. L. 95–88, set out as a note under section 1702 of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

REGISTRATION OF FOREIGN NONPROFIT VOLUNTARY AGENCIES

Section 208(b) of Pub. L. 95–88 provided that: ''For purposes of implementing the amendment made by subsection (a) [providing for the utilization by the President of foreign nonprofit voluntary agencies], the President shall issue regulations governing registration with an approval by the Advisory Committee on Voluntary Foreign Aid of foreign nonprofit voluntary agencies.''

CONTINUATION OF AUTHORITY

Section 601(a)(2) of Pub. L. 86–472, which provided that the amendment of this section by section 601(a)(1) shall expire June 30, 1961, was repealed by Pub. L. 87–92, July 20, 1961, 75 Stat. 211.

§ 1723. Generation and use of currencies by private voluntary organizations and cooperatives

(a) Local sale and barter of commodities

An agreement entered into between the Administrator and a private voluntary organization or cooperative to provide food assistance through such organization or cooperative under this subchapter may provide for the sale or barter in 1 or more recipient countries, or 1 or more countries in the same region, of the commodities to be provided under such agreement.

(b) Minimum level of local sales

In carrying out agreements of the type referred to in subsection (a) of this section, the Administrator shall permit private voluntary organizations and cooperatives to sell, in 1 or more recipient countries, or in 1 or more countries in the same region, an amount of commodities equal to not less than 15 percent of the aggregate amounts of all commodities distributed under non-emergency programs under this subchapter for each fiscal year, to generate proceeds to be used as provided in this section.

(c) Description of intended uses

A private voluntary organization or cooperative submitting a proposal to enter into a non-emergency food assistance agreement under this subchapter shall include in such proposal a description of the intended uses of any proceeds that may be generated through the sale, in 1 or more recipient countries, or in 1 or more countries in the same region, of any commodities provided under an agreement entered into between the Administrator and the organization or cooperative.

(d) Use

Proceeds generated from any partial or full sale or barter of commodities by a private voluntary organization or cooperative under a non-emergency food assistance agreement under this subchapter may—

(1) be used to transport, store, distribute, and otherwise enhance the effectiveness of the use of agricultural commodities provided under this subchapter;

(2) be used to implement income-generating, community development, health, nutrition, cooperative development, agricultural, and other developmental activities within 1 or more recipient countries or within 1 or more countries in the same region; or

(3) be invested, and any interest earned on such investment may be used, for the purposes for which the assistance was provided to that organization, without further appropriation by Congress.

(July 10, 1954, ch. 469, title II, § 203, 68 Stat. 458; May 28, 1956, ch. 327, title II, § 208(c), 70 Stat. 201; Pub. L. 85–128, § 1(3), Aug. 13, 1957, 71 Stat. 345; Pub. L. 86–341, title I, § 3, Sept. 21, 1959, 73 Stat. 606; Pub. L. 86–472, ch. VI, § 601(b), May 14, 1960, 74 Stat. 140; Pub. L. 87–128, title II, § 202(1), Aug. 8, 1961, 75 Stat. 307; Pub. L. 88–638, § 1(13), (14), Oct. 8, 1964, 78 Stat. 1037; Pub. L. 89–808, § 2(C), Nov. 11, 1966, 80 Stat. 1535; Pub. L. 95–88, title II, § 209, Aug. 3, 1977, 91 Stat. 548; Pub. L. 98–473, title III, § 305, Oct. 12, 1984, 98 Stat. 2195; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3638; Pub. L. 104–127, title II, § 208, Apr. 4, 1996, 110 Stat. 954; Pub. L. 107–171, title III, § 3003, May 13, 2002, 116 Stat. 281; Pub. L. 110–246, title III, § 3009, June 18, 2008, 122 Stat. 1824.)

AMENDMENTS

2008—Subsec. (b). Pub. L. 110–246 inserted ''in'' before ''1 or more recipient countries''.

2002—Pub. L. 107–171, § 3003(1), struck out ''foreign'' before ''currencies'' in section catchline.

Subsec. (a). Pub. L. 107–171, § 3003(2), substituted ''1 or more recipient countries, or 1 or more countries'' for ''the recipient country, or in a country''.

Subsec. (b). Pub. L. 107–171, § 3003(3), substituted ''1 or more recipient countries, or in 1 or more countries'' for ''in recipient countries, or in countries'' and struck out ''foreign currency'' before ''proceeds''.

Subsec. (c). Pub. L. 107–171, § 3003(4), struck out ''foreign currency'' before ''proceeds'' and substituted ''1 or more recipient countries, or in 1 or more countries'' for ''the recipient country, or in a country''.

Subsec. (d). Pub. L. 107–171, § 3003(5)(A), substituted ''Proceeds'' for ''Foreign currencies'' in introductory provisions.

Subsec. (d)(2). Pub. L. 107–171, § 3003(5)(B), substituted ''income-generating'' for ''income generating'' and ''1 or more recipient countries or within 1 or more countries'' for ''the recipient country or within a country''.

Subsec. (d)(3). Pub. L. 107–171, § 3003(5)(C), inserted comma after ''invested'' and after ''investment may be used''.

1996—Subsec. (a). Pub. L. 104–127, § 208(1), inserted '', or in a country in the same region,'' after ''in the recipient country''.

Subsec. (b). Pub. L. 104–127, § 208(2), inserted ''or in countries in the same region,'' after ''in recipient countries,'' and substituted ''15 percent'' for ''10 percent''.

Subsec. (c). Pub. L. 104–127, § 208(3), inserted ''or in a country in the same region,'' after ''recipient country,''.

Subsec. (d)(2). Pub. L. 104–127, § 208(4), inserted ''or within a country in the same region'' after ''recipient country''.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions relating to the payment of costs and charges by the Commodity Credit Corporation for packaging, enrichment, preservation, processing, transportation, handling, and other incidental charges relating to commodities.

1984—Pub. L. 98–473 inserted following cl. (4): ''in the case of commodities for urgent and extraordinary relief requirements, including pre-positioned commodities, transportation costs from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs;''.

1977—Pub. L. 95–88 substituted ''transportation from United States ports to designated points of entry abroad in the case (1) of landlocked countries, (2) where ports cannot be used effectively because of natural or other disturbances, (3) where carriers to a specific country are unavailable, or (4) where a substantial savings in costs or time can be effected by the utilization of points of entry other than ports'' for '', or, in the case of landlocked countries, transportation from United States ports to designated points of entry abroad''.

1966—Pub. L. 89–808 reenacted, with linguistic changes, existing provisions for payment of costs and charges, included costs of acquisition, packaging, enrichment, preservation, fortification, processing, handling, other incidents, struck out provisions for authorization of appropriations for reimbursement of CCC, limitation on amount, and use of funds for purchase of foreign currencies, now covered by section 1724 of this title, and deleted other provisions for use of agencies, organizations, and facilities in making transfers, now covered by section 1722 of this title, and provision for transfer of funds from the CCC to such other Federal agency designated by the President for payment of ocean freight costs or for purchase of foreign currencies under this subchapter.

1964—Pub. L. 88–638 substituted ''1965''; for ''1961'', ''1966'' for ''1964'', and ''$400,000,000'' for ''$300,000,000'', inserted ''or donated under said section 1431, or section 1431b or 1697 of this title'', provisions authorizing use of funds available under subchapter III, not exceeding $7,500,000 annually, to purchase foreign currencies accruing under subchapter II in order to meet costs designed to assure that commodities available under subchapters I or III are used to carry out more effectively the purposes for which such commodities are made available or to promote activities to alleviate the causes of the need for such assistance, provided that such funds are used to supplement, not substitute for, funds normally available for such purposes from other non-United States Government sources, and ''or for the purchase of foreign currencies'' after ''ocean freight costs''.

1961—Pub. L. 87–128 substituted authorization provision for period beginning January 1, 1961, and ending December 31, 1964, for authorization provision beginning January 1, 1960, and ending December 31, 1961, and made the annual limitation applicable to the amount programed rather than to the amount spent.

1960—Pub. L. 86–472 authorized payment for transportation from United States ports to designated points of entry abroad in the case of landlocked countries, and permitted the payment of charges for general average contributions arising out of the ocean transport of transferred commodities.

1959—Pub. L. 86–341 amended first sentence generally. Prior to amendment, first sentence read as follows: ''Not more than $800,000,000 (including the Corporation's investment in such commodities) shall be expended for all such transfers and for other costs authorized by this subchapter.''

1957—Pub. L. 85–128 increased limitation on expenditures from $500,000,000 to $800,000,000.

1956—Act May 28, 1956, increased limitation on expenditures from $300,000,000 to $500,000,000, and authorized payment of ocean freight charges.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–88 effective Oct. 1, 1977, see section 215 of Pub. L. 95–88, set out as a note under section 1702 of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1964 AMENDMENT

Section 1(13) of Pub. L. 88–638 provided that the substitution of ''1965'' for ''1961'', ''1966'' for ''1964'', and ''$400,000,000'' for ''$300,000,000'' are not effective until Jan. 1, 1965.

EFFECTIVE DATE OF 1959 AMENDMENT

Section 3 of Pub. L. 86–341 provided that the amendment made by that section is effective Jan. 1, 1960.

§ 1724. Levels of assistance

(a) Minimum levels

(1) Minimum assistance

Except as provided in paragraph (3), the Administrator shall make agricultural commodities available for food distribution under this subchapter in an amount that for each of fiscal years 2008 through 2012 is not less than 2,500,000 metric tons.

(2) Minimum non-emergency assistance

Of the amounts specified in paragraph (1), and except as provided in paragraph (3), the Administrator shall make agricultural commodities available for non-emergency food distribution through eligible organizations under section 1722 of this title in an amount that for each of fiscal years 2008 through 2012 is not less than 1,875,000 metric tons.

(3) Exception

The Administrator may waive the requirements of paragraphs (1) and (2) for any fiscal year if the Administrator determines that

such quantities of commodities cannot be used effectively to carry out this subchapter or in order to meet an emergency. In making a waiver under this paragraph, the Administrator shall prepare and submit to the Committees on International Relations, Agriculture and Appropriations of the House of Representatives, and the Committees on Appropriations and Agriculture, Nutrition, and Forestry of the Senate a report containing the reasons for the waiver. No waiver shall be made before the beginning of the applicable fiscal year.

(b) Use of value-added commodities

(1) Minimum levels

Except as provided in paragraph (2), in making agricultural commodities available under this subchapter, the Administrator shall ensure that not less than 75 percent of the quantity of such commodities required to be distributed during each fiscal year under subsection (a)(2) of this section be in the form of processed, fortified, or bagged commodities and that not less than 50 percent of the quantity of the bagged commodities that are whole grain commodities be bagged in the United States.

(2) Waiver of minimum

The Administrator may waive the requirement of paragraph (1) for any fiscal year in which the Administrator determines that the requirements of the programs established under this subchapter will not be best served by the enforcement of such requirement under such paragraph.

(July 10, 1954, ch. 469, title II, § 204, 68 Stat. 458; Pub. L. 85–128, § 1(1), Aug. 13, 1957, 71 Stat. 345; Pub. L. 85–931, § 5, Sept. 6, 1958, 72 Stat. 1791; Pub. L. 86–341, title I, § 1, Sept. 21, 1959, 73 Stat. 606; Pub. L. 87–128, title II, § 202(2), Aug. 8, 1961, 75 Stat. 307; Pub. L. 88–638, § 1(15), Oct. 8, 1964, 78 Stat. 1037; Pub. L. 89–808, § 2(C), Nov. 11, 1966, 80 Stat. 1535; Pub. L. 95–113, title XII, § 1203, Sept. 29, 1977, 91 Stat. 956; Pub. L. 97–98, title XII, § 1212, Dec. 22, 1981, 95 Stat. 1281; Pub. L. 99–198, title XI, § 1101, Dec. 23, 1985, 99 Stat. 1465; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3639; Pub. L. 104–127, title II, § 209, Apr. 4, 1996, 110 Stat. 954; Pub. L. 107–171, title III, § 3004, May 13, 2002, 116 Stat. 282; Pub. L. 108–199, div. A, title VII, § 758, Jan. 23, 2004, 118 Stat. 38; Pub. L. 110–246, title III, § 3010, June 18, 2008, 122 Stat. 1824.)

AMENDMENTS

2008—Subsec. (a)(1), (2). Pub. L. 110–246 substituted ''2008 through 2012'' for ''2002 through 2007''.

2004—Subsec. (a)(3). Pub. L. 108–199 substituted ''the Committees on International Relations, Agriculture and Appropriations of the House of Representatives, and the Committees on Appropriations and'' for ''the Committee on Foreign Affairs and Committee on Agriculture of the House of Representatives, and the Committee on''.

2002—Subsec. (a)(1). Pub. L. 107–171, § 3004(1), (2), substituted ''2002 through 2007'' for ''1996 through 2002'' and ''2,500,000 metric tons'' for ''2,025,000 metric tons''.

Subsec. (a)(2). Pub. L. 107–171, § 3004(1), (3), substituted ''2002 through 2007'' for ''1996 through 2002'' and ''1,875,000 metric tons'' for ''1,550,000 metric tons''.

1996—Subsec. (a)(1). Pub. L. 104–127, § 209(1)(A), substituted ''amount that for each of fiscal years 1996 through 2002 is not less than 2,025,000 metric tons.'' for ''amount that—

''(A) for fiscal year 1991, is not less than 1,925,000 metric tons;

''(B) for fiscal year 1992, is not less than 1,950,000 metric tons;

''(C) for fiscal year 1993, is not less than 1,975,000 metric tons;

''(D) for fiscal year 1994, is not less than 2,000,000 metric tons; and

''(E) for fiscal year 1995, is not less than 2,025,000 metric tons.''

Subsec. (a)(2). Pub. L. 104–127, § 209(1)(B), substituted ''amount that for each of fiscal years 1996 through 2002 is not less than 1,550,000 metric tons.'' for ''an amount that—

''(A) for fiscal year 1991, is not less than 1,450,000 metric tons;

''(B) for fiscal year 1992, is not less than 1,475,000 metric tons;

''(C) for fiscal year 1993, is not less than 1,500,000 metric tons;

''(D) for fiscal year 1994, is not less than 1,525,000 metric tons; and

''(E) for fiscal year 1995, is not less than 1,550,000 metric tons.''

Subsec. (a)(3). Pub. L. 104–127, § 209(1)(C), inserted at end ''No waiver shall be made before the beginning of the applicable fiscal year.''

Subsec. (b)(1). Pub. L. 104–127, § 209(2), inserted before period at end ''and that not less than 50 percent of the quantity of the bagged commodities that are whole grain commodities be bagged in the United States''.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions relating to authorization of appropriations for reimbursement of Commodity Credit Corporation for costs incurred in connection with programs of assistance undertaken under this subchapter, and appropriations for purchase of foreign currencies.

1985—Pub. L. 99–198 substituted ''fiscal'' for ''calendar'' in two places in first sentence and authorized a waiver of limitation on assistance when the President determines waiver is necessary to undertake programs of assistance to meet humanitarian needs.

1981—Pub. L. 97–98 substituted ''$1,000,000,000'' for ''$750,000,000''.

1977—Pub. L. 95–113 substituted ''$750,000,000'' for ''$600,000,000''.

1966—Pub. L. 89–808 substituted part of provisions of former section 1723 of this title relating to authorization of appropriations for reimbursement of the CCC, limitations on amount, and use of funds for purchase of foreign currencies for former provisions for termination date for assistance under this subchapter (Dec. 31, 1966), now provided for by section 1736c of this title.

1964—Pub. L. 88–638 extended termination date from Dec. 31, 1964, to Dec. 31, 1966.

1961—Pub. L. 87–128 extended termination date from Dec. 31, 1961, to Dec. 31, 1964.

1959—Pub. L. 86–341 extended termination date from Dec. 31, 1959, to Dec. 31, 1961.

1958—Pub. L. 85–931 extended termination date from June 30, 1958, to Dec. 31, 1959.

1957—Pub. L. 85–128 extended termination date from June 30, 1957, to June 30, 1958.

CHANGE OF NAME

Committee on International Relations of House of Representatives changed to Committee on Foreign Affairs of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1985 AMENDMENT

Section 1101 of Pub. L. 99–198 provided that the amendment made by that section is effective Oct. 1, 1985.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97–98 effective Dec. 22, 1981, see section 1801 of Pub. L. 97–98, set out as an Effective Date note under section 4301 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–113 effective Oct. 1, 1977, see section 1901 of Pub. L. 95–113, set out as a note under section 1307 of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

§ 1725. Food Aid Consultative Group

(a) Establishment

There is established a Food Aid Consultative Group (hereinafter referred to in this section as the ''Group'') that shall meet regularly to review and address issues concerning the effectiveness of the regulations and procedures that govern food assistance programs established and implemented under this subchapter, and the implementation of other provisions of this subchapter that may involve eligible organizations described in section 1722(d)(1) of this title.

(b) Membership

The Group shall be composed of—

(1) the Administrator;

(2) the Under Secretary of Agriculture for Farm and Foreign Agricultural Services;

(3) the Inspector General of the Agency for International Development;

(4) a representative of each private voluntary organization and cooperative participating in a program under this subchapter, or receiving planning assistance funds from the Agency to establish programs under this subchapter;

(5) representatives from African, Asian and Latin American indigenous non-governmental organizations determined appropriate by the Administrator;

(6) representatives from agricultural producer groups in the United States; and

(7) representatives from the maritime transportation sector involved in transporting agricultural commodities overseas for programs under this chapter.

(c) Chairperson

The Administrator shall be the chairperson of the Group.

(d) Consultations

In preparing regulations, handbooks, or guidelines implementing this subchapter, or significant revisions thereto, the Administrator shall provide such proposals to the Group for review and comment. The Administrator shall consult and, when appropriate (but at least twice per year), meet with the Group regarding such proposed regulations, handbooks, guidelines, or revisions thereto prior to the issuance of such.

(e) Advisory Committee Act

The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Group.

(f) Termination

The Group shall terminate on December 31, 2012.

(July 10, 1954, ch. 469, title II, § 205, as added Pub. L. 89–808, § 2(C), Nov. 11, 1966, 80 Stat. 1535; amended Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3639; Pub. L. 104–127, title II, § 210, Apr. 4, 1996, 110 Stat. 955; Pub. L. 107–171, title III, § 3005, May 13, 2002, 116 Stat. 282; Pub. L. 110–246, title III, § 3011, June 18, 2008, 122 Stat. 1824.)

REFERENCES IN TEXT

The Federal Advisory Committee Act, referred to in subsec. (e), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

AMENDMENTS

2008—Subsec. (b)(7). Pub. L. 110–246, § 3011(1), added par. (7).

Subsec. (f). Pub. L. 110–246, § 3011(2), substituted ''2012'' for ''2007''.

2002—Subsec. (f). Pub. L. 107–171 substituted ''2007'' for ''2002''.

1996—Subsec. (a). Pub. L. 104–127, § 210(1), substituted ''eligible organizations described in section 1722(d)(1) of this title'' for ''private voluntary organizations, cooperatives and indigenous non-governmental organizations''.

Subsec. (b)(2). Pub. L. 104–127, § 210(2)(A), substituted ''of Agriculture for Farm and Foreign Agricultural Services'' for ''for International Affairs and Commodity Programs''.

Subsec. (b)(6). Pub. L. 104–127, § 210(2)(B)–(D), added par. (6).

Subsec. (d). Pub. L. 104–127, § 210(3), inserted ''(but at least twice per year)'' after ''when appropriate''.

Subsec. (f). Pub. L. 104–127, § 210(4), substituted ''2002'' for ''1995''.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions declaring sense of Congress that President should encourage advanced nations to increase contributions for combating hunger, particularly through expansion of international food and agricultural assistance programs, and that United States should work for expansion of United Nations World food program.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE

Section effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as an Effective Date of 1966 Amendment note under section 1691 of this title.

§ 1726. Repealed. Pub. L. 107–171, title III, § 3006, May 13, 2002, 116 Stat. 282

Section, act July 10, 1954, ch. 469, title II, § 206, as added Pub. L. 94–161, title II, § 209, Dec. 20, 1975, 89 Stat. 854; amended Pub. L. 95–88, title II, § 210, Aug. 3, 1977, 91 Stat. 548; Pub. L. 96–53, title II, § 203, Aug. 14, 1979, 93 Stat. 368; Pub. L. 99–198, title XI, § 1112(a)(2), Dec. 23, 1985, 99 Stat. 1478; Pub. L. 100–202, §§ 12, 13, Dec. 22, 1987, 101 Stat. 1329–448; Pub. L. 100–418, title IV, § 4610(d), Aug. 23, 1988, 102 Stat. 1411; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3640, related to maximum level of expenditures.

§ 1726a. Administration

(a) Proposals

(1) Recipient countries

A proposal to enter into a nonemergency food assistance agreement under this subchapter shall identify the recipient country or countries that are the subject of the agreement.

(2) Timing

Not later than 120 days after the date of receipt by the Administrator of a proposal submitted by an eligible organization under this subchapter, the Administrator shall determine whether to accept the proposal.

(3) Denial

If a proposal under paragraph (1) is denied, the response shall specify the reasons for denial.

(b) Notice and comment

Not later than 30 days prior to the issuance of a final guideline or annual policy guidance to carry out this subchapter, the Administrator shall—

(1) provide notice of the existence of a proposed guideline or annual policy guidance, and that such guideline or annual policy guidance is available for review and comment, to eligible organizations that participate in programs under this subchapter, and to other interested persons;

(2) make the proposed guideline or annual policy guidance available, on request, to the eligible organizations and other persons referred to in paragraph (1); and

(3) take any comments received into consideration prior to the issuance of the final guideline or annual policy guidance.

(c) Regulations

(1) In general

The Administrator shall promptly issue all necessary regulations and make revisions to agency guidelines with respect to changes in the operation or implementation of the program established under this subchapter.

(2) Requirements

The Administrator shall develop regulations with the intent of—

(A) simplifying procedures for participation in the programs established under this subchapter;

(B) reducing paperwork requirements under such programs;

(C) establishing reasonable and realistic accountability standards to be applied to eligible organizations participating in the programs established under this subchapter, taking into consideration the problems associated with carrying out programs in developing countries; and

(D) providing flexibility for carrying out programs under this subchapter.

(d) Timely provision of commodities

The Administrator, in consultation with the Secretary, shall develop procedures that ensure expedited processing of commodity call forwards in order to provide commodities overseas in a timely manner and to the extent feasible, according to planned delivery schedules.

(e) Timely approval

The Administrator is encouraged to finalize program agreements and resource requests for programs under this section before the beginning of each fiscal year.

(f) Program oversight, monitoring, and evaluation

(1) Duties of Administrator

The Administrator, in consultation with the Secretary, shall establish systems and carry out activities—

(A) to determine the need for assistance provided under this subchapter; and

(B) to improve, monitor, and evaluate the effectiveness and efficiency of the assistance provided under this subchapter to maximize the impact of the assistance.

(2) Requirements of systems and activities

The systems and activities described in paragraph (1) shall include—

(A) program monitors in countries that receive assistance under this subchapter;

(B) country and regional food aid impact evaluations;

(C) the identification and implementation of best practices for food aid programs;

(D) the evaluation of monetization programs;

(E) early warning assessments and systems to help prevent famines; and

(F) upgraded information technology systems.

(3) Implementation report

Not later than 180 days after June 18, 2008, the Administrator shall submit to the appropriate committees of Congress a report on efforts undertaken by the Administrator to conduct oversight of nonemergency programs under this subchapter.

(4) Government Accountability Office report

Not later than 270 days after the date of submission of the report under paragraph (3), the Comptroller General of the United States shall submit to the appropriate committees of Congress a report that contains—

(A) a review of, and comments addressing, the report described in paragraph (3); and

(B) recommendations relating to any additional actions that the Comptroller General of the United States determines to be necessary to improve the monitoring and evaluation of assistance provided under this subchapter.

(5) Contract authority

(A) In general

Subject to subparagraphs (B) and (C), in carrying out administrative and management activities relating to each activity carried out by the Administrator under paragraph (1), the Administrator may enter into contracts with 1 or more individuals for personal service to be performed in recipient countries or neighboring countries.

(B) Prohibition

An individual who enters into a contract with the Administrator under subparagraph (A) shall not be considered to be an employee of the Federal Government for the purpose of any law (including regulations) administered by the Office of Personnel Management.

(C) Personal service

Subparagraph (A) does not limit the ability of the Administrator to enter into a contract with any individual for personal service under section 1722(a) of this title.

(6) Funding

(A) In general

Subject to section 1722(h)(3) of this title, in addition to other funds made available to the Administrator to carry out the monitoring of emergency food assistance, the Administrator may implement this subsection using up to $22,000,000 of the funds made available under this subchapter for each of fiscal years 2009 through 2012, except for paragraph (2)(F), for which only $2,500,000 shall be made available during fiscal year 2009.

(B) Limitations

(i) In general

Subject to clause (ii), of the funds made available under subparagraph (A), for each of fiscal years 2009 through 2012, not more than $8,000,000 may be used by the Administrator to carry out paragraph (2)(E).

(ii) Condition

No funds shall be made available under subparagraph (A), in accordance with clause (i), unless not less than $8,000,000 is made available under chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) for such purposes for such fiscal year.

(g) Project reporting

(1) In general

In submitting project reports to the Administrator, a private voluntary organization or cooperative shall provide a copy of the report in such form as is necessary for the report to be displayed for public use on the website of the United States Agency for International Development.

(2) Confidential information

An organization or cooperative described in paragraph (1) may omit any confidential information from the copy of the report submitted for public display under that paragraph.

(July 10, 1954, ch. 469, title II, § 207, as added Pub. L. 99–198, title XI, § 1104(a), Dec. 23, 1985, 99 Stat. 1466; amended Pub. L. 100–202, § 14, Dec. 22, 1987, 101 Stat. 1329–449; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3640; Pub. L. 104–127, title II, § 207(b), Apr. 4, 1996, 110 Stat. 954; Pub. L. 107–171, title III, § 3007, May 13, 2002, 116 Stat. 282; Pub. L. 110–246, title III, §§ 3012, 3018(b), June 18, 2008, 122 Stat. 1824, 1828.)

REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in subsec. (f)(6)(B)(ii), is Pub. L. 87–195, Sept. 4, 1961, 75 Stat. 424. Chapter 1 of part I of the Act is classified generally to part I (§ 2151 et seq.) of subchapter I of chapter 32 of Title 22, Foreign Relations and Intercourse. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of Title 22 and Tables.

AMENDMENTS

2008—Subsec. (a)(3). Pub. L. 110–246, § 3012(1), struck out ''and the conditions that must be met for the approval of such proposal'' before period at end.

Subsec. (c)(3). Pub. L. 110–246, § 3012(2), struck out par. (3). Prior to amendment, text read as follows: ''Handbooks developed by the Administrator to assist in carrying out the program under this subchapter shall be designed to foster the development of programs under this subchapter by eligible organizations.''

Subsec. (d). Pub. L. 110–246, § 3012(3), added subsec. (d) and struck out former subsec. (d). Prior to amendment, text read as follows: ''Not later than 15 days after receipt from a United States field mission of a call forward for agricultural commodities for programs that meet the requirements of this subchapter, the order for the purchase or the supply, from inventory, of such commodities or products shall be transmitted to the Commodity Credit Corporation.''

Subsec. (e). Pub. L. 110–246, § 3018(b), struck out par. (1) designation and struck out par. (2). Prior to amendment, text read as follows: ''Not later than December 1 of each year, the Administrator shall submit to the Committee on Agriculture and the Committee on International Relations of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that contains—

''(A) a list of programs, countries, and commodities approved to date for assistance under this section; and

''(B) a statement of the total amount of funds approved to date for transportation and administrative costs under this section.''

Subsecs. (f), (g). Pub. L. 110–246, § 3012(4), added subsecs. (f) and (g).

2002—Subsec. (a). Pub. L. 107–171, § 3007(1), added pars. (1) and (2), redesignated former par. (2) as (3), and struck out heading and text of former par. (1). Text read as follows: ''Not later than 45 days after the receipt by the Administrator of a proposal submitted—

''(A) by an eligible organization, with the concurrence of the appropriate United States field mission, for commodities; or

''(B) by a United States field mission to make commodities available to an eligible organization;

under this subchapter, the Administrator shall make a decision concerning such proposal.''

Subsec. (b). Pub. L. 107–171, § 3007(2), substituted ''guideline or annual policy guidance'' for ''guideline'' wherever appearing.

Subsec. (e). Pub. L. 107–171, § 3007(3), added subsec. (e).

1996—Subsec. (a)(1)(A), (B). Pub. L. 104–127, § 207(b)(1), substituted ''an eligible organization'' for ''a private voluntary organization or cooperative''.

Subsec. (b)(1). Pub. L. 104–127, § 207(b)(2)(A), substituted ''eligible organizations'' for ''private voluntary organizations and cooperatives''.

Subsec. (b)(2). Pub. L. 104–127, § 207(b)(2)(B), substituted ''eligible organizations'' for ''organizations, cooperatives,''.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions relating to requests by nonprofit voluntary agency or cooperative for nonemergency food assistance agreements, and uses of foreign currency proceeds.

1987—Subsec. (a). Pub. L. 100–202, § 14(1), inserted ''or cooperative'' after ''agency''.

Subsec. (b). Pub. L. 100–202, § 14(2), substituted ''10 percent'' for ''5 percent''.

Subsec. (c). Pub. L. 100–202, § 14(3), added subsec. (c).

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE

Pub. L. 99–198, title XI, § 1104(b), Dec. 23, 1985, 99 Stat. 1466, as amended by Pub. L. 110–246, title III, § 3001(c), June 18, 2008, 122 Stat. 1821, provided that: ''Section 207 of the Food for Peace Act (as added by subsection (a)) [this section] shall apply with respect to agreements entered into after December 31, 1985.''

§ 1726b. Assistance for stockpiling and rapid transportation, delivery, and distribution of shelf-stable prepackaged foods

(a) In general

The Administrator may provide grants to—

(1) United States nonprofit organizations (described in section 501(c)(3) of title 26 and exempt from tax under section 501(a) of title 26) for the preparation of shelf-stable prepackaged foods requested by eligible organizations and the establishment and maintenance of stockpiles of the foods in the United States; and

(2) private voluntary organizations and international organizations for the rapid transportation, delivery, and distribution of shelf-stable prepackaged foods described in paragraph (1) to needy individuals in foreign countries.

(b) Grants for establishment of stockpiles

(1) In general

Not more than 70 percent of the amount made available to carry out this section shall be used to provide grants under subsection (a)(1) of this section.

(2) Priority

In providing grants under subsection (a)(1) of this section, the Administrator shall provide a preference to a United States nonprofit organization that agrees to provide—

(A) non-Federal funds in an amount equal to 50 percent of the amount of funds received under a grant under subsection (a)(1) of this section;

(B) an in-kind contribution in an amount equal to that percentage; or

(C) a combination of such funds and an in-kind contribution,

for the preparation of shelf-stable prepackaged foods and the establishment and maintenance of stockpiles of the foods in the United States in accordance with subsection (a)(1) of this section.

(c) Grants for rapid transportation, delivery, and distribution

Not less than 20 percent of the amount made available to carry out this section shall be used to provide grants under subsection (a)(2) of this section.

(d) Administration

Not more than 10 percent of the amount made available to carry out this section may be used by the Administrator for the administration of grants under subsection (a) of this section.

(e) Regulations or guidelines

Not later than 180 days after November 9, 2000, the Administrator, in consultation with the Secretary, shall issue such regulations or guidelines as the Administrator determines to be necessary to carry out this section, including regulations or guidelines that provide to United States nonprofit organizations eligible to receive grants under subsection (a)(1) of this section guidance with respect to the requirements for qualified shelf-stable prepackaged foods and the quantity of the foods to be stockpiled by the organizations.

