

Summary and Highlights

INTERNATIONAL AFFAIRS
FUNCTION 150



FISCAL YEAR 2005 BUDGET REQUEST

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(ACCOUNTS BY APPROPRIATIONS SUBCOMMITTEE)

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Department of State Overview

Mission

Create a more secure, democratic, and prosperous world for the benefit of the American people and the international community.

Values

Loyalty:	Commitment to the United States and the American people.
Character:	Maintenance of high ethical standards and integrity.
Service :	Excellence in the formulation of policy and management policy and management practices, regardless of personal views.
Accountability:	Responsibility for meeting the highest performance standards.
Community:	Dedication to teamwork, professionalism, diversity, and the customer perspective.

Performance Management Methodology

The Department is committed to and focused on utilizing the funds it receives from Congress - the tax dollars of American citizens - to produce successful results. To do so, the Department utilizes a six-tiered performance management methodology, as depicted in the pyramid which follows. Each of the components of the pyramid is explained below:

<i>Strategic Objectives</i>	An organizing layer between the mission statement and the strategic goals, with related strategic goals grouped under a specific strategic objective.
<i>Strategic Goals</i>	The Department's long-term goals as detailed in its Strategic Plan.
<i>Performance Goals</i>	Desired outcomes the Department is planning to achieve that are necessary for attaining the strategic goals. The Department has thirty-eight performance goals.
<i>Initiatives/Programs</i>	Specific functional and/or policy areas, including OMB PART programs, to which the Department of State devotes significant resources.

Performance Indicators

Values or characteristics that the Department utilizes to measure progress achieved towards stated annual performance goals. The indicators are drawn from bureau and mission performance plans.

Performance Targets

Expressions of desired performance levels or specific desired results targeted for a given fiscal year. Achievement of targets defines success. Where possible, targets are expressed in quantifiable terms.

Performance Management Model

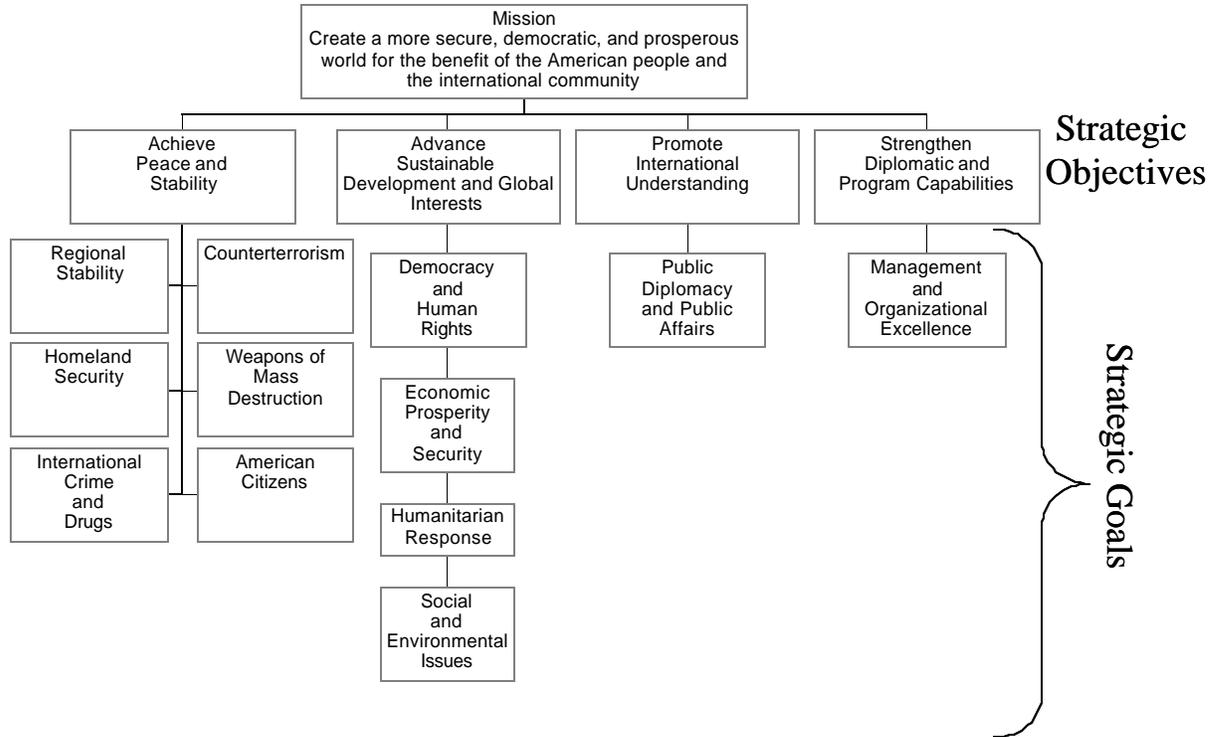


Strategic Planning Framework

Consistent with its performance management methodology shown on the previous page, the Department focuses its work around twelve strategic goals that capture both the breadth of its mission and its specific responsibilities. The Department's twelve strategic goals are centered around four core strategic objectives:

- **Achieve Peace and Security**
- **Advance Sustainable Development and Global Interests**

- **Promote International Understanding**
- **Strengthen Diplomatic and Program Capabilities**



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FY 2005 INTERNATIONAL AFFAIRS SUMMARY

(\$ in millions)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
INTERNATIONAL AFFAIRS	31,214	29,412	31,519
FOREIGN OPERATIONS	21,440	19,564	21,331
Export-Import Bank of the United States (net)	564	54	156
Overseas Private Investment Corporation (net)	(239)	(199)	(187)
Trade and Development Agency (TDA)	47	50	50
Child Survival & Health Programs Fund (CSH)	1,940	1,824	1,420
Global Fund to Fight AIDS, Tuberculosis, & Malaria	[248]	[398]	[100]
Development Assistance (DA)	1,480	1,377	1,329
International Disaster and Famine Assistance	432	474	386
Transition Initiatives	62	55	63
Development Credit Authority (DCA)	8	8	8
USAID Operating Expenses (OE)	593	641	623
USAID Capital Investment Fund	43	98	65
USAID Inspector General Operating Expenses (IG)	33	35	35
Economic Support Fund (ESF)	4,802	3,263	2,520
Assistance for Eastern Europe and the Baltic States (SEED)	522	442	410
Assistance for the Independent States of the Former Soviet Union (FSA)	755	584	550
Peace Corps	295	308	401
Inter-American Foundation	16	16	15
African Development Foundation	19	19	17
Millennium Challenge Corporation	-	994	2,500
International Narcotics Control and Law Enforcement (INCLE)	245	460	359
Andean Counterdrug Initiative (ACI)	842	727	731
Migration and Refugee Assistance (MRA)	782	756	730
U.S. Emergency Refugee & Migration Assistance (ERMA)	106	30	20
Nonproliferation, Anti-Terrorism, Demining (NADR)	332	396	415
Global HIV/AIDS Initiative	-	488	1,450
Treasury Technical Assistance	13	19	18
Debt Restructuring	-	94	200
U.S. Emergency Fund for Complex Foreign Crises	-	-	100
International Military Education & Training (IMET)	79	91	90
Foreign Military Financing (FMF)	5,992	4,633	4,958
Peacekeeping Operations (PKO)	214	124	104
International Financial Institutions	1,296	1,383	1,493
Multilateral Development Banks Arrears	[65]	[97]	[59]
International Organizations & Programs (IO&P)	169	320	304

(\$ in millions)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
COMMERCE, JUSTICE, STATE	8,016	8,646	8,981
Diplomatic & Consular Programs	3,888	4,220	4,285
Capital Investment Fund	182	79	155
Embassy Security, Construction & Maintenance	1,405	1,421	1,539
Other State Programs	352	503	422
Contributions to International Organizations	894	1,000	1,194
Contributions for International Peacekeeping Activities	636	695	650
Related Appropriations (e.g., Asia Foundation, NED)	71	78	103
Broadcasting Board of Governors	534	592	569
International Trade Commission and Other Programs	55	59	63
AGRICULTURE - P.L. 480 Title II	1,741	1,185	1,185
LABOR, HHS - United States Institute of Peace	16	17	22
IRAQ RELIEF AND RECONSTRUCTION FUND (IRRF)	2,236	18,439	-
GRAND TOTAL, INTERNATIONAL AFFAIRS w/IRRF	33,450	47,851	31,519

General Notes:

- Detail in this table may not add to the totals due to rounding.
- Prior to 2004, the International Disaster and Famine Assistance account was called the International Disaster Assistance account.
- The FY 2003 Actual level reflects \$168 million in rescissions and includes \$5.8 billion in emergency supplemental appropriations for Iraq, Afghanistan and coalition allies, including reimbursements from the Iraq Relief and Reconstruction Fund. See table that follows.
- FY 2004 Estimate level reflects \$198 million in rescissions and includes \$2.7 billion in emergency supplemental appropriations for Iraq and Afghanistan, including mandatory transfers from the Iraq Relief and Reconstruction Fund and emergency response funds reprogrammed for acceleration of reconstruction in Afghanistan. See table that follows.

