

(2) World Bank structural adjustment loan for Poland

In furtherance of paragraph (1), the Secretary of the Treasury shall direct the United States Executive Director of the International Bank for Reconstruction and Development to urge expeditious approval and disbursement by the Bank of a structural adjustment loan to Poland in an appropriate amount in time to facilitate the implementation of major economic reforms scheduled for early 1990, including the termination of energy, export, and agricultural subsidies and wage indexation.

(b) Stabilization assistance, debt relief, and agricultural assistance for Poland

To the extent that Poland continues to evolve toward pluralism and democracy and to develop and implement comprehensive economic reform programs, the United States Government shall do the following:

(1) Stabilization assistance

The United States Government, in conjunction with other member governments of the Organization of Economic Cooperation and Development (OECD) and international financial institutions (including the International Monetary Fund), shall support the implementation of a plan of the Government of Poland to attack hyperinflation and other structural economic problems, address pressing social problems, carry out comprehensive economic reform, and relieve immediate and urgent balance of payments requirements in Poland, through the use of mechanisms such as—

(A) the Exchange Stabilization Fund pursuant to section 5302 of title 31 and in accordance with established Department of the Treasury policies and procedures; and

(B) the authority provided in section 5412(c) of this title.

(2) Debt relief

The United States Government—

(A) shall urge all members of the “Paris Club” of creditor governments and other creditor governments to adopt, and participate in, a generous and early rescheduling program for debts owed by the Government of Poland; and

(B) in coordination with other creditor governments, shall seek to expedite consultations between the Government of Poland and its major private creditors in order to facilitate a rescheduling and reduction of payments due on debt owed to such creditors in a manner consistent with the international debt policy announced by the Secretary of the Treasury on March 10, 1989.

(3) Agricultural assistance

The United States Government shall provide agricultural assistance for Poland in accordance with section 5413 of this title.

(Pub. L. 101-179, title I, §101, Nov. 28, 1989, 103 Stat. 1302.)

§ 5412. Stabilization assistance for Poland

(a) Immediate emergency assistance

To the extent that the ongoing International Monetary Fund review of the Polish economy

projects a probable balance of payments shortage for the fourth quarter of 1989, the United States Government, in carrying out paragraph (1) of section 5411(b) of this title—

(1) should work closely with the European Community and international financial institutions to determine the extent of emergency assistance required by Poland for the fourth quarter of 1989, and

(2) should consider extending a bridge loan to relieve immediate and urgent balance of payments requirements using the Exchange Stabilization Fund in accordance with paragraph (1)(A) of section 5411(b) of this title.

(b) Immediate, multilateral response to Poland's economic stabilization needs

In furtherance of section 5411(b)(1) of this title, the President, acting in coordination with the European Community, should seek to ensure that the industrialized democracies undertake an immediate, multilateral effort to respond to Poland's request for \$1,000,000,000 to support its economic stabilization program.

(c) Additional authority to provide stabilization assistance

(1) Authority

In order to carry out paragraph (1) of section 5411(b) of this title, the President is authorized to furnish assistance for Poland, notwithstanding any other provision of law, to assist in the urgent stabilization of the Polish economy and ultimately to promote longer-term economic growth and stability, based on movement toward free market principles. Such assistance may be provided for balance of payments support (including commodity import programs), support for private sector development, or for other activities to further efforts to develop a free market-oriented economy in Poland.

(2) Authorization of appropriations

For purposes of providing the assistance authorized by this subsection, there are authorized to be appropriated \$200,000,000 for fiscal year 1990 to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2346 and following; relating to the economic support fund), in addition to amounts otherwise available for such purposes.

(Pub. L. 101-179, title I, §102, Nov. 28, 1989, 103 Stat. 1303.)

REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in subsec. (c)(2), is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, as amended. Chapter 4 of part II of the Foreign Assistance Act of 1961 is classified to part IV (§2346 et seq.) of subchapter II of chapter 32 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

§ 5413. Agricultural assistance

(a) Agricultural assistance strategy

(1) United States assistance

A principal component of the SEED Program shall be the provision by the United States of food and other agricultural commodities and products to alleviate crucial short-

ages that may be created in an East European country by the transition from state-directed controls to a free market economy.

