

assistance required by Poland for the fourth quarter of 1989, and

(2) should consider extending a bridge loan to relieve immediate and urgent balance of payments requirements using the Exchange Stabilization Fund in accordance with paragraph (1)(A) of section 5411(b) of this title.

(b) Immediate, multilateral response to Poland's economic stabilization needs

In furtherance of section 5411(b)(1) of this title, the President, acting in coordination with the European Community, should seek to ensure that the industrialized democracies undertake an immediate, multilateral effort to respond to Poland's request for \$1,000,000,000 to support its economic stabilization program.

(c) Additional authority to provide stabilization assistance

(1) Authority

In order to carry out paragraph (1) of section 5411(b) of this title, the President is authorized to furnish assistance for Poland, notwithstanding any other provision of law, to assist in the urgent stabilization of the Polish economy and ultimately to promote longer-term economic growth and stability, based on movement toward free market principles. Such assistance may be provided for balance of payments support (including commodity import programs), support for private sector development, or for other activities to further efforts to develop a free market-oriented economy in Poland.

(2) Authorization of appropriations

For purposes of providing the assistance authorized by this subsection, there are authorized to be appropriated \$200,000,000 for fiscal year 1990 to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2346 and following; relating to the economic support fund), in addition to amounts otherwise available for such purposes.

(Pub. L. 101-179, title I, §102, Nov. 28, 1989, 103 Stat. 1303.)

REFERENCES IN TEXT

The Foreign Assistance Act of 1961, referred to in subsec. (c)(2), is Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, as amended. Chapter 4 of part II of the Foreign Assistance Act of 1961 is classified to part IV (§2346 et seq.) of subchapter II of chapter 32 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

§ 5413. Agricultural assistance

(a) Agricultural assistance strategy

(1) United States assistance

A principal component of the SEED Program shall be the provision by the United States of food and other agricultural commodities and products to alleviate crucial shortages that may be created in an East European country by the transition from state-directed controls to a free market economy.

(2) Assistance from other countries

In order to ensure the necessary quantity and diversity of agricultural assistance for

that purpose, the United States shall take all appropriate steps to encourage parallel efforts by the European Community and other agricultural surplus countries.

(3) Avoiding disincentives to private agricultural production and marketing

In participating in such multilateral agricultural assistance, the United States shall seek to strike a balance wherein agricultural commodities and products are supplied in such quantities as will be effective in overcoming severe shortages and dampening inflation but without impeding the development of incentives for private agricultural production and marketing in the recipient country.

(b) Agricultural assistance for Poland

Pursuant to section 5411(b)(3) of this title, the United States Government—

(1) shall make available to Poland, in coordination with the European Community, United States agricultural assistance—

(A) to alleviate immediate food shortages (such assistance to be specifically targeted toward elements of the Polish population most vulnerable to hunger and malnutrition, in particular the infirm, the elderly, and children), and

(B) to facilitate the transition from state-directed controls to a free market economy, while avoiding disincentives to domestic agricultural production and reform; and

(2) in order to ensure the necessary quantity and diversity of such agricultural assistance, shall take all appropriate steps to encourage parallel efforts by the European Community and other agricultural surplus countries.

(c) FY 1990 minimum level of agricultural assistance for Poland

In carrying out subsection (b) of this section, the level of assistance for Poland for fiscal year 1990 under section 1431(b) of title 7, the Food for Peace Act (7 U.S.C. 1691 and following), and section 1736o of title 7 should not be less than \$125,000,000. Such assistance—

(1) to the maximum extent practicable, shall be provided through nongovernmental organizations; and

(2) shall emphasize feed grains.

(d) Consistency with budget requirements

Subsection (c) should not be construed to authorize or require any budgetary obligations or outlays that are inconsistent with House Concurrent Resolution 106 of the 101st Congress (setting forth the congressional budget for the United States Government for fiscal year 1990).

(Pub. L. 101-179, title I, §103, Nov. 28, 1989, 103 Stat. 1303; Pub. L. 110-246, title III, §3001(b)(1)(A), (2)(U), June 18, 2008, 122 Stat. 1820, 1821.)

REFERENCES IN TEXT

The Food for Peace Act, referred to in subsec. (c), is act July 10, 1954, ch. 469, 68 Stat. 454, which is classified generally to chapter 41 (§1691 et seq.) 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.