FY 2003 & FY 2004 Supplemental Appropriations & Transfers
(\$ in thousands)

	FY 2003 Actual	FY 2004 Actual
Foreign Operations	5,245,251	2,080,600
<u>Supplemental Appropriations</u>	5,006,400	1,580,600
Child Survival and Health	90,000	-
International Disaster Assistance	143,800	-
USAID Operating Expenses	24,500	40,000
Economic Support Fund	2,422,000	872,000
International Narcotics Control and Law Enforcement	25,000	170,000
Andean Counterdrug Initiative	34,000	-
Emergency Migration and Refugee Assistance	80,000	-
Nonproliferation, Anti-Terrorism, Demining & Related Programs	28,000	35,000
Foreign Military Financing	2,059,100	287,000
Peacekeeping Operations	100,000	50,000
International Disaster & Famine Assistance	-	110,000
USAID Capital Investment Fund	-	16,600
<u>Transfers from Iraq Relief & Reconstr. Fund to other Accounts</u>	238,851	210,000
Economic Support Fund	100,000	100,000
Development Assistance	100,000	-
Transition Initiatives	12,000	-
International Narcotics Control and Law Enforcement	24,601	-
Treasury Technical Assistance	2,250	-
International Disaster and Famine Assistance	-	110,000
<u>Transfers from Emergency Response Funds to other Accounts</u>	-	290,000
Economic Support Fund	-	153,000
Foreign Military Financing	-	77,000
International Narcotics Control and Law Enforcement	-	50,000
Nonproliferation, Anti-Terrorism, Demining & Related Programs	-	10,000
State Operations and Other Agencies	292,620	600,700
Diplomatic and Consular Programs (D&CP)	62,620	156,300
Emergencies in the Diplomatic & Consular Service	50,000	115,500
Embassy Security, Construction, and Maintenance	149,500	43,900
Contributions to International Peacekeeping Activities	-	245,000
BBG International Broadcasting Operations	30,500	40,000
P.L. 480 Title II	300,000	-
TOTAL, SUPP. APPROPRIATIONS & TRANSFERS	5,837,871	2,681,300

FY 2005 INTERNATIONAL AFFAIRS SUMMARY - DETAIL

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
INTERNATIONAL AFFAIRS	31,213,589	29,412,185	31,519,189
FOREIGN OPERATIONS	21,440,363	19,564,170	21,331,330
Title I - Export and Investment Assistance	371,747	(94,827)	18,925
Export-Import Bank of the United States (Ex-Im)	564,422	54,467	156,040
Loan Subsidy	509,566	-	125,700
Administrative Expenses	67,856	72,467	73,200
Inspector General	-	-	1,140
Direct Loans, Negative Subsidies	(13,000)	(18,000)	(44,000)
Overseas Private Investment Corporation (OPIC)	(239,381)	(199,001)	(187,115)
Administrative Expenses for Credit & Insurance Programs	39,626	41,141	42,885
Net Offsetting Collections	(302,851)	(264,000)	(254,000)
Credit Funding - Direct & Guaranteed Loan Subsidies	23,844	23,858	24,000
Trade and Development Agency (TDA)	46,706	49,707	50,000
Title II - Bilateral Economic Assistance	13,318,590	13,107,921	14,363,994
U.S. Agency for International Development	4,589,254	4,511,270	3,928,500
Child Survival & Health Programs Fund (CSH)	1,939,563	1,824,174	1,420,000
Global Fund to Fight AIDS, Tuberculosis, & Malaria	[248,375]	[397,640]	[100,000]
Development Assistance (DA)	1,479,972	1,376,829	1,329,000
International Disaster and Famine Assistance	431,915	473,993	385,500
Transition Initiatives	61,675	54,676	62,800
Development Credit Authority - Subsidy (by Transfer)	[24,500]	[21,000]	[21,000]
Development Credit Authority - Administrative Expenses	7,542	7,953	8,000
USAID Operating Expenses	592,782	640,536	623,400
USAID Capital Investment Fund	42,721	98,315	64,800
USAID Inspector General Operating Expenses	33,084	34,794	35,000
Other Bilateral Economic Assistance	6,078,729	4,289,221	3,480,000
Economic Support Fund (ESF) - w/ Fund for Ireland	4,802,082	3,263,309	2,520,000
Assistance for Eastern Europe and the Baltic States (SEED)	521,587	442,375	410,000
Assistance for the Independent States of the Former Soviet Union (FSA)	755,060	583,537	550,000
Independent Agencies	329,733	1,337,088	2,933,185

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Peace Corps	295,070	308,171	401,000
Inter-American Foundation	16,095	16,238	15,185
African Development Foundation	18,568	18,579	17,000
Millennium Challenge Corporation	-	994,100	2,500,000
State Department			
State Department	2,307,894	2,857,014	3,704,809
International Narcotics Control and Law Enforcement (INCLE)	245,321	460,274	358,820
Andean Counterdrug Initiative (ACI)	842,450	726,687	731,000
Migration and Refugee Assistance (MRA)	781,884	755,712	729,789
U.S. Emergency Refugee & Migration Assistance (ERMA)	105,831	29,823	20,000
Nonproliferation, Anti-Terrorism, Demining (NADR)	332,408	396,415	415,200
Global HIV/AIDS Initiative	-	488,103	1,450,000
Department of the Treasury			
Department of the Treasury	12,980	113,328	217,500
Treasury Technical Assistance (TTA)	12,980	18,888	17,500
Debt Restructuring	-	94,440	200,000
U.S. Emergency Fund for Complex Foreign Crises			
U.S. Emergency Fund for Complex Foreign Crises	-	-	100,000
Title III - Military Assistance	6,285,364	4,848,282	5,151,230
International Military Education & Training (IMET)	79,480	91,159	89,730
Foreign Military Financing (FMF)	5,991,632	4,632,665	4,957,500
Peacekeeping Operations (PKO)	214,252	124,458	104,000
Title IV - Multilateral Economic Assistance	1,464,662	1,702,794	1,797,181
International Financial Institutions	1,295,781	1,383,042	1,492,731
Global Environment Facility	146,852	138,418	120,678
International Development Association	844,475	907,812	1,061,310
Multilateral Investment Guarantee Agency	1,620	1,117	-
Asian Development Fund	97,250	143,569	112,212
African Development Fund	107,371	112,060	118,000
African Development Bank	5,071	5,075	5,100
European Bank for Reconstruction & Development	35,572	35,222	35,431
Inter-American Development Bank - Multilateral Investment Fund	24,431	24,853	25,000
Inter-American Investment Corporation	18,233	-	-
International Fund for Agricultural Development	14,906	14,916	15,000
Arrears	[65,403]	[97,457]	[58,700]
International Organizations & Programs (IO&P)			
International Organizations & Programs (IO&P)	168,881	319,752	304,450

