

“(10) United States support for microenterprise and microfinance development programs, which seek to reduce poverty in low-income countries by giving small loans to small-scale entrepreneurs without collateral, have been a useful mechanism to help families weather economic shocks, but many microcredit borrowers largely remain in poverty.

“(11) The vast majority of microcredit borrowers are women who would like to move up the economic ladder, but are held back by binding constraints that create a missing middle – large numbers of microenterprises, a handful of large firms or conglomerates, and very few small and medium-sized enterprises in between, which are critical to driving economic growth in developing countries.

“(12) According to the World Bank, small and medium-sized enterprises create 4 out of 5 new positions in emerging markets, but approximately 50 percent of formal small and medium-sized enterprises lack access to formal credit. The financing gap is even larger when micro and informal enterprises are taken into account. Overall, approximately 70 percent of all micro, small, and medium-sized enterprises in emerging markets lack access to credit.”

### § 2151a. Agricultural development in rural areas

#### (a) Authorization to President to furnish assistance; appropriations

(1) In recognition of the fact that the great majority of the people of developing countries live in rural areas and are dependent on agriculture and agricultural-related pursuits for their livelihood, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for agriculture, rural development, and nutrition—

(A) to alleviate starvation, hunger, and malnutrition;

(B) to expand significantly the provision of basic services to rural poor people to enhance their capacity for self-help; and

(C) to help create productive farm and off-farm employment in rural areas to provide a more viable economic base and enhance opportunities for improved incomes, living standards, and contributions by rural poor people to the economic and social development of their countries.

(2) There are authorized to be appropriated to the President for purposes of this section, in addition to funds otherwise available for such purposes, \$760,000,000 for fiscal year 1986 and \$760,000,000 for fiscal year 1987. Of these amounts, the President may use such amounts as he deems appropriate to carry out the provisions of section 316 of the International Security and Development Cooperation Act of 1980. Amounts appropriated under this section are authorized to remain available until expended.

(3) Of the amounts authorized to be appropriated in paragraph (2) for the fiscal year 1987, not less than \$2,000,000 shall be available only for the purpose of controlling and eradicating amblyomma variegatum (heartwater) in bovine animals in the Caribbean.

#### (b) Use of assistance primarily in aid of rural poor; multilateral infrastructure projects; forestry projects

(1) Assistance provided under this section shall be used primarily for activities which are specifically designed to increase the productivity and income of the rural poor, through

such means as creation and strengthening of local institutions linked to the regional and national levels; organization of a system of financial institutions which provide both savings and credit services to the poor; stimulation of small, labor-intensive enterprises in rural towns; improvement of marketing facilities and systems; expansion of rural infrastructure and utilities such as farm-to-market roads, water management systems, land improvement, energy, and storage facilities; establishment of more equitable and more secure land tenure arrangements; and creation and strengthening of systems to provide other services and supplies needed by farmers, such as extension, research, training, fertilizer, water, forestry, soil conservation, and improved seed, in ways which assure access to them by small farmers.

(2) In circumstances where development of major infrastructure is necessary to achieve the objectives set forth in this section, assistance for that purpose should be furnished under this part in association with significant contributions from other countries working together in a multilateral framework. Infrastructure projects so assisted should be complemented by other measures to ensure that the benefits of the infrastructure reach the poor.

(3) The Congress recognizes that the accelerating loss of forests and tree cover in developing countries undermines and offsets efforts to improve agricultural production and nutrition and otherwise to meet the basic human needs of the poor. Deforestation results in increased flooding, reduction in water supply for agricultural capacity, loss of firewood and needed wood products, and loss of valuable plants and animals. In order to maintain and increase forest resources, the President is authorized to provide assistance under this section for forestry projects which are essential to fulfill the fundamental purposes of this section. Emphasis shall be given to community woodlots, agroforestry, reforestation, protection of watershed forests, and more effective forest management.