(f) Authorization of appropriations

There is authorized to be appropriated to the Administrator to carry out this section, in addition to amounts otherwise available to carry out this section, $8,000,000 for each of fiscal years 2001 through 2012, to remain available until expended.

(July 10, 1954, ch. 469, title II, § 208, as added Pub. L. 106–472, title III, § 310(a), Nov. 9, 2000, 114 Stat. 2075; amended Pub. L. 107–171, title III, § 3008, May 13, 2002, 116 Stat. 283; Pub. L. 110–246, title III, § 3013, June 18, 2008, 122 Stat. 1826.)

PRIOR PROVISIONS

A prior section 1726b, act July 10, 1954, ch. 469, title II, § 208, as added Dec. 22, 1987, Pub. L. 100–202, § 15, 101 Stat. 1329–449, which related to periods for review of proposals for famine relief and promulgation of guidelines for such proposals, was omitted in the general revision of this chapter by Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3633.

AMENDMENTS

2008—Subsec. (f). Pub. L. 110–246 substituted ''$8,000,000'' for ''$3,000,000'' and ''2012'' for ''2007''.

2002—Subsec. (f). Pub. L. 107–171 substituted ''through 2007'' for ''and 2002''.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

§ 1726c. Local and regional food aid procurement projects

(a) Definitions

In this section:

(1) Administrator

The term ''Administrator'' means the Administrator of the Agency for International Development.

(2) Appropriate committee of Congress

The term ''appropriate committee of Congress'' means—

(A) the Committee on Agriculture, Nutrition, and Forestry of the Senate;

(B) the Committee on Agriculture of the House of Representatives; and

(C) the Committee on Foreign Affairs of the House of Representatives.

(3) Eligible commodity

The term ''eligible commodity'' means an agricultural commodity (or the product of an agricultural commodity) that—

(A) is produced in, and procured from, a developing country; and

(B) at a minimum, meets each nutritional, quality, and labeling standard of the country that receives the agricultural commodity, as determined by the Secretary.

(4) Eligible organization

The term ''eligible organization'' means an organization that is—

(A) described in section 1722(d) of this title; and

(B) with respect to nongovernmental organizations, subject to regulations promulgated or guidelines issued to carry out this section, including United States audit requirements that are applicable to nongovernmental organizations.

(b) Study; field-based projects

(1) Study

(A) In general

Not later than 30 days after June 18, 2008, the Secretary shall initiate a study of prior local and regional procurements for food aid programs conducted by—

(i) other donor countries;

(ii) private voluntary organizations; and

(iii) the World Food Program of the United Nations.

(B) Report

Not later than 180 days after June 18, 2008, the Secretary shall submit to the appropriate committees of Congress a report containing the results of the study conducted under subparagraph (A).

(2) Field-based projects

(A) In general

In accordance with subparagraph (B), the Secretary shall provide grants to, or enter into cooperative agreements with, eligible organizations to carry out field-based projects that consist of local or regional procurements of eligible commodities to respond to food crises and disasters in accordance with this section.

(B) Consultation with Administrator

In carrying out the development and implementation of field-based projects under subparagraph (A), the Secretary shall consult with the Administrator.

(c) Procurement

(1) In general

Any eligible commodity that is procured for a field-based project carried out under subsection (b)(2) shall be procured through any approach or methodology that the Secretary considers to be an effective approach or methodology to provide adequate information regarding the manner by which to expedite, to the maximum extent practicable, the provision of food aid to affected populations without significantly increasing commodity costs for low-income consumers who procure commodities sourced from the same markets at which the eligible commodity is procured.

(2) Requirements

(A) Impact on local farmers and countries

The Secretary shall ensure that the local or regional procurement of any eligible commodity under this section will not have a disruptive impact on farmers located in, or the economy of—

(i) the recipient country of the eligible commodity; or

(ii) any country in the region in which the eligible commodity may be procured.

(B) Transshipment

The Secretary shall, in accordance with such terms and conditions as the Secretary considers to be appropriate, require from each eligible organization commitments designed to prevent or restrict—

(i) the resale or transshipment of any eligible commodity procured under this section to any country other than the recipient country; and

(ii) the use of the eligible commodity for any purpose other than food aid.

(C) World prices

(i) In general

In carrying out this section, the Secretary shall take any precaution that the Secretary considers to be reasonable to ensure that the procurement of eligible commodities will not unduly disrupt—

(I) world prices for agricultural commodities; or

(II) normal patterns of commercial trade with foreign countries.

(ii) Procurement price

The procurement of any eligible commodity shall be made at a reasonable market price with respect to the economy of the country in which the eligible commodity is procured, as determined by the Secretary.

(d) Regulations; guidelines

(1) In general

In accordance with paragraph (2), not later than 180 days after the date of completion of the study under subsection (b)(1), the Secretary shall promulgate regulations or issue guidelines to carry out field-based projects under this section.

(2) Requirements

(A) Use of study

In promulgating regulations or issuing guidelines under paragraph (1), the Secretary shall take into consideration the results of the study described in subsection (b)(1).

(B) Public review and comment

In promulgating regulations or issuing guidelines under paragraph (1), the Secretary shall provide an opportunity for public review and comment.

(3) Availability

The Secretary shall not approve the procurement of any eligible commodity under this section until the date on which the Secretary promulgates regulations or issues guidelines under paragraph (1).

(e) Field-based project grants or cooperative agreements

(1) In general

The Secretary shall award grants to, or enter into cooperative agreements with, eligi-

ble organizations to carry out field-based projects.

(2) Requirements of eligible organizations

(A) Application

(i) In general

To be eligible to receive a grant from, or enter into a cooperative agreement with, the Secretary under this subsection, an eligible organization shall submit to the Secretary an application by such date, in such manner, and containing such information as the Secretary may require.

(ii) Other applicable requirements

Any other applicable requirement relating to the submission of proposals for consideration shall apply to the submission of an application required under clause (i), as determined by the Secretary.

(B) Completion requirement

To be eligible to receive a grant from, or enter into a cooperative agreement with, the Secretary under this subsection, an eligible organization shall agree—

(i) to collect by September 30, 2011, data containing the information required under subsection (f)(1)(B) relating to the field-based project funded through the grant; and

(ii) to provide to the Secretary the data collected under clause (i).

(3) Requirements of Secretary

(A) Project diversity

(i) In general

Subject to clause (ii) and subparagraph (B), in selecting proposals for field-based projects to fund under this section, the Secretary shall select a diversity of projects, including projects located in—

(I) food surplus regions;

(II) food deficit regions (that are carried out using regional procurement methods); and

(III) multiple geographical regions.

(ii) Priority

In selecting proposals for field-based projects under clause (i), the Secretary shall ensure that the majority of selected proposals are for field-based projects that—

(I) are located in Africa; and

(II) procure eligible commodities that are produced in Africa.

(B) Development assistance

A portion of the funds provided under this subsection shall be made available for field-based projects that provide development assistance for a period of not less than 1 year.

(4) Availability

The Secretary shall not award a grant to any eligible organization under paragraph (1) until the date on which the Secretary promulgates regulations or issues guidelines under subsection (d)(1).

(f) Independent evaluations; report

(1) Independent evaluations

(A) In general

Not later than November 1, 2011, the Secretary shall ensure that an independent third party conducts an independent evaluation of all field-based projects that—

(i) addresses each factor described in subparagraph (B); and

(ii) is conducted in accordance with this section.

(B) Required factors

The Secretary shall require the independent third party to develop—

(i) with respect to each relevant market in which an eligible commodity was procured under this section, a description of—

(I) the prevailing and historic supply, demand, and price movements of the market (including the extent of competition for procurement bids);

(II) the impact of the procurement of the eligible commodity on producer and consumer prices in the market;

(III) each government market interference or other activity of the donor country that might have significantly affected the supply or demand of the eligible commodity in the area at which the local or regional procurement occurred;

(IV) the quantities and types of eligible commodities procured in the market;

(V) the time frame for procurement of each eligible commodity; and

(VI) the total cost of the procurement of each eligible commodity (including storage, handling, transportation, and administrative costs);

(ii) an assessment regarding—

(I) whether the requirements of this section have been met;

(II) the impact of different methodologies and approaches on—

(aa) local and regional agricultural producers (including large and small agricultural producers);

(bb) markets;

(cc) low-income consumers; and

(dd) program recipients; and

(III) the length of the period beginning on the date on which the Secretary initiated the procurement process and ending on the date of delivery of eligible commodities;

(iii) a comparison of different methodologies used to carry out this section, with respect to—

(I) the benefits to local agriculture;

(II) the impact on markets and consumers;

(III) the period of time required for procurement and delivery;

(IV) quality and safety assurances; and

(V) implementation costs; and

(iv) to the extent adequate information is available (including the results of the report required under subsection (b)(1)(B)),

a comparison of the different methodologies used by other donor countries to make local and regional procurements.

(C) Independent third party access to records and reports

The Secretary shall provide to the independent third party access to each record and report that the independent third party determines to be necessary to complete the independent evaluation.

(D) Public access to records and reports

Not later than 180 days after the date described in paragraph (2), the Secretary shall provide public access to each record and report described in subparagraph (C).

(2) Report

Not later than 4 years after June 18, 2008, the Secretary shall submit to the appropriate committees of Congress a report that contains the analysis and findings of the independent evaluation conducted under paragraph (1)(A).

(g) Funding

(1) Commodity Credit Corporation

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this section.

(2) Funding amounts

Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section—

(A) $5,000,000 for fiscal year 2009;
(B) $25,000,000 for fiscal year 2010;
(C) $25,000,000 for fiscal year 2011; and
(D) $5,000,000 for fiscal year 2012.

(Pub. L. 110–246, title III, § 3206, June 18, 2008, 122 Stat. 1840.)

CODIFICATION

Section was enacted as part of the Food, Conservation, and Energy Act of 2008, and not as part of the Food for Peace Act which comprises this chapter.

EFFECTIVE DATE

Section effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as a note under section 8701 of this title.

DEFINITION OF ''SECRETARY''

''Secretary'' as meaning the Secretary of Agriculture, see section 8701 of this title.

SUBCHAPTER III–A—FOOD FOR DEVELOPMENT

§ 1727. Bilateral grant program

(a) In general

The President shall establish a program under which agricultural commodities are donated in accordance with this subchapter to least developed countries. The revenue generated by the sale of such commodities in the recipient country may be utilized for economic development activities. Such program shall be implemented by the Administrator.

(b) General authority

To carry out the policies and accomplish the objectives described in section 1691 of this title, the Administrator may negotiate and execute agreements with least developed countries to provide commodities to such countries on a grant basis.

(July 10, 1954, ch. 469, title III, § 301, as added Pub. L. 95–88, title II, § 211(a)(2), Aug. 3, 1977, 91 Stat. 548; amended Pub. L. 96–53, title II, § 204(a), Aug. 14, 1979, 93 Stat. 369; Pub. L. 99–198, title XI, § 1112(a)(3), Dec. 23, 1985, 99 Stat. 1478; Pub. L. 100–576, § 4(a)(1), Oct. 31, 1988, 102 Stat. 2898; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3641.)

PRIOR PROVISIONS

A prior section 301 of act July 10, 1954, ch. 469, title III, 68 Stat. 458, which amended section 1427 of this title, was renumbered section 308 by Pub. L. 95–88, title II, § 211(a)(1), Aug. 3, 1977, 91 Stat. 548.

AMENDMENTS

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions outlining Congressional purpose with regard to Food for Development Program, establishment of program, goal of assistance under program, range of assistance and emphasized activities, and use of funds for disaster assistance.

1988—Subsec. (c). Pub. L. 100–576 added subsec. (c).

1985—Subsec. (b). Pub. L. 99–198 inserted ''(including immunization of children)'' after ''health services''.

1979—Subsec. (a). Pub. L. 96–53 inserted '', or the dollar sales value of the commodities themselves,'' after ''the local sale of such commodities'', and substituted ''in the participating country of funds from the sale of such commodities or of the commodities themselves'' for ''of funds from the sale of such commodities in the participating country''.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–53 effective Oct. 1, 1979, see section 512(a) of Pub. L. 96–53, set out as a note under section 2151 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE

Section effective Oct. 1, 1977, see section 215 of Pub. L. 95–88, set out as an Effective Date of 1977 Amendment note under section 1702 of this title.

AMENDMENT OF FOOD FOR DEVELOPMENT AGREEMENTS; DISASTER ASSISTANCE FOR BANGLADESH

Section 4(a)(2), (3) of Pub. L. 100–576 provided that:

''(2) Food for Development agreements entered into under title III of that Act [this subchapter] before the date of enactment of this Act [Oct. 31, 1988] may be amended in order to implement the amendment made by paragraph (1) [amending this section].

''(3) Pending amendment pursuant to paragraph (2) of Food for Development agreements with the Government of Bangladesh, the use of funds accruing under those agreements, with the approval of the United States Government, for flood-related disaster assistance authorized by the amendment made by paragraph (1) shall be deemed to be consistent with the applicable agreement.''

INCREASED IMMUNIZATIONS OF CHILDREN; REPORTING REQUIREMENT

Pub. L. 99–198, title XI, § 1112(b), Dec. 23, 1985, 99 Stat. 1478, as amended by Pub. L. 110–246, title III, § 3001(c), June 18, 2008, 122 Stat. 1821, provided that: ''In the implementation of health programs undertaken in rela-

tion to assistance provided under the Food for Peace Act [this chapter], it shall be the goal of the organizations and agencies involved to provide as many additional immunizations of children as possible. Such increased immunization activities should be taken in coordination with similar efforts of other organizations and in keeping with any national plans for expanded programs of immunization. The President shall include information concerning such immunization activities in the annual reports required by section 634 of the Foreign Assistance Act of 1961 [22 U.S.C. 2394], including a report on the estimated number of immunizations provided each year pursuant to this subsection.''

IMPLEMENTATION OF PROGRAM

Program under this subchapter to provide for donation of agricultural commodities to least developed countries to be implemented by Administrator of the Agency for International Development, see Ex. Ord. No. 12752, § 1(c), Feb. 25, 1991, 56 F.R. 8255, set out as a note under section 1691 of this title.

§ 1727a. Eligible countries

(a) Least developed countries

A country shall be considered to be a least developed country and eligible for the donation of agricultural commodities under this subchapter if—

(1) such country meets the poverty criteria established by the International Bank for Reconstruction and Development for Civil Works Preference for providing financial assistance; or

(2) such country is a food deficit country and is characterized by high levels of malnutrition among significant numbers of its population, as determined by the Administrator under subsection (b) of this section.

(b) Indicators of food deficit countries

To make a finding under subsection (a)(2) of this section that a country is a food deficit country and is characterized by high levels of malnutrition, the Administrator must determine that the country meets all of the following indicators of national food deficit and malnutrition:

(1) Calorie consumption

That the daily per capita calorie consumption of the country is less than 2300 calories.

(2) Food security requirements

That the country cannot meet its food security requirements through domestic production or imports due to a shortage of foreign exchange earnings.

(3) Child mortality rate

That the mortality rate of children under 5 years of age in the country is in excess of 100 per 1000 births.

(c) Priority

In determining whether and to what extent agricultural commodities shall be made available to least developed countries under this subchapter, the Administrator shall give priority to countries that—

(1) demonstrate the greatest need for food;

(2) demonstrate the capacity to use food assistance effectively;

(3) have demonstrated a commitment to policies to promote food security, including policies to reduce measurably hunger and malnutrition through efforts such as establishing and institutionalizing supplemental nutrition programs targeted to reach those who are nutritionally at risk; and

(4) have a long-term plan for broad-based, equitable, and sustainable development.

(July 10, 1954, ch. 469, title III, § 302, as added Pub. L. 95–88, title II, § 211(a)(2), Aug. 3, 1977, 91 Stat. 549; amended Pub. L. 96–53, title II, § 205, Aug. 14, 1979, 93 Stat. 369; Pub. L. 99–83, title X, § 1004(b), Aug. 8, 1985, 99 Stat. 271; Pub. L. 99–198, title XI, § 1108, Dec. 23, 1985, 99 Stat. 1467; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3642.)

PRIOR PROVISIONS

A prior section 302 of act July 10, 1954, ch. 469, title III, 68 Stat. 458, which amended section 1431 of this title, was renumbered section 309 by Pub. L. 95–88, title II, § 211(a)(1), Aug. 3, 1977, 91 Stat. 548.

AMENDMENTS

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions setting out criteria for eligibility of developing countries for distribution of commodities, minimum aggregate value of agreements for such distribution, waiver of minimum, and participatory requirements.

1985—Subsec. (c)(1)(C). Pub. L. 99–198 substituted ''10'' for ''15'' percent.

Subsec. (c)(4). Pub. L. 99–83 inserted ''and of United States nonprofit voluntary agencies and cooperatives''.

1979—Subsec. (c)(4). Pub. L. 96–53 added par. (4).

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99–83 effective Oct. 1, 1985, see section 1301 of Pub. L. 99–83, set out as a note under section 2151–1 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–53 effective Oct. 1, 1979, see section 512(a) of Pub. L. 96–53, set out as a note under section 2151 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE

Section effective Oct. 1, 1977, see section 215 of Pub. L. 95–88, set out as an Effective Date of 1977 Amendment note under section 1702 of this title.

§ 1727b. Grant programs

To carry out the policies and accomplish the objectives described in section 1691 of this title, the Administrator may negotiate and execute agreements with least developed countries to provide commodities to such countries on a grant basis either through the Commodity Credit Corporation or through private trade channels.

(July 10, 1954, ch. 469, title III, § 303, as added Pub. L. 95–88, title II, § 211(a)(2), Aug. 3, 1977, 91 Stat. 550; amended Pub. L. 96–53, title II, § 204(c), Aug. 14, 1979, 93 Stat. 369; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3642.)

PRIOR PROVISIONS

A prior section 303 of act July 10, 1954, ch. 469, title III, 68 Stat. 459, which enacted section 1692 of this title,

was renumbered section 310 by Pub. L. 95–88, title II, § 211(a)(1), Aug. 3, 1977, 91 Stat. 548.

AMENDMENTS

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions relating to a multiyear utilization proposal regarding value and amount of commodities proposed to be distributed, integration with other forms of development assistance, and non-replacement of other programs.

1979—Subsec. (a). Pub. L. 96–53 struck out ''for each year such funds are to be disbursed'' after ''on an annual basis''.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–53 effective Oct. 1, 1979, see section 512(a) of Pub. L. 96–53, set out as a note under section 2151 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE

Section effective Oct. 1, 1977, see section 215 of Pub. L. 95–88, set out as an Effective Date of 1977 Amendment note under section 1702 of this title.

§ 1727c. Direct uses or sales of commodities

Agricultural commodities provided to a least developed country under this section—

(1) may be used in such country for—

(A) direct feeding programs, including programs that include activities that deal directly with the special health needs of children and mothers consistent with section 2151b(c)(2) of title 22, relating to the Child Survival Fund; or

(B) the development of emergency food reserves; or

(2) may be sold in such country by the government of the country or the Administrator (or their designees) as provided in the agreement, and the proceeds of such sale used in accordance with this subchapter.

(July 10, 1954, ch. 469, title III, § 304, as added Pub. L. 95–88, title II, § 211(a)(2), Aug. 3, 1977, 91 Stat. 550; amended Pub. L. 95–424, title II, § 202, Oct. 6, 1978, 92 Stat. 955; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3642.)

PRIOR PROVISIONS

A prior section 304 of act July 10, 1954, ch. 469, title III, 68 Stat. 459, enacted section 1693 of this title, prior to repeal by Pub. L. 89–808, § 2(D), Nov. 11, 1966, 80 Stat. 1535.

AMENDMENTS

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions relating to furnishing of credit by Commodity Credit Corporation to participating country for purchase of commodities, payment by recipient government, waiver of requirements to meet humanitarian or developmental objectives, and payment of freight charges of relatively least developed countries.

1978—Subsec. (d). Pub. L. 95–424 added subsec. (d).

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–424 effective Oct. 1, 1978, see section 605 of Pub. L. 95–424, set out as a note under section 2151 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE

Section effective Oct. 1, 1977, see section 215 of Pub. L. 95–88, set out as an Effective Date of 1977 Amendment note under section 1702 of this title.

§ 1727d. Local currency accounts

(a) Retention of proceeds

To the extent determined to be appropriate by the Administrator, revenues generated from the sale, under section 1727c(2) of this title, of agricultural commodities provided under this subchapter shall be deposited into a separate account (that may be interest bearing) in the recipient country to be disbursed for the benefit of such country in accordance with local currency agreements entered into between the recipient country and the Administrator. The Administrator may determine not to deposit such revenues in a separate account if—

(1) local currencies are to be programmed for specific economic development purposes listed in section 1727e(a) of this title; and

(2) the recipient country programs an equivalent amount of money for such purposes as specified in an agreement entered into by the Administrator and the recipient country.

(b) Ownership and programming of accounts

The proceeds of sales pursuant to section 1727c(2) of this title shall be the property of the recipient country or the United States, as specified in the applicable agreement. Such proceeds shall be utilized for the benefit of the recipient country, shall be jointly programmed by the Administrator and the government of the recipient country, and shall be disbursed for the benefit of such country in accordance with local currency agreements between the Administrator and that government.

(c) Overall development strategy

The Administrator shall consider the local currency proceeds as an integral part of the overall development strategy of the Agency for International Development and the recipient country.

(July 10, 1954, ch. 469, title III, § 305, as added Pub. L. 95–88, title II, § 211(a)(2), Aug. 3, 1977, 91 Stat. 550; amended Pub. L. 95–424, title II, § 203, Oct. 6, 1978, 92 Stat. 955; Pub. L. 96–53, title II, §§ 204(b), 206, Aug. 14, 1979, 93 Stat. 369; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3643.)

PRIOR PROVISIONS

A prior section 305 of act July 10, 1954, ch. 469, title III, 68 Stat. 459, enacted section 1694 of this title, prior to repeal by Pub. L. 89–808, § 2(D), Nov. 11, 1966, 80 Stat. 1535.

AMENDMENTS

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions authorizing deposit of funds generated from sale of commodities into special account, providing that disbursements shall be considered payment by recipient government

or as full forgiveness of repayment obligations, consideration of disbursements as payment with respect to credit obligations or annual repayment obligations, and application of dollar sales value of commodities against repayment obligations.

1979—Subsec. (a). Pub. L. 96–53, § 206, inserted provisions relating to disbursements from the special account equal to the dollar value of credit furnished by the Commodity Credit Corporation under section 1727c(a) of this title.

Subsec. (c). Pub. L. 96–53, § 204(b), added subsec. (c).

1978—Subsecs. (a), (b). Pub. L. 95–424 designated existing provisions as subsec. (a) and added subsec. (b).

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–53 effective Oct. 1, 1979, see section 512(a) of Pub. L. 96–53, set out as a note under section 2151 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–424 effective Oct. 1, 1978, see section 605 of Pub. L. 95–424, set out as a note under section 2151 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE

Section effective Oct. 1, 1977, see section 215 of Pub. L. 95–88, set out as an Effective Date of 1977 Amendment note under section 1702 of this title.

§ 1727e. Use of local currency proceeds

(a) In general

The local currency proceeds of sales pursuant to section 1727c(2) of this title shall be used in the recipient country for specific economic development purposes, including—

(1) the promotion of specific policy reforms to improve food security and agricultural development within the country and to promote broad-based, equitable, and sustainable development;

(2) the establishment of development programs, projects, and activities that promote food security, alleviate hunger, improve nutrition, and promote family planning, maternal and child health care, oral rehydration therapy, and other child survival objectives consistent with section 2151b(c)(2) of title 22, relating to the Child Survival Fund;

(3) the promotion of increased access to food supplies through the encouragement of specific policies and programs designed to increase employment and incomes within the country;

(4) the promotion of free and open markets through specific policies and programs;

(5) support for United States private voluntary organizations and cooperatives and encouragement of the development and utilization of indigenous nongovernmental organizations;

(6) the purchase of agricultural commodities (including transportation and processing costs) produced in the country—

(A) to meet urgent or extraordinary relief requirements in the country or in neighboring countries; or

(B) to develop emergency food reserves;

(7) the purchase of goods and services (other than agricultural commodities and related services) to meet urgent or extraordinary relief requirements;

(8) the payment, to the extent practicable, of the costs of carrying out the program authorized in subchapter V of this chapter;

(9) private sector development activities designed to further the policies set forth in section 1691 of this title, including loans to financial intermediaries for use in making loans to private individuals, cooperatives, corporations, or other entities;

(10) activities of the Peace Corps that relate to agricultural production;

(11) the development of rural infrastructure such as roads, irrigation systems, and electrification to enhance agricultural production;

(12) research on malnutrition and its causes, as well as research relating to the identification and application of policies and strategies for targeting resources made available under this section to address the problem of malnutrition; and

(13) support for research (including collaborative research which is mutually beneficial to the United States and the recipient country), education, and extension activities in agricultural sciences.

Section 1306 of title 31 shall not apply to the use under this subsection of local currency proceeds that are owned by the United States.

(b) Support of nongovernmental organizations

To the extent practicable, not less than 10 percent of the amounts contained in an account established for a recipient country under section 1727d(a) of this title shall be used by such country to support the development and utilization of nongovernmental organizations and cooperatives that are active in rural development, agricultural education, sustainable agricultural production, other measures to assist poor people, and environmental protection projects within such country.

(c) Investment of local currencies by nongovernmental organizations

A nongovernmental organization may invest local currencies that accrue to that organization as a result of assistance under subsection (a) of this section, and any interest earned on such investment may be used for the purpose for which the assistance was provided to that organization without further appropriation by the Congress.

(d) Support for certain educational institutions

If the Administrator determines that local currencies deposited in a special account pursuant to this subchapter are not needed for any of the activities prescribed in paragraphs (1) through (13) of subsection (a) of this section or for any other specific economic development purpose in the recipient country, the Administrator may use those currencies to provide support for any institution (other than an institution whose primary purpose is to provide religious education) located in the recipient country that provides education in agricultural sci-

ences or other disciplines for a significant number of United States nationals (who may include members of the United States Armed Forces or the Foreign Service or dependents of such members).

(July 10, 1954, ch. 469, title III, § 306, as added Pub. L. 95–88, title II, § 211(a)(2), Aug. 3, 1977, 91 Stat. 551; amended Pub. L. 96–53, title II, § 207(a), Aug. 14, 1979, 93 Stat. 369; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3643; Pub. L. 104–127, title II, § 211(a), Apr. 4, 1996, 110 Stat. 955.)

PRIOR PROVISIONS

A prior section 306 of act July 10, 1954, ch. 469, title III, as added Sept. 21, 1959, Pub. L. 86–341, title I, § 11, 73 Stat. 608, enacted section 1695 of this title, prior to repeal by Pub. L. 89–808, § 2(D), Nov. 11, 1966, 80 Stat. 1535.

AMENDMENTS

1996—Subsec. (b). Pub. L. 104–127 amended heading and struck out ''indigenous'' before ''nongovernmental'' in text.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions requiring submission of annual report by recipient countries to President on activities and progress of Food for Development Program.

1979—Pub. L. 96–53 inserted provisions relating to detailed description of the use of the commodities.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–53 effective Oct. 1, 1979, see section 512(a) of Pub. L. 96–53, set out as a note under section 2151 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE

Section effective Oct. 1, 1977, see section 215 of Pub. L. 95–88, set out as an Effective Date of 1977 Amendment note under section 1702 of this title.

USE OF FOREIGN CURRENCIES

Foreign currencies accruing to United States under this subchapter may be used for purposes set forth in this section, see Ex. Ord. No. 12752, § 2(b)(1), Feb. 25, 1991, 56 F.R. 8255, set out as a note under section 1691 of this title.

§§ 1727f, 1727g. Omitted

CODIFICATION

Sections were omitted in the general revision of this chapter by Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3633.

Section 1727f, act July 10, 1954, ch. 469, title III, § 307, as added Aug. 3, 1977, Pub. L. 95–88, title II, § 211(a)(2), 91 Stat. 551; amended Aug. 14, 1979, Pub. L. 96–53, title II, § 207(b), 93 Stat. 369, related to annual presidential review of agreements for use of proceeds from sales of commodities.

A prior section 307 of act July 10, 1954, ch. 469, title III, as added Sept. 21, 1959, Pub. L. 86–341, title I, § 12, 73 Stat. 609, which enacted section 1696 of this title, was repealed by Pub. L. 89–808, § 2(D), Nov. 11, 1966, 80 Stat. 1535.

Section 1727g, acts July 10, 1954, ch. 469, title III, § 310, formerly § 303, 68 Stat. 459; Sept. 6, 1958, Pub. L. 85–931, § 6, 72 Stat. 1791; July 29, 1968, Pub. L. 90–436, § 7, 82 Stat. 451; renumbered § 310, Aug. 3, 1977, Pub. L. 95–88, title II, § 211(a)(1), 91 Stat. 548; Dec. 23, 1985, Pub. L. 99–198, title XI, § 1167(c), 99 Stat. 1503, related to authority of Secretary to barter agricultural commodities for strategic and other materials.

BARTER OF AGRICULTURAL COMMODITIES FOR STRATEGIC AND CRITICAL MATERIALS

Section 1167(a) of Pub. L. 99–198 provided for findings by Congress concerning the barter or exchange of agricultural commodities for strategic and critical materials for the national defense stockpile, prior to repeal by Pub. L. 101–624, title XV, § 1572(3), Nov. 28, 1990, 104 Stat. 3702.

SUBCHAPTER III–B—EMERGENCY FOOD ASSISTANCE

§ 1728. Findings regarding emergency food assistance

The Congress finds that—

(1) acute food crises continue to cause loss of life, severe malnutrition, and general human suffering in many areas of the Third World, especially in sub-Saharan Africa;

(2) the United States continues to respond to these needs, as a reflection of its humanitarian concern for the people of the Third World, with emergency food and other necessary assistance to alleviate the suffering of those affected by severe food shortages;

(3) the timely provision of food and other necessary assistance to those in need is of paramount importance if the worst effects of such food crises are to be mitigated; and

(4) the ability of the United States to provide food and other necessary assistance on a timely basis, and to ensure that such assistance is distributed to those in need, should be enhanced in order to better enable the United States to help those affected by severe food shortages.

(Pub. L. 98–473, title III, § 302, Oct. 12, 1984, 98 Stat. 2194.)

CODIFICATION

Section was enacted as part of the President's Emergency Food Assistance Act of 1984, and not as part of the Food for Peace Act which comprises this chapter.

SHORT TITLE

Section 301 of title III of Pub. L. 98–473 provided that: ''This title [enacting this subchapter and amending section 1723 of this title] may be cited as the 'President's Emergency Food Assistance Act of 1984'.''

§ 1728a. President's Emergency Food Assistance Fund

(a) Establishment; authority of President to furnish assistance from Fund

There is hereby established the President's Emergency Food Assistance Fund (hereafter in this subchapter referred to as the ''Fund''). Whenever the President determines it to be in the national interest of the United States, he is authorized to furnish, in accordance with the provisions of this subchapter, and on such terms and conditions as he may determine, assistance from the Fund for the purpose of alleviating the human suffering of peoples outside the United States caused by acute food shortages. Such assistance may be provided through such governments or other entities, private or public, including intergovernmental and multilateral organizations, as the President deems appropriate.

(b) Types of assistance authorized

Because the effects of severe food shortages will vary with the country or region, assistance to alleviate human suffering may include the provision of food assistance or such activities as the provision of seed, animal fodder, animal vaccines, and transportation (including inland transportation) and distribution services.

(c) Authorization of appropriations

There are authorized to be appropriated to the President $50,000,000 each for fiscal year 1985 and fiscal year 1986 to carry out the purposes of this subchapter, to remain available until expanded.[1]

(d) Authority of President

The President may make loans, advances, and grants to, make and perform agreements and contracts with, or enter into transactions with, any individual, corporation, or other body of persons, government or government agency, whether within or without the United States, and international and intergovernmental organizations in furtherance of the purposes and within the limitations of this subchapter.

