

## EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-623 to be considered as having taken effect before Sept. 8, 1982, for purposes of section 135 of Pub. L. 97-253 (set out as a note under section 612c of this title), see section 405(d) of Pub. L. 98-623, set out as a note under section 1707a of this title.

## EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-98 effective Dec. 22, 1981, see section 1801 of Pub. L. 97-98, set out as an Effective Date note under section 4301 of this title.

## EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95-113 effective Oct. 1, 1977, see section 1901 of Pub. L. 95-113, set out as a note under section 1307 of this title.

## EFFECTIVE DATE OF 1966 AMENDMENT

Amendment by Pub. L. 89-808 effective Jan. 1, 1967, see section 5 of Pub. L. 89-808, set out as a note under section 1691 of this title.

**§ 1733. General provisions****(a) Prohibition**

No agricultural commodity, food procured outside of the United States, food voucher, or cash transfer for food shall be made available under this chapter unless it is determined that—

(1) in the case of the provision of an agricultural commodity, adequate storage facilities will be available in the recipient country at the time of the arrival of the commodity to prevent the spoilage or waste of the commodity; and

(2) the distribution of the agricultural commodity or use of the food procured outside of the United States, food voucher, or cash transfer for food in the recipient country will not result in a substantial disincentive to or interference with domestic production or marketing in that country.

**(b) Impact on local farmers and economy**

The Secretary or the Administrator, as appropriate, shall ensure that the importation of United States agricultural commodities, the use of food procured outside of the United States, food vouchers, and cash transfers for food, and the use of local currencies for development purposes will not have a disruptive impact on the farmers or the local economy of the recipient country. The Secretary or the Administrator, as appropriate, shall seek information, as part of the regular proposal and submission process, from implementing agencies on the potential costs and benefits to the local economy within the recipient country.

**(c) Transshipment**

The Secretary or the Administrator, as appropriate, shall, under such terms and conditions as are determined to be appropriate, require commitments designed to prevent or restrict the resale or transshipment to other countries, or use for other than domestic purposes, of agricultural commodities donated or purchased under this chapter.

**(d) Private trade channels and small business**

Private trade channels shall be used under this chapter to the maximum extent practicable in the United States and in the recipient countries with respect to—

- (1) sales from privately owned stocks;
- (2) sales from stocks owned by the Commodity Credit Corporation; and
- (3) donations.

Small businesses shall be provided adequate and fair opportunity to participate in such sales.

**(e) World prices****(1) In general**

In carrying out this chapter, reasonable precautions shall be taken to assure that sales or donations of agricultural commodities will not unduly disrupt world prices for agricultural commodities or normal patterns of commercial trade with foreign countries.

**(2) Sale price**

Sales of agricultural commodities described in paragraph (1) shall be made at a reasonable market price in the economy where the agricultural commodity is to be sold, as determined by the Secretary or the Administrator, as appropriate.

**(f) Publicity**

Commitments shall be obtained from countries or private entities, as appropriate, receiving commodities under this chapter that such countries or private entities will widely publicize, to the extent practicable, through the use of the public media and through other means, that such commodities are being provided through the friendship of the American people as food for peace.

**(g) Participation of private sector**

The Secretary or the Administrator, as appropriate, shall encourage the private sector of the United States and private importers in developing countries to participate in the programs established under this chapter.

**(h) Safeguard usual marketings**

In carrying out this chapter, reasonable precautions shall be taken to safeguard the usual marketings of the United States and to avoid displacing any sales of the United States agricultural commodities that the Secretary or Administrator determines would otherwise be made.

**(i) Military distribution of food aid****(1) In general**

The Secretary or the Administrator, as appropriate, shall attempt to ensure that agricultural commodities made available under this chapter will be provided without regard to the political affiliation, geographic location, ethnic, tribal, or religious identity of the recipient or without regard to other extraneous factors.

**(2) Prohibition on handling of commodities by the military****(A) In general**

Except as provided in subparagraph (B), the Secretary or the Administrator, as appropriate, shall not enter into an agreement under this chapter to provide agricultural commodities if such agreement requires or permits the distribution, handling, or allocation of such commodities by the military

forces of any government or insurgent group.

**(B) Exception**

Notwithstanding subparagraph (A), the Secretary or the Administrator, as appropriate, may authorize the handling or distribution of commodities by the military forces of a country in exceptional circumstances in which—

- (i) nonmilitary channels are not available for such handling or distribution;
- (ii) such action is consistent with the requirements of paragraph (1); and
- (iii) the Secretary or the Administrator, as appropriate, determines that such action is necessary to meet the emergency health, safety, or nutritional requirements of the recipient population.

