

rapid rate of tropical deforestation continues unabated.

(4) Developing countries with urgent needs for investment and capital for development have allocated a significant amount of their forests to logging concessions.

(5) Poverty and economic pressures on the populations of developing countries have, over time, resulted in clearing of vast areas of forest for conversion to agriculture, which is often unsustainable in the poor soils underlying tropical forests.

(6) Debt reduction can reduce economic pressures on developing countries and result in increased protection for tropical forests.

(7) Finding economic benefits to local communities from sustainable uses of tropical forests is critical to the protection of tropical forests.

**(b) Purposes**

The purposes of this subchapter are—

(1) to recognize the values received by United States citizens from protection of tropical forests;

(2) to facilitate greater protection of tropical forests (and to give priority to protecting tropical forests with the highest levels of biodiversity and under the most severe threat) by providing for the alleviation of debt in countries where tropical forests are located, thus allowing the use of additional resources to protect these critical resources and reduce economic pressures that have led to deforestation;

(3) to ensure that resources freed from debt in such countries are targeted to protection of tropical forests and their associated values; and

(4) to rechannel existing resources to facilitate the protection of tropical forests.

(Pub. L. 87–195, pt. V, §802, as added Pub. L. 105–214, §1, July 29, 1998, 112 Stat. 885.)

PRIOR PROVISIONS

A prior section 2431, Pub. L. 87–195, pt. V, §801, as added Pub. L. 93–189, §24, Dec. 17, 1973, 87 Stat. 728, authorized the President to furnish assistance for relief and reconstruction of South Vietnam, Cambodia, and Laos, prior to repeal by Pub. L. 94–329, title IV, §413(a), June 30, 1976, 90 Stat. 761.

A prior section 802 of Pub. L. 87–195, pt. V, was classified to section 2432 of this title prior to repeal by Pub. L. 94–329.

SHORT TITLE

For short title of this subchapter as the “Tropical Forest Conservation Act of 1998”, see section 801 of Pub. L. 87–195, set out as a note under section 2151 of this title.

**§ 2431a. Definitions**

As used in this subchapter:

**(1) Administering body**

The term “administering body” means the entity provided for in section 2431g(c) of this title.

**(2) Appropriate congressional committees**

The term “appropriate congressional committees” means—

(A) the Committee on International Relations and the Committee on Appropriations of the House of Representatives; and

(B) the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

**(3) Beneficiary country**

The term “beneficiary country” means an eligible country with respect to which the authority of section 2431d(a)(1) of this title, section 2431e(a)(1) of this title, or paragraph (1) or (2) of section 2431f(a) of this title is exercised.

**(4) Board**

The term “Board” means the board referred to in section 2431i of this title.

**(5) Developing country with a tropical forest**

The term “developing country with a tropical forest” means—

(A)(i) a country that has a per capita income of \$725 or less in 1994 United States dollars (commonly referred to as “low-income country”), as determined and adjusted on an annual basis by the International Bank for Reconstruction and Development in its World Development Report; or

(ii) a country that has a per capita income of more than \$725 but less than \$8,956 in 1994 United States dollars (commonly referred to as “middle-income country”), as determined and adjusted on an annual basis by the International Bank for Reconstruction and Development in its World Development Report; and

(B) a country that contains at least one tropical forest that is globally outstanding in terms of its biological diversity or represents one of the larger intact blocks of tropical forests left, on a regional, continental, or global scale.

**(6) Eligible country**

The term “eligible country” means a country designated by the President in accordance with section 2431c of this title.

**(7) Tropical Forest Agreement**

The term “Tropical Forest Agreement” or “Agreement” means a Tropical Forest Agreement provided for in section 2431g of this title.

**(8) Tropical Forest Facility**

The term “Tropical Forest Facility” or “Facility” means the Tropical Forest Facility established in the Department of the Treasury by section 2431b of this title.

**(9) Tropical Forest Fund**

The term “Tropical Forest Fund” or “Fund” means a Tropical Forest Fund provided for in section 2431h of this title.

(Pub. L. 87–195, pt. V, §803, as added Pub. L. 105–214, §1, July 29, 1998, 112 Stat. 886.)

PRIOR PROVISIONS

A prior section 803 of Pub. L. 87–195, pt. V, was classified to section 2433 of this title prior to repeal by Pub. L. 94–329.