#### (c) Increased agricultural production in least developed countries

The Congress finds that the greatest potential for significantly expanding availability of food for people in rural areas and augmenting world food production at relatively low cost lies in increasing the productivity of small farmers who constitute a majority of the agricultural producers in developing countries. Increasing the emphasis on rural development and expanded food production in the poorest nations of the developing world is a matter of social justice and a principal element contributing to broadly based economic growth, as well as an important factor in alleviating inflation in the industrialized countries. In the allocation of funds under this section, special attention shall be given to increasing agricultural production in countries which have been designated as “least developed” by the United Nations General Assembly.

#### (d) Coordination with population planning and health programs

Assistance provided under this section shall also be used in coordination with programs carried out under section 2151b of this title to help

improve nutrition of the people of developing countries through encouragement of increased production of crops with greater nutritional value; improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement and expanded use of indigenously produced foodstuffs; and the undertaking of pilot or demonstration programs explicitly addressing the problem of malnutrition of poor and vulnerable people. In particular, the President is encouraged—

(1) to devise and carry out in partnership with developing countries a strategy for programs of nutrition and health improvement for mothers and children, including breast feeding; and

(2) to provide technical, financial, and material support to individuals or groups at the local level for such programs.

**(e) Use of local currency proceeds from sales of commodities**

Local currency proceeds from sales of commodities provided under the Food for Peace Act [7 U.S.C. 1691 et seq.] which are owned by foreign governments shall be used whenever practicable to carry out the provisions of this section.

**(f) National food security policies and programs; bilateral and multilateral assistance**

The Congress finds that the efforts of developing countries to enhance their national food security deserves encouragement as a matter of United States development assistance policy. Measures complementary to assistance for expanding food production in developing countries are needed to help assure that food becomes increasingly available on a regular basis to the poor in such countries. Therefore, United States bilateral assistance under this chapter and the Food for Peace Act [7 U.S.C. 1691 et seq.], and United States participation in multilateral institutions, shall emphasize policies and programs which assist developing countries to increase their national food security by improving their food policies and management and by strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national food reserves, expanding available storage facilities, reducing postharvest food losses, and improving food distribution.

**(g) International Fund for Agricultural Development; participation and contributions; availability of appropriations**

(1) In order to carry out the purposes of this section, the President may continue United States participation in and may make contributions to the International Fund for Agricultural Development.

(2) Of the aggregate amount authorized to be appropriated to carry out subchapter I of this chapter, up to \$50,000,000 for fiscal year 1986 and up to \$50,000,000 for fiscal year 1987 may be made available, by appropriation or by transfer, for United States contributions to the second replenishment of the International Fund for Agricultural Development.

(Pub. L. 87-195, pt. I, §103, as added Pub. L. 93-189, §2(3), Dec. 17, 1973, 87 Stat. 715; amended

Pub. L. 93-559, §2, Dec. 30, 1974, 88 Stat. 1795; Pub. L. 94-161, title III, §302, Dec. 20, 1975, 89 Stat. 856; Pub. L. 95-88, title I, §102, Aug. 3, 1977, 91 Stat. 534; Pub. L. 95-424, title I, §103(a), Oct. 6, 1978, 92 Stat. 943; Pub. L. 96-53, title I, §101, Aug. 14, 1979, 93 Stat. 359; Pub. L. 96-533, title III, §301, Dec. 16, 1980, 94 Stat. 3145; Pub. L. 97-113, title III, §301(a), (c), Dec. 29, 1981, 95 Stat. 1531, 1532; Pub. L. 99-83, title III, §302, title X, §1001, Aug. 8, 1985, 99 Stat. 214, 270; Pub. L. 99-399, title XIII, §1304, Aug. 27, 1986, 100 Stat. 898; Pub. L. 110-246, title III, §3001(b)(1)(A), (2)(Q), June 18, 2008, 122 Stat. 1820.)