**(3) Encouragement of safe passage**

When entering into agreements under this chapter that involve areas within recipient countries that are experiencing protracted warfare or civil strife, the Secretary or the Administrator, as appropriate, shall, to the extent practicable, encourage all parties to the conflict to permit safe passage of the commodities and other relief supplies and to establish safe zones for medical and humanitarian treatment and evacuation of injured persons.

**(j) Violations of human rights**

**(1) Ineligible countries**

The Secretary or the Administrator, as appropriate, shall not enter into any agreement under this chapter to provide agricultural commodities, or to finance the sale of agricultural commodities, to the government of any country determined by the President to engage in a consistent pattern of gross violations of internationally recognized human rights, including—

- (A) the torture or cruel, inhuman, or degrading treatment or punishment of individuals;
- (B) the prolonged detention of individuals without charges;
- (C) the responsibility for causing the disappearance of individuals through the abduction and clandestine detention of such individuals; or
- (D) other flagrant denials of the right to life, liberty, and the security of persons.

**(2) Waiver**

Paragraph (1) shall not prohibit the provision of assistance to such a country if the assistance is targeted to the most needy people in such country and is made available in such country through channels other than the government.

**(k) Abortion prohibition**

Local currencies that are made available for use under this chapter may not be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions.

**(l) Sale procedure**

**(1) In general**

Subsections (b) and (h) shall apply to sales of commodities in recipient countries to generate proceeds to carry out projects under—

- (A) subchapters II and III;
- (B) section 1431(b) of this title; and
- (C) the Food for Progress Act of 1985 (7 U.S.C. 1736o).

**(2) Currency**

A sale described in paragraph (1) may be made in United States dollars or other currencies.

(July 10, 1954, ch. 469, title IV, §403, as added Pub. L. 86-341, title I, §14, Sept. 21, 1959, 73 Stat. 610; amended Pub. L. 87-703, title II, §201(3), Sept. 27, 1962, 76 Stat. 611; Pub. L. 88-638, §1(17), Oct. 8, 1964, 78 Stat. 1037; Pub. L. 89-808, §2(E), Nov. 11, 1966, 80 Stat. 1536; Pub. L. 95-113, title XII, §1206, Sept. 29, 1977, 91 Stat. 956; Pub. L. 96-533, title IV, §407, Dec. 16, 1980, 94 Stat. 3151; Pub. L. 97-98, title XII, §1214, Dec. 22, 1981, 95 Stat. 1282; Pub. L. 101-624, title XV, §1512, Nov. 28, 1990, 104 Stat. 3646; Pub. L. 102-237, title III, §321, Dec. 13, 1991, 105 Stat. 1857; Pub. L. 104-127, title II, §213, Apr. 4, 1996, 110 Stat. 956; Pub. L. 107-171, title III, §3009(a), May 13, 2002, 116 Stat. 283; Pub. L. 113-79, title III, §3008, Feb. 7, 2014, 128 Stat. 775; Pub. L. 115-334, title III, §§3109, 3112(b), Dec. 20, 2018, 132 Stat. 4604, 4606.)

REFERENCES IN TEXT

The Food for Progress Act of 1985, referred to in subsection (l)(1)(C), is Pub. L. 99-198, title XI, §1110, Dec. 23, 1985, 99 Stat. 1472, as amended, which is classified to section 1736o of this title.

AMENDMENTS

2018—Subsec. (a). Pub. L. 115-334, §3109(a)(1), inserted “, food procured outside of the United States, food voucher, or cash transfer for food” after “agricultural commodity” in introductory provisions.

Subsec. (a)(1). Pub. L. 115-334, §3109(a)(2), inserted “in the case of the provision of an agricultural commodity,” before “adequate”.

Subsec. (a)(2). Pub. L. 115-334, §3109(a)(3), substituted “agricultural commodity or use of the food procured outside of the United States, food voucher, or cash transfer for food” for “commodity”.

Subsec. (b). Pub. L. 115-334, §3109(b), in first sentence, inserted “, the use of food procured outside of the United States, food vouchers, and cash transfers for food,” after “agricultural commodities” and, in second sentence, struck out “of sales of agricultural commodities” after “benefits to the local economy”.

Subsec. (m). Pub. L. 115-334, §3112(b), struck out subsec. (m) which related to annual report on use of funds.

2014—Subsec. (b). Pub. L. 113-79, §3008(a), inserted at end “The Secretary or the Administrator, as appropriate, shall seek information, as part of the regular proposal and submission process, from implementing agencies on the potential costs and benefits to the local economy of sales of agricultural commodities within the recipient country.”

Subsec. (m). Pub. L. 113-79, §3008(b), added subsec. (m).

2002—Subsec. (e). Pub. L. 107-171, §3009(a)(1), designated existing provisions as par. (1), inserted heading, and added par. (2).