(Pub. L. 98–473, title III, § 303, Oct. 12, 1984, 98 Stat. 2194.)

CODIFICATION

Section was enacted as part of the President's Emergency Food Assistance Act of 1984, and not as part of the Food for Peace Act which comprises this chapter.

§ 1728b. Omitted

CODIFICATION

Section, Pub. L. 98–473, title III, § 304, Oct. 12, 1984, 98 Stat. 2195, which required the President to submit a comprehensive annual report to appropriate committees of Congress detailing activities carried out under this subchapter, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, page 21 of House Document No. 103–7.

SUBCHAPTER IV—GENERAL AUTHORITIES AND REQUIREMENTS

§ 1731. Commodity determinations

(a) Ineligible commodities

(1) Alcoholic beverages

Alcoholic beverages shall not be made available for disposition under this chapter.

(2) Tobacco

Tobacco or the products thereof shall not be made available under section 1727b of this title or subchapter III of this chapter.

(b) Market development activities

Subsection (a)(1) of this section shall not be construed to prohibit representatives of the United States wine, beer, distilled spirits, or other alcoholic beverage industry from participating in agricultural market development activities carried out by the Secretary with foreign currencies made available under subchapter II of this chapter.

(July 10, 1954, ch. 469, title IV, § 401, as added Pub. L. 86–341, title I, § 14, Sept. 21, 1959, 73 Stat. 610; amended Pub. L. 87–703, title II, § 201(1), Sept. 27, 1962, 76 Stat. 610; Pub. L. 89–808, § 2(E), Nov. 11, 1966, 80 Stat. 1535; Pub. L. 95–88, title II, § 212, Aug. 3, 1977, 91 Stat. 551; Pub. L. 95–113, title XII, § 1204, Sept. 29, 1977, 91 Stat. 956; Pub. L. 96–53, title II, § 208, Aug. 14, 1979, 93 Stat. 370; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3645; Pub. L. 104–127, title II, § 212, Apr. 4, 1996, 110 Stat. 955; Pub. L. 110–246, title III, § 3014(a), June 18, 2008, 122 Stat. 1826.)

AMENDMENTS

2008—Pub. L. 110–246 redesignated subsecs. (b) and (c) as (a) and (b), respectively, in subsec. (b), substituted "(a)(1)" for "(b)(1)", and struck out former subsec. (a). Prior to amendment, text read as follows: "No agricultural commodity shall be available for disposition under this chapter if the Secretary determines that the disposition would reduce the domestic supply of the commodity below the supply needed to meet domestic requirements and provide adequate carryover (as determined by the Secretary), unless the Secretary determines that some part of the supply should be used to carry out urgent humanitarian purposes under this chapter."

1996—Pub. L. 104–127 added subsec. (a) and struck out former subsec. (a) which authorized Secretary, after consultation with other affected Federal agencies, to determine agricultural commodities and quantities thereof available for disposition, redesignated subsec. (e) as (b) and struck out former subsec. (b) which provided for modification of determination by Secretary, redesignated subsec. (f) as (c) and substituted "(b)(1)" for "(e)(1)", struck out former subsec. (c) which provided for nonavailability of commodities if domestic supply of such commodities was adversely affected, and struck out subsec. (d) which outlined policies for distribution of commodities to developing countries.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions authorizing Secretary to determine types and quantities of commodities available for distribution, limiting distribution where domestic supply is threatened, and requiring available storage facilities in recipient country prior to making commodities available to such country as well as finding that distribution will not result in interference with production or marketing in that country.

1979—Subsec. (b)(2). Pub. L. 96–53 substituted "to or interference with domestic production or marketing in" for "to domestic production in".

1977—Subsec. (a). Pub. L. 95–113 inserted provisions under which commodities may be made available for disposition if the Secretary of Agriculture determines that some part of the supply of commodities should be used to carry out urgent humanitarian purposes, even though such disposition would reduce the domestic supply of those commodities below that needed to meet domestic requirements, provide adequate carryover, and allow for anticipated exports.

Pub. L. 95–88 designated existing provisions as subsec. (a).

Subsec. (b). Pub. L. 95–88 added subsec. (b).

1966—Pub. L. 89–808 substituted provisions relating to determination and criteria for such determination by the Secretary of Agriculture of agricultural commodities available for disposition for former statement of purpose of provisions relating to long-term supply contracts, now covered by subchapter II of this chapter.

1962—Pub. L. 87–703 included in the statement of purpose the stimulation and increase of sales of surplus agricultural commodities for dollars through long-term supply contracts and through the extension of credit for the purchase of such commodities, by agreements with friendly nations or with private trade.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

[1] So in original. Probably should be "expended."

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–53 effective Oct. 1, 1979, see section 512(a) of Pub. L. 96–53, set out as a note under section 2151 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE OF 1977 AMENDMENTS

Amendment by Pub. L. 95–113 effective Oct. 1, 1977, see section 1901 of Pub. L. 95–113, set out as a note under section 1307 of this title.

Amendment by Pub. L. 95–88 effective Oct. 1, 1977, see section 215 of Pub. L. 95–88, set out as a note under section 1702 of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

EXPORT SALES OF DAIRY PRODUCTS

Pub. L. 99–198, title XI, § 1163, Dec. 23, 1985, 99 Stat. 1499, as amended by Pub. L. 100–435, title I, § 107, Sept. 19, 1988, 102 Stat. 1651; Pub. L. 101–624, title I, § 111, Nov. 28, 1990, 104 Stat. 3380; Pub. L. 103–465, title IV, § 411(c), Dec. 8, 1994, 108 Stat. 4963, provided that:

''(a) In each fiscal year, the Secretary of Agriculture may sell dairy products for export, at such prices as the Secretary determines appropriate, in a quantity and allocated as determined by the Secretary, consistent with the obligations undertaken by the United States set forth in the Uruguay Round Agreements, if the disposition of the commodities will not interfere with the usual marketings of the United States nor disrupt world prices of agricultural commodities and patterns of commercial trade.

''(b) Such sales shall be made through the Commodity Credit Corporation under existing authority available to the Secretary or the Commodity Credit Corporation.

''(c) Through September 30, 1995, the Secretary shall report semiannually to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on the volume of sales made under this section.''

[Amendment of section 1163 of Pub. L. 99–198, set out above, by Pub. L. 103–465 effective on the date of entry into force of the WTO Agreement with respect to the United States (Jan. 1, 1995), except as otherwise provided, see section 451 of Pub. L. 103–465, set out as an Effective Date note under section 3601 of Title 19, Customs Duties.]

[Amendment of section 1163 of Pub. L. 99–198, set out above, by Pub. L. 100–435 effective and implemented on Oct. 1, 1988, see section 701 of Pub. L. 100–435, set out as a note under section 2012 of this title.]

§ 1732. Definitions

As used in this chapter:

(1) Administrator

The term ''Administrator'' means the Administrator of the Agency for International Development, unless otherwise specified in this chapter.

(2) Agricultural commodity

The term ''agricultural commodity'', unless otherwise provided for in this chapter, includes any agricultural commodity or the products thereof produced in the United States, including wood and processed wood products, fish, and livestock as well as value-added, fortified, or high-value agricultural products. Effective beginning on October 1, 1991, for purposes of subchapter III of this chapter, a product of an agricultural commodity shall not be considered to be produced in the United States if it contains any ingredient that is not produced in the United States, if that ingredient is produced and is commercially available in the United States at fair and reasonable prices.

(3) Appropriate committee of Congress

The term ''appropriate committee of Congress'' means—

(A) the Committee on Agriculture, Nutrition, and Forestry of the Senate;

(B) the Committee on Agriculture of the House of Representatives; and

(C) the Committee on Foreign Affairs of the House of Representatives.

(4) Cooperative

The term ''cooperative'' means a private sector organization whose members own and control the organization and share in its services and its profits and that provides business services and outreach in cooperative development for its membership.

(5) Developing country

The term ''developing country'' means a country that has a shortage of foreign exchange earnings and has difficulty meeting all of its food needs through commercial channels.

(6) Food security

The term ''food security'' means access by all people at all times to sufficient food and nutrition for a healthy and productive life.

(7) Nongovernmental organization

The term ''nongovernmental organization'' means an organization that works at the local level to solve development problems in a foreign country in which the organization is located, except that the term does not include an organization that is primarily an agency or instrumentality of the government of the foreign country.

(8) Private voluntary organization

The term ''private voluntary organization'' means a not-for-profit, nongovernmental organization (in the case of a United States organization, an organization that is exempt from Federal income taxes under section 501(c)(3) of title 26) that receives funds from private sources, voluntary contributions of money, staff time, or in-kind support from the public, and that is engaged in or is planning to engage in voluntary, charitable, or development assistance activities (other than religious activities).

(9) Secretary

The term ''Secretary'' means the Secretary of Agriculture, unless otherwise specified in this chapter.

(July 10, 1954, ch. 469, title IV, § 402, as added Pub. L. 86–341, title I, § 14, Sept. 21, 1959, 73 Stat. 610; amended Pub. L. 87–703, title II, § 201(2), Sept. 27, 1962, 76 Stat. 611; Pub. L. 89–808, § 2(E), Nov. 11, 1966, 80 Stat. 1536; Pub. L. 92–42, July 1,

1971, 85 Stat. 99; Pub. L. 95–113, title XII, § 1205, Sept. 29, 1977, 91 Stat. 956; Pub. L. 96–72, § 24, Sept. 29, 1979, 93 Stat. 536; Pub. L. 97–98, title XII, § 1213, Dec. 22, 1981, 95 Stat. 1281; Pub. L. 98–623, title IV, § 405(b), Nov. 8, 1984, 98 Stat. 3409; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3645; Pub. L. 104–127, title II, § 211(b), Apr. 4, 1996, 110 Stat. 955; Pub. L. 110–246, title III, § 3015, June 18, 2008, 122 Stat. 1826.)

AMENDMENTS

2008—Pars. (3) to (9). Pub. L. 110–246 added par. (3) and redesignated former pars. (3) to (8) as (4) to (9), respectively.

1996—Par. (6). Pub. L. 104–127 added par. (6) and struck out heading and text of former par. (6). Prior to amendment, text read as follows: ''The term 'indigenous nongovernmental organization' means an organization that operates under the laws of the recipient country, or that has its principal place of activity in such country, and that works at the local level to solve development problems in the foreign country in which it is located, except that the term does not include an organization that is primarily an agent or instrumentality of the foreign government.''

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions defining agricultural commodity.

1984—Pub. L. 98–623 inserted ''(including fish, without regard to whether such fish are harvested in aquacultural operations)'' and struck out provision that subject to the availability of appropriations therefor, any domestically produced fishery product could be made available under this chapter.

1981—Pub. L. 97–98 substituted ''wine, beer, distilled spirits, or other alcoholic beverage'' for ''wine or beer''.

1979—Pub. L. 96–72 inserted reference to beer.

1977—Pub. L. 95–113 required that in allocation of funds made available under subchapter II of this chapter priority be given to financing the sale of food and fiber commodities.

1971—Pub. L. 92–42 inserted sentence that proviso excluding alcoholic beverages from term ''agricultural commodity'' shall not be construed as prohibiting domestic wine industry from participating in market development activities for expansion of export sales of domestic agricultural commodities.

1966—Pub. L. 89–808 substituted definition of agricultural commodity and provisions as to availability of fishery products for former provisions respecting agreements for delivery of surplus agricultural commodities, period, and security for payments in relation to long-term supply contracts, now covered by subchapter II of this chapter. See section 1707 of this title.

1962—Pub. L. 87–703 authorized executive agreements with financial institutions acting in behalf of friendly nations and administrative sales agreements with foreign and United States private trade with provision for security for payments.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–623 to be considered as having taken effect before Sept. 8, 1982, for purposes of section 135 of Pub. L. 97–253 (set out as a note under section 612c of this title), see section 405(d) of Pub. L. 98–623, set out as a note under section 1707a of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97–98 effective Dec. 22, 1981, see section 1801 of Pub. L. 97–98, set out as an Effective Date note under section 4301 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–113 effective Oct. 1, 1977, see section 1901 of Pub. L. 95–113, set out as a note under section 1307 of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

§ 1733. General provisions

(a) Prohibition

No agricultural commodity shall be made available under this chapter unless it is determined that—

(1) adequate storage facilities will be available in the recipient country at the time of the arrival of the commodity to prevent the spoilage or waste of the commodity; and

(2) the distribution of the commodity in the recipient country will not result in a substantial disincentive to or interference with domestic production or marketing in that country.

(b) Impact on local farmers and economy

The Secretary or the Administrator, as appropriate, shall ensure that the importation of United States agricultural commodities and the use of local currencies for development purposes will not have a disruptive impact on the farmers or the local economy of the recipient country.

(c) Transshipment

The Secretary or the Administrator, as appropriate, shall, under such terms and conditions as are determined to be appropriate, require commitments designed to prevent or restrict the resale or transshipment to other countries, or use for other than domestic purposes, of agricultural commodities donated or purchased under this chapter.

(d) Private trade channels and small business

Private trade channels shall be used under this chapter to the maximum extent practicable in the United States and in the recipient countries with respect to—

(1) sales from privately owned stocks;

(2) sales from stocks owned by the Commodity Credit Corporation; and

(3) donations.

Small businesses shall be provided adequate and fair opportunity to participate in such sales.

(e) World prices

(1) In general

In carrying out this chapter, reasonable precautions shall be taken to assure that sales or donations of agricultural commodities will not unduly disrupt world prices for agricultural commodities or normal patterns of commercial trade with foreign countries.

(2) Sale price

Sales of agricultural commodities described in paragraph (1) shall be made at a reasonable

market price in the economy where the agricultural commodity is to be sold, as determined by the Secretary or the Administrator, as appropriate.

(f) Publicity

Commitments shall be obtained from countries or private entities, as appropriate, receiving commodities under this chapter that such countries or private entities will widely publicize, to the extent practicable, through the use of the public media and through other means, that such commodities are being provided through the friendship of the American people as food for peace.

(g) Participation of private sector

The Secretary or the Administrator, as appropriate, shall encourage the private sector of the United States and private importers in developing countries to participate in the programs established under this chapter.

(h) Safeguard usual marketings

In carrying out this chapter, reasonable precautions shall be taken to safeguard the usual marketings of the United States and to avoid displacing any sales of the United States agricultural commodities that the Secretary or Administrator determines would otherwise be made.

(i) Military distribution of food aid

(1) In general

The Secretary or the Administrator, as appropriate, shall attempt to ensure that agricultural commodities made available under this chapter will be provided without regard to the political affiliation, geographic location, ethnic, tribal, or religious identity of the recipient or without regard to other extraneous factors.

(2) Prohibition on handling of commodities by the military

(A) In general

Except as provided in subparagraph (B), the Secretary or the Administrator, as appropriate, shall not enter into an agreement under this chapter to provide agricultural commodities if such agreement requires or permits the distribution, handling, or allocation of such commodities by the military forces of any government or insurgent group.

(B) Exception

Notwithstanding subparagraph (A), the Secretary or the Administrator, as appropriate, may authorize the handling or distribution of commodities by the military forces of a country in exceptional circumstances in which—

(i) nonmilitary channels are not available for such handling or distribution;

(ii) such action is consistent with the requirements of paragraph (1); and

(iii) the Secretary or the Administrator, as appropriate, determines that such action is necessary to meet the emergency health, safety, or nutritional requirements of the recipient population.

(3) Encouragement of safe passage

When entering into agreements under this chapter that involve areas within recipient countries that are experiencing protracted warfare or civil strife, the Secretary or the Administrator, as appropriate, shall, to the extent practicable, encourage all parties to the conflict to permit safe passage of the commodities and other relief supplies and to establish safe zones for medical and humanitarian treatment and evacuation of injured persons.

(j) Violations of human rights

(1) Ineligible countries

The Secretary or the Administrator, as appropriate, shall not enter into any agreement under this chapter to provide agricultural commodities, or to finance the sale of agricultural commodities, to the government of any country determined by the President to engage in a consistent pattern of gross violations of internationally recognized human rights, including—

(A) the torture or cruel, inhuman, or degrading treatment or punishment of individuals;

(B) the prolonged detention of individuals without charges;

(C) the responsibility for causing the disappearance of individuals through the abduction and clandestine detention of such individuals; or

(D) other flagrant denials of the right to life, liberty, and the security of persons.

(2) Waiver

Paragraph (1) shall not prohibit the provision of assistance to such a country if the assistance is targeted to the most needy people in such country and is made available in such country through channels other than the government.

(k) Abortion prohibition

Local currencies that are made available for use under this chapter may not be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions.

***(l)* Sale procedure**

(1) In general

Subsections (b) and (h) of this section shall apply to sales of commodities in recipient countries to generate proceeds to carry out projects under—

(A) subchapters II and III of this chapter;

(B) section 1431(b) of this title; and

(C) the Food for Progress Act of 1985 (7 U.S.C. 1736*o*).

(2) Currency

A sale described in paragraph (1) may be made in United States dollars or other currencies.

(July 10, 1954, ch. 469, title IV, § 403, as added Pub. L. 86–341, title I, § 14, Sept. 21, 1959, 73 Stat. 610; amended Pub. L. 87–703, title II, § 201(3), Sept. 27, 1962, 76 Stat. 611; Pub. L. 88–638, § 1(17), Oct. 8, 1964, 78 Stat. 1037; Pub. L. 89–808, § 2(E),

Nov. 11, 1966, 80 Stat. 1536; Pub. L. 95–113, title XII, § 1206, Sept. 29, 1977, 91 Stat. 956; Pub. L. 96–533, title IV, § 407, Dec. 16, 1980, 94 Stat. 3151; Pub. L. 97–98, title XII, § 1214, Dec. 22, 1981, 95 Stat. 1282; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3646; Pub. L. 102–237, title III, § 321, Dec. 13, 1991, 105 Stat. 1857; Pub. L. 104–127, title II, § 213, Apr. 4, 1996, 110 Stat. 956; Pub. L. 107–171, title III, § 3009(a), May 13, 2002, 116 Stat. 283.)

REFERENCES IN TEXT

The Food for Progress Act of 1985, referred to in subsec. (*l*)(1)(C), is Pub. L. 99–198, title XI, § 1110, Dec. 23, 1985, 99 Stat. 1472, as amended, which is classified to section 1736*o* of this title.

AMENDMENTS

2002—Subsec. (e). Pub. L. 107–171, § 3009(a)(1), designated existing provisions as par. (1), inserted heading, and added par. (2).

Subsec. (*l*). Pub. L. 107–171, § 3009(a)(2), added subsec. (*l*).

1996—Subsec. (b). Pub. L. 104–127, § 213(1), inserted heading and struck out former heading ''Consultations'' and in text struck out ''consult with representatives from the International Monetary Fund, the International Bank for Reconstruction and Development, the World Bank, and other donor organizations to'' before ''ensure that''.

Subsec. (c). Pub. L. 104–127, § 213(2), struck out ''from countries'' after ''require commitments'' and substituted ''or use for other'' for ''for use for other''.

Subsec. (f). Pub. L. 104–127, § 213(3), inserted ''or private entities, as appropriate,'' after ''from countries'' and ''or private entities'' after ''such countries''.

Subsec. (i)(2)(C). Pub. L. 104–127, § 213(4), struck out heading and text of subpar. (C). Text read as follows: ''Not later than 30 days after an authorization is provided under subparagraph (B), the Secretary or the Administrator, as appropriate, shall prepare and submit to the appropriate committees of Congress a report concerning such authorization and include in any such report the reason for the authorization, including an explanation of why no alternatives to such handling or distribution were available.''

1991—Subsec. (i)(2)(C). Pub. L. 102–237 substituted ''committees'' for ''Committees''.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions authorizing appropriations necessary for this chapter, classifying such expenditures under international affairs and finance rather than agriculture, valuing commodity, for purpose of reimbursing Commodity Credit Corporation, at price not greater than export market price at time commodity was made available, and authorizing President to transfer up to 15 percent of funding for any fiscal year from any subchapter of this chapter to any other subchapter.

1981—Subsec. (b). Pub. L. 97–98 inserted ''a price not greater than''.

1980—Subsec. (c). Pub. L. 96–533 added subsec. (c).

1977—Pub. L. 95–113 designated existing provisions as subsec. (a) and added subsec. (b).

1966—Pub. L. 89–808 substituted provisions for authorization of appropriations, including reimbursement of Commodity Credit Corporation, and classification of expenditures, formerly covered in former section 1703(a) of this title, for provision for payment for commodities, now provided for by section 1706(a) of this title.

1964—Pub. L. 88–638 substituted ''less than the minimum rate required by section 2161 of Title 22 for loans made under that section'' for ''more than the cost of the funds to the United States Treasury as determined by the Secretary of the Treasury, taking into consideration the current average market yields on outstanding marketable obligations of the United States having maturity comparable to the maturities of loans made by the President under this section''.

1962—Pub. L. 87–703 substituted ''reasonable'' for ''approximately equal'' annual amounts and provided for deferral of date for beginning annual payment.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97–98 effective Dec. 22, 1981, see section 1801 of Pub. L. 97–98, set out as an Effective Date note under section 4301 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–113 effective Oct. 1, 1977, see section 1901 of Pub. L. 95–113, set out as a note under section 1307 of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

DELEGATION OF FUNCTIONS

Functions of President under subsec. (j) of this section delegated to Secretary of State by section 4(b) of Ex. Ord. No. 12752, Feb. 25, 1991, 56 F.R. 8256, set out as a note under section 1691 of this title.

§ 1734. Agreements

(a) In general

Before entering into agreements with foreign countries under subchapters II and III–A of this chapter for the provision of commodities, the Secretary or the Administrator, as appropriate, shall consider the extent to which the recipient country is undertaking measures for economic development purposes in order to improve food security and agricultural development, alleviate poverty, and promote broad-based, equitable, and sustainable development.

(b) Terms of agreement

An agreement entered into under this chapter shall—

(1) include an estimate of the annual value or volume of agricultural commodities proposed to be made available to the country or eligible organization under the agreement;

(2) with respect to agreements entered into with foreign countries under subchapters II and III–A of this chapter, include a statement of the manner in which the agricultural commodities provided under the agreement or the revenues generated by the sale of such commodities (if such commodities are sold), will be integrated into the overall development plans of the country to improve food security and agricultural development, alleviate poverty, and promote broad-based, equitable, and sustainable agriculture and broad-based economic growth;

(3) with respect to agreements entered into under subchapters II and III–A of this chapter, include a statement of the manner in which competitive private sector participation within the recipient country in the storage, marketing, transportation, and distribution of agricultural commodities made available under this chapter will be encouraged;

(4) include a statement that such agreement shall be subject to the availability, during each fiscal year to which the agreement applies, of the necessary appropriations and agricultural commodities; and

(5) contain such other terms and conditions as the Secretary or the Administrator, as appropriate, determines to be necessary.

(c) Multi-year agreements

(1) In general

Agreements to provide assistance on a multi-year basis to recipient countries or to eligible organizations—

(A) may be made available under subchapters II and III–A of this chapter; and

(B) shall be made available under subchapter III of this chapter.

(2) Exception

The Secretary or the Administrator, as appropriate, may determine not to make assistance available on a multi-year basis with respect to a recipient country or an eligible organization if it is determined that assistance should be provided to such country or through such organization only on an annual basis because—

(A) the past performance of the country or organization in meeting program objectives does not warrant a multi-year agreement;

(B) it is anticipated that the need of the country or organization for food aid does not extend beyond 1 year; or

(C) other circumstances, as determined by the Secretary or the Administrator, as appropriate, indicate there is only a need for a 1 year agreement.

(d) Review of agreements

The Secretary or the Administrator, as appropriate, may make a determination to terminate, or refuse to enter into, a multi-year agreement with respect to a recipient country if the Secretary or the Administrator determines that such country is not fulfilling the objectives or requirements of this chapter. In making such a determination, the Secretary or the Administrator, as appropriate, may consider the extent to which the country is—

(1) making significant economic development reforms;

(2) promoting free and open markets for food and agricultural producers; and

(3) fostering increased food security.

(July 10, 1954, ch. 469, title IV, § 404, as added Pub. L. 86–341, title I, § 14, Sept. 21, 1959, 73 Stat. 610; amended Pub. L. 89–808, § 2(E), Nov. 11, 1966, 80 Stat. 1536; Pub. L. 96–53, title II, § 209, Aug. 14, 1979, 93 Stat. 370; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3648; Pub. L. 104–127, title II, § 214, Apr. 4, 1996, 110 Stat. 956.)

AMENDMENTS

1996—Subsec. (a). Pub. L. 104–127, § 214(1), inserted ''with foreign countries'' after ''Before entering into agreements''.

Subsec. (b)(2). Pub. L. 104–127, § 214(2), inserted ''with foreign countries'' after ''agreements entered into'' and ''and broad-based economic growth'' before semicolon at end.

Subsec. (c)(1). Pub. L. 104–127, § 214(3), added par. (1) and struck out heading and text of former par. (1). Text read as follows: ''Agreements to provide assistance on a multi-year basis under this chapter shall be made available to recipient countries or to eligible organizations.''

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions outlining aims of assistance programs, namely humanitarian and national interest objectives, and requiring assessments of recipient countries to determine types and quantities of commodities needed, conditions under which distribution should take place, most suitable timing for delivery, etc.

1979—Pub. L. 96–53 designated existing provisions as subsec. (a), substituted provisions relating to aims of programs of assistance conducted under this chapter and sections 1427 and 1431 of this title and the types and quantities of agricultural commodities to be made available, for provisions relating to aims of assistance programs undertaken pursuant to this chapter and sections 1427 and 1431 of this title, and added subsec. (b).

1966—Pub. L. 89–808 substituted provision declaratory of aims of assistance programs as the attainment of humanitarian objectives and the national interest for provisions requiring the Secretary of Agriculture to maximize the sale of commodities and avoid displacement of cash sales, now provided for by sections 1703(n) and 1707(b) of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–53 effective Oct. 1, 1979, see section 512(a) of Pub. L. 96–53, set out as a note under section 2151 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

§ 1735. Consultation

The Secretary and the Administrator shall cooperate and consult in the implementation of this chapter.

(July 10, 1954, ch. 469, title IV, § 405, as added Pub. L. 86–341, title I, § 14, Sept. 21, 1959, 73 Stat. 610; amended Pub. L. 87–703, title II, § 201(4), Sept. 27, 1962, 76 Stat. 611; Pub. L. 89–808, § 2(E), Nov. 11, 1966, 80 Stat. 1536; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3650.)

AMENDMENTS

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions requiring funds and authority under this chapter be used to assist friendly countries determined to increase their self-reliance in food production and managing population growth.

1966—Pub. L. 89–808 substituted provisions respecting self-help in meeting food requirements and in resolving problems relative to population growth for provisions respecting entry into agreements for participation in supply and assistance program on a proportionate and equitable basis.

1962—Pub. L. 87–703 substituted ''In the case of such agreements, the Secretary may enter into agreements with other friendly and historic supplying nations'' for ''In entering into such agreements, the Secretary shall endeavor to reach agreement with other exporting nations''.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

§ 1736. Use of Commodity Credit Corporation

(a) In general

The Commodity Credit Corporation may acquire and make available such agricultural commodities as necessary to carry out agreements under this chapter.

(b) Included expenses

With respect to commodities made available under subchapters III and III–A of this chapter, the Commodity Credit Corporation may pay—

(1) the cost of acquiring such commodities;

(2) the costs associated with packaging, enrichment, preservation, and fortification of such commodities, including the costs of carrying out section 1736g–2 of this title;

(3) the processing, transportation, handling, and other incidental costs up to the time of the delivery of such commodities free on board vessels in United States ports;

(4) the vessel freight charges from United States ports or designated Canadian transshipment ports, as determined by the Secretary, to designated ports of entry abroad;

(5) the costs associated with transporting such commodities from United States ports to designated points of entry abroad in the case—

(A) of landlocked countries;

(B) of ports that cannot be used effectively because of natural or other disturbances;

(C) of the unavailability of carriers to a specific country; or

(D) of substantial savings in costs or time that may be effected by the utilization of points of entry other than ports;

(6) in the case of commodities for urgent and extraordinary relief requirements (including pre-positioned commodities) the transportation costs incurred in moving the commodities from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs; and

(7) the charges for general average contributions arising out of the ocean transport of commodities transferred pursuant thereto.

(c) Commodity Credit Corporation

The funds, facilities, and authorities of the Commodity Credit Corporation may be used to carry out this chapter.

(d) Availability of funds

Funds shall be available under this chapter only to the extent provided in advance in appropriation Acts.

(July 10, 1954, ch. 469, title IV, § 406, as added Pub. L. 86–341, title I, § 14, Sept. 21, 1959, 73 Stat. 610; amended Pub. L. 87–703, title II, § 201(5), Sept. 27, 1962, 76 Stat. 611; Pub. L. 89–808, § 2(E), Nov. 11, 1966, 80 Stat. 1536; Pub. L. 94–161, title II, § 214, Dec. 20, 1975, 89 Stat. 855; Pub. L. 101–508, title I, § 1204(b)(2), Nov. 5, 1990, 104 Stat. 1388–11; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3650; Pub. L. 102–237, title III, § 323, Dec. 13, 1991, 105 Stat. 1857; Pub. L. 104–127, title II, § 215, Apr. 4, 1996, 110 Stat. 956; Pub. L. 110–246, title III, §§ 3014(b)(1), 3016, June 18, 2008, 122 Stat. 1826, 1827.)

AMENDMENTS

2008—Subsec. (a). Pub. L. 110–246, § 3014(b)(1), struck out ''(that have been determined to be available under section 1731(a) of this title)'' after ''commodities''.

Subsec. (b)(2). Pub. L. 110–246, § 3016, inserted '', including the costs of carrying out section 1736g–2 of this title'' before semicolon at end.

1996—Subsec. (a). Pub. L. 104–127, § 215(1), substituted ''may'' for ''shall'' after ''Corporation''.

Subsec. (b). Pub. L. 104–127, § 215(2)(A), in introductory provisions, substituted ''subchapters III and III–A of this chapter'' for ''this chapter''.

Subsec. (b)(4). Pub. L. 104–127, § 215(2)(B), added par. (4) and struck out former par. (4) which read as follows: ''the ocean freight charges from United States ports to designated ports of entry abroad;''.

1991—Subsec. (b)(5)(D). Pub. L. 102–237 substituted ''time'' for ''items''.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions authorizing appropriations and authorizing the President to administer a program of farmer-to-farmer assistance, enter into agreements or make grants to train farmers in recipient countries, seek exchange of farm youth and farm leaders with developing countries, conduct research in tropical and subtropical agriculture, coordinate program with other foreign assistance programs, establish conditions for eligibility in farmer-to-farmer program, and pay costs of program through use of foreign currencies accruing from sale of commodities.

Subsec. (d). Pub. L. 101–508 added subsec. (d).

1975—Subsec. (a). Pub. L. 94–161, § 214(1), substituted ''the President'' for ''the Secretary of Agriculture''.

Subsec. (a)(1). Pub. L. 94–161, § 214(2), struck out ''through existing agencies of the Department of Agriculture'' after ''establish and administer''.

Subsec. (a)(5). Pub. L. 94–161, § 214(3), substituted ''with other foreign assistance activities of the United States'' for ''with the activities of the Peace Corps, the Agency for International Development, and other agencies of the United States and to assign, upon agreement with such agencies, such persons to work with and under the administration of such agencies: *Provided*, That nothing in this section shall be construed to infringe upon the powers or functions of the Secretary of State''.

1966—Pub. L. 89–808 substituted food production assistance provisions for provision respecting applicability of other laws, now provided for by section 1707(d) of this title.

1962—Pub. L. 87–703 made section 1701(b) and (c) applicable to this subchapter.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENTS

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

Amendment by Pub. L. 101–508 effective Nov. 29, 1990, see section 1301 of Pub. L. 101–508, set out as an Effective Date note under section 940d of this title.

EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89–808 effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as a note under section 1691 of this title.