House Concurrent Resolution 106 of the 101st Congress, referred to in subsec. (d), is H. Con. Res. 106, May

18, 1989, 103 Stat. 2450, which is not classified to the Code.

AMENDMENTS

2008—Subsec. (c). Pub. L. 110-246 substituted “Food for Peace Act” for “Agricultural Trade Development and Assistance Act of 1954” in introductory provisions.

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.

§ 5414. Debt-for-equity swaps and other special techniques

(a) Reduction of debt burden

The President shall take all appropriate actions to explore and encourage innovative approaches to the reduction of the government-to-government and commercial debt burden of East European countries which have taken substantive steps toward political democracy and economic pluralism.

(b) Authority for discounted sales of debt

Notwithstanding any other provision of law, the President may undertake the discounted sale, to private purchasers, of United States Government debt obligations of an East European country which has taken substantive steps toward political democracy and economic pluralism, subject to subsection (c).

(c) Condition

An obligation may be sold under subsection (b) only if the sale will facilitate so-called debt-for-equity or debt-for-development swaps wherein such newly privatized debt is exchanged by the new holder of the obligation for—

- (1) local currencies, policy commitments, or other assets needed for development or other economic activities, or
- (2) for an equity interest in an enterprise theretofore owned by the particular East European government.

(Pub. L. 101-179, title I, § 104, Nov. 28, 1989, 103 Stat. 1304.)

DELEGATION OF FUNCTIONS

Functions of President under this section delegated to Secretary of the Treasury by section 4 of Ex. Ord. No. 12703, Feb. 20, 1990, 55 F.R. 6351, set out as a note under section 5401 of this title.

SUBCHAPTER II—PRIVATE SECTOR DEVELOPMENT

§ 5421. Enterprise Funds for Poland and Hungary

(a) Purposes

The purposes of this section are to promote—

- (1) development of the Polish and Hungarian private sectors, including small businesses, the agricultural sector, and joint ventures with United States and host country participants, and
- (2) policies and practices conducive to private sector development in Poland and Hungary,

through loans, grants, equity investments, feasibility studies, technical assistance, training, insurance, guarantees, and other measures.

(b) Authorization of appropriations

To carry out the purposes specified in subsection (a), there are authorized to be appropriated to the President—

- (1) \$240,000,000 to support the Polish-American Enterprise Fund; and
- (2) \$60,000,000 to support the Hungarian-American Enterprise Fund.

Such amounts are authorized to be made available until expended.

(c) Nonapplicability of other laws

The funds appropriated under subsection (b) may be made available to the Polish-American Enterprise Fund and the Hungarian-American Enterprise Fund and used for the purposes of this section notwithstanding any other provision of law.

(d) Designation of Enterprise Funds

(1) Designation

The President is authorized to designate two private, nonprofit organizations as eligible to receive funds and support pursuant to this section upon determining that such organizations have been established for the purposes specified in subsection (a). For purposes of this chapter, the organizations so designated shall be referred to as the Polish-American Enterprise Fund and the Hungarian-American Enterprise Fund (hereinafter in this section referred to as the “Enterprise Funds”).

(2) Consultation with Congress

The President shall consult with the leadership of each House of Congress before designating an organization pursuant to paragraph (1).

(3) Board of Directors

(A) Each Enterprise Fund shall be governed by a Board of Directors comprised of private citizens of the United States, and citizens of the respective host country, who have demonstrated experience and expertise in those areas of private sector development in which the Enterprise Fund is involved.

(B) A majority of the members of the Board of Directors of each Enterprise Fund shall be United States citizens.¹ *Provided*, That, as to Enterprise Funds established with respect to more than one host country, such Enterprise Fund may, in lieu of the appointment of citizens of the host countries to its Board of Directors, establish an advisory council for the host region comprised of citizens of each of the host countries or establish separate advisory councils for each of the host countries (hereinafter in this section referred to as the “Advisory Councils”), with which the Enterprise Fund’s policies and proposed activities and such host country citizens shall satisfy the experience and expertise requirements of this clause.

(C) A host country citizen who is not committed to respect for democracy and a free market economy may not serve as a member of the Board of Directors of an Enterprise Fund.

¹ So in original.