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
COMMERCE, JUSTICE, STATE	8,016,395	8,645,949	8,980,760
DEPARTMENT OF STATE	7,427,776	7,995,507	8,348,540
ADMINISTRATION OF FOREIGN AFFAIRS	5,827,218	6,222,686	6,400,866
STATE PROGRAMS	-	-	-
Diplomatic & Consular Programs	3,888,155	4,219,788	4,285,044
Ongoing Operations	3,328,750	3,540,313	3,626,343
Worldwide Security Upgrades	559,405	639,896	658,701
Worldwide IT Infrastructure	-	39,579	-
Capital Investment Fund	182,119	79,158	155,100
Embassy Security, Construction & Maintenance	1,404,787	1,420,659	1,539,000
Ongoing Operations	654,694	568,323	626,680
Worldwide Security Upgrades	750,093	852,336	912,320
Security Construction	604,594	753,388	785,320
Compound Security	145,499	98,948	127,000
Other State Programs	352,157	503,081	421,722
Office of Inspector General	29,074	31,369	30,435
Educational and Cultural Exchange Programs	243,712	316,633	345,346
Representation Allowances	6,443	8,905	8,640
Protection of Foreign Missions and Officials	10,929	9,895	9,600
Emergencies in the Diplomatic and Consular Service	42,208	116,489	7,000
Payment to the American Institute in Taiwan	18,330	18,584	19,482
Repatriation Loans	1,461	1,206	1,219
F.S Retirement and Disability Fund [Mandatory]	[138,200]	[134,979]	[132,600]
INTERNATIONAL ORGANIZATIONS	1,529,702	1,694,886	1,844,210
Contributions to International Organizations	893,837	999,830	1,194,210
Contributions for International Peacekeeping Activities	635,865	695,056	650,000
INTERNATIONAL COMMISSIONS (non-function 150)	[57,730]	[57,187]	[70,401]
RELATED APPROPRIATIONS	70,856	77,935	103,464
The Asia Foundation	10,376	12,863	8,880
National Endowment for Democracy (NED)	41,727	39,579	80,000
International Center for Middle Eastern-Western Dialogue	-	6,926	-
East-West Center	17,883	17,692	13,709
Eisenhower Exchange Fellowship Program	497	500	500
Israeli Arab Scholarship Program	373	375	375

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
BROADCASTING BOARD OF GOVERNORS	533,841	591,567	569,300
International Broadcasting Operations	496,350	580,292	533,111
Broadcasting to Cuba	24,834	-	27,629
Broadcasting Capital Improvements	12,657	11,275	8,560
OTHER PROGRAMS	54,778	58,875	62,920
International Trade Commission	53,649	57,682	61,700
Foreign Claims Settlement Commission	1,129	1,193	1,220
AGRICULTURE & RELATED AGENCIES	1,740,575	1,184,967	1,185,000
P.L. 480 Title II	1,740,575	1,184,967	1,185,000
LABOR, HHS, EDUCATION	16,256	17,099	22,099
United States Institute of Peace	16,256	17,099	22,099
IRAQ RELIEF AND RECONSTRUCTION FUND (IRRF)	2,236,149	18,439,000	-
GRAND TOTAL, INTERNATIONAL AFFAIRS w/IRRF	33,449,738	47,851,185	31,519,189

Note: Detail in this table may not add to the totals due to rounding.

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**FOREIGN OPERATIONS, EXPORT FINANCING,
AND RELATED PROGRAMS
(FOREIGN OPERATIONS)**

I. Export and Investment Assistance

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Export-Import Bank of the United States			
Loan Subsidy	509,566	-	125,700
Administrative Expenses	67,856	72,467	73,200
Inspector General	-	-	1,140
Direct Loans, Negative Subsidies	(13,000)	(18,000)	(44,000)
Total, Export-Import Bank of the United States	564,422	54,467	156,040
Overseas Private Investment Corporation			
Administrative Expenses	39,626	41,141	42,885
Net Offsetting Collections	(302,851)	(264,000)	(254,000)
Credit Funding	23,844	23,858	24,000
Total, Overseas Private Investment Corporation	(239,381)	(199,001)	(187,115)
Trade and Development Agency	46,706	49,707	50,000
Total, Export and Investment Assistance	371,747	(94,827)	18,925

Export-Import Bank of the United States (Ex-Im)

The Export-Import Bank of the United States (Ex-Im) is the official export credit agency of the United States. The purpose of the Ex-Im Bank is to facilitate U.S. exports by providing competitive export financing in situations where U.S. exporters are facing foreign competition backed by officially supported financing or where the private market is unwilling or unable to offer this financing. In either case, Ex-Im Bank financing is predicated on a determination that reasonable assurance of repayment exists. Funding from the Bank enables U.S. companies — large and small — to turn export opportunities into sales that help to maintain and create U.S. jobs and contribute to a stronger national economy. The Bank provides its export credit support through direct loan, loan guarantee, and insurance programs. The Bank actively assists small and medium-sized businesses.

The FY 2005 budget proposes \$12.0 billion in authorizations funded by the program budget request of \$125.7 million plus program budget authority carried over from prior years, and administrative expenses of \$73.2 million.

Overseas Private Investment Corporation (OPIC)

In FY 2005 the Overseas Private Investment Corporation (OPIC) will continue to focus its efforts on projects that are highly developmental, based on both sector and location. Based on U.S. development and foreign policy priorities, in FY 2005 OPIC will place special emphasis on the areas of small business,

Russia and Central Asia (including Afghanistan, Pakistan and Iraq), Sub-Saharan Africa, Mexico and housing.

OPIC's contribution to America's international development goals has become doubly important since America's war on terrorism began. OPIC's role in promoting private sector development projects can help alleviate the chronic unemployment and sense of hopelessness that makes individuals in impoverished countries more susceptible to recruitment by extremist groups.

From its estimated net offsetting collections of \$254 million in FY 2005, OPIC is requesting \$42.9 million for administrative expenses and \$24 million for credit funding. This amount will support over \$700 million in new direct loans and loan guaranties at an average credit funding rate of about 3.3 percent.

OPIC's goal is to generate "additionality" on each transaction it conducts, meaning that OPIC's participation will "add value" to every investment it supports. OPIC's additionality is threefold: 1) OPIC bridges gaps in political risk insurance coverage and financing to bring coverage/financing to developmental projects that the private market is unable to provide; 2) OPIC leverages resources to attract additional private and public sector dollars to these developmental projects; and 3) OPIC uses its unique position to mitigate project risk.

OPIC is a self-sustaining agency that provides political risk insurance, project finance, and investment funds products to American businesses. Its accomplishments have allowed American businesses to expand into as many as 150 developing nations and emerging markets around the world.

Trade and Development Agency (TDA)

The Administration is requesting \$50 million for TDA in FY 2005. This request maintains the Agency's mission of spurring economic development and advancing U.S. commercial interests in developing and middle-income countries.

TDA is a foreign assistance agency that delivers its funding through commercially oriented means. The Agency's proposed development activities further the Administration's key foreign assistance priorities while increasing U.S. private sector participation abroad.

The Agency uses various tools to facilitate U.S. business opportunities in the international marketplace. TDA support comes in the form of technical assistance, feasibility studies, specialized studies, orientation visits, training grants, and conferences.

In FY 2005, TDA will target activities that support supply chain security and management, trade capacity building, reconstruction efforts, and the environment. In addition, TDA will focus its resources on potential business activities in the emerging areas of North Africa and the Middle East, South Asia, and sub-Saharan Africa.

II. Bilateral Economic Assistance

A. United States Agency for International Development

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Child Survival and Health Programs Fund	1,939,563	1,824,174	1,420,000
Development Assistance	1,479,972	1,376,829	1,329,000
International Disaster and Famine Assistance	431,915	473,993	385,500
Transition Initiatives	61,675	54,676	62,800
Development Credit Authority - Admin. Exp.	7,542	7,953	8,000
USAID Operating Expenses	592,782	640,536	623,400
USAID Capital Investment Fund	42,721	98,315	64,800
USAID Inspector General Operating Expenses	33,084	34,794	35,000
Total, United States Agency for International Development	4,589,254	4,511,270	3,928,500

Overview

Today more than ever, U.S. foreign policy toward the developing world plays a vital role in the global balance between conflict and peace. U.S. national security challenges are increasingly complex, and the role of development is recognized as pivotal. This is reflected in President Bush's National Security Strategy of the United States, issued on September 17, 2002, which for the first time elevated development as the third component of U.S. national security, alongside defense and diplomacy.

The FY 2005 budget request reflects the President's new focus on the role of foreign assistance in enhancing our national security and promoting a sound economic development agenda. This commitment is a key part of America's war on terrorism and strengthens our country's leadership in the provision of hope and opportunity for people in the developing world. The budget was constructed to reflect foreign policy priorities, country commitment and performance, development needs, and program results.

Key elements of the budget include:

- Rebuilding the ranks of the Agency's Foreign Service by hiring an additional 50 staff and strengthening training under the Development Readiness Initiative.
- Maintaining our strong support for countries on the front lines in the War on Terrorism, especially Afghanistan, Pakistan, and Sudan, as well as other front-line states in Asia, the Near East, and Africa.
- Working to eliminate evolving health issues, especially HIV/AIDS, tuberculosis and malaria and other infectious diseases. USAID will work closely with the Global AIDS Coordinator in implementing the President's Emergency Plan for AIDS Relief.
- Focusing on trade and agriculture as important contributors to economic growth, especially in Africa and Latin America.