FARMER-TO-FARMER PROGRAMS FOR FISCAL YEARS 1986 THROUGH 1990

Pub. L. 99–198, title XI, § 1107, Dec. 23, 1985, 99 Stat. 1467, as amended by Pub. L. 100–277, § 6, Apr. 4, 1988, 102

Stat. 69, directed that not less than one-tenth of 1 percent of the funds available for each of the fiscal years ending Sept. 30, 1986, through Sept. 30, 1990, to carry out this chapter be used to carry out section 1736(a)(1), (2) of this title, and directed the Administrator of the Agency for International Development, in conjunction with the Secretary of Agriculture, to submit to Congress a report, not later than 120 days after Dec. 23, 1985, indicating the manner in which the Agency intended to implement such provisions.

§ 1736–1. Special Assistant for Agricultural Trade and Food Assistance

(a) Appointment by President

The President shall appoint a Special Assistant to the President for Agricultural Trade and Food Assistance (hereinafter in this section referred to as the ''Special Assistant''). The President shall appoint the initial Special Assistant not later than May 1, 1986.

(b) Service in Executive Office of President

The Special Assistant shall serve in the Executive Office of the President.

(c) Required functions

The Special Assistant shall—

(1) assist and advise the President in order to improve and enhance food assistance programs carried out in the United States and foreign countries;

(2) be available to receive suggestions and complaints concerning the implementation of United States food aid and agricultural export programs anywhere in the United States Government and provide prompt responses thereto, including expediting the program implementation in any instances in which there is unreasonable delay;

(3) make recommendations to the President on means to coordinate and streamline the manner in which food assistance programs are carried out by the Department of Agriculture and the Agency for International Development, in order to improve their overall effectiveness;

(4) make recommendations to the President on measures to be taken to increase use of United States agricultural commodities and the products thereof through food assistance programs;

(5) advise the President on agricultural trade;

(6) advise the President on the Food for Progress Program and expedite its implementation;

(7) serve as a member of the Development Coordination Committee and the Food Aid Subcommittee of such Committee;

(8) advise departments and agencies of the Federal Government on their policy guidelines on basic issues of food assistance policy to the extent necessary to assure the coordination of food assistance programs, consistent with law, and with the advice of such Subcommittee; and

(9) submit a report to the President and Congress each year through 1990 containing—

(A) a global analysis of world food needs and production; and

(B) a detailed plan for using available export and food aid authorities to increase United States agricultural exports to those targeted countries.

(d) Compensation

Compensation for the Special Assistant shall be fixed by the President at an annual rate of basic pay of not less than the rate applicable to positions in level III of the Executive Schedule.

(Pub. L. 99–198, title XI, § 1113(a)–(d), Dec. 23, 1985, 99 Stat. 1479; Pub. L. 99–260, § 4(a)(1), (b), (d), Mar. 20, 1986, 100 Stat. 49; Pub. L. 101–624, title XV, § 1572(2), Nov. 28, 1990, 104 Stat. 3702.)

REFERENCES IN TEXT

Level III of the Executive Schedule, referred to in subsec. (d), is set out in section 5314 of Title 5, Government Organization and Employees.

CODIFICATION

Section was enacted as part of the Food Security Act of 1985, and not as part of the Food for Peace Act which comprises this chapter.

Another section 1113(d) of Pub. L. 99–198 amended section 5312 of Title 5, Government Organization and Employees.

AMENDMENTS

1990—Subsec. (c)(9)(B), (C). Pub. L. 101–624 redesignated subpar. (C) as (B) and struck out former subpar. (B) which required that report contain identification of at least 15 target countries most likely to emerge as growth markets for commodities in next 5 to 10 years.

1986—Pub. L. 99–260, § 4(a)(1)(A), substituted ''Food Assistance'' for ''Food Aid'' in section catchline.

Subsec. (a). Pub. L. 99–260, § 4(a)(1)(B), (b), substituted ''Food Assistance'' for ''Food Aid'' and inserted provision that the President appoint the initial Special Assistant not later than May 1, 1986.

Subsec. (d). Pub. L. 99–260, § 4(d), amended subsec. (d) generally, substituting provision relating to compensation of the Special Assistant for provision relating to additional required functions of the Special Assistant.

§ 1736a. Administrative provisions

(a) Subchapter II programs

(1) Acquisitions

The importing country or private entity that enters into an agreement under subchapter II of this chapter shall acquire the agricultural commodities to be financed under subchapter II of this chapter.

(2) Invitation for bid

No purchase of agricultural commodities from private stock or purchase of ocean transportation shall be financed under subchapter II of this chapter unless such purchases are made on the basis of an invitation for bid that is publicly advertised in the United States, and on the basis of bid offerings that shall conform to such invitation and be received and publicly opened in the United States. All awards in the purchase of commodities or ocean transportation financed under subchapter II of this chapter shall be consistent with open, competitive, and responsive bid procedures, as determined appropriate by the Secretary. Resulting contracts may contain such terms and conditions as the Secretary determines are necessary and appropriate.

(b) Agents

(1) Authority of Secretary or Commodity Credit Corporation

(A) General rule

Except as provided in subparagraph (B), if it is determined appropriate, the Secretary or the Commodity Credit Corporation may serve as the purchasing or shipping agent, or both, for the importer or importing country in arranging the purchase or shipping of commodities financed under subchapter II of this chapter.

(B) Exception

Notwithstanding subparagraph (A), the Secretary or the Commodity Credit Corporation may award, under a competitive bidding process, contracts for establishing freight agents who shall act on behalf of the Secretary or the Corporation to handle the shipping of commodities financed under this chapter.

(C) Avoidance of conflict of interest of contractors

Freight agents employed by the Secretary or the Commodity Credit Corporation under subchapter II of this chapter shall not represent any foreign government during the period of their contract with the United States Government.

(2) Reasonable fees and commissions

(A) Fees

Notwithstanding any other provision of law, the Secretary or the Commodity Credit Corporation may enter into an agreement with the importer or importing country that contains the terms and conditions that will govern the provision of purchasing or shipping agent services by the Secretary or the Corporation, including the establishment of fees for such services. Any such fees shall be fair and reasonable in relation to the services performed and shall be available as reimbursement for costs incurred in providing such services.

(B) Prohibition on commissions

Commissions, fees, or other payments to any selling agent or to any agent of a purchaser shall be prohibited in the purchase of agricultural commodities that are financed under subchapter II of this chapter.

(3) Limitations

No commission, fees, or other payments to an agent, broker, consultant, or other representative of the importer or importing country for ocean transportation brokerage services in connection with the carriage of commodities provided under subchapter II of this chapter may—

(A) be paid in excess of an amount determined appropriate by the Secretary; and

(B) be shared by such person with the importer or importing country or any agent thereof.

(4) Avoidance of conflict of interest

A person may not be an agent, broker, consultant, or other representative of the United States Government, an importer, or an importing country in connection with agricultural commodities provided under this chapter during a fiscal year in which such person provides or acts as an agent, broker, consultant, or other representative of a person engaged in providing ocean transportation or transportation-related services for such commodities. For the purpose of this paragraph, the term ''transportation-related services'' means lightening, stevedoring, bagging, or inland transportation to the destination point.

(c) Subchapters III and III–A program

(1) Acquisition

(A) In general

The Administrator shall transfer, arrange for the transportation, and take other steps necessary to make available agricultural commodities to be provided under subchapter III and subchapter III–A of this chapter.

(B) Certain commodities made available for nonemergency assistance

In the case of agricultural commodities made available for nonemergency assistance under subchapter III of this chapter for least developed countries that meet the poverty and other eligibility criteria established by the International Bank for Reconstruction and Development for financing under the International Development Association, the Administrator may pay the transportation costs incurred in moving the agricultural commodities from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs.

(2) Freight procurement

Notwithstanding the Federal Property and Administrative Services Act of 1949[1] or other similar provisions of law relating to the making or performance of Federal Government contracts, ocean transportation under subchapters III and III–A of this chapter may be procured on the basis of full and open competitive procedures. Resulting contracts may contain such terms and conditions as the Administrator determines are necessary and appropriate.

(3) Avoidance of conflict of interest

Freight agents employed by the Agency for International Development under subchapters III and III–A of this chapter shall not represent any foreign government during the period of their contract with the United States Government.

(4) Prepositioning

(A) In general

Funds made available for fiscal years 2001 through 2012 to carry out subchapters III and III-A of this chapter may be used by the Administrator to procure, transport, and store agricultural commodities for prepositioning within the United States and in foreign countries, except that for each such fiscal

[1] See References in Text note below.

year not more than $10,000,000 of such funds may be used to store agricultural commodities for prepositioning in foreign countries.

(B) Additional prepositioning sites

(i) Feasibility assessments

The Administrator may carry out assessments for the establishment of not less than 2 sites to determine the feasibility of, and costs associated with, using the sites to store and handle agricultural commodities for prepositioning in foreign countries.

(ii) Establishment of sites

Based on the results of each assessment carried out under clause (i), the Administrator may establish additional sites for prepositioning in foreign countries.

(5) Nonemergency or multiyear agreements

Annual resource requests for ongoing nonemergency or ongoing multiyear agreements under subchapter III shall be finalized not later than October 1 of the fiscal year in which the agricultural commodities will be shipped under the agreement.

(d) Timing of shipments

In determining the timing of the shipment of agricultural commodities to be provided under this chapter, the Secretary or the Administrator, as appropriate, shall consider—

(1) the time of harvest of any competing commodities in the recipient country; and

(2) such other concerns determined to be appropriate.

(e) Deadline for agreements under subchapters II and III–A of this chapter

An agreement under subchapters II and III–A of this chapter shall, to the extent practicable, be entered into not later than—

(1) November 30 of the first fiscal year in which agricultural commodities are to be shipped under the agreement; or

(2) 60 days after the date of enactment of the annual Rural Development, Agriculture, and Related Agencies Appropriations Act for the first fiscal year in which agricultural commodities are to be shipped under the agreement,

whichever is later.

(f) Annual reports

(1) Annual report regarding agricultural trade programs and activities

(A) Annual report

Not later than April 1 of each fiscal year, the Administrator and the Secretary shall jointly prepare and submit to the appropriate committees of Congress a report regarding each program and activity carried out under this chapter during the prior fiscal year.

(B) Contents

An annual report described in subparagraph (A) shall include, with respect to the prior fiscal year—

(i) a list that contains a description of each country and organization that receives food and other assistance under this chapter (including the quantity of food and assistance provided to each country and organization);

(ii) a general description of each project and activity implemented under this chapter (including each activity funded through the use of local currencies);

(iii) a statement describing the quantity of agricultural commodities made available to each country pursuant to—

(I) section 1431(b) of this title; and

(II) the Food for Progress Act of 1985 (7 U.S.C. 1736*o*);

(iv) an assessment of the progress made through programs under this chapter towards reducing food insecurity in the populations receiving food assistance from the United States;

(v) a description of efforts undertaken by the Food Aid Consultative Group under section 1725 of this title to achieve an integrated and effective food assistance program;

(vi) an assessment of—

(I) each program oversight, monitoring, and evaluation system implemented under section 1726a(f) of this title; and

(II) the impact of each program oversight, monitoring, and evaluation system on the effectiveness and efficiency of assistance provided under this subchapter; and

(vii) an assessment of the progress made by the Administrator in addressing issues relating to quality with respect to the provision of food assistance.

(2) Annual report regarding the provision of agricultural commodities to foreign countries

(A) Annual report

Not later than February 1 of each fiscal year, the Administrator shall prepare and submit to the appropriate committees of Congress a report regarding the administration of food assistance programs under subchapter III to benefit foreign countries during the prior fiscal year.

(B) Contents

An annual report described in subparagraph (A) shall include, with respect to the prior fiscal year—

(i) a list that contains a description of each program, country, and commodity approved for assistance under section 1726a of this title; and

(ii) a statement that contains a description of the total amount of funds approved for transportation and administrative costs under section 1726a of this title.

(July 10, 1954, ch. 469, title IV, § 407, as added Pub. L. 89–808, § 2(E), Nov. 11, 1966, 80 Stat. 1537; amended Pub. L. 90–436, § 8, July 29, 1968, 82 Stat. 451; Pub. L. 94–161, title II, § 210, Dec. 20, 1975, 89 Stat. 854; Pub. L. 101–508, title I, § 1204(b)(3), Nov. 5, 1990, 104 Stat. 1388–11; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3650; Pub. L. 102–237, title III, §§ 319, 324, 325, 328, 329, 332, Dec. 13, 1991,

105 Stat. 1857, 1858; Pub. L. 104–66, title I, § 1011(e), Dec. 21, 1995, 109 Stat. 709; Pub. L. 104–127, title II, § 216, Apr. 4, 1996, 110 Stat. 957; Pub. L. 106–472, title III, § 310(b), Nov. 9, 2000, 114 Stat. 2076; Pub. L. 107–171, title III, §§ 3010, 3011, May 13, 2002, 116 Stat. 284; Pub. L. 110–246, title III, §§ 3017, 3018(a), June 18, 2008, 122 Stat. 1827.)

REFERENCES IN TEXT

The Federal Property and Administrative Services Act of 1949, referred to in subsec. (c)(2), is act June 30, 1949, ch. 288, 63 Stat. 377, as amended. Except for title III of the Act, which is classified generally to subchapter IV (§ 251 et seq.) of chapter 4 of Title 41, Public Contracts, the Act was repealed and reenacted by Pub. L. 107–217, §§ 1, 6(b), Aug. 21, 2002, 116 Stat. 1062, 1304, as chapters 1 to 11 of Title 40, Public Buildings, Property, and Works.

The Food for Progress Act of 1985, referred to in subsec. (f)(1)(B)(iii)(II), is Pub. L. 99–198, title XI, § 1110, Dec. 23, 1985, 99 Stat. 1472, which is classified to section 1736*o* of this title.

AMENDMENTS

2008—Subsec. (c)(4). Pub. L. 110–246, § 3017(1), designated existing provisions as subpar. (A), inserted heading, substituted ''2012'' for ''2007'' and ''$10,000,000'' for ''$2,000,000'', and added subpar. (B).

Subsec. (c)(5). Pub. L. 110–246, § 3017(2), added par. (5).

Subsec. (f). Pub. L. 110–246, § 3018(a), added subsec. (f) and struck out former subsec. (f) which directed President to prepare an annual report concerning programs and activities implemented under this chapter for the preceding fiscal year, described contents of report, and directed that it be submitted not later than Jan. 15 of each year to the Committee on Agriculture and the Committee on Foreign Affairs of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

2002—Subsec. (c)(1). Pub. L. 107–171, § 3011, designated existing provisions as subpar. (A), inserted heading, and added subpar. (B).

Subsec. (c)(4). Pub. L. 107–171, § 3010, substituted ''through 2007'' for ''and 2002''.

2000—Subsec. (c)(4). Pub. L. 106–472 added par. (4).

1996—Pub. L. 104–127, § 216(2)–(5), which directed amendment of subsecs. (c), (d), (g), and (h), respectively, of this section, was executed to subsecs. (b), (c), (f), and (g), respectively, of this section, to reflect the probable intent of Congress and the intervening amendment by Pub. L. 104–66 which struck out subsec. (b) and redesignated subsecs. (c) to (h) as (b) to (g), respectively. See 1995 Amendment note below.

Subsec. (a)(1). Pub. L. 104–127, § 216(1)(A), inserted ''or private entity that enters into an agreement under subchapter II of this chapter'' after ''importing country''.

Subsec. (a)(2). Pub. L. 104–127, § 216(1)(B), inserted at end ''Resulting contracts may contain such terms and conditions as the Secretary determines are necessary and appropriate.''

Subsec. (b)(1)(A), (2)(A). Pub. L. 104–127, § 216(2), inserted ''importer or'' before ''importing country''.

Subsec. (c)(2). Pub. L. 104–127, § 216(3)(A), added par. (2) and struck out heading and text of former par. (2). Text read as follows: ''No purchase of agricultural commodities from private stocks or purchase of ocean transportation services by the United States Government shall be financed under subchapters III and III–A of this chapter unless such purchases are made on the basis of full and open competition utilizing such procedures as are determined necessary and appropriate by the Administrator.''

Subsec. (c)(4). Pub. L. 104–127, § 216(3)(B), struck out heading and text of par. (4). Text read as follows: ''Notwithstanding any provision of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.) or other similar provisions relating to the making or performance of Federal Government contracts, the Administrator may procure ocean transportation services under this chapter under such full and open competitive procedures as the Administrator determines are necessary and appropriate.''

Subsec. (f)(2)(D). Pub. L. 104–127, § 216(4), added subpar. (D).

Subsec. (g). Pub. L. 104–127, § 216(5), struck out heading and text of subsec. (g). Text read as follows: ''On World Food Day, October 16 of each year, the President shall submit to the appropriate committees of Congress a report, prepared with the assistance of the Secretary and the Administrator, assessing progress towards food security in each country receiving United States Government food assistance. Special emphasis should be given in such report to the nutritional status of the poorest populations in such countries.''

1995—Subsecs. (b) to (h). Pub. L. 104–66 redesignated subsecs. (c) to (h) as (b) to (g), respectively, and struck out former subsec. (b) which required reporting of agricultural commodity or ocean transportation supplier fees.

1991—Subsec. (b)(1). Pub. L. 102–237, § 329, struck out ''or agricultural commodity donated'' after ''ocean transportation financed''.

Subsec. (c)(1)(A). Pub. L. 102–237, § 324, substituted ''subchapter II of this chapter'' for ''this section''.

Subsec. (c)(1)(C). Pub. L. 102–237, § 325, struck out ''other'' before ''foreign government''.

Subsec. (c)(2)(B), (3). Pub. L. 102–237, § 319, inserted ''subchapter II of'' before ''this chapter''.

Subsec. (c)(4). Pub. L. 102–237, § 328(a), inserted ''provides or'' after ''in which such person'' and substituted ''of a person'' for ''if the person is''.

Subsec. (d)(3). Pub. L. 102–237, § 328(b), struck out ''other'' before ''foreign government''.

Subsec. (d)(4). Pub. L. 102–237, § 332, substituted ''the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.)'' for ''the Federal Property Act of 1949, as amended,''.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions which established an Advisory Committee to survey the general policies relating to the administration of this chapter, including implementation of self-help provisions, uses to be made of foreign currencies, amount of currencies to be reserved in sales agreements for loans to private industry, rates of exchange, interest rates, and terms under which dollar credit sales are made.

Subsec. (c)(4). Pub. L. 101–508 substituted ''providing ocean transportation or'' for ''providing ocean''.

1975—Pub. L. 94–161 inserted '', or their designees (who shall be members of such committees or, in the case of members from the executive branch, who shall have been confirmed by the Senate)'' in first sentence.

1968—Pub. L. 90–436 struck out provisions that the vice chairman and one ranking minority member of the specified House committees and the next ranking majority member and one ranking minority member of the specified Senate committees be members of the Advisory Committee, and inserted provisions requiring the Advisory Committee to meet not less than four times during each calendar year and setting forth the order of precedence at such meetings.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENTS

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

Amendment by Pub. L. 101–508 effective Nov. 29, 1990, see section 1301 of Pub. L. 101–508, set out as an Effective Date note under section 940d of this title.

EFFECTIVE DATE

Section effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as an Effective Date of 1966 Amendment note under section 1691 of this title.

PREPARATION OF ANNUAL REPORT

For provisions requiring Food Assistance Policy Council to prepare annual report pursuant to subsec. (g)(1) [now (f)(1)] of this section, see Ex. Ord. No. 12752, § 3(c), Feb. 25, 1991, 56 F.R. 8256, set out as a note under section 1691 of this title.

§ 1736b. Expiration date

No agreements to finance sales or to provide other assistance under this chapter shall be entered into after December 31, 2012.

(July 10, 1954, ch. 469, title IV, § 408, as added Pub. L. 89–808, § 2(E), Nov. 11, 1966, 80 Stat. 1537; amended Pub. L. 94–161, title II, § 211, Dec. 20, 1975, 89 Stat. 854; Pub. L. 95–88, title II, § 213, Aug. 3, 1977, 91 Stat. 551; Pub. L. 95–113, title XII, § 1207, Sept. 29, 1977, 91 Stat. 957; Pub. L. 96–470, title II, § 213, Oct. 19, 1980, 94 Stat. 2246; Pub. L. 97–98, title XII, § 1215, Dec. 22, 1981, 95 Stat. 1282; Pub. L. 99–83, title X, § 1006, Aug. 8, 1985, 99 Stat. 271; Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3653; Pub. L. 104–127, title II, § 217, Apr. 4, 1996, 110 Stat. 957; Pub. L. 107–171, title III, § 3012, May 13, 2002, 116 Stat. 284; Pub. L. 110–246, title III, § 3019, June 18, 2008, 122 Stat. 1828.)

PRIOR PROVISIONS

Provisions covering the termination date for agreements to finance sales under subchapter II and programs of assistance under subchapter III were covered by section 1736c of this title prior to amendment of that section by Pub. L. 101–624, and by sections 1709, 1724 of this title prior to the amendment of those sections by Pub. L. 89–808.

AMENDMENTS

2008—Pub. L. 110–246 substituted ''2012'' for ''2007''.

2002—Pub. L. 107–171 substituted ''2007'' for ''2002''.

1996—Pub. L. 104–127 substituted ''2002'' for ''1995''.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions relating to Presidential reports to Congress concerning activities carried out under this chapter, a global assessment of food production and needs and planned programming of food assistance, and a comparative cross-country evaluation of programs conducted under portions of this chapter, provisions requiring the Secretary to issue revised regulations governing operations of subchapter II of this chapter, and provisions relating to the delivery of bagged commodities.

1985—Subsec. (b). Pub. L. 99–83 inserted reference to subchapter III in two places.

1981—Subsec. (a). Pub. L. 97–98 substituted ''February 15'' for ''April 1''.

1980—Subsec. (b). Pub. L. 96–470 struck out requirement that the President submit a report not later than March 31 of each year.

1977—Subsec. (b). Pub. L. 95–88 substituted provisions that, not later than September 30 of each year, the President submit to the Congress a report containing a global assessment of food production and needs and setting forth planned programing of food assistance under subchapter II of this chapter for the coming fiscal year, and that, not later than December 31, March 31, and June 30 of each year, the President submit a report to the Congress showing the current status of planned programing of food assistance under subchapter II of this chapter for the current fiscal year, for provisions that, in his presentation to the Congress of planned programing of food assistance for each fiscal year, the President include a global assessment of food production and needs, self-help steps which are being taken by food-short countries under section 1709(a) of this title, steps which are being taken to encourage other countries to increase their participation in food assistance or the financing of food assistance, and the relationship between food assistance provided to each country under this chapter and other foreign assistance provided to such country by the United States and other donors.

Subsec. (c). Pub. L. 95–88 substituted provisions that, beginning Oct. 1, 1978, and at each five-year interval thereafter, the President submit to the Congress a comparative cross-country evaluation of programs conducted under subchapters I, III, and III–A of this chapter, and that such evaluations cover no fewer than five countries sampled from the developing regions (Asia, Africa, Latin America, and Caribbean), and assess the nutritional and other impacts, achievements, problems, and future prospects for programs thereunder, for provisions that, not later than November 1 of each calendar year the President submit to the House Committee on Agriculture, the House Committee on International Relations, the Senate Committee on Agriculture and Forestry, and the Senate Committee on Foreign Relations a revised global assessment of food production and needs, and revised planned programming of food assistance for the current fiscal year, to reflect, to the maximum extent feasible, the actual availability of commodities for food assistance.

Subsecs. (d), (e). Pub. L. 95–113 added subsecs. (d) and (e).

1975—Pub. L. 94–161 designated existing provisions as subsec. (a), substituted ''fiscal'' for ''calendar'' in first sentence, and added subsecs. (b) and (c).

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99–83 effective Oct. 1, 1985, see section 1301 of Pub. L. 99–83, set out as a note under section 2151–1 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97–98 effective Dec. 22, 1981, see section 1801 of Pub. L. 97–98, set out as an Effective Date note under section 4301 of this title.

EFFECTIVE DATE OF 1977 AMENDMENTS

Amendment by Pub. L. 95–113 effective Oct. 1, 1977, see section 1901 of Pub. L. 95–113, set out as a note under section 1307 of this title.

Amendment by Pub. L. 95–88 effective Oct. 1, 1977, see section 215 of Pub. L. 95–88, set out as a note under section 1702 of this title.

EFFECTIVE DATE

Section effective Jan. 1, 1967, see section 5 of Pub. L. 89–808, set out as an Effective Date of 1966 Amendment note under section 1691 of this title.

§§ 1736c, 1736d. Repealed. Pub. L. 104–127, title II, §§ 218, 219, Apr. 4, 1996, 110 Stat. 957

Section 1736c, act July 10, 1954, ch. 469, title IV, § 409, as added Nov. 11, 1966, Pub. L. 89–808, § 2(E), 80 Stat. 1537; amended July 29, 1968, Pub. L. 90–436, § 1, 82 Stat. 450; Nov. 30, 1970, Pub. L. 91–524, title VII, § 701, 84 Stat. 1379; Aug. 10, 1973, Pub. L. 93–86, § 1(26), 87 Stat. 237; Sept. 29, 1977, Pub. L. 95–113, title XII, § 1208, 91 Stat. 957; Dec. 22, 1981, Pub. L. 97–98, title XII, § 1216, 95 Stat. 1282; Dec. 23, 1985, Pub. L. 99–198, title XI, § 1105, 99 Stat. 1466; Nov. 28, 1990, Pub. L. 101–624, title XV, § 1512, 104 Stat. 3653; Dec. 13, 1991, Pub. L. 102–237, title III, § 322, 105 Stat. 1857, required promulgation of regulations to implement chapter not later than 180 days after Nov. 28, 1990.

Section 1736d, act July 10, 1954, ch. 469, title IV, § 410, as added Nov. 11, 1966, Pub. L. 89–808, § 2(E), 80 Stat. 1538; amended Nov. 28, 1990, Pub. L. 101–624, title XV, § 1512, 104 Stat. 3653; Dec. 13, 1991, Pub. L. 102–237, title III, § 322, 105 Stat. 1857, provided for independent evaluation of programs under subchapters II, III, and III–A of this chapter and report to Congress.

§ 1736e. Debt forgiveness

(a) Authority

The President, taking into account the financial resources of a country, may waive payments of principal and interest that such country would otherwise be required to make to the Commodity Credit Corporation under dollar sales agreements under subchapter II of this chapter if—

(1) that country is a least developed country; and

(2) either—

(A) an International Monetary Fund standby agreement is in effect with respect to that country;

(B) a structural adjustment program of the International Bank for Reconstruction and Development or of the International Development Association is in effect with respect to that country;

(C) a structural adjustment facility, enhanced structural adjustment facility, or similar supervised arrangement with the International Monetary Fund is in effect with respect to that country; or

(D) even though such an agreement, program, facility, or arrangement is not in effect, the country is pursuing national economic policy reforms that would promote democratic, market-oriented, and long term economic development.

(b) Request for debt relief by President

The President may provide debt relief under subsection (a) of this section only if a notification is submitted to Congress at least 10 days prior to providing the debt relief. Such a notification shall—

(1) specify the amount of official debt the President proposes to liquidate; and

(2) identify the countries for which debt relief is proposed and the basis for their eligibility for such relief.

(c) Appropriations action required

The aggregate amount of principal and interest waived under this section may not exceed the amount approved for such purpose in an Act appropriating funds to carry out this chapter.

(d) Limitation on new credit assistance

If the authority of this section is used to waive payments otherwise required to be made by a country pursuant to this chapter, the President may not provide any new credit assistance for that country under this chapter during the 2-year period beginning on the date such waiver authority is exercised, unless the President provides to the Congress, before the assistance is provided, a written justification for the provision of such new credit assistance.

(e) Applicability

The authority of this section applies with respect to credit sales agreements entered into before November 28, 1990.

(July 10, 1954, ch. 469, title IV, § 411, as added Pub. L. 91–524, title VII, § 704, Nov. 30, 1970, as added Pub. L. 93–86, § 1(26), Aug. 10, 1973, 87 Stat. 237; amended Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3654; Pub. L. 102–237, title III, §§ 322, 326, 336, Dec. 13, 1991, 105 Stat. 1857, 1859.)

AMENDMENTS

1991—Subsec. (a). Pub. L. 102–237, § 326, substituted ''subchapter II of this chapter'' for ''this subchapter'' in introductory provisions.

Subsec. (b). Pub. L. 102–237, § 336, inserted ''at least 10 days prior to providing the debt relief'' before period at end of first sentence.

Subsec. (e). Pub. L. 102–237, § 322, substituted ''November 28, 1990'' for ''the date of enactment of this Act''.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions prohibiting assistance under subchapters II, III and III–A of this chapter to North Vietnam after July 1, 1973, unless specifically authorized by Act of Congress.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

DELEGATION OF FUNCTIONS

Functions of President under this section delegated to Secretary of Agriculture, in consultation with Food Assistance Policy Council and Department of the Treasury, by section 4(d) of Ex. Ord. No. 12752, Feb. 25, 1991, 56 F.R. 8256, set out as a note under section 1691 of this title.

RENEGOTIATION OF PAYMENT TERMS OF LOANS FOR SALE OF AGRICULTURAL COMMODITIES

Pub. L. 102–27, title II, Apr. 10, 1991, 105 Stat. 147, as amended by Pub. L. 110–246, title III, § 3001(c), June 18, 2008, 122 Stat. 1821, provided that: ''Title I of the Public Law 480 [7 U.S.C. 1701 et seq.] program allowed for the repayment of loans for the sale of agricultural commodities in foreign or local currencies until December 31, 1971. Since that time, until the law was changed in the 1985 farm bill [probably means Pub. L. 99–198, see Tables for classification], all sales have been on dollar credit terms. In view of the present financial situation, it is impossible for many countries to repay their loans in dollars. Therefore, the President may use the authority in section 411 and section 604 of the Food for Peace Act [7 U.S.C. 1736e, 1738c] to renegotiate the payment on Public Law 480 debt in eligible countries in Latin America, the Caribbean and sub-Saharan Africa.''

§ 1736f. Authorization of appropriations

(a) Authorization of appropriations

There are authorized to be appropriated—

(1) for fiscal year 2008 and each fiscal year thereafter, $2,500,000,000 to carry out the emergency and nonemergency food assistance programs under subchapter III; and

(2) such sums as are necessary—

(A) to carry out the concessional credit sales program established under subchapter II;

(B) to carry out the grant program established under subchapter III–A; and

(C) to make payments to the Commodity Credit Corporation to the extent the Commodity Credit Corporation is not reimbursed under the programs under this chapter for the actual costs incurred or to be incurred by the Commodity Credit Corporation in carrying out such programs.

(b) Transfer of funds

(1) In general

Except as provided in paragraph (2) and notwithstanding any other provision of law, the President may direct that up to 15 percent of the funds available for any fiscal year for carrying out any subchapter of this chapter be used to carry out any other subchapter of this chapter.

(2) Subchapter III–A funds

The President may direct that up to 50 percent of the funds available for any fiscal year for carrying out subchapter III–A of this chapter be used to carry out subchapter III of this chapter.

(c) Budget

In presenting the Budget of the United States, the President shall classify expenditures under this chapter as expenditures for international affairs and finance rather than for agriculture and agricultural resources.

(d) Value of commodities

Notwithstanding any other provision of law, in determining the reimbursement due the Commodity Credit Corporation for all expenses incurred under this chapter, commodities from the inventory of the Commodity Credit Corporation that were acquired under dairy price support operations shall be valued at a price not greater than the export market price for such commodities, as determined by the Secretary, as of the time such commodity is made available under this chapter.

(e) Minimum level of nonemergency food assistance

(1) Funds and commodities

Of the amounts made available to carry out emergency and nonemergency food assistance programs under subchapter III, not less than $375,000,000 for fiscal year 2009, $400,000,000 for fiscal year 2010, $425,000,000 for fiscal year 2011, and $450,000,000 for fiscal year 2012 shall be expended for nonemergency food assistance programs under subchapter III.