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.

**§ 2431b. Establishment of Facility**

There is established in the Department of the Treasury an entity to be known as the “Tropical Forest Facility” for the purpose of providing for the administration of debt reduction in accordance with this subchapter.

(Pub. L. 87–195, pt. V, §804, as added Pub. L. 105–214, §1, July 29, 1998, 112 Stat. 887.)

**PRIOR PROVISIONS**

A prior section 804 of Pub. L. 87–195, pt. V, was classified to section 2434 of this title prior to repeal by Pub. L. 94–329.

**§ 2431c. Eligibility for benefits****(a) In general**

To be eligible for benefits from the Facility under this subchapter, a country shall be a developing country with a tropical forest—

(1) whose government meets the requirements applicable to Latin American or Caribbean countries under paragraphs (1) through (5) and (7) of section 2430b(a) of this title; and

(2) that has put in place investment reforms, as evidenced by the conclusion of a bilateral investment treaty with the United States, implementation of an investment sector loan with the Inter-American Development Bank, World Bank-supported investment reforms, or other measures, as appropriate.

**(b) Eligibility determinations****(1) In general**

Consistent with subsection (a) of this section, the President shall determine whether a country is eligible to receive benefits under this subchapter.

**(2) Congressional notification**

The President shall notify the appropriate congressional committees of his intention to designate a country as an eligible country at least 15 days in advance of any formal determination.

(Pub. L. 87–195, pt. V, §805, as added Pub. L. 105–214, §1, July 29, 1998, 112 Stat. 887; amended Pub. L. 107–26, §1, Aug. 17, 2001, 115 Stat. 206.)

**PRIOR PROVISIONS**

A prior section 805 of Pub. L. 87–195, pt. V, enacted a provision set out as a note under former section 2431 of this title prior to repeal by Pub. L. 94–329, title IV, §413(a), June 30, 1976, 90 Stat. 761.

**AMENDMENTS**

2001—Subsec. (a)(2). Pub. L. 107–26 struck out “major” before “investment reforms.”

**DELEGATION OF FUNCTIONS**

For delegation of functions of President under this section, see Ex. Ord. No. 12163, Sept. 29, 1979, 44 F.R. 56673, as amended, set out as a note under section 2381 of this title.

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 Title 7, Agriculture.

**§ 2431d. Reduction of debt owed to United States as result of concessional loans under this chapter****(a) Authority to reduce debt****(1) Authority**

The President may reduce the amount owed to the United States (or any agency of the United States) that is outstanding as of January 1, 1998, as a result of concessional loans made to an eligible country by the United States under subchapter I of this chapter, part IV of subchapter II of this chapter, or predecessor foreign economic assistance legislation.

**(2) Authorization of appropriations**

For the cost (as defined in section 661a(5) of title 2) for the reduction of any debt pursuant to this section, there are authorized to be appropriated to the President—

- (A) \$25,000,000 for fiscal year 1999;
- (B) \$75,000,000 for fiscal year 2000; and
- (C) \$100,000,000 for fiscal year 2001.

**(3) Certain prohibitions inapplicable****(A) In general**

A reduction of debt pursuant to this section shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

**(B) Additional requirement**

The authority of this section may be exercised notwithstanding section 2370(r) of this title or section 321 of the International Development and Food Assistance Act of 1975.

**(b) Implementation of debt reduction****(1) In general**

Any debt reduction pursuant to subsection (a) of this section shall be accomplished at the direction of the Facility by the exchange of a new obligation for obligations of the type referred to in subsection (a) of this section outstanding as of the date specified in subsection (a)(1) of this section.

**(2) Exchange of obligations****(A) In general**

The Facility shall notify the agency primarily responsible for administering subchapter I of this chapter of an agreement entered into under paragraph (1) with an eligible country to exchange a new obligation for outstanding obligations.

**(B) Additional requirement**

At the direction of the Facility, the old obligations that are the subject of the agreement shall be canceled and a new debt obligation for the country shall be established relating to the agreement, and the agency primarily responsible for administering subchapter I of this chapter shall make an adjustment in its accounts to reflect the debt reduction.

**(c) Additional terms and conditions**

(1) The following additional terms and conditions shall apply to the reduction of debt under subsection (a)(1) of this section in the same manner as such terms and conditions apply to