

be eligible, and shall direct the Bank to carry out the sale, reduction, or cancellation of a loan pursuant to this section. The Bank shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

**(5) Limitations**

The authorities of this subsection may be exercised only to such extent as provided for in advance in appropriations Acts, as necessary to implement the Federal Credit Reform Act of 1990 [2 U.S.C. 661 et seq.].

**(d) Deposit of proceeds**

The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

**(e) Eligible purchasers**

A loan may be sold pursuant to subsection (c)(1)(A) of this section only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

**(f) Debtor consultation**

Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President shall consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

**(g) Authorization of appropriations**

For the sale, reduction, and cancellation of loans or portions thereof pursuant to this section, there are authorized to be appropriated to the President such sums as may be necessary, which are authorized to remain available until expended.

(July 31, 1945, ch. 341, §12, formerly §18, as added and renumbered §12, Pub. L. 102-429, title I, §§108, 121(c)(6), Oct. 21, 1992, 106 Stat. 2191, 2199; amended Pub. L. 107-189, §24(b)(5), June 14, 2002, 116 Stat. 709; Pub. L. 110-246, title III, §3001(b)(1)(A), (2)(L), June 18, 2008, 122 Stat. 1820.)

REFERENCES IN TEXT

The Securities Act of 1933, referred to in subsec. (c)(3), is title I of act May 27, 1933, ch. 38, 48 Stat. 74, as amended, which is classified generally to subchapter I (§77a et seq.) of chapter 2A of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 77a of Title 15 and Tables.

The Federal Credit Reform Act of 1990, referred to in subsec. (c)(5), is title V of Pub. L. 93-344, as added Pub. L. 101-508, title XIII, §13201(a), Nov. 5, 1990, 104 Stat. 1388-609, which is classified generally to subchapter III (§661 et seq.) of chapter 17A of Title 2, The Congress. For complete classification of this Act to the Code, see Short Title of 1990 Amendment note set out under section 621 of Title 2 and Tables.

PRIOR PROVISIONS

A prior section 12 of act July 31, 1945, ch. 341, was classified to section 635i of this title, prior to repeal by Pub. L. 102-429, §121(c)(1).

AMENDMENTS

2008—Subsec. (a)(2). Pub. L. 110-246 made technical amendment to reference in original act which appears in text as reference to section 1738 of title 7.

Subsec. (c)(1)(B). Pub. L. 110-246 made technical amendment to reference in original act which appears in text as reference to sections 1738f through 1738k of title 7.

2002—Subsec. (a)(1). Pub. L. 107-189 substituted “subsection (b) of this section” for “section (b) of this section”.

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.

**§ 635i-7. Cooperation on export financing programs**

The Bank shall, subject to appropriate memoranda of understanding—

(1) provide complete and current information on all of its programs and financing practices to—

(A) the Small Business Administration and other Federal agencies involved in promoting exports and marketing export financing programs; and

(B) State and local export financing organizations that indicate a desire to participate in export promotion; and

(2) consistent with the provisions of section 4721(f)(2) of title 15, undertake a program to provide training for personnel designated in such memoranda with respect to such financing programs.

(July 31, 1945, ch. 341, §13, formerly §19, as added and renumbered §13, Pub. L. 102-429, title I, §§115, 121(c)(7), Oct. 21, 1992, 106 Stat. 2196, 2199.)

PRIOR PROVISIONS

A prior section 13 of act July 31, 1945, ch. 341, was classified to section 635i-1 of this title, prior to repeal by Pub. L. 102-429, §121(c)(1).

**§ 635i-8. Special debt relief for poorest, most heavily indebted countries**

**(a) Debt reduction authority**

The President may reduce amounts of principal and interest owed by any eligible country to the Bank as a result of loans or guarantees made under this subchapter.

**(b) Limitations**

**(1) Types of debt reduction**

The authority provided by subsection (a) of this section may be exercised only to implement multilateral agreements to reduce the burden of official bilateral debt as set forth in the minutes of the so-called “Paris Club” (also known as “Paris Club Agreed Minutes”).

**(2) Eligible countries**

**(A) “Eligible country” defined**

As used in subsection (a) of this section, the term “eligible country” means any country that—

(i) has excessively burdensome external debt;

(ii) is eligible to borrow from the International Development Association; and

(iii) is not eligible to borrow from the International Bank for Reconstruction and Development.

**(B) Determinations**

Subject to subparagraph (A), the President may determine whether a country is an eligible country for purposes of subsection (a) of this section.

