

Public Law 102-532
102d Congress

An Act

To amend the Agricultural Trade Development and Assistance Act of 1954 to authorize additional functions within the Enterprise for the Americas Initiative, and for other purposes.

Oct. 27, 1992
[H.R. 4059]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Enterprise for the Americas Initiative Act of 1992".

Enterprise for
the Americas
Initiative Act of
1992.
7 USC 1691 note.

SEC. 2. GOOD NEIGHBOR ENVIRONMENTAL ACT OF 1992.

Title VI of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1738 and following) is amended by adding at the end the following new sections:

"SEC. 616. SALE OF QUALIFIED DEBT TO ELIGIBLE COUNTRIES.

7 USC 1638o.

"(a) IN GENERAL.—

"(1) AUTHORIZATION.—The President may sell to an eligible country up to 40 percent of such country's qualified debt, only if an amount of the local currency of such country (other than the price paid for the debt) equal to—

"(A) not less than 40 percent of the price paid for such debt by such eligible country, or

"(B) the difference between the price paid for such debt and the face value of such debt;

whichever is less, is used by such country through an Environmental Fund for eligible activities described in section 612.

"(2) ENVIRONMENTAL FUNDS.—For purposes of this section, the term 'Environmental Fund' means an Environmental Fund established under section 608. In the case of Mexico, such fund may be designated as the Good Neighbor Environmental Fund for the Border.

"(3) ESTABLISHMENT AND OPERATION OF ENVIRONMENTAL FUNDS.—The President should advise eligible countries on the procedures required to establish and operate the Environmental Funds required to be established under paragraph (1).

"(b) TERMS AND CONDITIONS.—The President shall establish the terms and conditions, including the amount to be paid by the eligible country, under which such country's qualified debt may be sold under this section.

President.

"(c) APPROPRIATIONS REQUIREMENT.—The authorities provided by this section may be exercised only in such amounts and to such extent as is provided in advance in appropriations Acts.

"(d) CERTAIN PROHIBITIONS INAPPLICABLE.—A sale of debt under this section shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

"(e) IMPLEMENTATION BY THE FACILITY.—A sale of debt authorized under this section shall be accomplished at the direction of the Facility. The Facility shall direct the Commodity Credit Cor-

poration to carry out such sale. The Commodity Credit Corporation shall make an adjustment in its accounts to reflect the sale.

"(f) DEPOSIT OF PROCEEDS.—The proceeds from a sale of qualified debt under this section shall be deposited in the account or accounts established by the Commodity Credit Corporation for the repayment of such debt by the eligible country.

"(g) DEBTOR CONSULTATION.—Before any sale of qualified debt may occur under this section, the President should consult with the eligible country's government concerning such sale. The topics addressed in the consultation shall include the amount of qualified debt involved in the transaction and the uses to which funds made available as a result of the sale shall be applied.

7 USC 1738p.

"SEC. 617. SALE, REDUCTION, OR CANCELLATION OF QUALIFIED DEBT TO FACILITATE CERTAIN DEBT SWAPS.

"(a) AUTHORITY TO SELL, REDUCE, OR CANCEL QUALIFIED DEBT.—For the purpose of facilitating eligible debt swaps, the President, in accordance with this section—

"(1) may sell to an eligible purchaser (as determined pursuant to subsection (c)(1)) any qualified debt of an eligible country; or

"(2) may reduce or cancel eligible debt of an eligible country upon receipt of payment from an eligible payor (as determined under subsection (c)(2)).

President.

"(b) TERMS AND CONDITIONS.—The President shall establish the terms and conditions under which qualified debt may be sold, reduced, or canceled pursuant to this section.

"(c) ELIGIBLE PURCHASERS AND ELIGIBLE PAYORS.—

"(1) SALES OF DEBT.—Qualified debt may be sold pursuant to subsection (a)(1) only to a purchaser who presents plans satisfactory to the President for using the debt for the purpose of engaging in eligible debt swaps.

"(2) REDUCTION OR CANCELLATION OF DEBT.—Qualified debt may be reduced or cancelled pursuant to subsection (a)(2) only if the payor presents plans satisfactory to the President for using such reduction or cancellation for the purpose of facilitating eligible debt swaps.