(2) Assistance from other countries

In order to ensure the necessary quantity and diversity of agricultural assistance for that purpose, the United States shall take all appropriate steps to encourage parallel efforts by the European Community and other agricultural surplus countries.

(3) Avoiding disincentives to private agricultural production and marketing

In participating in such multilateral agricultural assistance, the United States shall seek to strike a balance wherein agricultural commodities and products are supplied in such quantities as will be effective in overcoming severe shortages and dampening inflation but without impeding the development of incentives for private agricultural production and marketing in the recipient country.

(b) Agricultural assistance for Poland

Pursuant to section 5411(b)(3) of this title, the United States Government—

(1) shall make available to Poland, in coordination with the European Community, United States agricultural assistance—

(A) to alleviate immediate food shortages (such assistance to be specifically targeted toward elements of the Polish population most vulnerable to hunger and malnutrition, in particular the infirm, the elderly, and children), and

(B) to facilitate the transition from state-directed controls to a free market economy, while avoiding disincentives to domestic agricultural production and reform; and

(2) in order to ensure the necessary quantity and diversity of such agricultural assistance, shall take all appropriate steps to encourage parallel efforts by the European Community and other agricultural surplus countries.

(c) FY 1990 minimum level of agricultural assistance for Poland

In carrying out subsection (b) of this section, the level of assistance for Poland for fiscal year 1990 under section 1431(b) of title 7, the Food for Peace Act (7 U.S.C. 1691 and following), and section 1736o of title 7 should not be less than \$125,000,000. Such assistance—

(1) to the maximum extent practicable, shall be provided through nongovernmental organizations; and

(2) shall emphasize feed grains.

(d) Consistency with budget requirements

Subsection (c) of this section should not be construed to authorize or require any budgetary obligations or outlays that are inconsistent with House Concurrent Resolution 106 of the 101st Congress (setting forth the congressional budget for the United States Government for fiscal year 1990).

(Pub. L. 101-179, title I, §103, Nov. 28, 1989, 103 Stat. 1303; Pub. L. 110-246, title III, §3001(b)(1)(A), (2)(U), June 18, 2008, 122 Stat. 1820, 1821.)

REFERENCES IN TEXT

The Food for Peace Act, referred to in subsec. (c), is act July 10, 1954, ch. 469, 68 Stat. 454, which is classified generally to chapter 41 (§1691 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 1691 of Title 7 and Tables.

House Concurrent Resolution 106 of the 101st Congress, referred to in subsec. (d), is H. Con. Res. 106, May 18, 1989, 103 Stat. 2450, which is not classified to the Code.

AMENDMENTS

2008—Subsec. (c). Pub. L. 110-246 substituted “Food for Peace Act” for “Agricultural Trade Development and Assistance Act of 1954” in introductory provisions.

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 Title 7, Agriculture.

§ 5414. Debt-for-equity swaps and other special techniques

(a) Reduction of debt burden

The President shall take all appropriate actions to explore and encourage innovative approaches to the reduction of the government-to-government and commercial debt burden of East European countries which have taken substantive steps toward political democracy and economic pluralism.

(b) Authority for discounted sales of debt

Notwithstanding any other provision of law, the President may undertake the discounted sale, to private purchasers, of United States Government debt obligations of an East European country which has taken substantive steps toward political democracy and economic pluralism, subject to subsection (c) of this section.

(c) Condition

An obligation may be sold under subsection (b) of this section only if the sale will facilitate so-called debt-for-equity or debt-for-development swaps wherein such newly privatized debt is exchanged by the new holder of the obligation for—

(1) local currencies, policy commitments, or other assets needed for development or other economic activities, or

(2) for an equity interest in an enterprise theretofore owned by the particular East European government.

(Pub. L. 101-179, title I, §104, Nov. 28, 1989, 103 Stat. 1304.)

DELEGATION OF FUNCTIONS

Functions of President under this section delegated to Secretary of the Treasury by section 4 of Ex. Ord. No. 12703, Feb. 20, 1990, 55 F.R. 6351, set out as a note under section 5401 of this title.

SUBCHAPTER II—PRIVATE SECTOR DEVELOPMENT

§ 5421. Enterprise Funds for Poland and Hungary

(a) Purposes

The purposes of this section are to promote—

(1) development of the Polish and Hungarian private sectors, including small businesses,