(2) Exception

The President may use less than the amount specified in paragraph (1) in a fiscal year for nonemergency food assistance programs under subchapter III only if—

(A) the President has made a determination that there is an urgent need for additional emergency food assistance;

(B) the funds and commodities held in the Bill Emerson Humanitarian Trust have been exhausted; and

(C) the President has submitted to Congress a supplemental appropriations request for a sum equal to the amount needed to reach the required spending level for nonemergency food assistance under paragraph (1) and the amount exhausted under paragraph (2)(B).

(3) Notification to Congress

If the President makes the determination described in paragraph (2)(A), the President shall submit to Congress written notification that the determination has been made.

(July 10, 1954, ch. 469, title IV, § 412, as added Pub. L. 94–161, title II, § 212, Dec. 20, 1975, 89 Stat. 855; amended Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3655; Pub. L. 104–127, title II, § 220, Apr. 4, 1996, 110 Stat. 958; Pub. L. 106–387, § 1(a) [title VII, § 768], Oct. 28, 2000, 114 Stat. 1549, 1549A–45; Pub. L. 110–246, title III, §§ 3020, 3021, June 18, 2008, 122 Stat. 1829.)

AMENDMENTS

2008—Subsec. (a). Pub. L. 110–246, § 3020, added subsec. (a) and struck out former subsec. (a) which authorized appropriations for programs under subchapters II, III, and III–A of this chapter.

Subsec. (e). Pub. L. 110–246, § 3021, added subsec. (e).

2000—Subsec. (d). Pub. L. 106–387 substituted ''dairy price support operations'' for ''title I of the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.)''.

1996—Subsec. (b). Pub. L. 104–127, § 220(1), added subsec. (b) and struck out heading and text of former subsec. (b). Text read as follows: ''Of the amounts made available in each fiscal year to carry out subchapters II and III–A of this chapter, not less than—

''(1) 40 percent shall be made available to carry out the credit sales program established under subchapter II of this chapter; and

''(2) 40 percent shall be made available to carry out the grant program established under subchapter III–A of this chapter.''

Subsecs. (c) to (e). Pub. L. 104–127, § 220, redesignated subsecs. (d) and (e) as (c) and (d), respectively, and struck out heading and text of former subsec. (c). Text read as follows: ''Notwithstanding any other provision of law and except as provided in subsection (b) of this section, if the President determines it to be necessary for purposes of this chapter, the President may direct that not in excess of 15 percent of the funds available in any fiscal year for carrying out any subchapter of this chapter be used to carry out any other subchapter of this chapter.''

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions authorizing President to seek agreement for international food reserve, with costs to be shared equitably among nations, and with safeguards against price disruptions.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

DELEGATION OF FUNCTIONS

Functions of President under subsec. (b) of this section delegated to Director of the Office of Management and Budget by section 4(e) of Ex. Ord. No. 12752, Feb. 25, 1991, 56 F.R. 8256, set out as a note under section 1691 of this title.

AVAILABILITY OF FUNDS

Pub. L. 109–97, title VII, § 722, Nov. 10, 2005, 119 Stat. 2152, as amended by Pub. L. 110–246, title III, § 3001(c), June 18, 2008, 122 Stat. 1821, provided that: ''Hereafter, notwithstanding section 412 of the Food for Peace Act (7 U.S.C. 1736f), any balances available to carry out title III of such Act [7 U.S.C. 1727 et seq.] as of the date of enactment of this Act [Nov. 10, 2005], and any recoveries and reimbursements that become available to carry out title III of such Act, may be used to carry out title II of such Act [7 U.S.C. 1721 et seq.].''

Similar provisions were contained in the following prior appropriation acts:

Pub. L. 108–447, div. A, title VII, § 724, Dec. 8, 2004, 118 Stat. 2841.

Pub. L. 108–199, div. A, title VII, § 724, Jan. 23, 2004, 118 Stat. 34.
Pub. L. 108–7, div. A, title VII, § 727, Feb. 20, 2003, 117 Stat. 42.
Pub. L. 107–76, title VII, § 730, Nov. 28, 2001, 115 Stat. 736.

§ 1736f–1. Establishment of commodity trust

(a) In general

To provide for a trust solely to meet emergency humanitarian food needs in developing countries, the Secretary of Agriculture (referred to in this section as the ''Secretary'') shall establish and maintain a trust of wheat, rice, corn, or sorghum, any combination of the commodities, or funds for use as described in subsection (c) of this section.

(b) Commodities or funds in trust

(1) In general

The trust established under this section shall consist of—

(A) wheat in the reserve established under the Food Security Wheat Reserve Act of 1980 as of April 4, 1996;

(B) wheat, rice, corn, and sorghum (referred to in this section as ''eligible commodities'') acquired in accordance with paragraph (2) to replenish eligible commodities released from the trust, including wheat to replenish wheat released from the reserve established under the Food Security Wheat Reserve Act of 1980 but not replenished as of April 4, 1996;

(C) such rice, corn, and sorghum as the Secretary may, at such time and in such manner as the Secretary determines appropriate, acquire as a result of exchanging an equivalent value of wheat in the trust established under this section; and

(D) funds made available—

(i) under paragraph (2)(B);

(ii) as a result of an exchange of any commodity held in the trust for an equivalent amount of funds from the market, if the Secretary determines that such a sale of the commodity on the market will not unduly disrupt domestic markets; or

(iii) to maximize the value of the trust, in accordance with subsection (d)(3).

(2) Replenishment of trust

(A) In general

Subject to subsection (h) of this section, commodities of equivalent value to eligible commodities in the trust established under this section may be acquired—

(i) through purchases—

(I) from producers; or

(II) in the market, if the Secretary determines that the purchases will not unduly disrupt the market; or

(ii) by designation by the Secretary of stocks of eligible commodities of the Commodity Credit Corporation.

(B) Funds

Any funds used to acquire eligible commodities through purchases from producers or in the market to replenish the trust shall be derived—

(i) with respect to fiscal years 2000 through 2012 from funds made available to carry out the Food for Peace Act (7 U.S.C. 1691 et seq.) that are used to repay or reimburse the Commodity Credit Corporation for the release of eligible commodities under subsections (c)(1) and (f)(2) of this section, except that, of such funds, not more than $20,000,000 may be expended for this purpose in each of the fiscal years 2000 through 2012;

(ii) from funds authorized for that use by an appropriations Act; or

(iii) from funds accrued through the management of the trust under subsection (d).

(c) Release of eligible commodities

(1) Releases for emergency assistance

(A) Definition of emergency

(i) In general

In this paragraph, the term ''emergency'' means an urgent situation—

(I) in which there is clear evidence that an event or series of events described in clause (ii) has occurred—

(aa) that causes human suffering; and

(bb) for which a government concerned has not chosen, or has not the means, to remedy; or

(II) created by a demonstrably abnormal event or series of events that produces dislocation in the lives of residents of a country or region of a country on an exceptional scale.

(ii) Event or series of events

An event or series of events referred to in clause (i) includes 1 or more of—

(I) a sudden calamity, such as an earthquake, flood, locust infestation, or similar unforeseen disaster;

(II) a human-made emergency resulting in—

(aa) a significant influx of refugees;

(bb) the internal displacement of populations; or

(cc) the suffering of otherwise affected populations;

(III) food scarcity conditions caused by slow-onset events, such as drought, crop failure, pest infestation, and disease, that result in an erosion of the ability of communities and vulnerable populations to meet food needs; and

(IV) severe food access or availability conditions resulting from sudden economic shocks, market failure, or economic collapse, that result in an erosion of the ability of communities and vulnerable populations to meet food needs.

(B) Releases

(i) In general

Any funds or commodities held in the trust may be released to provide food, and cover any associated costs, under title II of the Food for Peace Act (7 U.S.C. 1721 et seq.)—

(I) to assist in averting an emergency, including during the period immediately preceding the emergency;

(II) to respond to an emergency; or

(III) for recovery and rehabilitation after an emergency.

(ii) Procedure

A release under clause (i) shall be carried out in the same manner, and pursuant to the same authority as provided in title II of that Act.

(C) Insufficiency of other funds

The funds and commodities held in the trust shall be made immediately available on a determination by the Administrator that funds available for emergency needs under title II of that Act (7 U.S.C. 1721 et seq.) for a fiscal year are insufficient to meet emergency needs during the fiscal year.

(D) Waiver relating to minimum tonnage requirements

Nothing in this paragraph requires a waiver by the Administrator of the Agency for International Development under section 204(a)(3) of the Food for Peace Act (7 U.S.C. 1724(a)(3)) as a condition for a release of funds or commodities under subparagraph (B).

(2) Processing of eligible commodities

Eligible commodities that are released from the trust established under this section may be processed in the United States and shipped to a developing country when conditions in the recipient country require processing.

(3) Exchange

The Secretary may exchange an eligible commodity for another United States commodity of equal value, including powdered milk, pulses, and vegetable oil.

(4) Use of normal commercial practices

To the maximum extent practicable consistent with the fulfillment of the purposes of this section and the effective and efficient administration of this section, the Secretary shall use the usual and customary channels, facilities, arrangements, and practices of trade and commerce to carry out this subsection.

(d) Management of trust

(1) In general

The Secretary shall provide for the management of eligible commodities and funds held in the trust in a manner that is consistent with maximizing the value of the trust, as determined by the Secretary.

(2) Eligible commodities

The Secretary shall provide—

(A) for the management of eligible commodities in the trust established under this section as to location and quality of eligible commodities needed to meet emergency situations;

(B) for the periodic rotation or replacement of stocks of eligible commodities in the trust to avoid spoilage and deterioration of the commodities;[1]

(C) subject to the need for release of commodities from the trust under subsection (c)(1) of this section, for the management of the trust to preserve the value of the trust through acquisitions under subsection (b)(2) of this section; and[2]

(3) Funds

(A) Exchanges

If any commodity held in the trust is exchanged for funds under subsection (b)(1)(D)(ii), the funds shall be held in the trust until the date on which the funds are released in the case of an emergency under subsection (c).

(B) Investment

The Secretary may invest funds held in the trust in any short-term obligation of the United States or any other low-risk short-term instrument or security insured by the Federal Government in which a regulated insurance company may invest under the laws of the District of Columbia.

(e) Treatment of trust under other law

Eligible commodities in the trust established under this section shall not be—

(1) considered a part of the total domestic supply (including carryover) for the purpose of subsection (c) of this section or for the purpose of administering the Food for Peace Act (7 U.S.C. 1691 et seq.); and

(2) subject to any quantitative limitation on exports that may be imposed under section 2406 of title 50, Appendix.

(f) Use of Commodity Credit Corporation

(1) In general

Subject to the limitations provided in this section, the funds, facilities, and authorities of the Commodity Credit Corporation shall be used by the Secretary in carrying out this section, except that any restriction applicable to the acquisition, storage, or disposition of eligible commodities owned or controlled by the Commodity Credit Corporation shall not apply.

(2) Reimbursement of trust

(A) In general

The Commodity Credit Corporation shall be reimbursed for the release of eligible commodities from funds made available to carry out the Food for Peace Act (7 U.S.C. 1691 et seq.) and the funds shall be available to replenish the trust under subsection (b) of this section.

(B) Basis for reimbursement

The reimbursement shall be made on the basis of the lesser of—

(i) the actual costs incurred by the Commodity Credit Corporation with respect to the eligible commodity; or

(ii) the export market price of the eligible commodity (as determined by the Secretary) as of the time the eligible commodity is released from the trust.

[1] So in original. Probably should be followed by ''and''.

[2] So in original. The ''; and'' probably should be a period.

(C) Source of funds

The reimbursement may be made from funds appropriated for subsequent fiscal years.

(g) Finality of determination

Any determination by the Secretary under this section shall be final.

(h) Termination of authority

(1) In general

The authority to replenish stocks of eligible commodities to maintain the trust established under this section shall terminate on September 30, 2012.

(2) Disposal of eligible commodities

Eligible commodities remaining in the trust after September 30, 2012, shall be disposed of by release for use in providing for emergency humanitarian food needs in developing countries as provided in this section.

(Pub. L. 96–494, title III, § 302, as added Pub. L. 104–127, title II, § 225(a), Apr. 4, 1996, 110 Stat. 959; amended Pub. L. 105–385, title II, § 212(a), (b)(3), Nov. 13, 1998, 112 Stat. 3465, 3467; Pub. L. 107–171, title III, § 3202, May 13, 2002, 116 Stat. 300; Pub. L. 110–246, title III, §§ 3001(b)(1)(A), (2)(E), 3201, June 18, 2008, 122 Stat. 1820, 1834.)

REFERENCES IN TEXT

The Food Security Wheat Reserve Act of 1980, referred to in subsec. (b)(1)(A), (B), is title III of the Agricultural Act of 1980, Pub. L. 96–494, Dec. 3, 1980, 94 Stat. 2578, which enacted former section 1736f–1 of this title and provisions set out as notes under that section, prior to the general amendment of title III by Pub. L. 104–127, title II, § 225(a), Apr. 4, 1996, 110 Stat. 959.

The Food for Peace Act, referred to in subsecs. (b)(2)(B)(i), (c)(1)(B), (C), (e)(1), and (f)(2)(A), is act July 10, 1954, ch. 469, 68 Stat. 454, which is classified generally to this chapter (§ 1691 et seq.). Title II of the Act is classified to subchapter III (§ 1721 et seq.) of this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 1691 of this title and Tables.

CODIFICATION

Section was enacted as part of the Bill Emerson Humanitarian Trust Act which is title III of the Agricultural Act of 1980, and not as part of the Food for Peace Act which comprises this chapter.

PRIOR PROVISIONS

A prior section 1736f–1, Pub. L. 96–494, title III, § 302, Dec. 3, 1980, 94 Stat. 2578; Pub. L. 99–198, title X, § 1013, Dec. 23, 1985, 99 Stat. 1456; Pub. L. 101–624, title XI, § 1143, title XV, § 1515(c), Nov. 28, 1990, 104 Stat. 3515, 3663, established food security wheat reserve, prior to general amendment of title III of Pub. L. 96–494 by Pub. L. 104–127, § 225(a).

AMENDMENTS

2008—Subsec. (a). Pub. L. 110–246, § 3201(1), substituted ''establish and maintain a trust'' for ''establish a trust stock'' and ''any combination of the commodities, or funds'' for ''or any combination of the commodities, totaling not more than 4,000,000 metric tons''.

Subsec. (b)(1)(D). Pub. L. 110–246, § 3201(2)(A), added subpar. (D) and struck out former subpar. (D) which read as follows: ''funds made available under paragraph (2)(B) which shall be used solely to replenish commodities in the trust.''

Subsec. (b)(2)(B)(i). Pub. L. 110–246, § 3201(2)(B)(i), substituted ''2012'' for ''2007'' in two places, substituted ''(c)(1)'' for ''(c)(2)'', and struck out ''and'' at end.

Pub. L. 110–246, § 3001(b)(1)(A), (2)(E), substituted ''Food for Peace Act'' for ''Agricultural Trade Development and Assistance Act of 1954''.

Subsec. (b)(2)(B)(ii), (iii). Pub. L. 110–246, § 3201(2)(B)(ii), (iii), substituted ''; or'' for period at end of cl. (ii) and added cl. (iii).

Subsec. (c). Pub. L. 110–246, § 3201(3), added par. (1), redesignated former pars. (3) to (5) as (2) to (4), respectively, and struck out former pars. (1) and (2) which related to, in par. (1), release of eligible commodities to provide emergency assistance to developing countries under title II of the Agricultural Trade Development and Assistance Act of 1954, and, in par. (2), release of eligible commodities to provide emergency food assistance to developing countries at such time as the domestic supply of such commodities had been so limited that quantities of them could not have been made available for disposition under the Act.

Subsec. (d). Pub. L. 110–246, § 3201(4), substituted ''Management of trust'' for ''Management of eligible commodities'' in subsec. heading, added par. (1), designated existing provisions as par. (2), inserted par. heading, redesignated former pars. (1) to (3) as subpars. (A) to (C), respectively, of par. (2), and added par. (3).

Subsecs. (e)(1), (f)(2)(A). Pub. L. 110–246, § 3001(b)(1)(A), (2)(E), substituted ''Food for Peace Act'' for ''Agricultural Trade Development and Assistance Act of 1954''.

Subsec. (h). Pub. L. 110–246, § 3201(5), substituted ''2012'' for ''2007'' in pars. (1) and (2).

2002—Subsec. (b)(2)(B)(i). Pub. L. 107–171 substituted ''2007'' for ''2002'' in two places.

Subsec. (h). Pub. L. 107–171 substituted ''2007'' for ''2002'' in pars. (1) and (2).

1998—Pub. L. 105–385, § 212(b)(3)(A), substituted ''trust'' for ''reserve'' in section catchline.

Subsec. (a). Pub. L. 105–385, § 212(b)(3)(B), substituted ''trust'' for ''reserve'' in two places.

Subsec. (b). Pub. L. 105–385, § 212(a)(1)(A), (b)(3)(C)(i), in heading inserted ''or funds'' after ''Commodities'' and substituted ''trust'' for ''reserve''.

Subsec. (b)(1). Pub. L. 105–385, § 212(b)(3)(B), substituted ''trust'' for ''reserve'' in introductory provisions.

Subsec. (b)(1)(B). Pub. L. 105–385, § 212(b)(3)(C)(ii), substituted ''trust,'' for ''reserve,''.

Subsec. (b)(1)(C). Pub. L. 105–385, § 212(b)(3)(B), substituted ''trust'' for ''reserve''.

Subsec. (b)(1)(D). Pub. L. 105–385, § 212(a)(1)(B), added subpar. (D).

Subsec. (b)(2). Pub. L. 105–385, § 212(b)(3)(C)(iii), substituted ''trust'' for ''reserve'' in heading.

Subsec. (b)(2)(A). Pub. L. 105–385, § 212(b)(3)(B), substituted ''trust'' for ''reserve'' in introductory provisions.

Subsec. (b)(2)(B). Pub. L. 105–385, § 212(a)(1)(C), added subpar. (B) and struck out heading and text of former subpar. (B). Text read as follows: ''Any use of funds to acquire eligible commodities through purchases from producers or in the market to replenish the reserve must be authorized in an appropriations Act.''

Subsec. (c)(1)(B). Pub. L. 105–385, § 212(b)(3)(B), substituted ''trust'' for ''reserve'' in introductory provisions.

Subsec. (c)(2). Pub. L. 105–385, § 212(a)(2), (b)(3)(B), designated existing provisions as subpar. (A), inserted heading, substituted ''trust'' for ''reserve'', and added subpar. (B).

Subsecs. (c)(3), (d)(1), (2). Pub. L. 105–385, § 212(b)(3)(B), substituted ''trust'' for ''reserve''.

Subsec. (d)(3). Pub. L. 105–385, § 212(a)(3), added par. (3).

Subsec. (e). Pub. L. 105–385, § 212(b)(3)(B), (D), substituted ''trust'' for ''reserve'' in heading and introductory provisions.

Subsec. (f)(2). Pub. L. 105–385, § 212(a)(4)(A), inserted ''of trust'' after ''Reimbursement'' in heading.

Subsec. (f)(2)(A). Pub. L. 105–385, § 212(a)(4)(B), inserted before period at end ''and the funds shall be available to replenish the trust under subsection (b) of this section''.

Subsecs. (f)(2)(B)(ii), (h)(1), (2). Pub. L. 105–385, § 212(b)(3)(B), substituted ''trust'' for ''reserve''.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE

Section 303 of title III of Pub. L. 96–494 provided that former section 1736f–1 of this title and provisions set out as a note under that section became effective on Dec. 3, 1980, prior to the general amendment of title III of Pub. L. 96–494 by Pub. L. 104–127, § 225(a).

SHORT TITLE

Section 301 of title III of Pub. L. 96–494, as added by Pub. L. 104–127, title II, § 225(a), Apr. 4, 1996, 110 Stat. 959, and amended by Pub. L. 105–385, title II, § 212(b)(2), Nov. 13, 1998, 112 Stat. 3466, provided that: ''This title [enacting this section] may be cited as the 'Bill Emerson Humanitarian Trust Act'.''

A prior section 301 of title III of Pub. L. 96–494 provided that title III (enacting former section 1736f–1 of this title and provisions set out as a note under that section) could be cited as the ''Food Security Wheat Reserve Act of 1980'', prior to the general amendment of title III of Pub. L. 96–494 by Pub. L. 104–127, § 225(a).

§ 1736g. Coordination of foreign assistance programs

(a) In general

To the maximum extent practicable, assistance for a foreign country under subchapter III–A of this chapter shall be coordinated and integrated with United States development assistance objectives and programs for that country and with the overall development strategy of that country. Special emphasis should be placed on, and funds devoted to, activities that will increase the nutritional impact of programs of assistance under subchapter III–A of this chapter, and child survival programs and projects, in least developed countries by improving the design and implementation of such programs and projects.

(b) Report regarding efforts to improve procurement planning

(1) Report required

Not later than 90 days after June 18, 2008, the Administrator and the Secretary shall submit to each appropriate committee of Congress a report that contains a description of each effort taken by the Administrator and the Secretary to improve planning for food and transportation procurement (including efforts to eliminate bunching of food purchases).

(2) Contents

A report required under paragraph (1) should include a description of each effort taken by the Administrator and the Secretary—

(A) to improve the coordination of food purchases made by—

(i) the United States Agency for International Development; and

(ii) the Department of Agriculture;

(B) to increase flexibility with respect to procurement schedules;

(C) to increase the use of historical analyses and forecasting; and

(D) to improve and streamline legal claims processes for resolving transportation disputes.

(July 10, 1954, ch. 469, title IV, § 413, as added Pub. L. 96–53, title II, § 210, Aug. 14, 1979, 93 Stat. 370; amended Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3656; Pub. L. 104–127, title II, § 221, Apr. 4, 1996, 110 Stat. 958; Pub. L. 110–246, title III, § 3022, June 18, 2008, 122 Stat. 1829.)

AMENDMENTS

2008—Pub. L. 110–246 designated existing provisions as subsec. (a), inserted heading, and added subsec. (b).

1996—Pub. L. 104–127 substituted ''subchapter III–A of this chapter'' for ''this chapter'' in two places.

1990—Pub. L. 101–624 amended section generally, substituting present provisions for provisions requiring, to maximum extent practicable, availability of commodities on multiyear basis.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–624 effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as a note under section 1691 of this title.

EFFECTIVE DATE

Section effective Oct. 1, 1979, see section 512(a) of Pub. L. 96–53, set out as an Effective Date of 1979 Amendment note under section 2151 of Title 22, Foreign Relations and Intercourse.

§ 1736g–1. Assistance in furtherance of narcotics control objectives of United States

(a) Substantial injury

Local currencies that are made available for use under this chapter may not be used to finance the production for export of agricultural commodities (or products thereof) that would compete in the world market with similar agricultural commodities (or products thereof) produced in the United States, if such competition would cause substantial injury to the United States producers, as determined by the President.

(b) Exception for narcotics control

Notwithstanding subsection (a) of this section, the President may provide assistance under this chapter, including assistance through the use of local currencies generated by the sale of commodities under such chapter, for economic development activities undertaken in an eligible country that is a major illicit drug producing country (as defined in section 2291(i)(2)[1] of title 22), for the purpose of reducing the dependence of the economy of such country on the production of crops from which narcotic and psychotropic drugs are derived.

(July 10, 1954, ch. 469, title IV, § 414, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3656.)

EFFECTIVE DATE

Section effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as an Effective Date of 1990 Amendment note under section 1691 of this title.

[1] So in original. Probably should be section ''2291(e)(2)''.

§ 1736g–2. Micronutrient fortification programs

(a) In general

(1) Programs

Not later than September 30, 2008, the Administrator, in consultation with the Secretary, shall establish micronutrient fortification programs.

(2) Purpose

The purpose of a program shall be to—

(A) assist developing countries in correcting micronutrient dietary deficiencies among segments of the populations of the countries; and

(B) assess and apply technologies and systems to improve and ensure the quality, shelf life, bioavailability, and safety of fortified food aid agricultural commodities, and products of those agricultural commodities, using recommendations included in the report entitled ''Micronutrient Compliance Review of Fortified Public Law 480 Commodities'', published in October 2001, with implementation by independent entities with proven experience and expertise in food aid commodity quality enhancements.

(b) Fortification

Under a program, grains and other commodities made available to a developing country selected to participate in a program may be fortified with 1 or more micronutrients (such as vitamin A, iron, iodine, and folic acid) with respect to which a substantial portion of the population in the country is deficient. The commodity may be fortified in the United States or in the developing country.

(c) Termination of authority

The authority to carry out programs established under this section shall terminate on September 30, 2012.

(July 10, 1954, ch. 469, title IV, § 415, as added Pub. L. 104–127, title II, § 222, Apr. 4, 1996, 110 Stat. 958; amended Pub. L. 107–171, title III, § 3013, May 13, 2002, 116 Stat. 284; Pub. L. 110–246, title III, § 3023, June 18, 2008, 122 Stat. 1830.)

AMENDMENTS

Subsec. (a)(1). Pub. L. 110–246, § 3023(1)(A), substituted ''2008'' for ''2003''.

Subsec. (a)(2). Pub. L. 110–246, § 3023(1)(B), in subpar. (A), inserted ''and'' at end, added subpar. (B), and struck out former subpars. (B) and (C) which read as follows:

''(B) encourage the development of technologies for the fortification of grains and other commodities that are readily transferable to developing countries; and

''(C) assess and apply technologies and systems to improve and ensure the quality, shelf life, bioavailability, and safety of fortified food aid commodities, and products of those commodities, that are provided to developing countries, by using the same mechanism that was used to assess the micronutrient fortification program in the report entitled 'Micronutrient Compliance Review of Fortified P.L. 480 Commodities', published October 2001 with funds from the Bureau for Humanitarian Response of the United States Agency for International Development.''

Subsecs. (b) to (d). Pub. L. 110–246, § 3023(2), (3), redesignated subsecs. (c) and (d) as (b) and (c), respectively, in subsec. (c), substituted ''2012'' for ''2007'', and struck out former subsec. (b). Prior to amendment, text read as follows: ''From among the countries eligible for assistance under this chapter, the Secretary may select not more than 5 developing countries to participate in a program under this section.''

2002—Pub. L. 107–171, § 3013(1), substituted ''programs'' for ''pilot program'' in section catchline.

Subsec. (a). Pub. L. 107–171, § 3013(2), designated first sentence as par. (1), inserted heading, and substituted ''Not later than September 30, 2003, the Administrator, in consultation with the Secretary, shall establish micronutrient fortification programs.'' for ''Subject to the availability of practical technology and to cost effectiveness, not later than September 30, 1997, the Secretary, in consultation with the Administrator, shall establish a micronutrient fortification pilot program under this chapter.'', designated second sentence as par. (2), inserted heading, and substituted ''The purpose of a program'' for ''The purpose of the program'', redesignated former pars. (1) and (2) as subpars. (A) and (B) of par. (2), respectively, struck out ''and'' at end of subpar. (A), struck out ''whole'' before ''grains and other commodities'' and substituted ''; and'' for period at end of subpar. (B), and added subpar. (C).

Subsec. (b). Pub. L. 107–171, § 3013(3), substituted ''a program under this section'' for ''the pilot program''.

Subsec. (c). Pub. L. 107–171, § 3013(4), substituted ''a program, grains'' for ''the pilot program, whole grains'', ''a program may be fortified'' for ''the pilot program may be fortified'', and ''(such as vitamin A, iron, iodine, and folic acid)'' for ''(including vitamin A, iron, and iodine)''.

Subsec. (d). Pub. L. 107–171, § 3013(5), substituted ''programs'' for ''the pilot program'' and ''2007'' for ''2002''.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

§ 1736g–3. Use of certain local currency

Local currency payments received by the United States pursuant to agreements entered into under subchapter II of this chapter (as in effect on November 27, 1990) may be utilized by the Secretary in accordance with section 1708 of this title (as in effect on November 27, 1990).

(July 10, 1954, ch. 469, title IV, § 416, as added Pub. L. 104–127, title II, § 223, Apr. 4, 1996, 110 Stat. 958.)

REFERENCES IN TEXT

Section 1708 of this title (as in effect on November 27, 1990), referred to in text, was omitted in the general amendment of this chapter by Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3633.

§ 1736h. Congressional consultation on bilateral commodity supply agreements

As soon as practicable before the Government of the United States enters into any bilateral international agreement, other than a treaty, involving a commitment on the part of the United States to assure access by a foreign country or instrumentality thereof to United States agricultural commodities or products thereof on a commercial basis, the President is encouraged to notify and consult with the appropriate committees of Congress for the purpose of setting forth in detail the terms of and reasons for negotiating such agreement.

(Pub. L. 97–98, title XII, § 1202, Dec. 22, 1981, 95 Stat. 1275.)

CODIFICATION

Section was enacted as part of the Agriculture and Food Act of 1981, and not as part of the Food for Peace Act which comprises this chapter.

EFFECTIVE DATE

Section effective Dec. 22, 1981, see section 1801 of Pub. L. 97–98, set out as a note under section 4301 of this title.

§§ 1736i to 1736k. Repealed. Pub. L. 101–624, title XV, § 1573, Nov. 28, 1990, 104 Stat. 3702

Section 1736i, Pub. L. 97–98, title XII, § 1203, Dec. 22, 1981, 95 Stat. 1275, provided for a special standby export subsidy program.

Section 1736j, Pub. L. 97–98, title XII, § 1204, Dec. 22, 1981, 95 Stat. 1276; Pub. L. 99–198, title XI, § 1133(b), Dec. 23, 1985, 99 Stat. 1489, provided for protection against agricultural embargo. See section 5672 of this title.

Section 1736k, Pub. L. 97–98, title XII, § 1205, Dec. 22, 1981, 95 Stat. 1277, provided for development of plans, recommendations, and programs to alleviate the adverse impact of export embargoes on agricultural commodities. See section 5672 of this title.

§ 1736*l*. Consultation on grain marketing

Congress encourages the Secretary of Agriculture, in coordination with other appropriate Federal departments and agencies, to continue to consult with representatives of other major grain exporting nations toward the goal of establishing more orderly marketing of grain and achieving higher farm income for producers of grain.

(Pub. L. 97–98, title XII, § 1206, Dec. 22, 1981, 95 Stat. 1278.)

CODIFICATION

Section was enacted as part of the Agriculture and Food Act of 1981, and not as part of the Food for Peace Act which comprises this chapter.

EFFECTIVE DATE

Section effective Dec. 22, 1981, see section 1801 of Pub. L. 97–98, set out as a note under section 4301 of this title.

§§ 1736m, 1736n. Repealed. Pub. L. 104–127, title II, §§ 226, 266, Apr. 4, 1996, 110 Stat. 962, 974

Section 1736m, Pub. L. 97–98, title XII, § 1207, Dec. 22, 1981, 95 Stat. 1278; Pub. L. 99–198, title XI, § 1126(c), Dec. 23, 1985, 99 Stat. 1482, related to expansion of international markets for United States agricultural commodities and products.

Section 1736n, Pub. L. 97–98, title XII, § 1208, Dec. 22, 1981, 95 Stat. 1280; Pub. L. 101–624, title XV, § 1515(a), Nov. 28, 1990, 104 Stat. 3663, directed Secretary of Agriculture to continue investigating potential for increased usage of protein byproducts derived from alcohol fuel production and report results to Congress.

§ 1736*o*. Food for progress

(a) Short title

This section may be cited as the ''Food for Progress Act of 1985''.

(b) Definitions

In this section:

(1) Cooperative

The term ''cooperative'' has the meaning given the term in section 402 of the Food for Peace Act (7 U.S.C. 1732).

(2) Corporation

The term ''Corporation'' means the Commodity Credit Corporation.

(3) Developing country

The term ''developing country'' has the meaning given the term in section 402 of the Food for Peace Act (7 U.S.C. 1732).