"(d) DEBTOR CONSULTATION AND RIGHT OF FIRST REFUSAL.—

"(1) CONSULTATION.—Before selling, reducing, or canceling any qualified debt of an eligible country pursuant to this section, the President should consult with that country concerning, among other things, the amount of debt to be sold, reduced, or canceled and the uses of such debt for eligible debt swaps.

"(2) RIGHT OF FIRST REFUSAL.—The qualified debt of an eligible country may be sold, reduced, or cancelled pursuant to this section only if that country has been offered the opportunity to purchase that debt pursuant to section 616 and has not accepted that offer.

"(e) LIMITATION.—In the aggregate, not more than 40 percent of the qualified debt of an eligible country may be sold, reduced, or cancelled under this section or sold under section 616.

"(f) ADMINISTRATION.—The Facility shall notify the Commodity Credit Corporation of purchasers and payors the President has determined to be eligible under subsection (c), and shall direct the corporation to carry out the sale, reduction, or cancellation of a qualified debt pursuant to this section. The Commodity Credit

Corporation shall make an adjustment in its accounts to reflect such sale, reduction, or cancellation.

“(g) APPROPRIATIONS REQUIREMENT.—The authorities provided by this section may be exercised only in such amounts and to such extent as is provided in advance in appropriations Acts.

“(h) DEPOSIT OF PROCEEDS.—The proceeds from the sale, reduction, or cancellation of qualified debt pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such debt.

“(i) ELIGIBLE DEBT SWAPS.—As used in this section, the term ‘eligible debt swap’ means a debt-for-development swap or debt-for-nature swap.

“SEC. 618. NOTIFICATION TO CONGRESSIONAL COMMITTEES.

7 USC 1738q.

“(a) NOTICE OF NEGOTIATIONS.—The Secretary of State and the Secretary of the Treasury shall, in every feasible instance, notify the designated congressional committees not less than 15 days prior to any formal negotiation for debt relief under this title.

“(b) TRANSMITTAL OF TEXT OF AGREEMENTS.—The Secretary of State shall transmit to the designated congressional committees a copy of the text of any agreement with any foreign government which would result in any debt relief under this title no less than 30 days prior to its entry into force, together with a detailed justification of the interest of the United States in the proposed debt relief.

“(c) ANNUAL REPORT.—The Secretary of State or the Secretary of the Treasury, as appropriate, shall submit to the designated congressional committees not later than February 1 of each year a consolidated statement of the budgetary implications of all debt relief agreements entered into force under this title during the preceding fiscal year.

“(d) DESIGNATED CONGRESSIONAL COMMITTEES.—As used in this section, the term ‘designated congressional committees’ means the Committee on Agriculture and the Committee on Foreign Affairs of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

“SEC. 619. DEFINITION OF QUALIFIED DEBT.

7 USC 1738r.

“As used in sections 616, 617, and 618, the term ‘qualified debt’ means any obligation, or portion of such obligation, of an eligible country to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act or section 4(b) of the Food for Peace Act of 1966—

“(1) in which the Commodity Credit Corporation obtained a legal right or interest, as a result of assignment or subrogation, not later than September 1, 1992; and

“(2) the payment of which obligation has been, not later than September 1, 1992, rescheduled in accordance with principles set forth in an Agreed Minute of the Paris Club.

Such term includes the obligation to pay any interest which was due or accrued not later than September 1, 1992, and unpaid as of the date of a debt sale pursuant to section 616 or a debt sale, reduction, or cancellation pursuant to section 617 (as the case may be).”.

7 USC 1738m.

SEC. 3. ANNUAL REPORTS TO THE CONGRESS.

Section 614(a) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1738mm(a)) is amended by adding at the end the following: "This report shall include—

"(1) a description of the activities undertaken by the Facility during the previous fiscal year;

"(2) a description of any Environmental Framework Agreement entered into under this title;

"(3) a report on what Environmental Funds have been established under this title and on the operations of such Funds; and

"(4) a description of any grants that have been extended by administering bodies pursuant to an Environmental Framework Agreement under this title."

