

critical management functions of the Agency, including functions such as strategy development or overall management of programs in a country; and

“(5) should consult with the appropriate congressional committees with respect to the implementation of title VI of chapter 2 of part I of the Foreign Assistance Act of 1961 not later than 90 days after the date of the enactment of this Act [Dec. 23, 2004].”

REFERENCES

Pub. L. 108-484, §9, Dec. 23, 2004, 118 Stat. 3931, provided that: “Any reference in a law, regulation, agreement, or other document of the United States to section 108, 131, or 132 of the Foreign Assistance Act of 1961 [former 22 U.S.C. 2151f, 2152a, 2152b] shall be deemed to be a reference to subtitle B of title VI of chapter 2 of part I of the Foreign Assistance Act of 1961 [division B of this subpart], subtitle A of title VI of chapter 2 of part I of such Act [this division], or subtitle C of title VI of chapter 2 of part I of such Act [division C of this subpart], respectively.”

§ 2211a. Authorization; implementation; targeted assistance

(a) Authorization

The President is authorized to provide assistance on a non-reimbursable basis for programs in developing countries to increase the availability of credit, including the use of innovative credit scoring models, savings, financial technology, financial literacy, education, insurance, property rights, and other services to micro, small, and medium-sized enterprise clients lacking full access to capital, training, technical assistance, and business development services, through—

(1) assistance for the purpose of expanding the availability of credit, savings, and other financial and non-financial services to micro, small, and medium-sized enterprise clients, particularly clients owned, managed, and controlled by women;

(2) assistance for the purpose of training, technical assistance, and business development services for micro, small, and medium-sized enterprises to enable them to make better use of credit, to better manage their enterprises, to conduct market analysis and product development for expanding domestic and international sales, particularly to United States markets, and to increase their income and build their assets;

(3) capacity-building for financial intermediaries in order to enable them to better meet the credit, savings, and training needs of micro, small, and medium-sized enterprises;

(4) policy, regulatory programs, and research at the country level that improve the environment for micro, small, and medium-sized enterprises, financial intermediaries, and capital markets and institutions that serve the poor and very poor, especially women;

(5) assistance for the purpose of promoting the economic empowerment of women, including through increased access to financial resources and improving property rights, inheritance rights, and other legal protections; and

(6) assistance for the purpose of scaling up evidence-based graduation approaches, which include targeting the very poor and households in ultra-poverty, consumption support, promotion of savings, financial literacy, skills training, and asset transfers.

(b) Implementation

(1) In general

There is authorized to be established within the Agency an office to support the Agency’s efforts to broaden and deepen local financial markets, expand access to appropriate financial products and services, and support the development of micro, small and medium-sized enterprises. The Office shall be headed by a Director who shall possess technical expertise and ability to offer leadership in the field of financial sector development.

(2) Additional provisions

(A) Use of implementing partner organizations

Assistance under this section shall emphasize the use of implementing partner organizations that best meet the requirements of subparagraph (C).

(B) Use of central funding mechanisms

In order to ensure that assistance under this subpart is distributed effectively and efficiently, the office shall provide coordination and support for field-implemented programs, including through targeted core support for micro, small, and medium-sized enterprises and local financial markets.

(C) Efficiency and cost-effectiveness

Assistance under this section shall meet high standards of efficiency, cost-effectiveness, and sustainability, particularly by protecting the use and funding of local organizations in countries in which the Agency invests, and shall especially provide the greatest possible resources to the poor and very poor, especially women. When administering assistance under this section, the Administrator shall—

(i) take into consideration the percentage of funds a provider of assistance intends to expend on administrative costs;

(ii) take all appropriate steps to ensure that the provider of assistance keeps administrative costs as low as practicable to ensure the maximum amount of funds are used for directly assisting microfinance and microenterprise clients, for establishing sustainable microfinance and microenterprise institutions, or for advancing the microenterprise development field; and

(iii) give preference to proposals from providers of assistance that are the most technically competitive and have a reasonable allocation to overhead and administrative costs.

(c) Targeted assistance

In carrying out sustainable poverty-focused programs under subsection (a)—

(1) 50 percent of all micro, small, and medium-sized enterprise resources shall be targeted to activities that reach the very poor; and

(2) 50 percent of all small and medium-sized enterprise resources shall be targeted to activities that reach enterprises owned, managed, and controlled by women.

(Pub. L. 87–195, pt. I, §252, as added Pub. L. 108–484, §3, Dec. 23, 2004, 118 Stat. 3924; amended Pub. L. 115–428, §4(b), Jan. 9, 2019, 132 Stat. 5512.)

Editorial Notes

PRIOR PROVISIONS

A prior section 252 of Pub. L. 87–195 was classified to section 2212 of this title, prior to repeal by Pub. L. 95–424, title I, §102(g)(1)(A), title VI, §605, Oct. 6, 1978, 92 Stat. 942, 961, effective Oct. 1, 1978.

AMENDMENTS

2019—Subsec. (a). Pub. L. 115–428, §4(b)(1)(A), substituted “credit, including the use of innovative credit scoring models, savings, financial technology, financial literacy, education, insurance, property rights, and other services to micro, small, and medium-sized enterprise clients” for “credit, savings, and other services to microfinance and microenterprise clients” in introductory provisions.

