

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 Intercourse.

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 Intercourse.

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-

velopment within the country and to promote broad-based, equitable, and sustainable development;

(2) the establishment of development programs, projects, and activities that promote food security, alleviate hunger, improve nutrition, and promote family planning, maternal and child health care, oral rehydration therapy, and other child survival objectives consistent with section 2151b(c)(2) of title 22, relating to the Child Survival Fund;

(3) the promotion of increased access to food supplies through the encouragement of specific policies and programs designed to increase employment and incomes within the country;

(4) the promotion of free and open markets through specific policies and programs;

(5) support for United States private voluntary organizations and cooperatives and encouragement of the development and utilization of indigenous nongovernmental organizations;

(6) the purchase of agricultural commodities (including transportation and processing costs) produced in the country—

(A) to meet urgent or extraordinary relief requirements in the country or in neighboring countries; or

(B) to develop emergency food reserves;

(7) the purchase of goods and services (other than agricultural commodities and related services) to meet urgent or extraordinary relief requirements;

(8) the payment, to the extent practicable, of the costs of carrying out the program authorized in subchapter V;

(9) private sector development activities designed to further the policies set forth in section 1691 of this title, including loans to financial intermediaries for use in making loans to private individuals, cooperatives, corporations, or other entities;

(10) activities of the Peace Corps that relate to agricultural production;

(11) the development of rural infrastructure such as roads, irrigation systems, and electrification to enhance agricultural production;

(12) research on malnutrition and its causes, as well as research relating to the identification and application of policies and strategies for targeting resources made available under this section to address the problem of malnutrition; and

(13) support for research (including collaborative research which is mutually beneficial to the United States and the recipient country), education, and extension activities in agricultural sciences.

Section 1306 of title 31 shall not apply to the use under this subsection of local currency proceeds that are owned by the United States.

**(b) Support of nongovernmental organizations**

To the extent practicable, not less than 10 percent of the amounts contained in an account established for a recipient country under section 1727d(a) of this title shall be used by such country to support the development and utilization of nongovernmental organizations and coopera-

tives that are active in rural development, agricultural education, sustainable agricultural production, other measures to assist poor people, and environmental protection projects within such country.

**(c) Investment of local currencies by nongovernmental organizations**

A nongovernmental organization may invest local currencies that accrue to that organization as a result of assistance under subsection (a), and any interest earned on such investment may be used for the purpose for which the assistance was provided to that organization without further appropriation by the Congress.

**(d) Support for certain educational institutions**

If the Administrator determines that local currencies deposited in a special account pursuant to this subchapter are not needed for any of the activities prescribed in paragraphs (1) through (13) of subsection (a) or for any other specific economic development purpose in the recipient country, the Administrator may use those currencies to provide support for any institution (other than an institution whose primary purpose is to provide religious education) located in the recipient country that provides education in agricultural sciences or other disciplines for a significant number of United States nationals (who may include members of the United States Armed Forces or the Foreign Service or dependents of such members).

(July 10, 1954, ch. 469, title III, §306, as added Pub. L. 95-88, title II, §211(a)(2), Aug. 3, 1977, 91 Stat. 551; amended Pub. L. 96-53, title II, §207(a), Aug. 14, 1979, 93 Stat. 369; Pub. L. 101-624, title XV, §1512, Nov. 28, 1990, 104 Stat. 3643; Pub. L. 104-127, title II, §211(a), Apr. 4, 1996, 110 Stat. 955.)

PRIOR PROVISIONS

A prior section 306 of act July 10, 1954, ch. 469, title III, as added Sept. 21, 1959, Pub. L. 86-341, title I, §11, 73 Stat. 608, enacted section 1695 of this title, prior to repeal by Pub. L. 89-808, §2(D), Nov. 11, 1966, 80 Stat. 1535.

AMENDMENTS

1996—Subsec. (b). Pub. L. 104-127 amended heading and struck out “indigenous” before “nongovernmental” in text.

1990—Pub. L. 101-624 amended section generally, substituting present provisions for provisions requiring submission of annual report by recipient countries to President on activities and progress of Food for Development Program.

1979—Pub. L. 96-53 inserted provisions relating to detailed description of the use of the commodities.

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 Intercourse.

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.

USE OF FOREIGN CURRENCIES

Foreign currencies accruing to United States under this subchapter may be used for purposes set forth in this section, see Ex. Ord. No. 12752, §2(b)(1), Feb. 25, 1991, 56 F.R. 8255, set out as a note under section 1691 of this title.

§§ 1727f, 1727g. Omitted

CODIFICATION

Sections were omitted in the general revision of this chapter by Pub. L. 101-624, title XV, §1512, Nov. 28, 1990, 104 Stat. 3633.

Section 1727f, act July 10, 1954, ch. 469, title III, §307, as added Aug. 3, 1977, Pub. L. 95-88, title II, §211(a)(2), 91 Stat. 551; amended Aug. 14, 1979, Pub. L. 96-53, title II, §207(b), 93 Stat. 369, related to annual presidential review of agreements for use of proceeds from sales of commodities.

A prior section 307 of act July 10, 1954, ch. 469, title III, as added Sept. 21, 1959, Pub. L. 86-341, title I, §12, 73 Stat. 609, which enacted section 1696 of this title, was repealed by Pub. L. 89-808, §2(D), Nov. 11, 1966, 80 Stat. 1535.

Section 1727g, act July 10, 1954, ch. 469, title III, §310, formerly §303, 68 Stat. 459; Pub. L. 85-931, §6, Sept. 6, 1958, 72 Stat. 1791; Pub. L. 90-436, §7, July 29, 1968, 82 Stat. 451; renumbered §310, Pub. L. 95-88, title II, §211(a)(1), Aug. 3, 1977, 91 Stat. 548; Pub. L. 99-198, title XI, §1167(c), Dec. 23, 1985, 99 Stat. 1503, related to authority of Secretary to barter agricultural commodities for strategic and other materials.

BARTER OF AGRICULTURAL COMMODITIES FOR STRATEGIC AND CRITICAL MATERIALS

Pub. L. 99-198, title XI, §1167(a), Dec. 23, 1985, 99 Stat. 1502, set out findings by Congress concerning the barter or exchange of agricultural commodities for strategic and critical materials for the national defense stockpile, prior to repeal by Pub. L. 101-624, title XV, §1572(3), Nov. 28, 1990, 104 Stat. 3702.

SUBCHAPTER III-B—EMERGENCY FOOD ASSISTANCE

§ 1728. Findings regarding emergency food assistance

The Congress finds that—

(1) acute food crises continue to cause loss of life, severe malnutrition, and general human suffering in many areas of the Third World, especially in sub-Saharan Africa;

(2) the United States continues to respond to these needs, as a reflection of its humanitarian concern for the people of the Third World, with emergency food and other necessary assistance to alleviate the suffering of those affected by severe food shortages;

(3) the timely provision of food and other necessary assistance to those in need is of paramount importance if the worst effects of such food crises are to be mitigated; and

(4) the ability of the United States to provide food and other necessary assistance on a timely basis, and to ensure that such assistance is distributed to those in need, should be enhanced in order to better enable the United States to help those affected by severe food shortages.

(Pub. L. 98-473, title III, §302, Oct. 12, 1984, 98 Stat. 2194.)

CODIFICATION

Section was enacted as part of the President's Emergency Food Assistance Act of 1984, and not as part of the Food for Peace Act which comprises this chapter.