(4) Eligible commodity

The term ''eligible commodity'' means an agricultural commodity, or a product of an agricultural commodity, in inventories of the Corporation or acquired by the President or the Corporation for disposition through commercial purchases under a program authorized under this section.

(5) Eligible entity

The term ''eligible entity'' means—

(A) the government of an emerging agricultural country;

(B) an intergovernmental organization;

(C) a private voluntary organization;

(D) a nonprofit agricultural organization or cooperative;

(E) a nongovernmental organization; and

(F) any other private entity.

(6) Food security

The term ''food security'' means access by all people at all times to sufficient food and nutrition for a healthy and productive life.

(7) Nongovernmental organization

The term ''nongovernmental organization'' has the meaning given the term in section 402 of the Food for Peace Act (7 U.S.C. 1732).

(8) Private voluntary organization

The term ''private voluntary organization'' has the meaning given the term in section 402 of the Food for Peace Act (7 U.S.C. 1732).

(9) Program

The term ''program'' means a food assistance or development initiative proposed by an eligible entity and approved by the President under this section.

(c) Program

In order to use the food resources of the United States more effectively in support of developing countries, and countries that are emerging democracies that have made commitments to introduce or expand free enterprise elements in their agricultural economies through changes in commodity pricing, marketing, input availability, distribution, and private sector involvement, the President shall enter into agreements with eligible entities to furnish to the countries eligible commodities made available under subsections (e) and (f) of this section.

(d) Consideration for agreements

In determining whether to enter into an agreement under this section, the President shall consider whether a potential recipient country is committed to carry out, or is carrying out, policies that promote economic freedom, private, domestic production of eligible commodities for domestic consumption, and the creation and expansion of efficient domestic markets for the purchase and sale of such eligible commod-

ities. Such policies may provide for, among other things—

(1) access, on the part of farmers in the country, to private, competitive markets for their product;

(2) market pricing of eligible commodities to foster adequate private sector incentives to individual farmers to produce food on a regular basis for the country's domestic needs;

(3) establishment of market-determined foreign exchange rates;

(4) timely availability of production inputs (such as seed, fertilizer, or pesticides) to farmers;

(5) access to technologies appropriate to the level of agricultural development in the country; and

(6) construction of facilities and distribution systems necessary to handle perishable products.

(e) Funding of eligible commodities

(1) The Corporation shall make available to the President such eligible commodities as the President may request for purposes of furnishing eligible commodities under this section.

(2) Notwithstanding any other provision of law, the Corporation may use funds appropriated to carry out title I of the Food for Peace Act [7 U.S.C. 1701 et seq.] in carrying out this section with respect to eligible commodities made available under that Act [7 U.S.C. 1691], and subsection (g) of this section does not apply to eligible commodities furnished on a grant basis or on credit terms under that title.

(3) The Corporation may finance the sale and exportation of eligible commodities, made available under the Food for Peace Act [7 U.S.C. 1691 et seq.], which are furnished under this section. Payment for eligible commodities made available under that Act which are purchased on credit terms under this section shall be on the same basis as the terms provided in section 103 of that Act [7 U.S.C. 1703].

(4) In the case of eligible commodities made available under the Food for Peace Act for purposes of this section, section 406 of that Act [7 U.S.C. 1736] shall apply to eligible commodities furnished on a grant basis under this section and sections 402, 403(a), 403(c), and 403(i) of that Act [7 U.S.C. 1732, 1733(a), (c), (i)] shall apply to all eligible commodities furnished under this section.

(5) NO EFFECT ON DOMESTIC PROGRAMS.—The President shall not make an eligible commodity available for disposition under this section in any amount that will reduce the amount of the eligible commodity that is traditionally made available through donations to domestic feeding programs or agencies, as determined by the President.

(f) Provision of eligible commodities to developing countries

(1) The Corporation may provide for—

(A) grants, or

(B) sales on credit terms,

of eligible commodities made available under section 1431(b) of this title for use in carrying out this section.

(2) In carrying out section 1431(b) of this title, the Corporation may purchase eligible commodities for use under this section if—

(A) the Corporation does not hold stocks of such eligible commodities; or

(B) Corporation stocks are insufficient to satisfy commitments made in agreements entered into under this section and such eligible commodities are needed to fulfill such commitments.

(3) No funds of the Corporation in excess of $40,000,000 (exclusive of the cost of eligible commodities) may be used for each of fiscal years 1996 through 2012 to carry out this section with respect to eligible commodities made available under section 1431(b) of this title unless authorized in advance in appropriation Acts.

(4) The cost of eligible commodities made available under section 1431(b) of this title which are furnished under this section, and the expenses incurred in connection with furnishing such eligible commodities, shall be in addition to the level of assistance programmed under the Food for Peace Act [7 U.S.C. 1691 et seq.] and may not be considered expenditures for international affairs and finance.

(5) SALE PROCEDURE.—In making sales of eligible eligible[1] commodities under this section, the Secretary shall follow the sale procedure described in section 403(*l*) of the Food for Peace Act [7 U.S.C. 1733(*l*)].

(6) PROJECT IN MALAWI.—

(A) IN GENERAL.—In carrying out this section during fiscal year 2009, the President shall approve not less than 1 multiyear project for Malawi—

(i) to promote sustainable agriculture; and

(ii) to increase the number of women in leadership positions.

(B) USE OF ELIGIBLE COMMODITIES.—Of the eligible commodities used to carry out this section during the period in which the project described in subparagraph (A) is carried out, the President shall carry out the project using eligible commodities with a total value of not less than $3,000,000 during the course of the project.

(g) Minimum tonnage

Subject to subsection (f)(3) of this section, not less than 400,000 metric tons of eligible commodities shall be provided under this section for the program for each of fiscal years 2002 through 2012.

(h) Prohibition on resale or transshipment of eligible commodities

An agreement entered into under this section shall prohibit the resale or transshipment of the eligible commodities provided under the agreement to other countries.

(i) Displacement of United States commercial sales

In entering into agreements under this section, the President shall take reasonable steps to avoid displacement of any sales of United States commodities that would otherwise be made to such countries.

(j) Multicountry or multiyear basis

(1) In general

In carrying out this section, the President, on request and subject to the availability of

[1] So in original.

eligible commodities, is encouraged to approve agreements that provide for eligible commodities to be made available for distribution or sale by the recipient on a multicountry or multiyear basis if the agreements otherwise meet the requirements of this section.

(2) Deadline for program announcements

Before the beginning of any fiscal year, the President shall, to the maximum extent practicable—

(A) make all determinations concerning program agreements and resource requests for programs under this section; and

(B) announce those determinations.

(3) Report

Not later than December 1 of each fiscal year, the President shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a list of programs, countries, and eligible commodities, and the total amount of funds for transportation and administrative costs, approved to date for the fiscal year under this section.

(k) Effective and termination dates

This section shall be effective during the period beginning October 1, 1985, and ending December 31, 2012.

(*l*) Administrative expenses

(1) To enhance the development of private sector agriculture in countries receiving assistance under this section the President may, in each of the fiscal years 1996 through 2012, use in addition to any amounts or eligible commodities otherwise made available under this section for such activities, not to exceed $15,000,000 (or, in the case of fiscal year 1999, $12,000,000) of Corporation funds (or eligible commodities of an equal value owned by the Corporation), to provide assistance in the administration, sale, and monitoring of food assistance programs, and to provide technical assistance for monetization programs, to strengthen private sector agriculture in recipient countries.

(2) To carry out this subsection, the President may provide eligible commodities under agreements entered into under this section in a manner that uses the commodity transaction as a means of developing in the recipient countries a competitive private sector that can provide for the importation, transportation, storage, marketing and distribution of such eligible commodities.

(3) The President may use the assistance provided under this subsection and proceeds derived from the sale of eligible commodities under paragraph (2) to design, monitor, and administer activities undertaken with such assistance, for the purpose of strengthening or creating the capacity of recipient country private enterprises to undertake commercial transactions, with the overall goal of increasing potential markets for United States agricultural eligible commodities.

(4) HUMANITARIAN OR DEVELOPMENT PURPOSES.—The Secretary may authorize the use of proceeds to pay the costs incurred by an eligible entity under this section for—

(A)(i) programs targeted at hunger and malnutrition; or

(ii) development programs involving food security;

(B) transportation, storage, and distribution of eligible commodities provided under this section; and

(C) administration, sales, monitoring, and technical assistance.

(m) Presidential approval

In carrying out this section, the President shall approve, as determined appropriate by the President, agreements with agricultural trade organizations, intergovernmental organizations, private voluntary organizations, and cooperatives that provide for—

(1) the sale of eligible commodities, including the marketing of eligible commodities through the private sector; and

(2) the use of the proceeds generated in the humanitarian and development programs of such agricultural trade organizations, intergovernmental organizations, private voluntary organizations, and cooperatives.

(n) Program management

(1) In general

The President shall ensure, to the maximum extent practicable, that each eligible entity participating in 1 or more programs under this section—

(A) uses eligible commodities made available under this section—

(i) in an effective manner;

(ii) in the areas of greatest need; and

(iii) in a manner that promotes the purposes of this section;

(B) in using eligible commodities, assesses and takes into account the needs of recipient countries and the target populations of the recipient countries;

(C) works with recipient countries, and indigenous institutions or groups in recipient countries, to design and carry out mutually acceptable programs authorized under this section; and

(D) monitors and reports on the distribution or sale of eligible commodities provided under this section using methods that, as determined by the President, facilitate accurate and timely reporting.

(2) Requirements

(A) In general

Not later than 270 days after May 13, 2002, the President shall review and, as necessary, make changes in regulations and internal procedures designed to streamline, improve, and clarify the application, approval, and implementation processes pertaining to agreements under this section.

(B) Considerations

In conducting the review, the President shall consider—

(i) revising procedures for submitting proposals;

(ii) developing criteria for program approval that separately address the objectives of the program;

(iii) pre-screening organizations and proposals to ensure that the minimum qualifications are met;

(iv) implementing e-government initiatives and otherwise improving the efficiency of the proposal submission and approval processes;

(v) upgrading information management systems;

(vi) improving commodity and transportation procurement processes; and

(vii) ensuring that evaluation and monitoring methods are sufficient.

(C) Consultations

Not later than 1 year after May 13, 2002, the President shall consult with the Committee on Agriculture, and the Committee on International Relations, of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on changes made in regulations and procedures.

(3) Reports

Each eligible entity that enters into an agreement under this section shall submit to the President, at such time as the President may request, a report containing such information as the President may request relating to the use of eligible commodities and funds furnished to the eligible entity under this section.

(*o*) Private voluntary organizations and other private entities

In entering into agreements described in subsection (c) of this section, the President (acting through the Secretary)—

(1) shall enter into agreements with eligible entities described in subparagraphs (C) and (F) of subsection (b)(5) of this section; and

(2) shall not discriminate against such eligible entities.

(Pub. L. 99–198, title XI, § 1110, Dec. 23, 1985, 99 Stat. 1472; Pub. L. 100–418, title IV, § 4303, Aug. 23, 1988, 102 Stat. 1397; Pub. L. 101–624, title XV, §§ 1516, 1572(1), Nov. 28, 1990, 104 Stat. 3663, 3702; Pub. L. 102–237, title III, § 335, Dec. 13, 1991, 105 Stat. 1859; Pub. L. 102–511, title VII, § 701, Oct. 24, 1992, 106 Stat. 3348; Pub. L. 104–127, title II, §§ 227, 265(b), Apr. 4, 1996, 110 Stat. 962, 974; Pub. L. 105–277, div. A, § 101(a) [title XI, § 1125], Oct. 21, 1998, 112 Stat. 2681, 2681–45; Pub. L. 107–171, title III, §§ 3009(b)(2), 3106, May 13, 2002, 116 Stat. 283, 291; Pub. L. 108–7, div. A, title VII, § 745, Feb. 20, 2003, 117 Stat. 44; Pub. L. 110–246, title III, §§ 3001(b)(1)(A), (2)(F), 3014(b)(2), 3105, June 18, 2008, 122 Stat. 1820, 1826, 1833.)

REFERENCES IN TEXT

The Food for Peace Act, referred to in subsecs. (e) and (f)(4), is act July 10, 1954, ch. 469, 68 Stat. 454, which is classified generally to this chapter (§ 1691 et seq.). Title I of the Act is classified to subchapter II (§ 1701 et seq.) of this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 1691 of this title and Tables.

CODIFICATION

Section was enacted as part of the Food Security Act of 1985, and not as part of the Food for Peace Act which comprises this chapter.

AMENDMENTS

2008—Subsec. (b). Pub. L. 110–246, § 3001(b)(1)(A), (2)(F), substituted ''Food for Peace Act'' for ''Agricultural Trade Development and Assistance Act of 1954'' wherever appearing.

Subsec. (e)(1). Pub. L. 110–246, § 3014(b)(2), struck out ''determined to be available under section 401 of the Agricultural Trade Development and Assistance Act of 1954'' after ''such eligible commodities''.

Subsec. (e)(2) to (4). Pub. L. 110–246, § 3001(b)(1)(A), (2)(F), substituted ''Food for Peace Act'' for ''Agricultural Trade Development and Assistance Act of 1954''.

Subsec. (f)(3). Pub. L. 110–246, § 3105(a), substituted ''2012'' for ''2007''.

Subsec. (f)(4), (5). Pub. L. 110–246, § 3001(b)(1)(A), (2)(F), substituted ''Food for Peace Act'' for ''Agricultural Trade Development and Assistance Act of 1954''.

Subsec. (f)(6). Pub. L. 110–246, § 3105(b), added par. (6).

Subsecs. (g), (k), (*l*)(1). Pub. L. 110–246, § 3105(a), substituted ''2012'' for ''2007''.

2003—Subsecs. (c), (g). Pub. L. 108–7, § 745(1), substituted ''shall'' for ''may''.

Subsec. (*o*). Pub. L. 108–7, § 745(2), added subsec. (*o*).

2002—Subsecs. (b), (c). Pub. L. 107–171, § 3106(b)(1), added heading and text of subsecs. (b) and (c) and struck out former subsecs. (b) and (c) which read as follows:

''(b) In order to use the food resources of the United States more effectively in support of developing countries, and countries that are emerging democracies, that have made commitments to introduce or expand free enterprise elements in their agricultural economies through changes in commodity pricing, marketing, input availability, distribution, and private sector involvement, the President is authorized to enter into agreements with the governments of such countries (including the independent states of the former Soviet Union), or with private voluntary organizations, nonprofit agricultural organizations, cooperatives, intergovernmental organizations, or other private entities, to furnish commodities made available pursuant to subsections (e) and (f) of this section. Such agreements may provide for commodities to be furnished on a multiyear basis.

''(c) As used in this section, the term 'commodities' means agricultural commodities and the products thereof.''

Subsec. (d). Pub. L. 107–171, § 3106(b)(2)(A), (D), (c), inserted heading, in introductory provisions struck out ''food'' after ''domestic production of'' and substituted ''eligible commodities'' for ''commodities'' in two places, and in par. (2) substituted ''eligible commodities'' for ''commodities''.

Subsec. (e). Pub. L. 107–171, § 3106(b)(2)(D), (E), (d), inserted heading, substituted ''eligible commodities'' for ''commodities'' and ''Corporation'' for ''Commodity Credit Corporation'' wherever appearing, inserted '', and subsection (g) of this section does not apply to eligible commodities furnished on a grant basis or on credit terms under that title'' before period at end of par. (2), and added par. (5).

Subsec. (f). Pub. L. 107–171, § 3106(b)(2)(D), (E), (e)(1), inserted heading and substituted ''eligible commodities'' for ''commodities'' and ''Corporation'' for ''Commodity Credit Corporation'' wherever appearing.

Subsec. (f)(3). Pub. L. 107–171, § 3106(a), (b)(2)(D), (E), substituted ''Corporation'' for ''Commodity Credit Corporation'', ''eligible commodities'' for ''commodities'' in two places, and ''2007'' for ''2002''.

Pub. L. 107–171, § 3106(e)(2), which directed substitution of ''$40,000,000'' for ''$30,000,000 (or in the case of fiscal year 1999, $35,000,000)'', was executed by making the substitution for ''$30,000,000 (or, in the case of fiscal year 1999, $35,000,000)'' to reflect the probable intent of Congress.

Subsec. (f)(5). Pub. L. 107–171, § 3009(b)(2), added par. (5).

Subsec. (g). Pub. L. 107–171, § 3106(f), added subsec. (g) and struck out former subsec. (g) which read as follows:

''Not more than 500,000 metric tons of commodities may be furnished under this section in each of the fiscal years 1986 through 2002.''

Subsec. (h). Pub. L. 107–171, § 3106(b)(2)(D), (g), inserted heading and substituted ''eligible commodities'' for ''commodities''.

Subsec. (i). Pub. L. 107–171, § 3106(h), inserted heading.

Subsec. (j). Pub. L. 107–171, § 3106(b)(2)(D), (i), inserted heading, designated existing provisions as par. (1), inserted par. (1) heading, struck out ''may'' after ''the President'', substituted ''eligible commodities'' for ''commodities'' in two places, ''is encouraged to approve'' for ''approve'', and ''multicountry or multiyear'' for ''multiyear'', and added pars. (2) and (3).

Subsec. (k). Pub. L. 107–171, § 3106(a), (j), inserted heading and substituted ''2007'' for ''2002''.

Subsec. (*l*). Pub. L. 107–171, § 3106(a), (b)(2)(B), (D), (E), (k), inserted heading, substituted ''eligible commodities'' for ''commodities'' wherever appearing, in par. (1) substituted ''2007'' for ''2002'', ''$15,000,000'' for ''$10,000,000'', and ''Corporation'' for ''Commodity Credit Corporation'' after ''$12,000,000) of'', in par. (2) struck out ''agricultural'' after ''President may provide'', in par. (3) substituted ''proceeds'' for ''local currencies'', and added par. (4).

Subsec. (m). Pub. L. 107–171, § 3106(b)(2)(C), (D), (*l*), inserted heading and, in par. (1), substituted ''eligible commodities'' for ''commodities'' in two places and struck out ''these'' after ''marketing of''.

Subsec. (n). Pub. L. 107–171, § 3106(m), added subsec. (n) and struck out former subsec. (n) which read as follows: ''During fiscal year 1999, to the maximum extent practicable, the Secretary shall utilize Private Voluntary Organizations to carry out this section.''

Subsec. (*o*). Pub. L. 107–171, § 3106(b)(2)(F), struck out subsec. (*o*) which read as follows: ''As used in this section, the term 'independent states of the former Soviet Union' means the independent states of the former Soviet Union as defined in section 5602(8) of this title.''

1998—Subsec. (f)(3). Pub. L. 105–277, § 101(a) [title XI, § 1125(1)], inserted ''(or, in the case of fiscal year 1999, $35,000,000)'' after ''$30,000,000''.

Subsec. (*l*)(1). Pub. L. 105–277, § 101(a) [title XI, § 1125(2)], inserted ''(or, in the case of fiscal year 1999, $12,000,000)'' after ''$10,000,000''.

Subsecs. (n), (*o*). Pub. L. 105–277, § 101(a) [title XI, § 1125(3), (4)], added subsec. (n) and redesignated former subsec. (n) as (*o*).

1996—Subsec. (b). Pub. L. 104–127, § 227(1), struck out ''(1)'' before ''In order to use'', inserted ''intergovernmental organizations,'' after ''cooperatives,'', and struck out par. (2) which read as follows: ''The annual tonnage limitation contained in subsection (g) of this section shall not apply with respect to commodities furnished to the independent states of the former Soviet Union during fiscal year 1993.''

Subsec. (e)(3). Pub. L. 104–127, § 265(b), substituted ''section 103'' for ''section 106''.

Subsec. (e)(4). Pub. L. 104–127, § 227(2), substituted ''section 406'' for ''section 203''.

Subsec. (f)(1)(B). Pub. L. 104–127, § 227(3)(A), struck out ''in the case of the independent states of the former Soviet Union,'' before ''sales on credit terms,''.

Subsec. (f)(2) to (5). Pub. L. 104–127, § 227(3)(B)–(D), in par. (4), inserted ''for each of fiscal years 1996 through 2002'' after ''may be used'', redesignated pars. (3) to (5) as (2) to (4), respectively, and struck out former par. (2) which read as follows: ''Not less than 75,000 metric tons shall be made available pursuant to section 1431(b)(10)(C) of this title to carry out this section unless the President determines there are an insufficient number of eligible recipients.''

Subsec. (g). Pub. L. 104–127, § 227(4), substituted ''2002'' for ''1995''.

Subsec. (j). Pub. L. 104–127, § 227(5), substituted ''may'' for ''shall''.

Subsec. (k). Pub. L. 104–127, § 227(6), substituted ''2002'' for ''1995''.

Subsec. (*l*)(1). Pub. L. 104–127, § 227(7), substituted ''1996 through 2002'' for ''1991 through 1995'' and inserted '', and to provide technical assistance for monetization programs,'' after ''monitoring of food assistance programs''.

Subsec. (m). Pub. L. 104–127, § 227(8), in introductory provisions, struck out ''with respect to the independent states of the former Soviet Union'' after ''this section'' and substituted ''agricultural trade organizations, intergovernmental organizations, private voluntary organizations, and cooperatives'' for ''private voluntary organizations and cooperatives'', and in par. (2), struck out ''in the independent states'' after ''the use'' and substituted ''agricultural trade organizations, intergovernmental organizations, private voluntary organizations, and cooperatives'' for ''private voluntary organizations and cooperatives''.

1992—Subsec. (b). Pub. L. 102–511, § 701(1), designated existing provisions as par. (1), inserted ''(including the independent states of the former Soviet Union)'' after ''such countries'', substituted ''cooperatives, or other private entities'' for ''or cooperatives'', and added par. (2).

Subsec. (f)(1). Pub. L. 102–511, § 701(2), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''Commodities made available under section 1431(b) of this title for use in carrying out this section shall be provided on a grant basis.''

Subsecs. (m) and (n). Pub. L. 102–511, § 701(3), added subsecs. (m) and (n).

1991—Subsec. (k). Pub. L. 102–237, § 335(1), (3), redesignated subsec. (*l*) as (k) and struck out ''September 30,'' before ''December 31''.

Subsecs. (*l*), (m). Pub. L. 102–237, § 335(2), (3), redesignated subsec. (m) as (*l*) and substituted ''this section'' for ''this Act'' wherever appearing.

1990—Subsec. (b). Pub. L. 101–624, § 1516(1), substituted ''developing countries, and countries that are emerging democracies, that'' for ''countries that'', and ''the governments of such countries, or with private voluntary organizations, nonprofit agricultural organizations, or cooperatives,'' for ''developing countries''.

Subsec. (d). Pub. L. 101–624, § 1516(2), struck out ''with countries'' before ''under this section'' in introductory provisions.

Subsec. (e)(3). Pub. L. 101–624, § 1516(3), struck out ''to a developing country'' before ''under this section'', and ''by a developing country'' before ''for commodities''.

Subsec. (e)(4). Pub. L. 101–624, § 1516(4), struck out ''to a developing country'' before ''under this section'' in two places, and substituted ''sections 402, 403(a), 403(c), and 403(i)'' for ''section 401(b)''.

Subsec. (f)(1). Pub. L. 101–624, § 1516(5), struck out ''to developing countries'' before ''on a grant basis''.

Subsec. (g). Pub. L. 101–624, § 1516(6), substituted ''1995'' for ''1990''.

Subsec. (j). Pub. L. 101–624, § 1572(1), redesignated subsec. (k) as (j) and struck out former subsec. (j) which read as follows: ''Within 90 days after the end of each fiscal year in which an agreement under this section is in effect with respect to a country, the President shall report to the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on the status of such agreement and the progress being made to implement private, free enterprise agricultural policies for long-term agricultural development in such country.''

Pub. L. 101–624, § 1516(7), struck out ''entered into with a country'' before ''under this section'', and inserted ''with respect to a country'' after ''effect''.

Subsec. (k). Pub. L. 101–624, § 1572(1)(B), redesignated subsec. (k) as (j).

Pub. L. 101–624, § 1516(8), substituted ''the recipient'' for ''recipient countries''.

Subsec. (*l*). Pub. L. 101–624, § 1516(9), substituted ''December 31, 1995'' for ''1990''.

Subsec. (m). Pub. L. 101–624, § 1516(10), added subsec. (m).

1988—Subsecs. (k), (*l*). Pub. L. 100–418 added subsec. (k) and redesignated former subsec. (k) as (*l*).

CHANGE OF NAME

Committee on International Relations of House of Representatives changed to Committee on Foreign Af-

fairs of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

DELEGATION OF FUNCTIONS

Functions of President under this section delegated to Secretary of Agriculture, by section 4(g) of Ex. Ord. No. 12752, Feb. 25, 1991, 56 F.R. 8256, set out as a note under section 1691 of this title.

EXECUTIVE ORDER NO. 12583

Ex. Ord. No. 12583, Feb. 19, 1987, 52 F.R. 5427, which related to the delegation of functions relating to entering into agreements with developing countries and waiving minimum tonnage requirements, was revoked by section 6 of Ex. Ord. No. 12752, Feb. 25, 1991, 56 F.R. 8256, set out as a note under section 1691 of this title.

§ 1736*o*–1. McGovern-Dole International Food for Education and Child Nutrition Program

(a) Definition of agricultural commodity

In this section, the term ''agricultural commodity'' means an agricultural commodity, or a product of an agricultural commodity, that is produced in the United States.

(b) Program

Subject to subsection (*l*) of this section, the Secretary may establish a program, to be known as ''McGovern-Dole International Food for Education and Child Nutrition Program'', requiring the procurement of agricultural commodities and the provision of financial and technical assistance to carry out—

(1) preschool and school food for education programs in foreign countries to improve food security, reduce the incidence of hunger, and improve literacy and primary education, particularly with respect to girls; and

(2) maternal, infant, and child nutrition programs for pregnant women, nursing mothers, infants, and children who are 5 years of age or younger.

(c) Eligible commodities and cost items

Notwithstanding any other provision of law—

(1) any agricultural commodity is eligible to be provided under this section;

(2) as necessary to achieve the purposes of this section, funds appropriated under this section may be used to pay—

(A)(i) the cost of acquiring agricultural commodities;

(ii) the costs associated with packaging, enrichment, preservation, and fortification of agricultural commodities;

(iii) the processing, transportation, handling, and other incidental costs up to the time of the delivery of agricultural commodities free on board vessels in United States ports;

(iv) the vessel freight charges from United States ports or designated Canadian transshipment ports, as determined by the Secretary, to designated ports of entry abroad;

(v) the costs associated with transporting agricultural commodities from United States ports to designated points of entry abroad in the case—

(I) of landlocked countries;

(II) of ports that cannot be used effectively because of natural or other disturbances;

(III) of the unavailability of carriers to a specific country; or

(IV) of substantial savings in costs or time that may be effected by the utilization of points of entry other than ports; and

(vi) the charges for general average contributions arising out of the ocean transport of agricultural commodities transferred pursuant thereto;

(B) all or any part of the internal transportation, storage, and handling costs incurred in moving the eligible commodity, if the Secretary determines that—

(i) payment of the costs is appropriate; and

(ii) the recipient country is a low income, net food-importing country that—

(I) meets the poverty criteria established by the International Bank for Reconstruction and Development for Civil Works Preference; and

(II) has a national government that is committed to or is working toward, through a national action plan, the goals of the World Declaration on Education for All convened in 1990 in Jomtien, Thailand, and the followup Dakar Framework for Action of the World Education Forum, convened in 2000;

(C) the costs of activities conducted in the recipient countries by a nonprofit voluntary organization, cooperative, or intergovernmental agency or organization that would enhance the effectiveness of the activities implemented by such entities under this section; and

(D) the costs of meeting the allowable administrative expenses of private voluntary organizations, cooperatives, or intergovernmental organizations that are implementing activities under this section.

(d) General authorities

The Secretary shall to[1]—

(1) implement the program established under this section;

(2) ensure that the program established under this section is consistent with the foreign policy and development assistance objectives of the United States; and

(3) consider, in determining whether a country should receive assistance under this section, whether the government of the country is taking concrete steps to improve the preschool and school systems in the country.

(e) Eligible entities

Assistance may be provided under this section to private voluntary organizations, cooperatives, intergovernmental organizations, governments of developing countries and their agencies, and other organizations.

[1] So in original. The word ''to'' probably should not appear.

(f) Procedures

(1) In general

In carrying out subsection (b) of this section, the Secretary shall ensure that procedures are established that—

(A) provide for the submission of proposals by eligible entities, each of which may include 1 or more recipient countries, for commodities and other assistance under this section;

(B) provide for eligible commodities and assistance on a multiyear basis;

(C) ensure that eligible entities demonstrate the organizational capacity and the ability to develop, implement, monitor, report on, and provide accountability for activities conducted under this section;

(D) provide for the expedited development, review, and approval of proposals submitted in accordance with this section;

(E) ensure monitoring and reporting by eligible entities on the use of commodities and other assistance provided under this section; and

(F) allow for the sale or barter of commodities by eligible entities to acquire funds to implement activities that improve the food security of women and children or otherwise enhance the effectiveness of programs and activities authorized under this section.

(2) Priorities for program funding

In carrying out paragraph (1) with respect to criteria for determining the use of commodities and other assistance provided for programs and activities authorized under this section, the Secretary may consider the ability of eligible entities to—

(A) identify and assess the needs of beneficiaries, especially malnourished or undernourished mothers and their children who are 5 years of age or younger, and school-age children who are malnourished, undernourished, or do not regularly attend school;

(B)(i) in the case of preschool and school-age children, target low-income areas where children's enrollment and attendance in school is low or girls' enrollment and participation in preschool or school is low, and incorporate developmental objectives for improving literacy and primary education, particularly with respect to girls; and

(ii) in the case of programs to benefit mothers and children who are 5 years of age or younger, coordinate supplementary feeding and nutrition programs with existing or newly-established maternal, infant, and children programs that provide health-needs interventions, including maternal, prenatal, and postnatal and newborn care;

(C) involve indigenous institutions as well as local communities and governments in the development and implementation of the programs and activities to foster local capacity building and leadership; and

(D) carry out multiyear programs that foster local self-sufficiency and ensure the longevity of programs in the recipient country.

(g) Use of Food and Nutrition Service

The Food and Nutrition Service of the Department of Agriculture may provide technical advice on the establishment of programs under subsection (b)(1) of this section and on implementation of the programs in the field in recipient countries.

(h) Multilateral involvement

(1) In general

The Secretary is urged to engage existing international food aid coordinating mechanisms to ensure multilateral commitments to, and participation in, programs similar to programs supported under this section.

(2) Reports

The Secretary shall annually submit to the Committee on International Relations and the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the commitments and activities of governments, including the United States government, in the global effort to reduce child hunger and increase school attendance.

(i) Private sector involvement

The Secretary is urged to encourage the support and active involvement of the private sector, foundations, and other individuals and organizations in programs assisted under this section.

(j) Graduation

An agreement with an eligible organization under this section shall include provisions—

(1) to—

(A) sustain the benefits to the education, enrollment, and attendance of children in schools in the targeted communities when the provision of commodities and assistance to a recipient country under a program under this section terminates; and

(B) estimate the period of time required until the recipient country or eligible organization is able to provide sufficient assistance without additional assistance under this section; or

(2) to provide other long-term benefits to targeted populations of the recipient country.

(k) Requirement to safeguard local production and usual marketing

The requirement of section 1733(a) of this title applies with respect to the availability of commodities under this section.

(*l*) Funding

(1) Use of Commodity Credit Corporation funds

Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $84,000,000 for fiscal year 2009, to remain available until expended.

(2) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.

(3) Administrative expenses

Funds made available to carry out this section may be used to pay the administrative expenses of the Department of Agriculture or any other Federal agency assisting in the implementation of this section.