Child Survival and Health Programs Fund (CSH)

The FY 2005 request of \$1.420 billion for the Child Survival and Health Program Fund (CSH) account addresses critical health and family planning needs worldwide. Investing in the health of the world's population contributes to global economic growth, poverty reduction, a sustainable environment, and regional security.

- HIV/AIDS programs (\$600 million) will focus on the prevention, care, and treatment efforts, and the support of children affected by AIDS. Funding is provided for a \$100 million contribution to the Global Fund. The President's Emergency Plan for AIDS Relief (PEPFAR) focuses on fourteen African and Caribbean countries. USAID will play a significant role in implementing PEPFAR, which will be managed by the Department of State's Global AIDS Coordinator. All USAID Mother to Child HIV Prevention activities in the focus countries will be financed out of the State Department's Global HIV/AIDS Initiative appropriation.
- Family Planning and Reproductive Health (\$425 million from all funding sources, including \$346 million from this account).
- Child Survival and Maternal Health (\$325 million) to address the primary causes of maternal and child mortality, and to improve health care systems, primarily in sub-Saharan Africa and South Asia.
- Other Infectious Diseases (\$139 million), particularly the prevention and control of tuberculosis and malaria, and programs to combat anti-microbial resistance and disease surveillance – focusing on sub-Saharan Africa, the Caribbean Basin, India, Indonesia and Cambodia.
- Vulnerable Children (\$10 million) to support the Displaced Children and Orphans Fund worldwide.

Development Assistance (DA)

The FY 2005 request for DA is \$1.329 billion, which will fund several program sectors.

The bulk of this request (1.121 billion) will go toward Economic Growth, Agriculture, and Trade:

- Agriculture programs (\$268 million), particularly the President's End Hunger in Africa Initiative, to rebuild agricultural capability in developing countries, reduce hunger, and foster trade and growth.
- Economic Growth programs (\$316 million) to promote trade-led growth and development, especially the Central America Free Trade Agreement (CAFTA), and the Trade for African Development (TRADE) Initiative. Funds will also support microenterprise and small business development worldwide.
- Education programs (\$262 million), including \$212 million for basic education programs such as the African Education Initiative, and \$50 million for higher education and training.
- Environment programs (\$275 million), including funding for the Congo Basin Forest Partnership, to address global climate change and promote programs aimed at sustaining natural resource management.

- The Global Development Alliance (\$10 million included in the sectors above) to mobilize resources by creating alliances between the public and private sectors in support of the Agency's objectives.

The remaining \$208 million in DA will support Democracy, Conflict and Humanitarian Assistance, which includes funding to support elections, political party assistance, rule of law, security, anti-corruption, human rights and conflict prevention. It will also help prevent trafficking of persons and assist victims of war and victims of torture.

International Disaster and Famine Assistance (IDFA)

The FY 2005 request of \$385.5 million will provide emergency relief, rehabilitation, and reconstruction assistance to countries struck by natural and man-made disasters, and support for disaster mitigation, prevention, and preparedness.

The request will be used to provide relief services and commodities including temporary shelter, blankets, supplementary food, potable water, medical supplies, and agricultural rehabilitation aid, including seeds and hand tools. Funding of \$100 million for post-conflict humanitarian needs in Sudan is included in this request, in addition to ongoing programs there.

It also includes \$50 million for famine prevention and relief, which is intended to support early intervention to either pre-empt famine or mitigate the impact.

Transition Initiatives

The FY 2005 request of \$62.8 million will provide a fast, flexible response capacity to address the needs of countries experiencing significant political transitions or facing critical threats to basic stability and democratic reform. TI programs often bridge the gap between emergency humanitarian assistance and longer-term development. Sudan will be a priority in FY 2005.

Development Credit Authority (DCA)

Credit promotes broad-based economic growth in developing and transitional economies. The Development Credit Authority (DCA) allows USAID to use credit as a flexible development tool for a wide range of development purposes. It also increases grant assistance by mobilizing capital in developing countries for sustainable development projects.

The FY 2005 request includes \$21 million in transfer authority to provide loan guarantees in every region and in every sector targeted by USAID.

The request also includes \$8 million for credit administrative costs that reflect the total cost of development, implementation, and financial management of all USAID credit programs.

USAID Operating Expenses (OE)

The FY 2005 request (\$623.4 million) covers administrative costs of managing over \$8.5 billion in program funds. The request includes funding for new initiatives and reforms to further streamline and improve operational efficiency, while maintaining proper oversight of existing programs

Consistent with the Secretary's commitment to rebuild the ranks of the Foreign Service, the Agency will continue its Development Readiness Initiative and hire an additional 50 staff over and above anticipated attrition to address critical overseas workforce requirements.

Overseas, the Agency will continue efforts to "rightsize" missions worldwide and fund critical overseas mission needs. USAID will also fund required increases for International Cooperative Administrative Support Services (ICASS), security and inflation.

The Agency will also fund information technology support for a joint Department of State/USAID procurement system, the installation of a joint financial management platform for the two separate systems, and the establishment of a secure Agency IT environment.

USAID Capital Investment Fund

The FY 2005 Capital Investment Fund request (\$64.8 million) uses no-year authority to provide the Agency with greater flexibility to manage investments in technology and facility construction.

\$36.1 million will fund Information Technology for the implementation of worldwide accounting and procurement systems modernization, full participation on E-Government initiatives, and development of joint enterprise architecture with the Department of State. These activities support Presidential Management Agenda initiatives and Agency transformation goals.

The remaining \$28.7 million will fund construction of new office facilities, relocation and communication costs on new embassy compounds under the Department's proposed new Capital Security Cost-Sharing Program. These funds will support USAID's ability to locate staff in secure work environments.

USAID Inspector General Operating Expenses

The FY 2005 request (\$35 million) for the USAID Office of Inspector General covers salaries, operating expenses, and benefits for staff, and supports critical audit and investigative coverage for the agency.

The OIG assists USAID to implement its strategies, providing staff with information and recommendations to improve program and operational performance. The office also works with USAID to protect and maintain the integrity of the Agency and its programs.

B. Other Bilateral Economic Assistance

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Economic Support Fund	4,802,082	3,263,309	2,520,000
Assistance for Eastern Europe and the Baltic States	521,587	442,375	410,000
Assistance for the Independent States of the Former Soviet Union	755,060	583,537	550,000
Total, Other Bilateral Economic Assistance	6,078,729	4,289,221	3,480,000

Economic Support Fund (ESF) (including International Fund for Ireland)

The FY 2005 ESF request of \$2.520 billion supports the economic and political foreign policy interests of the United States.

Africa -- \$101.3 million is requested for programs in sub-Saharan Africa. These funds will assist countries to recover from conflict and bring about enduring peace; support the development of democracies, including support for human rights and free media; promote U.S. investment opportunities in Africa; and combat forces that undermine prosperity and stability in the region.

- Liberia - \$25 million for the continued reintegration of child soldiers and other combatants into society, election preparation, civil society support, judicial and rule of law programs, sustainable rainforest management, the Truth and Reconciliation Commission, and the sustained customs, auditing and budgetary reforms.
- Sudan - \$20 million to provide administrative and technical support to implement the peace agreement and ensure full transition to a just peace; and to support development of political pluralism and democracy, agriculture, health, and education.
- A total of \$18.3 million for countries where we continue to work to resolve long-running conflicts or instability as well as provide support to achieve successful post-conflict transitions. Included are Angola, Burundi, the Democratic Republic of Congo (DRC), Sierra Leone, and Zimbabwe. Funding will support rebuilding basic infrastructure; the resettlement and reintegration of combatants, displaced persons and returnees; conflict mitigation projects; and programs to promote democracy and good governance.
- A total of \$21 million for the region's strategic countries (Ethiopia, Kenya, Nigeria, South Africa and Djibouti) to support economic growth, democratization, anti-crime, and anti-corruption activities and to counter terrorism. ESF will be used to help countries play an effective role in combating terrorism through cooperation in key areas like justice system modernization, and anti-terrorism training related to border control and the freezing of terrorist assets. Specialized training and equipment will be provided to those engaged in anti-corruption monitoring and advocacy. Other programs will strengthen the role of civil society, help professionalize electoral structures and foster true multi-party democracy, enhance trade and private sector development, and promote human rights.
- A total of \$17 million is requested for three regional programs: the Africa Regional Fund, Safe Skies for Africa (SSFA), and Regional Organizations. Programs implemented under the Africa Regional Fund will strengthen the rule of law, promote trade and investment, aid judicial reform and the development of civil society, improve administration of borders, combat money laundering, and support African efforts to manage its environment and natural resources. Through the SSFA program, we will continue to enhance airport security in order to promote U.S.

investment opportunities and combat international crime and terrorism. Assistance will be provided to strengthen the capabilities of regional organizations in Africa, including the African Union, the Southern Africa Development Community, (SADC) and the Economic Community of West African States (ECOWAS). ESF will finance initiatives and programs that contribute to regional and global economic integration, especially programs to open markets and harmonize tariff structure.

