

posited in Commodity Credit Corporation accounts.

(July 10, 1954, ch. 469, title VI, § 605, as added Pub. L. 101-624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3659.)

### § 1738e. Interest of new obligations

#### (a) Rate of interest

New obligations issued to an eligible country under section 1738c of this title shall bear interest at a concessional rate.

#### (b) Currency of payment, deposits

##### (1) United States dollars

An eligible country to which a new obligation has been issued under section 1738c of this title that has not entered into an agreement under section 1738f of this title, shall be required to pay interest on such obligation in United States dollars which shall be deposited in Commodity Credit Corporation accounts.

##### (2) Local currency

If an eligible country to which a new obligation has been issued under section 1738c of this title has entered into an agreement under section 1738f of this title, interest under such obligation may be paid in the local currency of the eligible country and deposited into an Environmental Fund as provided for in section 1738g of this title. Such interest shall be the property of the eligible country until such time as it is disbursed under section 1738g of this title. Such local currencies shall be used for the purposes specified in the agreement entered into under section 1738f of this title.

#### (c) Interest previously paid

If an eligible country to which a new obligation has been issued under section 1738c of this title enters into an agreement under section 1738f of this title subsequent to the date on which interest first becomes due on such new obligation, any interest paid on such new obligation prior to such agreement being entered into shall not be redeposited into the Fund established for the eligible country under section 1738g(a) of this title but shall be deposited into Commodity Credit Corporation accounts.

(July 10, 1954, ch. 469, title VI, § 606, as added Pub. L. 101-624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3659; amended Pub. L. 102-237, title III, § 304, Dec. 13, 1991, 105 Stat. 1855.)

#### AMENDMENTS

1991—Subsec. (c). Pub. L. 102-237 inserted “accounts” after “Corporation”.

### § 1738f. Environmental framework agreements

#### (a) Authority

The President is authorized to enter into an environmental framework agreement with each country eligible for benefits from the Facility concerning the operation and use of an Enterprise for the Americas Environmental Fund (hereafter referred to in this subchapter as the “Environmental Fund”) established under section 1738g of this title for that country. The President shall consult with the Board established under section 1738i of this title when entering into such agreements.

#### (b) Requirements

An environmental framework agreement entered into under this section shall—

(1) require the eligible country to establish an Environmental Fund;

(2) require the eligible country to make interest payments under section 1738g(a) of this title into the Environmental Fund;

(3) require the eligible country to make prompt disbursements from the Environmental Fund to the body described in subsection (c);

(4) where appropriate, seek to maintain the value of the local currency resources deposited into the appropriate Environmental Fund in terms of United States dollars;

(5) specify, in accordance with section 1738k of this title, the purposes for which the Environmental Fund may be used; and

(6) contain reasonable provisions for the enforcement of the terms of the agreement.

#### (c) Administering body

Funds disbursed from the Environmental Fund in an eligible country shall be administered by a body constituted under the laws of the country. Such body shall—

(1) be composed of—

(A) one or more representatives appointed by the President;

(B) one or more representatives appointed by the eligible country; and

(C) representatives from a broad range of environmental and local community development nongovernmental organizations of the host country;

the majority of which shall be local representatives from nongovernmental organizations, and scientific or academic bodies;

(2) receive proposals for grant assistance from local organizations, and make grants to such organizations in accordance with the priorities agreed upon in the framework agreement and consistent with the overall purposes of section 1738k of this title;

(3) be responsible for the management of the program and oversight of grant activities funded from resources of the Environmental Fund;

(4) be subject to fiscal audits by an independent auditor on an annual basis;

(5) present an annual program for review by the Board established under section 1738i of this title each year;

(6) present an annual report on the activities undertaken during the previous year to the Chairman of the Board established under section 1738i of this title, and the government of the eligible country each year; and

(7) have any grant over \$100,000 be subject to veto by the United States and the government of the eligible country.

(July 10, 1954, ch. 469, title VI, § 607, as added Pub. L. 101-624, title XV, § 1512, Nov. 28, 1990, 104 Stat. 3659; amended Pub. L. 102-237, title III, § 305, Dec. 13, 1991, 105 Stat. 1855.)

#### AMENDMENTS

1991—Subsec. (a). Pub. L. 102-237 moved closing quotation marks in parenthetical phrase from after “Environmental” to after “Fund”.