**(c) Conditions**

The authority provided by this section may be exercised only with respect to a country whose government—

- (1) does not have an excessive level of military expenditures;
- (2) has not repeatedly provided support for acts of international terrorism;
- (3) is not failing to cooperate on international narcotics control matters; and
- (4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights.

**(d) Appropriations**

The authority provided by subsection (a) of this section may be exercised only in such amounts or to such extent as is provided in advance in appropriations Acts.

(July 31, 1945, ch. 341, §14, formerly §11, as added Pub. L. 103-87, title V, §570(b), Sept. 30, 1993, 107 Stat. 970; renumbered §14, Pub. L. 103-428, §2(b), Oct. 31, 1994, 108 Stat. 4376; Pub. L. 107-189, §24(b)(6), June 14, 2002, 116 Stat. 709.)

AMENDMENTS

2002—Subsec. (a). Pub. L. 107-189 substituted “principal” for “principle”.

DELEGATION OF AUTHORITY WITH RESPECT TO DEBT  
REDUCTION FOR POOREST COUNTRIES

Memorandum of President of the United States, June 20, 1994, 59 F.R. 33413, provided:

Memorandum for the Secretary of the Treasury

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 570 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1994 (Public Law 103-87) (the “Act”) [enacting 12 U.S.C. 635i-8], section 14 of the Export-Import Bank Act of 1945 (12 U.S.C. 635-635i-8) [probably means 12 U.S.C. 635i-8], and section 301 of title 3 of the United States Code, it is hereby ordered as follows:

1. There are delegated to the Secretary of the Treasury, in consultation with the Secretary of State and the Secretary of Defense, the functions, authorities, and duties conferred upon the President by section 570(a) of the Act [107 Stat. 970].
2. There are delegated to the Secretary of the Treasury, in consultation with the Secretary of State and the President of the Export-Import Bank, the functions, authorities, and duties conferred upon the President by section 570(b) of the Act and section 14(a) of the Export-Import Bank Act of 1945 (12 U.S.C. 635-635i-8).

The Secretary of the Treasury is authorized and directed to publish this memorandum in the Federal Register.

WILLIAM J. CLINTON.

**§ 635i-9. Market windows**

**(a) Enhanced transparency**

To ensure that the Bank financing remains fully competitive, the United States should seek

enhanced transparency over the activities of market windows in the OECD Export Credit Arrangement. If such transparency indicates that market windows are disadvantaging United States exporters, the United States should seek negotiations for multilateral disciplines and transparency within the OECD Export Credit Arrangement.

**(b) Authorization**

The Bank may provide financing on terms and conditions that are inconsistent with those permitted under the OECD Export Credit Arrangement—

- (1) to match financing terms and conditions that are being offered by market windows on terms that are inconsistent with those permitted under the OECD Export Credit Arrangement, if—

(A) matching such terms and conditions advances the negotiations for multilateral disciplines and transparency within the OECD Export Credit Arrangement; or

(B) transparency verifies that the market window financing is being offered on terms that are more favorable than the terms and conditions that are available from private financial markets; and

- (2) when the foreign government-supported institution refuses to provide sufficient transparency to permit the Bank to make a determination under paragraph (1).

**(c) Definition**

In this section, the term “OECD” means the Organization for Economic Cooperation and Development.

(July 31, 1945, ch. 341, §15, as added Pub. L. 107-189, §10(b)(1), June 14, 2002, 116 Stat. 703.)

REPORT

Pub. L. 107-189, §10(b)(2), June 14, 2002, 116 Stat. 703, provided that: “Within 2 years after the date of the enactment of this Act [June 14, 2002], the Secretary of the Treasury shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report on the rationale for seeking or not seeking negotiations for multilateral disciplines and transparency, the successes, failures, and obstacles in initiating negotiations, and if negotiations were initiated, in reaching an agreement.”

SUBCHAPTER II—EXPORT FINANCING

**§ 635j. Export financing program to foster foreign trade and commercial interest of the United States**

**(a) Congressional statement of policy**

It is the policy of the Congress that the Export-Import Bank of the United States should facilitate through loans, guarantees, and insurance (including coinsurance and reinsurance) those export transactions which, in the judgment of the Board of Directors of the Bank, offer sufficient likelihood of repayment to justify the Bank’s support in order to actively foster the foreign trade and long-term commercial interest of the United States.

**(b) Designation of transactions on books of the Bank; limitation on commitments**

The Bank shall specially designate loans, guarantees, and insurance on the books of the