East Asia and the Pacific -- \$174.3 million is requested to address democratic weaknesses in a region where separatists movements are of growing concern; to launch new education initiatives where the system is in crisis; to support private sector led economic growth; to fund significant civil society and governance programs; to strengthen local security; and to promote women's empowerment.

- Indonesia - \$70 million will support economic growth (including programs that address financial crimes), democracy (including tolerance, democracy advocacy, and public diplomacy programs), conflict mitigation and response, and a major new education initiative -- a key element of our counter-terrorism efforts.
- Philippines - Approximately half of the \$35 million will be used to continue existing programs devoted to economic reform, good governance, and poverty alleviation, particularly for former Moro National Liberation Front (MNLF) combatants and their families in Mindanao. The other half would be used to extend those programs to an additional 12,000 combatants of the Moro Islamic Liberation Front (MILF) and their families.
- The United States will provide \$18 million to the Pacific Island states under an international agreement associated with the 1987 South Pacific Multilateral Fisheries Treaty.
- Cambodia - \$17 million to support efforts focused on political party development in the context of a multiparty democracy and on human rights monitoring. Other program objectives include anti-trafficking efforts and programs that enhance transparency and good governance while combating corruption.
- East Timor, Mongolia, and Burma - A total of \$30.5 million is requested to support the private sector led growth of East Timor's economy through the promotion of trade and the provision of micro-credit; for the expansion of Mongolia's peri-urban (nomadic communities) program, which assists semi-nomadic herders with small business skills, and the rural Gobi Initiative to assist Mongolian herders transitioning between nomadic and urban economies; and, in planning for a future, more democratic Burma, to fund the democracy and capacity-building activities of NGOs primarily working with refugee and exile communities outside the country.
- EAP Regional Programs - \$3.8 million will be used for regional projects that support U.S. objectives in the region. This includes several initial projects under the "ASEAN Cooperation Plan" across a range of needs in information and communications technologies, health, disaster response and economic policy; support for activities and development of multilateral groups in the Asia-Pacific region; and expansion of existing projects that promote women's empowerment.

Europe and Eurasia -- \$75.5 million is requested for programs that promote peace and reconciliation, and contribute to the stability of the region.

- Cyprus - \$13.5 million will support the peace process by increasing contacts between Greek and Turkish Cypriots and reducing tensions on the island.
- Ireland - \$8.5 million is for the International Fund for Ireland, which encourages contact, dialogue, and reconciliation between nationalists and unionists through economic development and cross-community projects. In addition, \$3.5 million underwrites the continuation of the Walsh Visa

Program to bring unemployed young men and women from Northern Ireland and the six border counties to the U.S. for employment and job training.

- Turkey - \$50 million is for balance of payments support to Turkey, a NATO ally of the United States and a country that is of major importance to the stability of its region.

Near East -- \$1.449 billion is requested to continue restructuring assistance levels in the Middle East in support of regional stability, development and a comprehensive peace between Israel and its neighbors; to promote political, economic, and educational reform throughout the region; and to combat the roots of terrorism by targeting the economic despair and lack of opportunity that are exploited by extremists.

- Egypt and Israel - \$895 million in accordance with the ESF phase-down plans.
- The Middle East Partnership Initiative (MEPI) - \$150 million to support reform efforts in the Middle East and champion opportunity for all people of the region. Funds will be used to support on-going flagship programs, such as the Middle East Free Trade Area and the Middle East Finance Corporation, and grow programs, such as political party and legislative strengthening, and "Partnership Schools", as well as the Middle East Foundation, which is expected to begin operations in FY 2004.
- Jordan - \$250 million to help achieve sustainable economic growth that should result in a permanent increase in living standards, in line with the King's progressive socioeconomic plan. The ESF will strengthen water resource management, provide budget support to the government, promote economic growth, and support healthcare, education, and governance reforms.
- Lebanon - \$32 million to promote economic growth and trade reform; continue good governance programs; protect the environment; and support the four American Educational Institutions in Lebanon.
- Morocco - \$20 million to provide micro-credit facilities and employment opportunities for the urban poor; loan programs for housing and home improvements; basic health and education; and rural-based programs that will help arrest migration into already overcrowded urban areas.
- The West Bank and Gaza - \$75 million to address immediate humanitarian needs and longer-term economic development, including development of water resources and support for the growth of democratic institutions among the Palestinian people.
- Yemen - \$20 million to fund development projects focused on health, education and economic opportunities in five remote, tribal governorates of Yemen that have served as a refuge for al-Qaeda elements and a source of tribal instability.
- \$7 million to foster mutually beneficial technical cooperation between experts from Israel and its Arab neighbors under two complementary regional programs: the Middle East Multilaterals and the Middle East Regional Cooperation (MERC) program.

South Asia -- \$564 million is requested to help stabilize this critical region by funding economic reconstruction and development, demobilization, democracy building, education, training, and public diplomacy programs.

- Afghanistan - \$225 million to bolster progress toward stability, prosperity and democracy. The funds will be used to assist legislative elections and strengthen nascent democratic institutions; complete the Kandahar-Herat road, other secondary roads, and basic infrastructure; provide the central government essential tools to deliver basic services, pay salaries and extend its authority to the provinces; continue funding for provincial reconstruction team (PRT) projects to extend reconstruction into difficult areas; create incentives for demobilization and reintegration of militiamen; and assist Afghan women and girls.
- Pakistan - \$300 million for debt relief/budget support (\$200 million) and targeted social sector programs (\$100 million), including education reform, expansion of basic health services for

women and children, accountable and participatory democratic governance, and expansion of economic opportunities.

- Bangladesh - \$5 million to strengthen anti-corruption efforts, support political party reform, and help diversify the economy and accelerate economic growth.
- India - \$15 million to finance an education initiative in disadvantaged communities, implement water and power infrastructure reform activities, help reduce the fiscal deficits in Indian states, and develop a more effective disaster response system.
- Nepal - \$5 million to fund rural infrastructure projects, credit programs, literacy and numeracy training, anticorruption activities, and justice sector reform programs.
- Sri Lanka - \$12 million to bolster the peace process in Sri Lanka through democracy and governance programs; support a small-grants fund that fosters peace building and reconciliation efforts among diverse groups; and promote jobs and provide job training for unemployed youth, including ex-combatants.
- The South Asia Muslim Outreach Program - \$2 million to address the root causes of extremism through cross-border and innovative pilot programs for education, democracy, economic cooperation and development, and conflict mitigation projects.

Western Hemisphere - \$92 million to promote the Administration's priorities in the Hemisphere - stable and prosperous democracies, thriving economies, and secure borders and cooperative neighbors - through programs that focus on democracy and anti-corruption, trade-led economic growth, and counternarcotics.