**Editorial Notes**

REFERENCES IN TEXT

Section 316 of the International Security and Development Cooperation Act of 1980, referred to in subsec. (a)(2), is section 316 of Pub. L. 96-533, title III, Dec. 16, 1980, 94 Stat. 3149, set out as a note below.

The Food for Peace Act, referred to in subsecs. (e) and (f), 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.

This chapter, referred to in subsec. (f), was in the original "this Act", meaning Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, known as the Foreign Assistance Act of 1961. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

AMENDMENTS

2008—Subsecs. (e), (f). Pub. L. 110-246 substituted "Food for Peace Act" for "Agricultural Trade Development and Assistance Act of 1954".

1986—Subsec. (a)(3). Pub. L. 99-399 added par. (3).

1985—Subsec. (a)(2). Pub. L. 99-83, §302, substituted "\$760,000,000 for fiscal year 1986 and \$760,000,000 for fiscal year 1987. Of these amounts, the President may use such amounts as he deems appropriate to carry out the provisions of section 316 of the International Security and Development Cooperation Act of 1980." for "\$700,000,000 for the fiscal year 1982 and \$700,000,000 for the fiscal year 1983, of which up to \$1,000,000 for each such fiscal year shall be available only to carry out section 316 of the International Security and Development Cooperation Act of 1980."

Subsec. (g). Pub. L. 99-83, §1001, amended subsec. (g) generally. Prior to amendment, subsec. (g) read as follows: "In order to carry out the purposes of this section, the President may continue to participate in and may provide, on such terms and conditions as he may determine, up to \$180,000,000 to the International Fund for Agricultural Development. There are authorized to be appropriated to the President for the purposes of this subsection \$180,000,000, except that not more than \$40,500,000 may be appropriated under this subsection for the fiscal year 1982. Amounts appropriated under this subsection are authorized to remain available until expended."

1981—Subsec. (a)(2). Pub. L. 97-113, §301(a), substituted "\$700,000,000 for the fiscal year 1982 and \$700,000,000 for the fiscal year 1983, of which up to \$1,000,000 for each such fiscal year shall be available only to carry out section 316 of the International Security and Development Cooperation Act of 1980" for "\$713,500,000 for the fiscal year 1981".

Subsec. (g). Pub. L. 97-113, §301(c), added subsec. (g). 1980—Subsec. (a)(2). Pub. L. 96-533 substituted appropriations authorization of \$713,500,000 for fiscal year 1981 for such authorization of \$659,000,000 for fiscal year 1980.

1979—Subsec. (a)(2). Pub. L. 96-53, §101(a), substituted provisions authorizing appropriations of \$659,000,000 for

fiscal year 1980, for provisions authorizing appropriations of \$665,213,000 for fiscal year 1979.

Subsec. (b)(3). Pub. L. 96-53, §101(b), added par. (3).

Subsec. (f). Pub. L. 96-53, §101(c), added subsec. (f).

1978—Pub. L. 95-424 amended section generally, updating and clarifying the purposes of assistance to more accurately reflect the range of activities authorized by this section.

1977—Subsec. (a). Pub. L. 95-88, §102(a), struck out provisions authorizing appropriations of \$291,000,000 for the fiscal year 1974, \$500,000,000 for the fiscal year 1975, and \$618,800,000 for the fiscal year 1976, and inserted provisions authorizing the appropriation of \$580,000,000 for the fiscal year 1978.

Subsec. (h). Pub. L. 95-88, §102(b), added subsec. (h).

1975—Subsec. (a). Pub. L. 94-161, §302(1), authorized appropriation of \$618,800,000 and \$745,000,000 for fiscal years 1976 and 1977, respectively.

Subsecs. (c) to (g). Pub. L. 94-161, §302(2), added subsecs. (c) to (g).

1974—Subsec. (a). Pub. L. 93-559, §2(1), (2), designated existing provisions as subsec. (a) and increased appropriations authorization for fiscal year 1975 to \$500,000,000 from \$291,000,000.