Subsec. (a)(1). Pub. L. 115–428, §4(b)(1)(B), substituted “micro, small, and medium-sized enterprise clients, particularly clients owned, managed, and controlled by women” for “microfinance and microenterprise clients”.

Subsec. (a)(2). Pub. L. 115–428, §4(b)(1)(C), substituted “micro, small, and medium-sized enterprises” for “microenterprises”.

Subsec. (a)(3). Pub. L. 115–428, §4(b)(1)(D), substituted “financial intermediaries” for “microfinance and microenterprise institutions” and “micro, small, and medium-sized enterprises” for “microfinance and microenterprise clients” and struck out “and” after semicolon at end.

Subsec. (a)(4). Pub. L. 115–428, §4(b)(1)(E), substituted “micro, small, and medium-sized enterprises, financial intermediaries, and capital markets” for “microfinance and microenterprise clients and institutions” and “the poor and very poor, especially women;” for “the poor and very poor.”

Subsec. (a)(5), (6). Pub. L. 115–428, §4(b)(1)(F), added pars. (5) and (6).

Subsec. (b)(1). Pub. L. 115–428, §4(b)(2)(A), amended par. (1) generally. Prior to amendment, text read as follows: “There is established within the Agency an office of microenterprise development, which shall be headed by a Director who shall be appointed by the Administrator and who should possess technical expertise and ability to offer leadership in the field of microenterprise development.”

Subsec. (b)(2)(B). Pub. L. 115–428, §4(b)(2)(B)(i), amended subpar. (B) generally. Prior to amendment, text read as follows:

“(i) PROGRAM.—In order to ensure that assistance under this subpart is distributed effectively and efficiently, the office shall also seek to implement a program of central funding under which assistance is administered directly by the office, including through targeted core support for microfinance and microenterprise networks and other practitioners.

“(ii) FUNDING.—Of the amount made available to carry out this division for a fiscal year, not less than \$25,000,000 should be made available to carry out clause (i).”

Subsec. (b)(2)(C). Pub. L. 115–428, §4(b)(2)(ii), inserted “, particularly by protecting the use and funding of local organizations in countries in which the Agency invests,” after “and sustainability” and “, especially women” after “the poor and very poor”.

Subsec. (b)(3). Pub. L. 115–428, §4(b)(2)(C), struck out par. (3). Text read as follows: “With respect to assistance provided under this section, the office shall be responsible for concurring in the microenterprise development components of strategic plans of missions, bureaus, and other offices of the Agency and providing technical support to field missions to help the missions prepare such components.”

Subsec. (c). Pub. L. 115–428, §4(b)(3), substituted “subsection (a)—” and pars. (1) and (2) for “subsection (a),

50 percent of all microenterprise resources shall be targeted to clients who are very poor. Specifically, until September 30, 2006, such resources shall be used for—” and former pars. (1) and (2) which identified as entities eligible for microenterprise resources under subsec. (a) programs through certain practitioner institutions and for certain demand-driven business development programs, respectively.

§ 2211b. Monitoring system

(a) In general

In order to maximize the sustainable development impact of assistance authorized under section 2211a(a) of this title, the Administrator of the Agency, acting through the Director of the office, shall strengthen its monitoring system to meet the requirements of subsection (b).

(b) Requirements

The requirements referred to in subsection (a) are the following:

(1) The monitoring system shall include performance goals, including goals on a gender disaggregated basis, such as improvements in employment, access to financial services, education, enterprise development, earnings and control over income, and property and land rights, for the assistance and expresses such goals in an objective and quantifiable form, to the extent feasible.

(2) The monitoring system shall incorporate Agency planning and reporting processes and indicators to measure or assess the achievement of the performance goals described in paragraph (1) and the objectives of the assistance authorized under section 2211a of this title.

(3) The monitoring system provides a basis for recommendations for adjustments to the assistance to enhance the sustainability and the impact of the assistance, particularly the impact of such assistance on the very poor, particularly poor women.

(Pub. L. 87–195, pt. I, §253, as added Pub. L. 108–484, §3, Dec. 23, 2004, 118 Stat. 3925; amended Pub. L. 115–428, §4(c), Jan. 9, 2019, 132 Stat. 5514.)

Editorial Notes

PRIOR PROVISIONS

A prior section 253 of Pub. L. 87–195 was classified to section 2213 of this title, prior to repeal by Pub. L. 95–424, title I, §102(g)(1)(A), title VI, §605, Oct. 6, 1978, 92 Stat. 942, 961, effective Oct. 1, 1978.

AMENDMENTS

2019—Subsec. (b)(1). Pub. L. 115–428, §4(c)(1), inserted “, including goals on a gender disaggregated basis, such as improvements in employment, access to financial services, education, enterprise development, earnings and control over income, and property and land rights,” after “performance goals”.

Subsec. (b)(2). Pub. L. 115–428, §4(c)(2), substituted “incorporate Agency planning and reporting processes and indicators to measure or assess the achievement” for “include performance indicators to be used in measuring or assessing the achievement”.

Subsec. (b)(4). Pub. L. 115–428, §4(c)(3), struck out par. (4) which read as follows: “The monitoring system adopts the widespread use of proven and effective poverty assessment tools to successfully identify the very poor and ensure that they receive adequate access to microenterprise loans, savings, and assistance.”