- South America (Bolivia, Ecuador, Paraguay, Peru, Venezuela) - \$32.5 million to help address the economic, social and institutional problems in the Andean countries and to consolidate democracy in Paraguay. Funds will be used to pursue justice sector reform, strengthen democratic institutions, and promote the rule of law; to facilitate implementation of free trade agreements; to improve local governance and promote decentralization; to fight corruption; and to promote respect for human rights.
- Central America (Guatemala, Nicaragua, Panama) and Mexico - \$21 million toward a more stable and prosperous Central America and Mexico, sharing the benefits of trade-led growth broadly among their citizens. Funds will be used to expand local conflict resolution and prevention programs; to help build transparency and accountability systems in key offices; to support the U.S. interagency anticorruption pilot program in Nicaragua; to support ongoing justice sector reform activities; to provide technical assistance and training to state and local government institutions; and to enhance the capacity of Mexico's higher education institutions to give students skills to grasp NAFTA-created opportunities.
- Cuba - \$9 million to help achieve our objective of a rapid, peaceful transition to a democracy characterized by open markets and strong support for human rights. Funds will be used to disseminate information, train Cuban journalists and labor leaders, and provide humanitarian aid to victims of political repression and their families.
- Dominican Republic - \$3 million to support justice sector reform and anti-corruption efforts, and to help implement the National Anticorruption Strategy and Plan.
- Peru-Ecuador Peace - \$4 million for the continuation of cross-border programs on democratic governance, child survival, biodiversity, and economic growth.
- Third Border Initiative - \$9 million will fund comprehensive immigration and border security programs; continue development and installation of computerized immigration systems in the Eastern Caribbean states; fund disaster preparedness and coordination exercises; and continue certain ongoing rule of law activities.
- WHA Regional Programs - A total of \$13.5 million is requested for three regional programs: the Regional Anticorruption Initiative, Summit of the Americas Support, and Trade Capacity Building. The ESF will be used to fund a range of new, regional activities to help combat corruption and

promote transparency in the hemisphere; to help implement specific activities related to the Presidential mandates adopted at the Summit of the Americas, including support for newly elected legislators, regional workshops, and the regional Justice Studies Center; and to provide technical assistance and training to improve the capacity of Latin American and Caribbean countries to implement the obligations of and benefit from free trade agreements with the United States.

Global – A total of \$64 million is requested to promote democracy and universal human rights; to promote environmental stewardship and advance U.S. interests in this area; to address unacceptable working conditions around the world; to prevent the trafficking in persons and protect the victims of trafficking; and more fully engage non-Arab Islamic countries.

- Human Rights and Democracy Fund - \$27 million for the promotion of fundamental political freedoms and universal human rights in countries of strategic importance to the United States, particularly in countries with significant Muslim populations and in China.
- Oceans, Environmental and Science Initiative (OESI) - \$3 million for programs that advance U.S. negotiating positions, promote regional cooperation and stability, encourage sustainable development, and demonstrate U.S. leadership in responding to emerging issues in international oceans, environment, science, and health.
- Partnership to Eliminate Sweatshops - \$2 million to make grants available to promote core labor standards, corporate codes of conduct, monitoring, training, research, and other associated activities.
- Muslim Outreach Beyond the Arab World - \$20 million to address the challenge of engaging non-Arab Islamic countries through cross-regional projects, where possible, that promote democracy, religious understanding and tolerance, and conflict resolution, as well as advance human rights.
- Trafficking in Persons - \$12 million to bolster anti-trafficking efforts and create new initiatives and model approaches to assist countries with emerging problems in this area. Programs will include prevention and protection measures, victim assistance, and efforts to improve legal advocacy.

Assistance for Eastern Europe and the Baltic States (SEED)

The FY 2005 request for assistance funds under the Support for East European Democracy (SEED) Act of 1989 totals \$410 million and targets Southeast Europe. U.S. support has contributed to a region now dominated by governments committed to Euro-Atlantic integration and transitioning to market-based democracy. Continued progress in reform will hasten the day when the international military presence in the Balkans can be further reduced and ultimately withdrawn, and will strengthen valued U.S. partners in the war on terror.

Highest priority programs promote stability, rule of law and efforts against corruption and trans-border crime, effective governance, and crucial growth in the private sector to spread the benefits of difficult reform. All non-peacekeeping related costs for OSCE Balkans missions and the Office of the High Representative (OHR) in Bosnia and Herzegovina will be funded from the SEED account in FY 2005 rather than as previously supported by the Peacekeeping Operations (PKO) account.

Serbia and Montenegro (SaM) is a linchpin in the Balkans. For Serbia, the FY 2005 request of \$87 million will help keep fragile political and economic reform on track. Reform faces dangerous entrenched opposition, as shown by the Prime Minister's assassination in March 2003. Major work remains on domestic war crimes trial capacity, rule of law, privatization, job creation and economic growth, and building local democracy, all key to making Serbia a positive regional player. In Montenegro, \$15 million funds similar efforts.

For Kosovo, \$72 million will assist Kosovo in meeting internationally agreed standards in eight areas crucial to its stability and the region's. The international community has said it will address Kosovo's final status only after these standards are achieved. Assistance will focus on building a market economy, strengthening democratic institutions, promoting refugee returns, and fostering rule of law. Nearly half of U.S. assistance supports our contingent in the UN Police Mission, training a Kosovo Police Service, and other law enforcement efforts.

An FY 2005 program of \$41 million will assist Bosnia and Herzegovina to continue its difficult post-conflict transition. Accelerating progress in building the capacity of nascent state-level institutions to combat terrorism, organized crime, and corruption is essential to further reductions in the U.S. and NATO military presence and to eventually phase out the Office of the High Representative. SEED efforts also target trafficking in persons, commercial and criminal justice system reforms, small business development and job creation, economic projects for returnee communities, and local governance.

In Macedonia, the U.S. provides key support for implementation of the 2001 Ohrid "Framework Agreement" (FWA), the foundation for peace and stability in the country. SEED funding of \$34 million will advance key elements of the FWA and assist the government in combating trafficking and corruption, stimulating free markets, and promoting rule of law and strong multi-ethnic democratic institutions. Revitalizing the economy and strengthening vital components of democracy – political parties, civil society, legal institutions, media – are critical to the country's transition.

Albania's SEED programs focus on shoring up recent rule of law gains and promoting further reforms to advance its Euro-Atlantic integration. In FY 2005, \$28 million will maintain momentum in promoting private sector-led development and competitive markets, strengthening democracy and good governance, nurturing civil society, and encouraging social sector rehabilitation. Assistance will also target pervasive corruption and organized crime, including trafficking in persons.

SEED assistance is a powerful lever for reform in Romania, which is now making steady progress after a slow start. A program of \$27 million in FY 2005 will help Romania prepare for European Union (EU) entry as early as 2007 and for phase-out from SEED. Top assistance priorities are law enforcement, rule of law, anti-corruption, economic reform, and privatization, with a lesser emphasis on the health sector.

For Bulgaria in FY 2005, continued strong SEED funding of \$28 million will help lock in reform as Bulgaria moves toward anticipated EU entry in 2007. While making remarkable progress, Bulgaria is threatened by pervasive corruption and crime. While addressing these priorities, SEED assistance will also focus on rule of law, economic development, and local government reform. FY 2006 is the planned final year for SEED funding for Bulgaria.

The Croatia SEED program is \$20 million in FY 2005. With Croatia's tenuous reform record, continued U.S. support will help consolidate post-conflict reform and further Croatia's quest for early EU entry. U.S. assistance strengthens the private sector, promotes participatory democracy, encourages refugee returns, and reduces destabilizing gaps between war-affected communities and more developed areas. FY 2006 is the planned final year for new SEED funding for Croatia.

In FY 2005, of the \$59 million Regional SEED account, a large share - \$25.5 million - will for the first time fund the bulk of assessed costs for OSCE missions in the Balkans, U.S. contributions to the OHR in Bosnia, and security costs for senior Americans leading such missions. These missions undertake high priority responsibilities in promoting peace and stability. Also for the first time, regional SEED rather than PKO funds will be used to pay the salaries of American citizens seconded to the OSCE Secretariat and field missions, plus travel costs of Americans serving as election monitors for the OSCE Office of Democratic

Institutions and Human Rights. The service of these Americans is both a crucial U.S. contribution to the effective work of the OSCE and key to maintaining U.S. influence over its activities.

Regional SEED funds (\$2 million) also continue for extra-budgetary contributions to the OSCE for high priority projects promoting human rights, democratization, economic development and environmental protection.

The remainder of the Regional budget covers significant USAID regional programs supporting HIV/AIDS, other health earmarks, energy efficiency, infrastructure development and trade, as well as congressional directives. Regional funds build war crimes trial capacity, fight corruption, and foster regional law enforcement, including anti-trafficking, through the Bucharest anti-crime Center. They support the Stability Pact, regional trade, improved investment conditions, and business development. A small contingency fund allows rapid reaction to unexpected requirements.