(Pub. L. 107–171, title III, § 3107, May 13, 2002, 116 Stat. 295; Pub. L. 110–246, title III, §§ 3001(b)(1)(A), (2)(G), 3106, June 18, 2008, 122 Stat. 1820, 1833.)

CODIFICATION

Section was enacted as part of the Farm Security and Rural Investment Act of 2002, and not as part of the Food for Peace Act which comprises this chapter.

AMENDMENTS

2008—Subsecs. (b), (c)(2)(B). Pub. L. 110–246, § 3106(1), substituted ''Secretary'' for ''President'' in introductory provisions.

Subsec. (d). Pub. L. 110–246, § 3106(2), substituted ''The Secretary shall'' for ''The President shall designate 1 or more Federal agencies'' in introductory provisions.

Subsec. (f)(1). Pub. L. 110–246, § 3106(1), substituted ''Secretary'' for ''President'' in introductory provisions.

Subsec. (f)(2). Pub. L. 110–246, § 3106(3), substituted ''Secretary'' for ''implementing agency'' in introductory provisions.

Subsecs. (h), (i). Pub. L. 110–246, § 3106(1), substituted ''Secretary'' for ''President'' wherever appearing.

Subsec. (k). Pub. L. 110–246, § 3001(b)(1)(A), (2)(G), made technical amendment to reference in original act which appears in text as reference to section 1733(a) of this title.

Subsec. (*l*)(1). Pub. L. 110–246, § 3106(4)(A), added par. (1) and struck out former par. (1). Prior to amendment, text read as follows: ''Of the funds of the Commodity Credit Corporation, the Secretary shall use $100,000,000 for fiscal year 2003 to carry out this section.''

Pub. L. 110–246, § 3106(1), substituted ''Secretary'' for ''President''.

Subsec. (*l*)(2). Pub. L. 110–246, § 3106(4)(B), substituted ''2008 through 2012'' for ''2004 through 2007''.

Subsec. (*l*)(3). Pub. L. 110–246, § 3106(4)(C), substituted ''the Department of Agriculture or any other Federal agency assisting'' for ''any Federal agency implementing or assisting''.

CHANGE OF NAME

Committee on International Relations of House of Representatives changed to Committee on Foreign Affairs of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

IMPLEMENTATION OF SECTION 3107 OF THE FARM SECURITY AND RURAL INVESTMENT ACT OF 2002, RELATING TO FOOD FOR EDUCATION AND CHILD NUTRITION

Memorandum of President of the United States, Mar. 11, 2003, 68 F.R. 12569, provided:

Memorandum for the Secretary of Agriculture

Effective upon the publication of this memorandum in the Federal Register, there is established the program relating to food for education and child nutrition authorized by subsection 3107(b) of the Farm Security and Rural Investment Act of 2002 (Public Law 107–171) (7 U.S.C. 17360–1 [1736*o*–1]). Pursuant to subsection 3107(d) of the Act, the Department of Agriculture is designated to take actions specified in that subsection. The authorities and duties of the President under section 3107 (except the authority to designate under 3107(d)) are delegated to the Secretary of Agriculture.

In the implementation of a program for which section 3107 provides, the Secretary of Agriculture shall consult as appropriate with the Food Policy Assistance Council established by section 3 of Executive Order 12752 of February 25, 1991, as amended [7 U.S.C. 1691 note], and such heads of Federal departments and agencies as the Secretary determines appropriate.

You are authorized and directed to publish this memorandum in the Federal Register.

GEORGE W. BUSH.

§ 1736p. Trade policy declaration

It is hereby declared to be the agricultural trade policy of the United States to—

(1) be the premier supplier of agricultural and food products to world markets and expand exports of high value products;

(2) support the principle of free trade and the promotion of fair trade in agricultural commodities and products;

(3) cooperate fully in all efforts to negotiate with foreign countries further reductions in tariff and nontariff barriers to trade, including sanitary and phytosanitary measures and trade-distorting subsidies;

(4) aggressively counter unfair foreign trade practices as a means of encouraging fairer trade;

(5) remove foreign policy constraints to maximize United States economic interests through agricultural trade; and

(6) provide for consideration of United States agricultural trade interests in the design of national fiscal and monetary policy that may foster continued strength in the value of the dollar.

(Pub. L. 99–198, title XI, § 1121, Dec. 23, 1985, 99 Stat. 1480; Pub. L. 104–127, title II, § 267, Apr. 4, 1996, 110 Stat. 974.)

CODIFICATION

Section was enacted as part of the Food Security Act of 1985, and not as part of the Food for Peace Act which comprises this chapter.

AMENDMENTS

1996—Pub. L. 104–127 struck out subsec. (a) which stated congressional findings regarding United States agricultural export policy, struck out subsec. designation ''(b)'', and substituted pars. (1) to (4) for former pars. (1) to (4) which read as follows:

''(1) provide through all means possible agricultural commodities and their products for export at competitive prices, with full assurance of quality and reliability of supply;

''(2) support the principle of free trade and the promotion of fairer trade in agricultural commodities and their products;

''(3) cooperate fully in all efforts to negotiate with foreign countries reductions in current barriers to fair trade;

''(4) counter aggressively unfair foreign trade practices using all available means, including export restitution, export bonus programs, and, if necessary, restrictions on United States imports of foreign agricultural commodities and their products, as a means to encourage fairer trade;''.

§ 1736q. Repealed. Pub. L. 104–127, title II, § 268, Apr. 4, 1996, 110 Stat. 975

Section, Pub. L. 99–198, title XI, § 1122, Dec. 23, 1985, 99 Stat. 1480, related to liberalization of agricultural trade policy.

§ 1736r. Trade negotiations policy

(a) Findings

Congress finds that—

(1) on a level playing field, United States producers are the most competitive suppliers of agricultural products in the world;

(2) exports of United States agricultural products accounted for $54,000,000,000 in 1995, contributing a net $24,000,000,000 to the merchandise trade balance of the United States and supporting approximately 1,000,000 jobs;

(3) increased agricultural exports are critical to the future of the farm, rural, and overall United States economy, but the opportunities for increased agricultural exports are limited by the unfair subsidies of the competitors of the United States, and a variety of tariff and nontariff barriers to highly competitive United States agricultural products;

(4) international negotiations can play a key role in breaking down barriers to United States agricultural exports;

(5) the Uruguay Round Agreement on Agriculture made significant progress in the attainment of increased market access opportunities for United States exports of agricultural products, for the first time—

(A) restraining foreign trade-distorting domestic support and export subsidy programs; and

(B) developing common rules for the application of sanitary and phytosanitary restrictions;

that should result in increased exports of United States agricultural products, jobs, and income growth in the United States;

(6) the Uruguay Round Agreement on Agriculture did not succeed in completely eliminating trade distorting domestic support and export subsidies by—

(A) allowing the European Union to continue unreasonable levels of spending on export subsidies; and

(B) failing to discipline monopolistic state trading entities, such as the Canadian Wheat Board, that use nontransparent and discriminatory pricing as a hidden de facto export subsidy;

(7) during the period 1996 through 2002, there will be several opportunities for the United States to negotiate fairer trade in agricultural products, including further negotiations under the World Trade Organization, and steps toward possible free trade agreements of the Americas and Asian-Pacific Economic Cooperation (APEC); and

(8) the United States should aggressively use these opportunities to achieve more open and fair opportunities for trade in agricultural products.

(b) Goals of the United States in agricultural trade negotiations

The objectives of the United States with respect to future negotiations on agricultural trade include—

(1) increasing opportunities for United States exports of agricultural products by eliminating tariff and nontariff barriers to trade;

(2) leveling the playing field for United States producers of agricultural products by limiting per unit domestic production supports to levels that are no greater than those available in the United States;

(3) ending the practice of export dumping by eliminating all trade distorting export subsidies and disciplining state trading entities so that they do not (except in cases of bona fide food aid) sell in foreign markets at prices below domestic market prices or prices below their full costs of acquiring and delivering agricultural products to the foreign markets; and

(4) encouraging government policies that avoid price-depressing surpluses.

(Pub. L. 99–198, title XI, § 1123, Dec. 23, 1985, 99 Stat. 1481; Pub. L. 104–127, title II, § 269, Apr. 4, 1996, 110 Stat. 975.)

CODIFICATION

Section was enacted as part of the Food Security Act of 1985, and not as part of the Food for Peace Act which comprises this chapter.

AMENDMENTS

1996—Pub. L. 104–127 amended section generally, substituting present provisions for provisions relating to initiation and pursuit of agricultural trade consultations among major agricultural producing countries, providing for sense of Congress concerning objectives of such consultations, and requiring annual reports by Secretary of Agriculture on progress of such consultations.

AGRICULTURAL TRADE NEGOTIATING OBJECTIVES AND CONSULTATIONS WITH CONGRESS

Pub. L. 106–200, title IV, § 409, May 18, 2000, 114 Stat. 295, provided that:

''(a) FINDINGS.—Congress finds that—

''(1) United States agriculture contributes positively to the United States balance of trade and United States agricultural exports support in excess of 1,000,000 United States jobs;

''(2) United States agriculture competes successfully worldwide despite the fact that United States producers are at a competitive disadvantage because of the trade distorting support and subsidy practices of other countries and despite the fact that significant tariff and nontariff barriers exist to United States exports; and

''(3) a successful conclusion of the current World Trade Organization agricultural negotiations is critically important to the United States agricultural sector.

''(b) OBJECTIVES.—The agricultural trade negotiating objectives of the United States with respect to the current World Trade Organization agricultural negotiations include as matters of the highest priority—

''(1) the expeditious elimination of all export subsidies worldwide while maintaining bona fide food aid and preserving United States market development and export credit programs that allow the United States to compete with other foreign export promotion efforts;

''(2) leveling the playing field for United States producers of agricultural products by eliminating blue box subsidies and disciplining domestic supports in a way that forces producers to face world prices on all production in excess of domestic food security needs while allowing the preservation of nontrade distorting programs to support family farms and rural communities;

''(3) the elimination of state trading enterprises or the adoption of rigorous disciplines that ensure operational transparency, competition, and the end of discriminatory pricing practices, including policies supporting cross-subsidization and price undercutting in export markets;

''(4) affirming that the World Trade Organization Agreement on the Application of Sanitary and Phytosanitary Measures applies to new technologies, including biotechnology, and that labeling requirements to allow consumers to make choices regarding

biotechnology products or other regulatory requirements may not be used as disguised barriers to trade;

''(5) increasing opportunities for United States exports of agricultural products by reducing tariffs to the same levels that exist in the United States or to lower levels and by eliminating all nontariff barriers, including—

''(A) restrictive or trade distorting practices, including those that adversely impact perishable or cyclical products;

''(B) restrictive rules in the administration of tariff-rate quotas; and

''(C) other barriers to agriculture trade, including unjustified restrictions or commercial requirements affecting new technologies, including biotechnology;

''(6) eliminating government policies that create price-depressing surpluses; and

''(7) strengthening dispute settlement procedures to ensure prompt compliance by foreign governments with their World Trade Organization obligations including commitments not to maintain unjustified restrictions on United States exports.

''(c) CONSULTATION WITH CONGRESSIONAL COMMITTEES.—

''(1) CONSULTATION BEFORE OFFER MADE.—In developing and before submitting an initial or revised negotiating proposal that would reduce United States tariffs on agricultural products or require a change in United States agricultural law, the United States Trade Representative shall consult with the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance of the Senate and the Committee on Agriculture and the Committee on Ways and Means of the House of Representatives.

''(2) CONSULTATION WITH CONGRESSIONAL TRADE ADVISERS.—Prior to and during the course of current negotiations on agricultural trade, the United States Trade Representative shall consult closely with the congressional trade advisers.

''(3) CONSULTATION BEFORE AGREEMENT INITIALED.—Not less than 48 hours before initialing an agreement reached as part of current World Trade Organization agricultural negotiations, the United States Trade Representative shall consult closely with the committees referred to in paragraph (1) regarding—

''(A) the details of the agreement;

''(B) the potential impact of the agreement on United States agricultural producers; and

''(C) any changes in United States law necessary to implement the agreement.

''(4) DISCLOSURE OF COMMITMENTS.—Any agreement or other understanding addressing agricultural trade with a foreign government or governments (whether oral or in writing) that relates to a trade agreement with respect to which Congress must enact implementing legislation and that is not disclosed to Congress before legislation implementing that agreement is introduced in either House of Congress shall not be considered to be part of the agreement approved by Congress and shall have no force and effect under United States law or in any dispute settlement body.

''(d) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

''(1) granting the President trade negotiating authority is essential to the successful conclusion of the new round of World Trade Organization agricultural negotiations;

''(2) reaching a successful agreement on agriculture should be the top priority of United States negotiators; and

''(3) if by the conclusion of the negotiations, the primary agricultural competitors of the United States do not agree to reduce their trade distorting domestic supports and eliminate export subsidies in accordance with the negotiating objectives expressed in this section, the United States should take steps to increase the leverage of United States negotiators and level the playing field for United States producers.''

§§ 1736s, 1736t. Repealed. Pub. L. 101–624, title XV, § 1572(3), Nov. 28, 1990, 104 Stat. 3702

Section 1736s, Pub. L. 99–198, title XI, § 1124, Dec. 23, 1985, 99 Stat. 1481; Pub. L. 99–260, § 5, Mar. 20, 1986, 100 Stat. 49; Pub. L. 100–418, title IV, § 4304, Aug. 23, 1988, 102 Stat. 1397; Pub. L. 101–239, title I, § 1005(b), Dec. 19, 1989, 103 Stat. 2109, provided for targeted export assistance for fiscal years 1986 through 1990.

Section 1736t, Pub. L. 99–198, title XI, § 1125, Dec. 23, 1985, 99 Stat. 1482; Pub. L. 100–418, title IV, § 4402(a), Aug. 23, 1988, 102 Stat. 1400, provided for short-term export credits.

EXPORT CREDIT GUARANTEE PROGRAM

Pub. L. 100–418, title IV, § 4305, Aug. 23, 1988, 102 Stat. 1398, which stated the sense of Congress that, to the extent that the Commodity Credit Corporation made a specified allocation of credit guarantees available under the export credit guarantee program referred to in section 1736t for short-term credit extended to finance the export sales of United States agricultural commodities and products, such allocation was to be made on a country-only basis and not on a commodity basis or a commodity and country basis, was repealed by Pub. L. 101–624, title XV, § 1571, Nov. 28, 1990, 104 Stat. 3702.

§ 1736u. Cooperator market development program

(a) Sense of Congress

It is the sense of Congress that the cooperator market development program of the Foreign Agricultural Service should be continued to help develop new markets and expand and maintain existing markets for United States agricultural commodities, using nonprofit agricultural trade organizations to the maximum extent practicable.

(b) Exemption from requirements of OMB circular

The cooperator market development program shall be exempt from the requirements of Circular A 110 issued by the Office of Management and Budget.

(Pub. L. 99–198, title XI, § 1126(a), (b), Dec. 23, 1985, 99 Stat. 1482.)

CODIFICATION

Section consists of subsecs. (a) and (b) of section 1126 of Pub. L. 99–198. Subsec. (c) of section 1126 amended section 1736m(a)(5)(B) of this title.

Section was enacted as part of the Food Security Act of 1985, and not as part of the Food for Peace Act which comprises this chapter.

§§ 1736v to 1736x. Repealed. Pub. L. 101–624, title XV, § 1572(3), Nov. 28, 1990, 104 Stat. 3702

Section 1736v, Pub. L. 99–198, title XI, § 1127, Dec. 23, 1985, 99 Stat. 1483; Pub. L. 99–260, § 6, Mar. 20, 1986, 100 Stat. 50; Pub. L. 100–418, title IV, § 4306, Aug. 23, 1988, 102 Stat. 1398, provided for program to develop and expand markets for United States agricultural commodities.

Section 1736w, Pub. L. 99–198, title XI, § 1128, Dec. 23, 1985, 99 Stat. 1485, provided for program of export sales of poultry, beef and pork meats and meat-food products for 1986 through 1989.

Section 1736x, Pub. L. 99–198, title XI, § 1132, Dec. 23, 1985, 99 Stat. 1488; Pub. L. 100–418, title IV, § 4307, Aug. 23, 1988, 102 Stat. 1398, provided for reports by agricultural attachés. See section 1748 of this title.

§ 1736y. Contract sanctity and producer embargo protection

It is hereby declared to be the policy of the United States—

(1) to foster and encourage the export of agricultural commodities and the products of such commodities;

(2) not to restrict or limit the export of such commodities and products except under the most compelling circumstances;

(3) that any prohibition or limitation on the export of such commodities or products should be imposed only in time of a national emergency declared by the President under the Export Administration Act [50 U.S.C. App. 2401 et seq.]; and

(4) that contracts for the export of such commodities or products entered into before the imposition of any prohibition or limitation on the export of such commodities or products should not be abrogated.

(Pub. L. 99–198, title XI, § 1133(a), Dec. 23, 1985, 99 Stat. 1489.)

REFERENCES IN TEXT

The Export Administration Act, referred to in par. (3), probably means the Export Administration Act of 1979, Pub. L. 96–72, Sept. 29, 1979, 93 Stat. 503, as amended, which is classified principally to section 2401 et seq. of the Appendix to Title 50, War and National Defense. For complete classification of this Act to the Code, see Short Title note set out under section 2401 of the Appendix to Title 50 and Tables.

CODIFICATION

Section is comprised of section 1133(a) of Pub. L. 99–198. Section 1133(b) of Pub. L. 99–198 amended section 1736j of this title.

Section was enacted as part of the Food Security Act of 1985, and not as part of the Food for Peace Act which comprises this chapter.

§§ 1736z, 1736aa. Repealed. Pub. L. 101–624, title XV, § 1572(3), Nov. 28, 1990, 104 Stat. 3702

Section 1736z, Pub. L. 99–198, title XI, § 1162, Dec. 23, 1985, 99 Stat. 1499, provided for a regular assessment of certain projects and activities administered by the Secretary and Department of Agriculture.

Section 1736aa, Pub. L. 99–198, title XI, § 1167(d), Dec. 23, 1985, 99 Stat. 1503, provided for barter by exporters of agricultural commodities and products for foreign products needed by exporters.

§§ 1736bb to 1736bb–6. Repealed. Pub. L. 104–127, title II, § 271(a), Apr. 4, 1996, 110 Stat. 976

Section 1736bb, Pub. L. 100–202, § 1, Dec. 22, 1987, 101 Stat. 1329–445; Pub. L. 100–418, title IV, § 4610(b), Aug. 23, 1988, 102 Stat. 1411, related to establishment of agricultural aid and trade missions.

Section 1736bb–1, Pub. L. 100–202, § 2, Dec. 22, 1987, 101 Stat. 1329–445, related to required and additional missions and eligible countries.

Section 1736bb–2, Pub. L. 100–202, § 3, Dec. 22, 1987, 101 Stat. 1329–446, related to functions of members of missions to eligible countries.

Section 1736bb–3, Pub. L. 100–202, § 4, Dec. 22, 1987, 101 Stat. 1329–446; Pub. L. 100–418, title IV, § 4610(b), Aug. 23, 1988, 102 Stat. 1411, related to mission reports.

Section 1736bb–4, Pub. L. 100–202, § 5, Dec. 22, 1987, 101 Stat. 1329–446; Pub. L. 100–418, title IV, § 4610(b), Aug. 23, 1988, 102 Stat. 1411, related to quarterly progress reports on implementing recommendations of missions.

Section 1736bb–5, Pub. L. 100–202, § 6, Dec. 22, 1987, 101 Stat. 1329–447; Pub. L. 100–418, title IV, § 4610(b), Aug. 23, 1988, 102 Stat. 1411, related to authorization of appropriations.

Section 1736bb–6, Pub. L. 100–202, § 7, Dec. 22, 1987, 101 Stat. 1329–447; Pub. L. 100–418, title IV, § 4610(b), Aug. 23, 1988, 102 Stat. 1411; Pub. L. 101–624, title XV, § 1515(b), Nov. 28, 1990, 104 Stat. 3663; Pub. L. 102–237, title III, § 307, Dec. 13, 1991, 105 Stat. 1856, provided definitions for former sections 1736bb to 1736bb–6.

INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT TO AGRICULTURAL AID AND TRADE MISSIONS

Pub. L. 100–277, § 7, Apr. 4, 1988, 102 Stat. 69, provided that any agricultural aid and trade mission established under this section and any other activity under sections 1736bb to 1736bb–6 of this title were not to be considered advisory committee for purposes of Federal Advisory Committee Act, 5 App. U.S.C., prior to repeal by Pub. L. 104–127, title II, § 271(b), Apr. 4, 1996, 110 Stat. 976.

§ 1736cc. Repealed. Pub. L. 101–624, title XV, § 1577, Nov. 28, 1990, 104 Stat. 3702

Section, Pub. L. 101–220, § 13, Dec. 12, 1989, 103 Stat. 1884, prohibited duty drawback claims by exporters who used certain export promotion programs.

SUBCHAPTER V—FARMER-TO-FARMER PROGRAM

§ 1737. John Ogonowski and Doug Bereuter Farmer-to-Farmer Program

(a) Definitions

In this section:

(1) Caribbean Basin country

The term ''Caribbean Basin country'' means a country eligible for designation as a beneficiary country under section 2702 of title 19.

(2) Emerging market

The term ''emerging market'' means a country that the Secretary determines—

(A) is taking steps toward a market-oriented economy through the food, agriculture, or rural business sectors of the economy of the country; and

(B) has the potential to provide a viable and significant market for United States agricultural commodities or products of United States agricultural commodities.

(3) Middle income country

The term ''middle income country'' means a country that has developed economically to the point at which the country does not receive bilateral development assistance from the United States.

(4) Sub-Saharan African country

The term ''sub-Saharan African country'' has the meaning given the term in section 3706 of title 19.

(b) Provision

Notwithstanding any other provision of law, to further assist developing countries, middle-income countries, emerging markets, sub-Saharan African countries, and Caribbean Basin countries to increase farm production and farmer incomes, the President may—

(1) establish and administer a program, to be known as the ''John Ogonowski and Doug Bereuter Farmer-to-Farmer Program'', of farmer-to-farmer assistance between the United States and such countries to assist in—

(A) increasing food production and distribution; and

(B) improving the effectiveness of the farming and marketing operations of agricultural producers in those countries;

(2) use United States agricultural producers, agriculturalists, colleges and universities (including historically black colleges and universities, land grant colleges or universities, and foundations maintained by colleges or universities), private agribusinesses, private organizations (including grassroots organizations with an established and demonstrated capacity to carry out such a bilateral exchange program), private corporations, and nonprofit farm organizations to work in conjunction with agricultural producers and farm organizations in those countries, on a voluntary basis—

(A) to improve agricultural and agribusiness operations and agricultural systems in those countries, including improving—

(i) animal care and health;
(ii) field crop cultivation;
(iii) fruit and vegetable growing;
(iv) livestock operations;
(v) food processing and packaging;
(vi) farm credit;
(vii) marketing;
(viii) inputs; and
(ix) agricultural extension; and

(B) to strengthen cooperatives and other agricultural groups in those countries;

(3) transfer the knowledge and expertise of United States agricultural producers and businesses, on an individual basis, to those countries while enhancing the democratic process by supporting private and public agriculturally related organizations that request and support technical assistance activities through cash and in-kind services;

(4) to the maximum extent practicable, make grants to or enter into contracts or other cooperative agreements with private voluntary organizations, cooperatives, land grant universities, private agribusiness, or nonprofit farm organizations to carry out this section (except that any such contract or other agreement may obligate the United States to make outlays only to the extent that the budget authority for such outlays is available under subsection (d) of this section or has otherwise been provided in advance in appropriation Acts);

(5) coordinate programs established under this section with other foreign assistance programs and activities carried out by the United States; and

(6) to the extent that local currencies can be used to meet the costs of a program established under this section, augment funds of the United States that are available for such a program through the use, within the country in which the program is being conducted, of—

(A) foreign currencies that accrue from the sale of agricultural commodities and products under this chapter; and

(B) local currencies generated from other types of foreign assistance activities.

(c) Special emphasis on sub-Saharan African and Caribbean Basin countries

(1) Findings

Congress finds that—

(A) agricultural producers in sub-Saharan African and Caribbean Basin countries need training in agricultural techniques that are appropriate for the majority of eligible agricultural producers in those countries, including training in—

(i) standard growing practices;
(ii) insecticide and sanitation procedures; and
(iii) other agricultural methods that will produce increased yields of more nutritious and healthful crops;

(B) agricultural producers in the United States (including African-American agricultural producers) and banking and insurance professionals have agribusiness expertise that would be invaluable for agricultural producers in sub-Saharan African and Caribbean Basin countries;

(C) a commitment by the United States is appropriate to support the development of a comprehensive agricultural skills training program for those agricultural producers that focuses on—

(i) improving knowledge of insecticide and sanitation procedures to prevent crop destruction;

(ii) teaching modern agricultural techniques that would facilitate a continual analysis of crop production, including—

(I) the identification and development of standard growing practices; and

(II) the establishment of systems for recordkeeping;

(iii) the use and maintenance of agricultural equipment that is appropriate for the majority of eligible agricultural producers in sub-Saharan African or Caribbean Basin countries;

(iv) the expansion of small agricultural operations into agribusiness enterprises by increasing access to credit for agricultural producers through—

(I) the development and use of village banking systems; and

(II) the use of agricultural risk insurance pilot products; and

(v) marketing crop yields to prospective purchasers (including businesses and individuals) for local needs and export; and

(D) programs that promote the exchange of agricultural knowledge and expertise through the exchange of American and foreign agricultural producers have been effective in promoting improved agricultural techniques and food security and the extension of additional resources to such farmer-to-farmer exchanges is warranted.

(2) Goals for programs carried out in sub-Saharan African and Caribbean Basin countries

The goals of programs carried out under this section in sub-Saharan African and Caribbean Basin countries shall be—

(A) to expand small agricultural operations in those countries into agribusiness enterprises by increasing access to credit for agricultural producers through—

(i) the development and use of village banking systems; and

(ii) the use of agricultural risk insurance pilot products;

(B) to provide training to agricultural producers in those countries that will—

(i) enhance local food security; and

(ii) help mitigate and alleviate hunger;

(C) to provide training to agricultural producers in those countries in groups to encourage participants to share and pass on to other agricultural producers in the home communities of the participants, the information and skills obtained from the training, rather than merely retaining the information and skills for the personal enrichment of the participants; and

(D) to maximize the number of beneficiaries of the programs in sub-Saharan African and Caribbean Basin countries.

(d) Minimum funding

Notwithstanding any other provision of law, in addition to any funds that may be specifically appropriated to carry out this section, not less than the greater of $10,000,000 or 0.5 percent of the amounts made available for each of fiscal years 2008 through 2012 to carry out this chapter shall be used to carry out programs under this section, with—

(1) not less than 0.2 percent to be used for programs in developing countries; and

(2) not less than 0.1 percent to be used for programs in sub-Saharan African and Caribbean Basin countries.

(e) Authorization of appropriations

(1) In general

There are authorized to be appropriated for each of fiscal years 2008 through 2012 to carry out the programs under this section—

(A) $10,000,000 for sub-Saharan African and Caribbean Basin countries; and

(B) $5,000,000 for other developing or middle-income countries or emerging markets not described in subparagraph (A).

(2) Administrative costs

Not more than 5 percent of the funds made available for a fiscal year under paragraph (1) may be used to pay administrative costs incurred in carrying out programs in sub-Saharan African and Caribbean Basin countries.

(July 10, 1954, ch. 469, title V, § 501, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3656; amended Pub. L. 102–237, title III, § 301, Dec. 13, 1991, 105 Stat. 1855; Pub. L. 104–127, title II, §§ 224, 277(c)(1), Apr. 4, 1996, 110 Stat. 959, 979; Pub. L. 107–76, title VII, § 777, Nov. 28, 2001, 115 Stat. 747; Pub. L. 107–171, title III, § 3014, May 13, 2002, 116 Stat. 285; Pub. L. 108–447, div. A, title VII, § 769, Dec. 8, 2004, 118 Stat. 2848; Pub. L. 110–246, title III, § 3024, June 18, 2008, 122 Stat. 1830.)

AMENDMENTS

2008—Subsec. (d). Pub. L. 110–246, § 3024(a), in introductory provisions, substituted ''not less than the greater of $10,000,000 or'' for ''not less than'' and ''2008 through 2012'' for ''2002 through 2007''.

Subsec. (e)(1). Pub. L. 110–246, § 3024(b), added par. (1) and struck out former par. (1). Prior to amendment, text read as follows: ''There is authorized to be appropriated to carry out programs under this section in sub-Saharan African and Caribbean Basin countries $10,000,000 for each of fiscal years 2002 through 2007.''

2004—Pub. L. 108–447, § 769(2), inserted ''and Doug Bereuter'' after ''John Ogonowski'' in section catchline.

Subsec. (b)(1). Pub. L. 108–447, § 769(1), inserted ''and Doug Bereuter'' after ''John Ogonowski'' in introductory provisions.

2002—Pub. L. 107–171 reenacted section catchline without change and amended text generally, substituting, in subsec. (a), provisions relating to definitions for general provisions, in subsec. (b), provisions authorizing the President to administer the program for provisions relating to definitions, in subsec. (c), provisions relating to special emphasis on sub-Saharan African and Caribbean Basin countries for provisions relating to minimum funding, in subsec. (d), provisions relating to minimum funding for provisions relating to designation of program, and adding subsec. (e) relating to authorization of appropriations.

2001—Pub. L. 107–76, § 777(1), inserted ''John Ogonowski'' before ''Farmer-to-Farmer Program'' in section catchline.

Subsec. (d). Pub. L. 107–76, § 777(2), added subsec. (d).

1996—Subsec. (a). Pub. L. 104–127, § 277(c)(1)(A), substituted ''emerging markets'' for ''emerging democracies'' in introductory provisions.

Subsec. (a)(6). Pub. L. 104–127, § 224(1), added par. (6) and struck out former par. (6) which read as follows: ''to the extent practicable, augment the funds available for programs established under this section through the use of foreign currencies that accrue from the sale of agricultural commodities under this chapter, and local currencies generated from other types of foreign assistance activities.''

Subsec. (b)(1). Pub. L. 104–127, § 277(c)(1)(B), added par. (1) and struck out heading and text of former par. (1). Text read as follows: ''The term 'emerging democracy' means a country that is taking steps toward—

''(A) political pluralism, based on progress toward free and fair elections and a multiparty political system;

''(B) economic reform, based on progress toward a market-oriented economy;

''(C) respect for internationally recognized human rights; and

''(D) a willingness to build a friendly relationship with the United States.''

Subsec. (c). Pub. L. 104–127, § 224(2), substituted ''0.4 percent of the amounts'' for ''0.2 percent of the amounts'', ''1996 through 2002'' for ''1991 through 1995'', and ''0.2 percent to be used'' for ''0.1 percent to be used''.

1991—Subsec. (a)(3). Pub. L. 102–237 struck out comma after ''public''.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–246 effective May 22, 2008, see section 4(b) of Pub. L. 110–246, set out as an Effective Date note under section 8701 of this title.

EFFECTIVE DATE

Section effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as an Effective Date of 1990 Amendment note under section 1691 of this title.

SUBCHAPTER VI—ENTERPRISE FOR THE AMERICAS INITIATIVE

§ 1738. Establishment of Facility

There is established in the Department of the Treasury an entity to be known as the ''Enterprise for the Americas Facility'' (hereafter referred to in this subchapter as the ''Facility'').

(July 10, 1954, ch. 469, title VI, § 601, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3658.)

EFFECTIVE DATE

Subchapter effective Jan. 1, 1991, see section 1513 of Pub. L. 101–624, set out as an Effective Date of 1990 Amendment note under section 1691 of this title.