Canada.
Mexico.
7 USC 3294.

SEC. 4. CENTER FOR NORTH AMERICAN STUDIES.

(a) **ESTABLISHMENT.**—The Secretary of Agriculture shall establish a center, to be known as the Center For North American Studies, whose primary purpose shall be to promote better agricultural relationships among Canada, Mexico, and the United States through cooperative study, training, and research.

(b) **LOCATION.**—The Institute shall be located at an institution of higher education or at a consortium of such institutions.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—To carry out this section, there are authorized to be appropriated \$10,000,000 for fiscal year 1994 and such sums as may necessary for each of fiscal years 1995 and 1996.

SEC. 5. STUDY OF THE EFFECT OF FREE TRADE WITH LATIN AMERICAN AND CARIBBEAN COUNTRIES ON THE UNITED STATES ECONOMY.

President.

The President shall transmit to the Congress, not later than 8 months after the date of the enactment of this Act, a study describing—

(1) in summary fashion, the likely effect on major United States industries and other sectors, including agriculture, that could be most affected by a hemispherical free trade zone with Latin American and Caribbean countries;

(2) the regions in the United States that would be most affected by a hemispherical free trade zone with Latin American and Caribbean countries and, in summary fashion, the nature of these effects;

(3) the extent to which horticultural exports from Latin American and Caribbean countries complement or compete with United States production;

(4) a country-by-country overview of recent economic developments in Latin American and Caribbean countries significantly influencing United States relations with such countries, including present trade and investment patterns in these regions;

(5) the likely effect of a hemispherical free trade zone with Latin American and Caribbean countries on the United States economy and its multilateral interrelationship with other countries in the region, including Canada and Mexico;

(6) the extent to which manufactured products exported from Latin American and Caribbean countries complement or compete with United States production; and

(7) the likely effects of a hemispherical free trade zone with Latin American and Caribbean countries on existing environmental, agricultural, labor, and consumer protection laws and practices within the United States and within the other countries included in the zone.

SEC. 6. THE GOOD NEIGHBOR ENVIRONMENTAL BOARD.

7 USC 5404.

(a) **ESTABLISHMENT.**—The President shall establish an advisory board to be known as the Good Neighbor Environmental Board (hereinafter in this section referred to as the “Board”).

President.

(b) **PURPOSE.**—The purpose of the Board shall be to advise the President and the Congress on the need for implementation of environmental and infrastructure projects (including projects that affect agriculture, rural development, and human nutrition) within the States of the United States contiguous to Mexico in order to improve the quality of life of persons residing on the United States side of the border.

(c) **MEMBERSHIP.**—The Board shall be composed of—

(1) representatives from the United States Government, including a representative from the Department of Agriculture and representatives from other appropriate agencies;

(2) representatives from the governments of the States of Arizona, California, New Mexico, and Texas; and

(3) representatives from private organizations, including community development, academic, health, environmental, and other nongovernmental entities with experience and expertise on environmental and infrastructure problems along the southwest border.

(d) **ANNUAL REPORTS TO THE PRESIDENT AND CONGRESS.**—

(1) **IN GENERAL.**—The Board shall submit to the President and the Congress of the United States an annual report on—

(A) the environmental and infrastructure projects referred to in subsection (a) that have been implemented, and

(B) the need for the implementation of additional environmental and infrastructure projects.

(2) **TRANSMISSION OF COPIES TO BOARD MEMBERS.**—The Board shall—

(A) transmit to each member of the Board a copy of any report to be submitted pursuant to paragraph (1) at least 14 days before its submission, and

(B) allow each member of the Board to have 14 days within which to prepare and submit supplemental views

with respect to the recommendations of the Board for inclusion in such report.

Approved October 27, 1992.

LEGISLATIVE HISTORY—H.R. 4059:

HOUSE REPORTS: No. 102-667, Pt. 1 (Comm. on Agriculture).
CONGRESSIONAL RECORD, Vol. 138 (1992):

Oct. 2, considered and passed House.
Oct. 7, considered and passed Senate.