

(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 Inter-course.

#### 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 Inter-course.

#### 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 Inter-course.

#### 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 de-