

§ 1738m. Annual report to Congress**(a) In general**

Not later than December 31 of each fiscal year, the President shall prepare and submit to the Speaker of the House of Representatives and the President Pro Tempore of the Senate an annual report concerning the operation of the Facility for the prior fiscal year. This report shall include—

- (1) a description of the activities undertaken by the Facility during the previous fiscal year;
- (2) a description of any Environmental¹ Framework Agreement entered into under this subchapter;
- (3) a report on what Environmental Funds have been established under this subchapter and on the operations of such Funds; and
- (4) a description of any grants that have been extended by administering bodies pursuant to an Environmental¹ Framework Agreement under this subchapter.

(b) Supplemental views in annual report

No later than December 15 of each fiscal year, each member of the Board shall be entitled to receive a copy of the report required under subsection (a). Each member of the Board may prepare and submit supplemental views to the President on the implementation of this subchapter by December 31 for inclusion in the annual report when it is transmitted to Congress pursuant to this section.

(July 10, 1954, ch. 469, title VI, § 614, as added Pub. L. 101-624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3662; as amended Pub. L. 102-237, title III, § 330, Dec. 13, 1991, 105 Stat. 1858; Pub. L. 102-532, § 3, Oct. 27, 1992, 106 Stat. 3512.)

AMENDMENTS

1992—Subsec. (a). Pub. L. 102-532 inserted at end “This report shall include—” and pars. (1) to (4).

1991—Pub. L. 102-237 designated existing provisions as subsec. (a), inserted heading, and added subsec. (b).

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103-7 (in which certain reporting requirements under this section are listed on page 20), see section 3003 of Pub. L. 104-66, as amended, and section 1(a)(4) [div. A, § 1402(1)] of Pub. L. 106-554, set out as notes under section 1113 of Title 31, Money and Finance.

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.

§ 1738n. Consultations with Congress

The President shall consult with the appropriate congressional committees on a periodic basis to review the operation of the Facility under this subchapter and the eligibility of countries for benefits from the Facility under this subchapter.

(July 10, 1954, ch. 469, title VI, § 615, as added Pub. L. 102-237, title III, § 331, Dec. 13, 1991, 105 Stat. 1858.)

¹ So in original. Probably should be “Environmental”.

§ 1738o. Sale of qualified debt to eligible countries**(a) In general****(1) Authorization**

The President may sell to an eligible country up to 40 percent of such country's qualified debt, only if an amount of the local currency of such country (other than the price paid for the debt) equal to—

- (A) not less than 40 percent of the price paid for such debt by such eligible country, or
- (B) the difference between the price paid for such debt and the face value of such debt;

whichever is less, is used by such country through an Environmental Fund for eligible activities described in section 1738k of this title.

(2) Environmental funds

For purposes of this section, the term “Environmental Fund” means an Environmental Fund established under section 1738g of this title. In the case of Mexico, such fund may be designated as the Good Neighbor Environmental Fund for the Border.

(3) Establishment and operation of environmental funds

The President should advise eligible countries on the procedures required to establish and operate the Environmental Funds required to be established under paragraph (1).

(b) Terms and conditions

The President shall establish the terms and conditions, including the amount to be paid by the eligible country, under which such country's qualified debt may be sold under this section.

(c) Appropriations requirement

The authorities provided by this section may be exercised only in such amounts and to such extent as is provided in advance in appropriations Acts.

(d) Certain prohibitions inapplicable

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

(e) Implementation by Facility

A sale of debt authorized under this section shall be accomplished at the direction of the Facility. The Facility shall direct the Commodity Credit Corporation to carry out such sale. The Commodity Credit Corporation shall make an adjustment in its accounts to reflect the sale.

(f) Deposit of proceeds

The proceeds from a sale of qualified debt under this section shall be deposited in the account or accounts established by the Commodity Credit Corporation for the repayment of such debt by the eligible country.

(g) Debtor consultation

Before any sale of qualified debt may occur under this section, the President should consult with the eligible country's government concerning such sale. The topics addressed in the consultation shall include the amount of qualified

debt involved in the transaction and the uses to which funds made available as a result of the sale shall be applied.