Assistance for the Independent States of the Former Soviet Union (FREEDOM Support Act, or FSA)

The FY 2005 request for the Freedom Support Act (FSA) is \$550 million. Funding underscores continuing U.S. national security interest in seeing former Soviet states transition into stable, democratic and market-oriented countries, integrated into the Euro-Atlantic community. Funding also reflects the critical role a number of these countries play as partners in the global war on terrorism, as well as the struggle against other transnational threats, such as weapons of mass destruction, illicit narcotics, HIV/AIDS, and trafficking in persons.

FY 2006 is slated to be the last year of new funding for FSA market reform programs in Russia. Phase out plans for other countries or specific sectors in those countries will be developed during the coming year, taking into account an assessment of progress against a broad range of economic and democratic reform indicators collected by the European Bank for Reconstruction and Development, Freedom House, and other organizations. These assessments will also help focus remaining USG assistance in areas of greatest need.

This request includes funding to support efforts of the new government of Georgia to undertake economic and political reforms necessary to ensure that the promise of the November 2003 "Revolution of Roses" is not squandered.

The request funds ongoing efforts, begun in the wake of the 9/11 attacks, to enhance stability in Central Asia. These include an intensive counternarcotics program aimed at stemming the flow of heroin from Afghanistan through Central Asia, and from there into Russia and Western Europe; job creation and economic development programs; and support for civil society, independent media, the rule of law, and civic education.

Several Central Asian countries have elections scheduled during 2005. The U.S. government will be seeking, where appropriate, to support free and fair electoral processes. Funds will be available under this request for non-partisan training to political parties, support for unbiased media coverage of elections, support for domestic and international election monitoring, and technical assistance to reform electoral laws in conformity with OSCE standards.

FSA-supported health care reform will seek to rationalize inefficient health care systems, improve maternal and infant health, and enhance the Eurasian countries' ability to fight infectious diseases, particularly HIV/AIDS and tuberculosis in Russia, Ukraine, and Central Asia. U.S. government funds will be directed toward prevention and education, pilot treatment efforts, and technical assistance to help these countries

leverage assistance from the Global Fund, World Bank, and other sources to address fully the threat of HIV/AIDS and TB.

The quality and independence of the media remain under serious threat across the region. FSA funds will continue to support the independence and viability of the media to advocate for greater transparency and accountability.

To help increase economic opportunity and job creation across Eurasia, FSA funds will continue to support small and medium-sized private businesses through training, exchanges, and greater access to credit.

FSA funds will continue to advance important non-proliferation goals, including programs to improve the functioning of the Georgian Border Guards and Customs Service and the Civilian Research and Development Foundation's program to fund peaceful research projects of former weapons scientists.

As in FY 2004, FSA will fund grants provided to the Organization for Security and Cooperation in Europe (OSCE) for projects to promote human rights, democratization, economic development and environmental protection in Eurasia. For the first time in FY 2005, the U.S. contribution toward the cost of operating non-peacekeeping related OSCE missions in Eurasian countries will also be funded under FSA. These missions, previously funded by Peacekeeping Operations (PKO) resources, are engaged in conflict prevention, conflict resolution, post-conflict reconstruction, democratization and human rights promotion in Central Asia, the Caucasus, Moldova, Ukraine, and Belarus.

Support will again be provided in FY 2005 to facilitate more trade and to enhance law enforcement cooperation among the states of the GUUAM organization (Georgia, Ukraine, Uzbekistan, Azerbaijan, and Moldova).

C. Independent Agencies

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Peace Corps	295,070	308,171	401,000
Inter-American Foundation	16,095	16,238	15,185
African Development Foundation	18,568	18,579	17,000
Millennium Challenge Corporation	-	994,100	2,500,000
Total, Independent Agencies	329,733	1,337,088	2,933,185

Peace Corps

The FY 2005 budget request provides \$401 million for the Peace Corps, an increase of \$93 million over the anticipated FY 2004 level of \$308 million. This level of funding will allow the Peace Corps to pursue the President's goal of 14,000 Americans serving in the Peace Corps by 2007.

By the end of FY 2005, there will be approximately 8,600 Americans assisting host countries and local communities to address HIV/AIDS prevention and care, expand access to basic health care for families, improve education of students, encourage economic development, protect and restore the environment, and increase the agricultural capabilities of farming communities and, in the process, contribute to poverty reduction.

Other Peace Corps increases will allow for the required capacity building to support 14,000 volunteers in the field. Resources will be devoted to the necessary improvements to the volunteer delivery system, human resources management, overseas communications, secure connectivity, and ensuring the safety and security of every volunteer and staff member serving abroad.

Inter-American Foundation

The FY 2005 request of \$15.2 million will fund the IAF's mandate to support programs that promote entrepreneurship, self-reliance, and democratic principles as well as economic progress for the poor. A focus on innovation in community development assistance drives IAF's work in Latin America and the Caribbean. For example, IAF was a pioneer in efforts to channel the vast amounts of remittances that immigrants send home each year into development activities and will continue this initiative in FY 2005.

In FY 2005, the IAF will continue to expand its groundbreaking program involving a large network of Latin American corporate foundations convened by the IAF in FY 2002. Participating foundations will match IAF contributions and develop shared criteria for funding and a common results measurement system, including a database for comparative analysis of results. Accountability and funding will also be standardized to facilitate contributions from other donors.

In FY 2005, the IAF will provide additional resources to a fund established in FY 2004 that provides credit to small enterprises that are integrated into broader local development plans in communities throughout Central America. This will (a) bolster democracy by supporting plans developed by local populations, (b) provide much needed capital to rural communities where agricultural credit is especially scarce, (c) leverage

capital at an average rate of six dollars to each US dollar, and (d) reach borrowers that, while relatively low-risk in terms of repayment, do not currently have access to other programs.

African Development Foundation

The FY 2005 request for \$17.0 million for ADF will enable the foundation to provide African-driven programs for HIV/AIDS prevention and mitigation. The funding will also promote new export trade and investment opportunities in at least nine countries that will integrate grassroots producers and small-scale manufacturers into the global economy.

ADF will seek to leverage \$4.2 million in contributed matching funds from African governments, other donors, and the private sector.

ADF plays a special role among U.S. Government agencies in developing micro and small enterprises, fostering grassroots trade and investment, improving community-based resource management, and strengthening civil society in Africa.

Millennium Challenge Corporation

The Millennium Challenge Account (MCA) is a Presidential initiative to generate economic growth in poor countries. The FY 2005 request of \$2.5 billion makes a significant second year increase in the MCA and paves the way to reaching the President's commitment of \$5 billion per year for the MCA beginning in FY 2006. In FY 2005, all countries with a per capita income less than the International Development Association (IDA) cutoff for assistance (currently \$1,415) will be candidates for participation. By 2006, the third year of the MCA, the cutoff level is slated to increase to just under \$3,000, IDA's lower middle-income threshold.

The initiative breaks new ground by providing assistance only to countries that have already created the environment for growth by ruling justly, investing in their people, and encouraging economic freedom. The Millennium Challenge Corporation (MCC), which administers the MCA, will use objective indicators of these criteria to determine country eligibility. Other key features of the account include a focus on a country's anti-corruption standards and the ability to suspend or terminate assistance in the event of poor recipient performance.

Once selected for possible MCA participation, each country will develop a plan for using MCA resources with input from the public and private sector. All Millennium Challenge Compacts between recipient countries and the United States will include clear measurable objectives, sound multi-year financial plans, and benchmarks for assessing progress. MCA will also be an incentive for countries not meeting the standards for initial involvement to take steps toward reform with an eye toward qualifying for MCA participation in future years.

D. Department of State

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
International Narcotics Control and Law Enforcement	245,321	460,274	358,820
Andean Counterdrug Initiative	842,450	726,687	731,000
Migration and Refugee Assistance	781,884	755,712	729,789
U.S. Emergency Refugee and Migration Assistance Fund	105,831	29,823	20,000
Nonproliferation, Anti-terrorism, Demining, and Related Programs	332,408	396,415	415,200
Global HIV/AIDS Initiative	-	488,103	1,450,000
Total, Department of State	2,307,894	2,857,014	3,704,809

International Narcotics Control and Law Enforcement (INCLE)

The FY 2005 request includes \$359 million for country and global programs for International Narcotics and Law Enforcement Affairs activities.

