

AMENDMENTS

2004—Subsec. (c). Pub. L. 108-323, §3(a), designated existing provisions as par. (1), redesignated former pars. (1) and (2) as subpars. (A) and (B), respectively, of par. (1), and added par. (2).

Subsec. (d)(4) to (6). Pub. L. 108-323, §1, added pars. (4) to (6).

Subsec. (e). Pub. L. 108-323, §2, added subsec. (e).

2001—Subsec. (d). Pub. L. 107-26 added subsec. (d).

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. (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 Title 7, Agriculture.

§ 2431e. Reduction of debt owed to United States as result of credits extended under title I of Food for Peace Act

(a) Authority to reduce debt

(1) Authority

Notwithstanding any other provision of law, 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 any credits extended under title I of the Food for Peace Act (7 U.S.C. 1701 et seq.) to a country eligible for benefits from the Facility.

(2) Authorization of appropriations

(A) In general

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—

- (i) \$25,000,000 for fiscal year 1999;
- (ii) \$50,000,000 for fiscal year 2000; and
- (iii) \$50,000,000 for fiscal year 2001.

(B) Limitation

The authority provided by this section shall be available only to the extent that appropriations for the cost (as defined in section 661a(5) of title 2) of the modification of any debt pursuant to this section are made in advance.

(b) Implementation of debt reduction

(1) In general

Any debt reduction pursuant to subsection (a) 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) outstanding as of the date specified in subsection (a)(1).

(2) Exchange of obligations

(A) In general

The Facility shall notify the Commodity Credit Corporation 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 agree-

ment shall be canceled and a new debt obligation shall be established for the country relating to the agreement, and the Commodity Credit Corporation 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) in the same manner as such terms and conditions apply to the reduction of debt under section 604(a)(1) of the Food for Peace Act [7 U.S.C. 1738c(a)(1)]:

(A) The provisions relating to repayment of principal under section 605 of such Act [7 U.S.C. 1738d].

(B) The provisions relating to interest on new obligations under section 606 of such Act [7 U.S.C. 1738e].

(2) In addition to the application of the provisions relating to repayment of principal under section 605 of the Food for Peace Act [7 U.S.C. 1738d] to the reduction of debt under subsection (a)(1) (in accordance with paragraph (1)(A) of this subsection), repayment of principal on a new obligation established under subsection (b) may be made in the local currency of the beneficiary country and deposited in the Tropical Forest Fund of the country in the same manner as the provisions relating to payment of interest on new obligations under section 606 of such Act [7 U.S.C. 1738e].

(Pub. L. 87-195, pt. V, §807, as added Pub. L. 105-214, §1, July 29, 1998, 112 Stat. 888; amended Pub. L. 108-323, §3(b), Oct. 6, 2004, 118 Stat. 1219; Pub. L. 110-246, title III, §3001(b)(1), (2)(Q), June 18, 2008, 122 Stat. 1820.)

REFERENCES IN TEXT

The Food for Peace Act, referred to in subsec. (a)(1), is act July 10, 1954, ch. 469, 68 Stat. 454. Title I of the Act is classified generally to subchapter II (§1701 et seq.) of chapter 41 of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 1691 of Title 7 and Tables.

AMENDMENTS

2008—Pub. L. 110-246 substituted “Food for Peace Act” for “Agricultural Trade Development and Assistance Act of 1954” in section catchline and wherever appearing in subsecs. (a)(1) and (c).

2004—Subsec. (c). Pub. L. 108-323 designated existing provisions as par. (1), redesignated former pars. (1) and (2) as subpars. (A) and (B), respectively, of par. (1), and added par. (2).

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.

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. (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 Title 7, Agriculture.

§ 2431f. Authority to engage in debt-for-nature swaps and debt buybacks

(a) Loans and credits eligible for sale, reduction, or cancellation

(1) Debt-for-nature swaps

(A) In general

Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser described in subparagraph (B) any concessional loans described in section 2431d(a)(1) of this title or any credits described in section 2431e(a)(1) of this title, or on receipt of payment from an eligible purchaser described in subparagraph (B), reduce or cancel such loans (or credits) or portion thereof, only for the purpose of facilitating a debt-for-nature swap to support eligible activities described in section 2431g(d) of this title.

(B) Eligible purchaser described

A loan or credit may be sold, reduced, or canceled under subparagraph (A) only to a purchaser who presents plans satisfactory to the President for using the loan or credit for the purpose of engaging in debt-for-nature swaps to support eligible activities described in section 2431g(d) of this title.

(C) Consultation requirement

Before the sale under subparagraph (A) to any eligible purchaser described in subparagraph (B), or any reduction or cancellation under such subparagraph (A), of any loan or credit made to an eligible country, the President shall consult with the country concerning the amount of loans or credits to be sold, reduced, or canceled and their uses for debt-for-nature swaps to support eligible activities described in section 2431g(d) of this title.

(D) Authorization of appropriations

For the cost (as defined in section 661a(5) of title 2) for the reduction of any debt pursuant to subparagraph (A), amounts authorized to be appropriated under sections 2431d(a)(2), 2431e(a)(2), and 2431d(d) of this title shall be made available for such reduction of debt pursuant to subparagraph (A).

(2) Debt buybacks

Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible country any concessional loans described in section 2431d(a)(1) of this title or any credits described in section 2431e(a)(1) of this title, or on receipt of payment from an eligible country, reduce or cancel such loans (or credits) or portion thereof, only for the purpose of facilitating a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than the lessor of 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support eligible activities described in section 2431g(d) of this title.

(3) Limitation

The authority provided by paragraphs (1) and (2) shall be available only to the extent that appropriations for the cost (as defined in section 661a(5) of title 2) of the modification of any debt pursuant to such paragraphs are made in advance.

(4) Terms and conditions

Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans and credits may be sold, reduced, or canceled pursuant to this section.

(5) Administration

(A) In general

The Facility shall notify the administrator of the agency primarily responsible for administering subchapter I of this chapter or the Commodity Credit Corporation, as the case may be, of eligible purchasers described in paragraph (1)(B) that the President has determined to be eligible under paragraph (1), and shall direct such agency or Corporation, as the case may be, to carry out the sale, reduction, or cancellation of a loan pursuant to such paragraph.

(B) Additional requirement

Such agency or Corporation, as the case may be, shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

(b) 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.

(Pub. L. 87-195, pt. V, §808, as added Pub. L. 105-214, §1, July 29, 1998, 112 Stat. 889; amended Pub. L. 107-26, §2(b), Aug. 17, 2001, 115 Stat. 206.)

REFERENCES TO SUBCHAPTER I DEEMED TO INCLUDE CERTAIN PARTS OF SUBCHAPTER II

References to subchapter I of this chapter are deemed to include parts IV (§2346 et seq.), VI (§2348 et seq.), and VIII (§2349aa et seq.) of subchapter II of this chapter, and references to subchapter II are deemed to exclude such parts. See section 202(b) of Pub. L. 92-226, set out as a note under section 2346 of this title, and sections 2348c and 2349aa-5 of this title.

AMENDMENTS

2001—Subsec. (a)(1)(D). Pub. L. 107-26 substituted “to be appropriated under sections 2431d(a)(2), 2431e(a)(2), and 2431d(d) of this title” for “to be appropriated under sections 2431d(a)(2) and 2431e(a)(2) of this title”.

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. (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 Title 7, Agriculture.