(July 10, 1954, ch. 469, title VI, §616, as added Pub. L. 102-532, §2, Oct. 27, 1992, 106 Stat. 3509.)

§ 1738p. Sale, reduction, or cancellation of qualified debt to facilitate certain debt swaps

(a) Authority to sell, reduce, or cancel qualified debt

For the purpose of facilitating eligible debt swaps, the President, in accordance with this section—

(1) may sell to an eligible purchaser (as determined pursuant to subsection (c)(1)) any qualified debt of an eligible country; or

(2) may reduce or cancel eligible debt of an eligible country upon receipt of payment from an eligible payor (as determined under subsection (c)(2)).

(b) Terms and conditions

The President shall establish the terms and conditions under which qualified debt may be sold, reduced, or canceled pursuant to this section.

(c) Eligible purchasers and eligible payors

(1) Sales of debt

Qualified debt may be sold pursuant to subsection (a)(1) only to a purchaser who presents plans satisfactory to the President for using the debt for the purpose of engaging in eligible debt swaps.

(2) Reduction or cancellation of debt

Qualified debt may be reduced or cancelled pursuant to subsection (a)(2) only if the payor presents plans satisfactory to the President for using such reduction or cancellation for the purpose of facilitating eligible debt swaps.

(d) Debtor consultation and right of first refusal

(1) Consultation

Before selling, reducing, or canceling any qualified debt of an eligible country pursuant to this section, the President should consult with that country concerning, among other things, the amount of debt to be sold, reduced, or canceled and the uses of such debt for eligible debt swaps.

(2) Right of first refusal

The qualified debt of an eligible country may be sold, reduced, or cancelled pursuant to this section only if that country has been offered the opportunity to purchase that debt pursuant to section 1738o of this title and has not accepted that offer.

(e) Limitation

In the aggregate, not more than 40 percent of the qualified debt of an eligible country may be sold, reduced, or cancelled under this section or sold under section 1738o of this title.

(f) Administration

The Facility shall notify the Commodity Credit Corporation of purchasers and payors the President has determined to be eligible under subsection (c), and shall direct the corporation to carry out the sale, reduction, or cancellation

of a qualified debt pursuant to this section. The Commodity Credit Corporation shall make an adjustment in its accounts to reflect such sale, reduction, or cancellation.

(g) Appropriations requirement

The authorities provided by this section may be exercised only in such amounts and to such extent as is provided in advance in appropriations Acts.

(h) Deposit of proceeds

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

(i) Eligible debt swaps

As used in this section, the term “eligible debt swap” means a debt-for-development swap or debt-for-nature swap.

(July 10, 1954, ch. 469, title VI, §617, as added Pub. L. 102-532, §2, Oct. 27, 1992, 106 Stat. 3510.)

§ 1738q. Notification to congressional committees

(a) Notice of negotiations

The Secretary of State and the Secretary of the Treasury shall, in every feasible instance, notify the designated congressional committees not less than 15 days prior to any formal negotiation for debt relief under this subchapter.

(b) Transmittal of text of agreements

The Secretary of State shall transmit to the designated congressional committees a copy of the text of any agreement with any foreign government which would result in any debt relief under this subchapter no less than 30 days prior to its entry into force, together with a detailed justification of the interest of the United States in the proposed debt relief.

(c) Annual report

The Secretary of State or the Secretary of the Treasury, as appropriate, shall submit to the designated congressional committees not later than February 1 of each year a consolidated statement of the budgetary implications of all debt relief agreements entered into force under this subchapter during the preceding fiscal year.

(d) Designated congressional committees

As used in this section, the term “designated congressional committees” means the Committee on Agriculture and the Committee on Foreign Affairs of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(July 10, 1954, ch. 469, title VI, §618, as added Pub. L. 102-532, §2, Oct. 27, 1992, 106 Stat. 3511.)

§ 1738r. “Qualified debt” defined

As used in sections 1738o, 1738p, and 1738q of this title, the term “qualified debt” means any obligation, or portion of such obligation, of an eligible country to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 714c(f) of title 15 or section 1707a(b)¹ of this title—

¹ See References in Text note below.