Subsec. (b). Pub. L. 93-559, §2(3), added subsec. (b).

### Statutory Notes and Related Subsidiaries

#### 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.

#### 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.

#### EFFECTIVE DATE OF 1985 AMENDMENT

Amendment by Pub. L. 99-83 effective Oct. 1, 1985, see section 1301 of Pub. L. 99-83, set out as a note under section 2151-1 of this title.

#### EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96-53 effective Oct. 1, 1979, see section 512(a) of Pub. L. 96-53, set out as a note under section 2151 of this title.

#### EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-424 effective Oct. 1, 1978, see section 605 of Pub. L. 95-424, set out as a note under section 2151 of this title.

#### INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT; SIXTH REPLENISHMENT

Pub. L. 108-199, div. D, title V, §577, Jan. 23, 2004, 118 Stat. 201, provided that: "The Secretary of the Treasury may, to fulfill commitments of the United States, contribute on behalf of the United States to the sixth replenishment of the resources of the International Fund for Agricultural Development. The following amount is authorized to be appropriated without fiscal year limitation for payment by the Secretary of the Treasury: \$45,000,000 for the International Fund for Agricultural Development."

#### WORLD HUNGER

Pub. L. 96-533, title III, §316, Dec. 16, 1980, 94 Stat. 3149, provided:

"(a) In order to further the purposes of section 103 of the Foreign Assistance Act of 1961 [this section], the Director of the United States International Develop-

ment Cooperation Agency shall encourage the ongoing work of private and voluntary organizations to deal with world hunger problems abroad. To this end, the Director shall help facilitate widespread public discussion, analysis, and review of the issues raised by the Report of the Presidential Commission on World Hunger of March 1980, especially the issues raised by the Commission's call for increased public awareness of the political, economic, technical, and social factors relating to hunger and poverty.

"(b) As a means of carrying out subsection (a), and to ensure the effectiveness of private and voluntary organizations in dealing with world hunger abroad, the Director is urged to provide assistance to private and voluntary organizations engaged in facilitating public discussion of hunger and other related issues."

[For abolition of United States International Development Cooperation Agency (other than Agency for International Development and Overseas Private Investment Corporation), transfer of functions, and treatment of references thereto, see sections 6561, 6562, and 6571 of this title.]

[For transfer of functions, personnel, assets, and liabilities of Overseas Private Investment Corporation to United States International Development Finance Corporation and treatment of related references, see sections 9683 and 9686(d) of this title.]

#### REDUCTION OF POSTHARVEST LOSSES OF FOOD

Pub. L. 96-533, title III, §317, Dec. 16, 1980, 94 Stat. 3149, provided: "It is the sense of the Congress that—

"(1) the President should reaffirm the policy of the United States Government to support the goal established by the United Nations General Assembly of reducing by 50 percent postharvest losses of food in developing countries; and

"(2) the President, acting through the Agency for International Development, should increase substantially the proportion of funds made available under the Foreign Assistance Act of 1961 [see Short Title note set out under section 2151 of this title] for the purpose of assisting, together with other donor countries and with developing countries, in the reduction of postharvest losses of food in developing countries."

### Executive Documents

#### 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.

### § 2151a-1. Agricultural research

Agricultural research carried out under this chapter shall (1) take account of the special needs of small farmers in the determination of research priorities, (2) include research on the interrelationships among technology, institutions, and economic, social, environmental, and cultural factors affecting small-farm agriculture, and (3) make extensive use of field testing to adapt basic research to local conditions. Special emphasis shall be placed on disseminating research results to the farms on which they can be put to use, and especially on institutional and other arrangements needed to assure that small farmers have effective access to both new and existing improved technology.

(Pub. L. 87-195, pt. I, §103A, as added Pub. L. 94-161, title III, §303, Dec. 20, 1975, 89 Stat. 857; amended Pub. L. 95-424, title I, §103(d), Oct. 6, 1978, 92 Stat. 945.)