EXECUTIVE ORDER NO. 12757

Ex. Ord. No. 12757, Mar. 19, 1991, 56 F.R. 12107, as amended by Ex. Ord. No. 12823, Dec. 3, 1992, 57 F.R. 57645; Ex. Ord. No. 13028, Dec. 3, 1996, 61 F.R. 64589; Ex. Ord. No. 13131, July 22, 1999, 64 F.R. 40733, which related to implementation of the Enterprise for the Americas Initiative and the Tropical Forest Conservation Act of 1998, was revoked by Ex. Ord. No. 13345, §6(a), July 8, 2004, 69 F.R. 41903, set out below.

EX. ORD. NO. 13345. ASSIGNING FOREIGN AFFAIRS FUNCTIONS AND IMPLEMENTING THE ENTERPRISE FOR THE AMERICAS INITIATIVE AND THE TROPICAL FOREST CONSERVATION ACT

Ex. Ord. No. 13345, July 8, 2004, 69 F.R. 41901, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Agricultural Trade Development and Assistance Act of 1954 (ATDA Act), as amended [now Food for Peace Act, 7 U.S.C. 1691 et seq.], the Foreign Assistance Act of 1961 (Foreign Assistance Act), as amended [22 U.S.C. 2151 et seq.], and section 301 of title 3, United States Code, it is hereby ordered as follows:

SECTION 1. *Functions to be Performed by the Secretary of the Treasury*. (a) The Secretary of the Treasury is hereby designated to perform the functions of the President under the following provisions of law:

(1) sections 603(b), 604(a), and 611 of the ATDA Act (7 U.S.C. 1738b(b), 1738c(a), and 1738j); and

(2) sections 703, 704(a), 805(b), 806(a), 807(a), 808(a), and 812 of the Foreign Assistance Act (22 U.S.C. 2430b, 2430c(a), 2431c(b), 2431d(a), 2431e(a), 2431f(a), and 2431j).

(b) The Secretary of the Treasury shall:

(1)(A) make determinations under the provisions of sections 703(b) and 805(b) of the Foreign Assistance Act in accordance with any recommendations received from the Secretary of State with respect to subsections 703(a)(1)–703(a)(4) and the corresponding recommendations under section 805(a)(1) of that Act; and

(B) make determinations under the provisions of section 805(b) of the Foreign Assistance Act in accordance with any recommendations from the Administrator of the United States Agency for International Development (USAID) with respect to section 803(5)(B) of that Act [22 U.S.C. 2431a(5)(B)];

(2) exercise the functions under the provisions listed in section 1(a)(1) of this order in consultation with the Secretary of State and with the National Advisory Council on International Monetary and Financial Policies (Council) established by Executive Order 11269 of February 14, 1966 [22 U.S.C. 286b note];

(3) consult, as appropriate, with the Secretary of State, the Administrator of USAID, the Council, the Secretary of Agriculture, the Director of the Office of Management and Budget, the Administrator of the Environmental Protection Agency, the Chairman of the Council on Environmental Quality, the Director of the Office of National Drug Control Policy, and the Chairman of the Council of Economic Advisers in the performance of all other functions under the provisions listed in section 1(a) of this order.

SEC. 2. *Functions to be Performed by the Secretary of State*. (a) The Secretary of State is hereby designated to perform the functions of the President under sections 607 and 614 of the ATDA Act (7 U.S.C. 1738f and 1738m) and section 813(a) of the Foreign Assistance Act (22 U.S.C. 2431k).

(b) The Secretary of State shall consult, as appropriate, with the Secretary of the Treasury and the Administrator of USAID, in the performance of functions under the provisions listed in subsection 2(a) of this order.

(c) The Secretary of State shall consult, as appropriate, in the performance of functions under section 607 of the ATDA Act, with the Secretary of Agriculture, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, the Chairman of the Council on Environmental Quality, and the heads of such other executive departments and agencies as the Secretary of State determines appropriate.

(d) The Secretary of State is hereby designated to receive advice or supplemental views on the President's behalf consistent with the following provisions of law:

(1) section 610(c)(1) of the ATDA Act (7 U.S.C. 1738i(c)(1)); and

(2) section 813(b) of the Foreign Assistance Act (22 U.S.C. 2431k).

SEC. 3. *Recommendation by USAID*. The Administrator of USAID shall make recommendations with respect to 803(5)(B) of the Foreign Assistance Act (22 U.S.C. 2431a(5)(B)[)], in cooperation with the Secretary of Agriculture and the Secretary of State.

SEC. 4. *Government Appointees to the Enterprise for the Americas Board*. (a) Pursuant to section 610(b)(1)(A) of the ATDA Act (7 U.S.C. 1738i(b)(1)(A)[)] and section 811(b)(1)(A) and (b)(2) of the Foreign Assistance Act (22 U.S.C. 2431i(b)(1)(A) and (b)(2)), the following officers or employees of the United States are hereby designated to serve as representatives on the Enterprise for the Americas Board:

(i) the designee of the Secretary of State, who shall be the chairperson of the Board;

(ii) the designee of the Secretary of the Treasury;

(iii) two designees of the Secretary of Agriculture, one of whom shall be an officer or employee of the United States Forest Service International Programs Office with experience in international forestry matters, and the other shall be an officer or employee of the Foreign Agricultural Service;

(iv) the designee of the Secretary of the Interior;

(v) the designee of the Administrator of the Environmental Protection Agency;

(vi) the designee of the Administrator of USAID, who shall be the vice chairperson of the Board; and

(vii) the designee of the Chairman of the Council on Environmental Quality.

(b) The Board shall permit the following officers or employees of the United States to attend and observe a Board meeting:

(i) a designee of the Secretary of Commerce; and

(ii) a designee of the head of any executive department or agency, if the meeting will relate to matters relevant to the activities of such executive department or agency.

(c) An officer of the United States listed in subsections 4(a) and 4(b) shall make a designation for purposes of those subsections in writing submitted to the Secretary of State and shall change any such designation in the same manner. The authority to make such a designation may not be delegated.

(d) The Secretary of State may, after consultation with the officers of the United States listed in subsection 4(b) and the Attorney General, as appropriate, establish such procedures as may be necessary to provide for the governance and administration of the Board.

SEC. 5. *Guidance for the Performance of Functions*. In performing functions under this order, officers of the United States:

(a) shall ensure that all actions taken by them are consistent with the President's constitutional authority to (i) conduct the foreign affairs of the United States, including the commencement, conduct, and termination of negotiations with foreign countries and international organizations, (ii) withhold information the disclosure of which could impair the foreign relations, the national security, the deliberative processes of the Executive, or the performance of the Executive's constitutional duties, (iii) recommend for congressional consideration such measures as the President may judge necessary or expedient, and (iv) supervise the unitary executive branch;

(b) may further assign functions assigned by this order to officers of any department or agency within

the executive branch to the extent permitted by law except as provided in subsection 4(c) of this order and such further assignment shall be published in the Federal Register; and

(c) shall consult the Attorney General as appropriate in implementing this section.

SEC. 6. *Revocation of Executive Orders*. The following Executive Orders are hereby revoked:

(a) Executive Order 12757 of March 19, 1991;

(b) Executive Order 12823 of December 3, 1992;

(c) Executive Order 13028 of December 3, 1996; and

(d) Executive Order 13131 of July 22, 1999.

SEC. 7. *Judicial Review*. This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by a party against the United States, its departments, agencies, entities, officers, employees or agents, or any other person.

GEORGE W. BUSH.

§ 1738a. Purpose

The purpose of this subchapter is to encourage and support improvement in the lives of the people of Latin America and the Caribbean through market-oriented reforms and economic growth with inter-related actions to promote debt reduction, investment reforms, and community-based conservation and sustainable use of the environment. The Facility will support such objectives through the administration of debt reduction operations relating to those countries that meet investment reform and other policy conditions provided for in this subchapter.

(July 10, 1954, ch. 469, title VI, § 602, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3658.)

§ 1738b. Eligibility for benefits under Facility

(a) Requirements

To be eligible for benefits from the Facility under this subchapter, a country shall—

(1) be a Latin American or Caribbean country;

(2) have in effect or have received approval for, or, as appropriate in exceptional circumstances, be making significant progress towards the establishment of—

(A) an International Monetary Fund (hereafter referred to in this subchapter as the ''IMF'') standby arrangement, extended IMF arrangement, or an arrangement under the structural adjustment facility or enhanced structural adjustment facility, or in exceptional circumstances, an IMF-monitored program or its equivalent; and

(B) as appropriate, structural or sectoral adjustment loans from the International Bank for Reconstruction and Development (hereafter referred to in this subchapter as the ''World Bank'') or the International Development Association (hereafter referred to in this subchapter as the ''IDA'');

(3) have placed into effect major investment reforms in conjunction with an Inter-American Development Bank (hereafter referred to as the ''IDB'') loan or otherwise be implementing, or making significant progress towards an open investment regime; and

(4) if appropriate, have agreed with its commercial bank lenders on a satisfactory financing program, including, as appropriate, debt or debt service reduction.

(b) Eligibility determination

The President shall determine whether a country is an eligible country for purposes of subsection (a) of this section.

(July 10, 1954, ch. 469, title VI, § 603, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3658; amended Pub. L. 102–237, title III, § 302, Dec. 13, 1991, 105 Stat. 1855.)

AMENDMENTS

1991—Subsec. (a)(3). Pub. L. 102–237 inserted hyphen between ''Inter'' and ''American''.

DELEGATION OF FUNCTIONS

For delegation of functions of President under subsec. (b) of this section, see section 1 of Ex. Ord. No. 13345, July 8, 2004, 69 F.R. 41901, set out as a note under section 1738 of this title.

§ 1738c. Reduction of certain debt

(a) Authority to reduce debt

(1) In general

Notwithstanding any other provision of law, the President may reduce the amount owed to the United States or any agency of the United States, and outstanding as of January 1, 1990, as a result of any credits extended under subchapter II of this chapter to a country eligible for benefits from the Facility.

(2) Availability of appropriations

The authorities under this section may be exercised only to the extent provided for in advance in appropriation Acts.

(b) Limitation

A debt reduction authorized under subsection (a) of this section shall be accomplished, at the direction of the Facility, through the exchange of a new obligation under this subchapter for obligations of the type referred to in subsection (a) of this section outstanding as of January 1, 1990.

(c) Exchange of obligations

The Facility shall notify the Commodity Credit Corporation of an agreement entered into under subsection (b) of this section with an eligible country to exchange a new obligation for outstanding obligations. At the direction of the Facility, the old obligations that are the subject of the agreement may be canceled and a new debt obligation may be established for the country relating to the agreement. The Commodity Credit Corporation shall make an adjustment in its accounts to reflect a debt reduction under this section.

(July 10, 1954, ch. 469, title VI, § 604, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3658; amended Pub. L. 102–237, title III, § 303, Dec. 13, 1991, 105 Stat. 1855.)

AMENDMENTS

1991—Subsec. (a)(2). Pub. L. 102–237 substituted ''Availability'' for ''Avaliability'' in heading.

DELEGATION OF FUNCTIONS

For delegation of functions of President under subsec. (a) of this section, see section 1 of Ex. Ord. No. 13345, July 8, 2004, 69 F.R. 41901, set out as a note under section 1738 of this title.

§ 1738d. Repayment of principal

(a) Currency of payment

The principal amount owed under each new obligation issued under section 1738c of this title shall be repaid in United States dollars.

(b) Deposit of payments

Principal repayments on new obligations issued under section 1738c of this title shall be deposited in Commodity Credit Corporation accounts.

(July 10, 1954, ch. 469, title VI, § 605, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3659.)

§ 1738e. Interest of new obligations

(a) Rate of interest

New obligations issued to an eligible country under section 1738c of this title shall bear interest at a concessional rate.

(b) Currency of payment, deposits

(1) United States dollars

An eligible country to which a new obligation has been issued under section 1738c of this title that has not entered into an agreement under section 1738f of this title, shall be required to pay interest on such obligation in United States dollars which shall be deposited in Commodity Credit Corporation accounts.

(2) Local currency

If an eligible country to which a new obligation has been issued under section 1738c of this title has entered into an agreement under section 1738f of this title, interest under such obligation may be paid in the local currency of the eligible country and deposited into an Environmental Fund as provided for in section 1738g of this title. Such interest shall be the property of the eligible country until such time as it is disbursed under section 1738g of this title. Such local currencies shall be used for the purposes specified in the agreement entered into under section 1738f of this title.

(c) Interest previously paid

If an eligible country to which a new obligation has been issued under section 1738c of this title enters into an agreement under section 1738f of this title subsequent to the date on which interest first becomes due on such new obligation, any interest paid on such new obligation prior to such agreement being entered into shall not be redeposited into the Fund established for the eligible country under section 1738g(a) of this title but shall be deposited into Commodity Credit Corporation accounts.

(July 10, 1954, ch. 469, title VI, § 606, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3659; amended Pub. L. 102–237, title III, § 304, Dec. 13, 1991, 105 Stat. 1855.)

AMENDMENTS

1991—Subsec. (c). Pub. L. 102–237 inserted ''accounts'' after ''Corporation''.

§ 1738f. Environmental framework agreements

(a) Authority

The President is authorized to enter into an environmental framework agreement with each country eligible for benefits from the Facility concerning the operation and use of an Enterprise for the Americas Environmental Fund (hereafter referred to in this subchapter as the ''Environmental Fund'') established under section 1738g of this title for that country. The President shall consult with the Board established under section 1738i of this title when entering into such agreements.

(b) Requirements

An environmental framework agreement entered into under this section shall—

(1) require the eligible country to establish an Environmental Fund;

(2) require the eligible country to make interest payments under section 1738g(a) of this title into the Environmental Fund;

(3) require the eligible country to make prompt disbursements from the Environmental Fund to the body described in subsection (c) of this section;

(4) where appropriate, seek to maintain the value of the local currency resources deposited into the appropriate Environmental Fund in terms of United States dollars;

(5) specify, in accordance with section 1738k of this title, the purposes for which the Environmental Fund may be used; and

(6) contain reasonable provisions for the enforcement of the terms of the agreement.

(c) Administering body

Funds disbursed from the Environmental Fund in an eligible country shall be administered by a body constituted under the laws of the country. Such body shall—

(1) be composed of—

(A) one or more representatives appointed by the President;

(B) one or more representatives appointed by the eligible country; and

(C) representatives from a broad range of environmental and local community development nongovernmental organizations of the host country;

the majority of which shall be local representatives from nongovernmental organizations, and scientific or academic bodies;

(2) receive proposals for grant assistance from local organizations, and make grants to such organizations in accordance with the priorities agreed upon in the framework agreement and consistent with the overall purposes of section 1738k of this title;

(3) be responsible for the management of the program and oversight of grant activities funded from resources of the Environmental Fund;

(4) be subject to fiscal audits by an independent auditor on an annual basis;

(5) present an annual program for review by the Board established under section 1738i of this title each year;

(6) present an annual report on the activities undertaken during the previous year to the Chairman of the Board established under section 1738i of this title, and the government of the eligible country each year; and

(7) have any grant over $100,000 be subject to veto by the United States and the government of the eligible country.

(July 10, 1954, ch. 469, title VI, § 607, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3659; amended Pub. L. 102–237, title III, § 305, Dec. 13, 1991, 105 Stat. 1855.)

AMENDMENTS

1991—Subsec. (a). Pub. L. 102–237 moved closing quotation marks in parenthetical phrase from after ''Environmental'' to after ''Fund''.

DELEGATION OF FUNCTIONS

For delegation of functions of President under this section, see section 2 of Ex. Ord. No. 13345, July 8, 2004, 69 F.R. 41901, set out as a note under section 1738 of this title.

§ 1738g. Enterprise for the Americas environmental funds

(a) Establishment

An eligible country shall, under the terms of an environmental framework agreement entered into under section 1738f of this title, establish an Environmental Fund to receive payments in local currency pursuant to section 1738f(b)(1) of this title.

(b) Investment

Amounts deposited into an Environmental Fund shall be invested until disbursed. Notwithstanding any other provision of law, any return on such investment may be retained by the Environmental Fund and need not be deposited to the account of the Commodity Credit Corporation and may be retained without further appropriation by Congress.

(July 10, 1954, ch. 469, title VI, § 608, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3660.)

§ 1738h. Disbursement of environmental funds

Funds in an Environmental Fund shall be disbursed only pursuant to a framework agreement entered into pursuant to section 1738f of this title.

(July 10, 1954, ch. 469, title VI, § 609, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3661.)

§ 1738i. Enterprise for the Americas Board

(a) Establishment

There is established a board to be known as the ''Enterprise for the Americas Board'' (hereafter referred to in this subchapter as the ''Board'').

(b) Membership and chairperson

(1) Membership

The Board shall be composed of—

(A) six representatives from the United States Government, at least one of whom shall be a representative of the Department of Agriculture; and

(B) five representatives from private nongovernmental environmental, child survival and child development, community development, scientific, and academic organizations with experience and expertise in Latin America and the Caribbean, at least one of whom shall be a representative from a child survival and child development organization;

to be appointed by the President.

(2) Chairperson

The Board shall be headed by a chairperson who shall be appointed by the President from among the representatives appointed under paragraph (1)(A).

(c) Responsibilities

The Board shall—

(1) advise the President on the negotiations for the environmental framework agreements described in subsections (a) and (b) of section 1738f of this title;

(2) ensure, in consultation with the government of the appropriate eligible country, with nongovernmental organizations of such eligible country, and if appropriate, of the region, and with environmental, scientific, and academic leaders of such eligible country and, as appropriate, of the region, that a suitable body referred to in section 1738f(c) of this title is identified; and

(3) review the programs, operations, and fiscal audits of the bodies referred to in section 1738f(c) of this title.

(July 10, 1954, ch. 469, title VI, § 610, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3661; amended Pub. L. 102–237, title III, § 339, Dec. 13, 1991, 105 Stat. 1861; Pub. L. 102–549, title VI, § 603, Oct. 28, 1992, 106 Stat. 3669.)

AMENDMENTS

1992—Pub. L. 102–549, § 603(1), substituted ''Enterprise'' for ''Environment'' in section catchline.

Subsec. (a). Pub. L. 102–549, § 603(2), substituted ''Enterprise'' for ''Environment''.

Subsec. (b)(1)(B). Pub. L. 102–549, § 603(3), inserted ''child survival and child development,'' after ''environmental,'' and '', at least one of whom shall be a representative from a child survival and child development organization''.

1991—Subsec. (b)(1)(A). Pub. L. 102–237, § 339(1), substituted ''six'' for ''five'' and inserted '', at least one of whom shall be a representative of the Department of Agriculture'' after ''Government''.

Subsec. (b)(1)(B). Pub. L. 102–237, § 339(2), substituted ''five'' for ''four''.

§ 1738j. Oversight

The President may designate appropriate United States agencies to review the implementation of programs under this subchapter and the fiscal audits relating to such programs. Such oversight shall not constitute active management of an Environmental Fund.

(July 10, 1954, ch. 469, title VI, § 611, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3661.)

DELEGATION OF FUNCTIONS

For delegation of functions of President under this section, see section 1 of Ex. Ord. No. 13345, July 8, 2004, 69 F.R. 41901, set out as a note under section 1738 of this title.

§ 1738k. Eligible activities and grantees

(a) Eligible entities

Activities eligible to receive assistance through the framework agreements entered into under section 1738f of this title, shall include—

(1) activities of the type described in the Global Environmental Protection Assistance Act of 1989 (22 U.S.C. 2281 et seq.);

(2) agriculture-related activities, including those that provide for the biological prevention and control of animal and plant pests and diseases, to benefit the environment; and

(3) local community initiatives that promote conservation and sustainable use of the environment.

(b) Regulation

All activities of the type referred to in subsection (a) of this section shall, where appropriate, include initiatives that link conservation of natural resources with local community development.

(c) Setting of priorities

Appropriate activities and priorities relating to the use of an Environmental Fund shall be set by local nongovernmental organizations within the appropriate eligible country.

(d) Grants

Grants may be made by the body referred to in section 1738f(c) of this title from the Environmental Fund for environmental purposes to—

(1) host country nongovernmental environmental, conservation, development, educational, and indigenous peoples organizations;

(2) other appropriate local or regional entities; or

(3) in exceptional circumstances, the government of the eligible country.

(e) Priority

In providing assistance from an Environmental Fund, the body established under section 1738f(c) of this title within the eligible country shall give priority to projects that are run by nongovernmental organizations and other private entities, and that involve local communities in their planning and execution.

(July 10, 1954, ch. 469, title VI, § 612, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3661; amended Pub. L. 102–237, title III, § 306, Dec. 13, 1991, 105 Stat. 1856.)

REFERENCES IN TEXT

The Global Environmental Protection Assistance Act of 1989, referred to in subsec. (a)(1), is title VII of Pub. L. 101–240, Dec. 19, 1989, 103 Stat. 2521, as amended, which is classified generally to part VII (§ 2281 et seq.) of subchapter I of chapter 32 and chapter 86 (§ 7901 et seq.) of Title 22, Foreign Relations and Intercourse. For complete classification of this Act to the Code, see Short Title of 1989 Amendments note set out under section 2151 of Title 22 and Tables.

AMENDMENTS

1991—Subsec. (a)(1). Pub. L. 102–237 substituted ''2281 et seq.);'' for ''462), and—''.

§ 1738*l*. Encouraging multilateral debt donations

(a) Encouraging donations from official creditors

The President should actively encourage other official creditors of an eligible country to provide debt reduction to such eligible country.

(b) Encouraging donations from other sources

The President shall make every effort to insure that programs established through Environmental Funds are able to receive donations from private and public entities, and private creditors of the eligible country.

(July 10, 1954, ch. 469, title VI, § 613, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3662.)

§ 1738m. Annual report to Congress

(a) In general

Not later than December 31 of each fiscal year, the President shall prepare and submit to the Speaker of the House of Representatives and the President Pro Tempore of the Senate an annual report concerning the operation of the Facility for the prior fiscal year. This report shall include—

(1) a description of the activities undertaken by the Facility during the previous fiscal year;

(2) a description of any Enviromental[1] Framework Agreement entered into under this subchapter;

(3) a report on what Environmental Funds have been established under this subchapter and on the operations of such Funds; and

(4) a description of any grants that have been extended by administering bodies pursuant to an Enviromental[1] Framework Agreement under this subchapter.

(b) Supplemental views in annual report

No later than December 15 of each fiscal year, each member of the Board shall be entitled to receive a copy of the report required under subsection (a) of this section. Each member of the Board may prepare and submit supplemental views to the President on the implementation of this subchapter by December 31 for inclusion in the annual report when it is transmitted to Congress pursuant to this section.

(July 10, 1954, ch. 469, title VI, § 614, as added Pub. L. 101–624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3662; as amended Pub. L. 102–237, title III, § 330, Dec. 13, 1991, 105 Stat. 1858; Pub. L. 102–532, § 3, Oct. 27, 1992, 106 Stat. 3512.)

AMENDMENTS

1992—Subsec. (a). Pub. L. 102–532 inserted at end ''This report shall include—'' and pars. (1) to (4).

1991—Pub. L. 102–237 designated existing provisions as subsec. (a), inserted heading, and added subsec. (b).

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which certain reporting requirements under this section are listed on page 20), see section 3003 of Pub. L. 104–66, as amended, and section 1(a)(4) [div. A, § 1402(1)] of Pub. L. 106–554, set out as notes under section 1113 of Title 31, Money and Finance.

DELEGATION OF FUNCTIONS

For delegation of functions of President under this section, see section 2 of Ex. Ord. No. 13345, July 8, 2004, 69 F.R. 41901, set out as a note under section 1738 of this title.

§ 1738n. Consultations with Congress

The President shall consult with the appropriate congressional committees on a periodic basis to review the operation of the Facility under this subchapter and the eligibility of

[1] So in original. Probably should be ''Environmental''.

countries for benefits from the Facility under this subchapter.

(July 10, 1954, ch. 469, title VI, § 615, as added Pub. L. 102–237, title III, § 331, Dec. 13, 1991, 105 Stat. 1858.)

§ 1738*o*. Sale of qualified debt to eligible countries

(a) In general

(1) Authorization

The President may sell to an eligible country up to 40 percent of such country's qualified debt, only if an amount of the local currency of such country (other than the price paid for the debt) equal to—

(A) not less than 40 percent of the price paid for such debt by such eligible country, or

(B) the difference between the price paid for such debt and the face value of such debt;

whichever is less, is used by such country through an Environmental Fund for eligible activities described in section 1738k of this title.

(2) Environmental funds

For purposes of this section, the term ''Environmental Fund'' means an Environmental Fund established under section 1738g of this title. In the case of Mexico, such fund may be designated as the Good Neighbor Environmental Fund for the Border.

(3) Establishment and operation of environmental funds

The President should advise eligible countries on the procedures required to establish and operate the Environmental Funds required to be established under paragraph (1).

(b) Terms and conditions

The President shall establish the terms and conditions, including the amount to be paid by the eligible country, under which such country's qualified debt may be sold under this section.

(c) Appropriations requirement

The authorities provided by this section may be exercised only in such amounts and to such extent as is provided in advance in appropriations Acts.

(d) Certain prohibitions inapplicable

A sale of debt under this section shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

(e) Implementation by Facility

A sale of debt authorized under this section shall be accomplished at the direction of the Facility. The Facility shall direct the Commodity Credit Corporation to carry out such sale. The Commodity Credit Corporation shall make an adjustment in its accounts to reflect the sale.

(f) Deposit of proceeds

The proceeds from a sale of qualified debt under this section shall be deposited in the account or accounts established by the Commodity Credit Corporation for the repayment of such debt by the eligible country.

(g) Debtor consultation

Before any sale of qualified debt may occur under this section, the President should consult with the eligible country's government concerning such sale. The topics addressed in the consultation shall include the amount of qualified debt involved in the transaction and the uses to which funds made available as a result of the sale shall be applied.

(July 10, 1954, ch. 469, title VI, § 616, as added Pub. L. 102–532, § 2, Oct. 27, 1992, 106 Stat. 3509.)

§ 1738p. Sale, reduction, or cancellation of qualified debt to facilitate certain debt swaps

(a) Authority to sell, reduce, or cancel qualified debt

For the purpose of facilitating eligible debt swaps, the President, in accordance with this section—

(1) may sell to an eligible purchaser (as determined pursuant to subsection (c)(1) of this section) any qualified debt of an eligible country; or

(2) may reduce or cancel eligible debt of an eligible country upon receipt of payment from an eligible payor (as determined under subsection (c)(2) of this section).

(b) Terms and conditions

The President shall establish the terms and conditions under which qualified debt may be sold, reduced, or canceled pursuant to this section.

(c) Eligible purchasers and eligible payors

(1) Sales of debt

Qualified debt may be sold pursuant to subsection (a)(1) of this section only to a purchaser who presents plans satisfactory to the President for using the debt for the purpose of engaging in eligible debt swaps.

(2) Reduction or cancellation of debt

Qualified debt may be reduced or cancelled pursuant to subsection (a)(2) of this section only if the payor presents plans satisfactory to the President for using such reduction or cancellation for the purpose of facilitating eligible debt swaps.

(d) Debtor consultation and right of first refusal

(1) Consultation

Before selling, reducing, or canceling any qualified debt of an eligible country pursuant to this section, the President should consult with that country concerning, among other things, the amount of debt to be sold, reduced, or canceled and the uses of such debt for eligible debt swaps.

(2) Right of first refusal

The qualified debt of an eligible country may be sold, reduced, or cancelled pursuant to this section only if that country has been offered the opportunity to purchase that debt pursuant to section 1738*o* of this title and has not accepted that offer.

(e) Limitation

In the aggregate, not more than 40 percent of the qualified debt of an eligible country may be

sold, reduced, or cancelled under this section or sold under section 1738*o* of this title.

(f) Administration

The Facility shall notify the Commodity Credit Corporation of purchasers and payors the President has determined to be eligible under subsection (c) of this section, and shall direct the corporation to carry out the sale, reduction, or cancellation of a qualified debt pursuant to this section. The Commodity Credit Corporation shall make an adjustment in its accounts to reflect such sale, reduction, or cancellation.

(g) Appropriations requirement

The authorities provided by this section may be exercised only in such amounts and to such extent as is provided in advance in appropriations Acts.

(h) Deposit of proceeds

The proceeds from the sale, reduction, or cancellation of qualified debt pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such debt.

(i) Eligible debt swaps

As used in this section, the term ''eligible debt swap'' means a debt-for-development swap or debt-for-nature swap.

(July 10, 1954, ch. 469, title VI, § 617, as added Pub. L. 102–532, § 2, Oct. 27, 1992, 106 Stat. 3510.)

§ 1738q. Notification to congressional committees

(a) Notice of negotiations

The Secretary of State and the Secretary of the Treasury shall, in every feasible instance, notify the designated congressional committees not less than 15 days prior to any formal negotiation for debt relief under this subchapter.

(b) Transmittal of text of agreements

The Secretary of State shall transmit to the designated congressional committees a copy of the text of any agreement with any foreign government which would result in any debt relief under this subchapter no less than 30 days prior to its entry into force, together with a detailed justification of the interest of the United States in the proposed debt relief.

(c) Annual report

The Secretary of State or the Secretary of the Treasury, as appropriate, shall submit to the designated congressional committees not later than February 1 of each year a consolidated statement of the budgetary implications of all debt relief agreements entered into force under this subchapter during the preceding fiscal year.

(d) Designated congressional committees

As used in this section, the term ''designated congressional committees'' means the Committee on Agriculture and the Committee on Foreign Affairs of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(July 10, 1954, ch. 469, title VI, § 618, as added Pub. L. 102–532, § 2, Oct. 27, 1992, 106 Stat. 3511.)

§ 1738r. "Qualified debt" defined

As used in sections 1738*o*, 1738p, and 1738q of this title, the term ''qualified debt'' means any obligation, or portion of such obligation, of an eligible country to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 714c(f) of title 15 or section 1707a(b)[1] of this title—

(1) in which the Commodity Credit Corporation obtained a legal right or interest, as a result of assignment or subrogation, not later than September 1, 1992; and

(2) the payment of which obligation has been, not later than September 1, 1992, rescheduled in accordance with principles set forth in an Agreed Minute of the Paris Club.

Such term includes the obligation to pay any interest which was due or accrued not later than September 1, 1992, and unpaid as of the date of a debt sale pursuant to section 1738*o* of this title or a debt sale, reduction, or cancellation pursuant to section 1738p of this title (as the case may be).

(July 10, 1954, ch. 469, title VI, § 619, as added Pub. L. 102–532, § 2, Oct. 27, 1992, 106 Stat. 3511.)

REFERENCES IN TEXT

Section 1707a of this title, referred to in text, was repealed by Pub. L. 101–624, title XV, § 1574, Nov. 28, 1990, 104 Stat. 3702. See section 5621 et seq. of this title.

CHAPTER 42—AGRICULTURAL COMMODITY SET-ASIDE

Sec.
1741. Maximum and minimum quantities for set-aside; ''commodity set-aside'' defined.
1742. Determination of commodity value for set-aside.
1743. Reduction of set-aside.
1744. Sale of commodities in set-aside; exemption from pricing limitations.
1745. Computation of carryover.
1746. Records and accounts.
1747. Authorization of appropriations; determination of value of transferred commodity.
1748. Annual reports by agricultural attachés.
1749. Attaché educational program.

§ 1741. Maximum and minimum quantities for set-aside; "commodity set-aside" defined

The Commodity Credit Corporation shall, as rapidly as the Secretary of Agriculture shall determine to be practicable, set aside within its inventories not more than the following maximum quantities and not less than the following minimum quantities of agricultural commodities or products thereof heretofore or hereafter acquired by it from 1954 and prior years' crops and production in connection with its price support operations:

Commodity	Maximum quantity	Minimum quantity
Wheat (bushels)	500,000,000	400,000,000
Upland cotton (bales)	4,000,000	3,000,000
Cottonseed oil (pounds)	500,000,000	0
Butter (pounds)	200,000,000	0
Nonfat dry milk solids (pounds)	300,000,000	0
Cheese (pounds)	150,000,000	0

Such quantities shall be known as the ''commodity set-aside''.

[1] See References in Text note below.