Subsec. (l). Pub. L. 107-171, §3009(a)(2), added subsec. (l).

1996—Subsec. (b). Pub. L. 104-127, §213(1), inserted heading and struck out former heading “Consultations” and in text struck out “consult with representa-

tives from the International Monetary Fund, the International Bank for Reconstruction and Development, the World Bank, and other donor organizations to” before “ensure that”.

Subsec. (c). Pub. L. 104-127, §213(2), struck out “from countries” after “require commitments” and substituted “or use for other” for “for use for other”.

Subsec. (f). Pub. L. 104-127, §213(3), inserted “or private entities, as appropriate,” after “from countries” and “or private entities” after “such countries”.

Subsec. (i)(2)(C). Pub. L. 104-127, §213(4), struck out heading and text of subpar. (C). Text read as follows: “Not later than 30 days after an authorization is provided under subparagraph (B), the Secretary or the Administrator, as appropriate, shall prepare and submit to the appropriate committees of Congress a report concerning such authorization and include in any such report the reason for the authorization, including an explanation of why no alternatives to such handling or distribution were available.”

1991—Subsec. (i)(2)(C). Pub. L. 102-237 substituted “committees” for “Committees”.

1990—Pub. L. 101-624 amended section generally, substituting present provisions for provisions authorizing appropriations necessary for this chapter, classifying such expenditures under international affairs and finance rather than agriculture, valuing commodity, for purpose of reimbursing Commodity Credit Corporation, at price not greater than export market price at time commodity was made available, and authorizing President to transfer up to 15 percent of funding for any fiscal year from any subchapter of this chapter to any other subchapter.

1981—Subsec. (b). Pub. L. 97-98 inserted “a price not greater than”.

1980—Subsec. (c). Pub. L. 96-533 added subsec. (c).

1977—Pub. L. 95-113 designated existing provisions as subsec. (a) and added subsec. (b).

1966—Pub. L. 89-808 substituted provisions for authorization of appropriations, including reimbursement of Commodity Credit Corporation, and classification of expenditures, formerly covered in former section 1703(a) of this title, for provision for payment for commodities, now provided for by section 1706(a) of this title.

1964—Pub. L. 88-638 substituted “less than the minimum rate required by section 2161 of Title 22 for loans made under that section” for “more than the cost of the funds to the United States Treasury as determined by the Secretary of the Treasury, taking into consideration the current average market yields on outstanding marketable obligations of the United States having maturity comparable to the maturities of loans made by the President under this section”.

1962—Pub. L. 87-703 substituted “reasonable” for “approximately equal” annual amounts and provided for deferral of date for beginning annual payment.

#### 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.

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#### DELEGATION OF FUNCTIONS

Functions of President under subsec. (j) of this section delegated to Secretary of State by section 4(b) of

Ex. Ord. No. 12752, Feb. 25, 1991, 56 F.R. 8256, set out as a note under section 1691 of this title.

## § 1734. Agreements

### (a) In general

Before entering into agreements with foreign countries under subchapters II and III-A for the provision of commodities, the Secretary or the Administrator, as appropriate, shall consider the extent to which the recipient country is undertaking measures for economic development purposes in order to improve food security and agricultural development, alleviate poverty, and promote broad-based, equitable, and sustainable development.

### (b) Terms of agreement

An agreement entered into under this chapter shall—

(1) include an estimate of the annual value or volume of agricultural commodities proposed to be made available to the country or eligible organization under the agreement;

(2) with respect to agreements entered into with foreign countries under subchapters II and III-A, include a statement of the manner in which the agricultural commodities provided under the agreement or the revenues generated by the sale of such commodities (if such commodities are sold), will be integrated into the overall development plans of the country to improve food security and agricultural development, alleviate poverty, and promote broad-based, equitable, and sustainable agriculture and broad-based economic growth;

(3) with respect to agreements entered into under subchapters II and III-A, include a statement of the manner in which competitive private sector participation within the recipient country in the storage, marketing, transportation, and distribution of agricultural commodities made available under this chapter will be encouraged;

(4) include a statement that such agreement shall be subject to the availability, during each fiscal year to which the agreement applies, of the necessary appropriations and agricultural commodities; and

(5) contain such other terms and conditions as the Secretary or the Administrator, as appropriate, determines to be necessary.

### (c) Multi-year agreements

#### (1) In general

Agreements to provide assistance on a multi-year basis to recipient countries or to eligible organizations—

(A) may be made available under subchapters II and III-A; and

(B) shall be made available under subchapter III.

#### (2) Exception

The Secretary or the Administrator, as appropriate, may determine not to make assistance available on a multi-year basis with respect to a recipient country or an eligible organization if it is determined that assistance should be provided to such country or through such organization only on an annual basis because—