

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.