Key initiatives under this account include:

Afghanistan (\$90 million) – The request will build on programs stemming from the acceleration of police programs and will include funding police salaries, personnel equipment, communications and training as well as renovating border posts. Funds will support reducing poppy cultivation by providing a drug control capacity, sustainable alternative development, crop control operations, drug awareness/demand reduction programs, and enhance the civilian law enforcement capability in order to apprehend and enforce drug control. These funds will support the justice sector by training judges and prosecutors on basic skills, human rights and criminal procedures. Lastly, funds will enhance the Border Police by providing basic training including establishing and maintaining airport watch lists and interdiction and investigative operations along the boarder, infrastructure and immigration monitoring and control.

Pakistan (\$40 million) - The request will build on supplemental funding with project activities in border security, law enforcement development, and counternarcotics. Funds will sustain the aviation units providing surveillance and intercepting drug-traffickers, terrorists and other criminals operating in remote areas by providing fuel, communications, facilities operations, advisors, and contractor support. Funds will be used to construct border security roads and checkpoints in the Federally Administered Tribal Areas (FATA), and to provide vehicles, communications equipment, and long-range optical devices to support civilian border agencies. Funds will be used to provide training, technical assistance, and equipment to expand investigative skills and forensics capacities, build accountability and internal control structures, enhance police training institutions, develop community policing programs, and improve managerial and leadership expertise. Funds will expand implementation of the Automated Fingerprint Identification System (AFIS) and develop criminal information databases that link federal and provincial law enforcement agencies and improve investigative skills and cooperation. Funds will be used to support crop control operations in areas of new or expanded poppy cultivation and provide demand reduction public awareness programs.

Mexico (\$40 million) – Building on the FY 2002 Supplemental, the request will enhance Mexico’s Border control by installing 10 additional inspection units, automated systems to better document, monitor and

control cargo, vehicles and pedestrians flowing across the border with the United States and at maritime ports. Funds will construct SENTRI lanes at key crossing points complementing lanes on the U.S. side. Training, technical assistance and equipment will enhance law enforcement capabilities in law enforcement, intelligence services and investigative activities including border safety such as emergency response. Funds will support strengthening counternarcotics, organized crime enforcement, criminal justice and law enforcement institutions and operations by providing training, technical assistance and equipment to help in drug seizures and arrests, enforcement, investigative, prosecutorial and judicial activities. Professionalization and anti-corruption will also be a focus of these funds to help modernize facilities, provide systems management capabilities including a national criminal database. Funding will be specifically directed to enhance the Mexican Attorney General's internal affairs in order to investigate, combat and deter corruption through training and technical advisement, and will support seminars and exchanges to enhance judiciary ability to bring criminal organizations to justice. These funds will also enhance the treasury ministry and banking industry by providing training, computers and analytical support on money-laundering activities, particularly from the drug trade. We will help these agencies developing techniques in pursuing asset forfeiture and managing seized/forfeited assets through training in legal forfeiture, asset management, accountability and implementing anti-corruption measures. Lastly, with the increasing drug abuse in Mexico, funds will help the National Council on Addictions in conducting epidemiology surveillance and establishing entities in drug abuse awareness, prevention, treatment and rehabilitation as well as promoting alternative economic development in drug producing regions.

Africa (\$10.5 million) - In Africa, funds will be used to reestablish a national police force in Liberia focusing on establishing a modern training capacity at the police academy, providing technical assistance on organizational structure and provide equipment and training for personnel, communications and management systems. Funds will also support programs in Niger, South Africa and throughout the region providing training, equipment and technical assistance for police and judicial reform and modernization, law enforcement enhancement, investigative and prosecutorial capabilities on financial crimes, assistance in border security development and enhancing correction systems to expand and/or further develop rehabilitation capacities.

East Asia and Pacific (\$16 million) – A new program for the INCLE account in FY 2005 supports the ongoing police assistance program, formerly funded by ESF, to advance the transformation of the Indonesian National Police from a military to civilian police agency. We will continue a program initially funded under ESF to support developing an efficient and effective marine police organization to protect and defend the Indonesian borders and waterways. Funds will provide instruction and equipment for the police training academies and forensic labs, as well as investigative skills training and criminal justice system reform. In Laos, the request will support crop control programs, including road construction to provide access to markets and government services, and construction treatment clinics as well as provide training and exchange programs to improve Lao counternarcotics law enforcement capabilities. In the Philippines, we will continue programs providing equipment and technical assistance geared towards law enforcement, judicial reform and forensic documentation procedures, including implementing an automated fingerprint identification system. Funds will also support a resident legal advisor to assist in reforming Philippine legal and criminal justice systems and building the capacity to prosecute effectively narcotics and related criminal cases. Lastly, the funds will provide training, technical assistance, and equipment in Thailand to enhance institutional capabilities for more effective investigations of major drug trafficking and other criminal organizations; support criminal code reform; and continue opium poppy crop control programs.

Near East (\$6 million) – A new focus for the FY 2005 budget includes funding for Morocco to assist in border control, community policing and civil order. Funds will provide equipment, technical assistance and training to help Morocco's problems with illegal migration, human smuggling, narcotics production and trafficking.

Other Western Hemisphere (\$8.57 million) – Funding will be directed toward our continued efforts in improving the interdiction capabilities of key drug transit countries in Central America, the Caribbean as well as South American countries (non-Andes) by: modernizing enforcement, investigative, judicial and prosecutorial capabilities to battle corruption, money laundering and drug trafficking; upgrade intelligence gathering and sharing to improve the flow of tactical and operational intelligence; and modernize justice sector institutions and legal framework by providing training, technical assistance, equipment and operational support. Additional emphasis will be placed on demand reduction public awareness programs by way of seminars, conferences, administrative equipment (computers, software, etc) and education materials.

Global Programs – The request also provides \$147.75 million for global programs to counter transnational crime, key post 9/11 law enforcement challenges, and broader counternarcotics challenges. Specific components include:

- *Anticorruption Compacts* (\$9 million) – A new initiative to fight corruption by strengthening political will, requiring recipient countries to commit in writing to reform in areas of fiscal transparency, public procurement, enforcement and civil society participation. This is the first year of a program where funds will be used for training, equipment and technology to help a country in each geographical region establish fiscal transparency and accountability systems, rules-based public procurement systems, effective enforcement and oversight institutions and free and active civil society anti-corruption efforts.
- *Anti-Crime Programs* (\$10 million) – Funds will support our efforts in international and regional organizations by providing voluntary contributions and supporting the new Middle East and North Africa anticorruption initiative. In addition, we will continue efforts to stem financial crimes and money laundering by providing contributions to the 33-member Financial Action Task Force (FATF) and FATF-style bodies, technical advisors and training in Central America, Caribbean and Pacific Islands; and help non-cooperating countries and territories (NCCT) bring laws and regulations to these jurisdictions into international standards. Funds will also support our Migrant Smuggling and Trafficking in Persons Coordination Center by funding administrative costs of the Center. We will also help vulnerable countries to upgrade their border control systems, including providing technical assistance to help them improve travel document issuance systems and customs controls. Lastly, these funds will help stem the theft of intellectual property and promote cyber security by providing training, technical assistance and resident legal advisors to assist with capacity-building, including by modernizing laws and institutions.
- *Asia Regional program* (\$1 million) – Funds will support Burma, East Timor, Bangladesh, Nepal and Sri Lanka fight transnational crime and narco-trafficking threats. Particular focus will be on supporting alternative crop cultivation in Burma, continuing police infrastructure development including training in East Timor, providing a police advisor in Bangladesh, enhancing customs and law enforcement capabilities in Nepal and improving Sri Lanka's investigative and management capacity through a train-the-trainer program.
- *Civilian Police Program (CIVPOL)* (\$2.7 million) – This request will be used to continue to develop the capacity of the U.S. to increase the cadre of experienced law enforcement personnel available for immediate overseas assignment in post-conflict location for short notice deployments. Funds will provide for the U.S. contractor responsible for maintaining the existing U.S. police cadre, equipment, training and logistics of the cadre as well as program support to oversee the efforts of the contractor.
- *Demand Reduction* (\$4.2 million) – The request provides funding for international demand reduction programs that address Presidential priorities to augment prevention, intervention and recovery

maintenance services. Funds will support developing an International Community Anti-Drug Institute to provide training and technical assistance for community groups, develop a Muslim-based anti-drug program/civil society organizations in the Middle East and South and Southeast Asia, continue development/evaluation of research-based prevention and treatment programs, establish an international outreach program to educate international communities about U.S. policies, programs, success, etc., and support regional and bilateral drug awareness programs by providing technical assistance and advisors on creating media campaigns, treatment programs, and training for demand reduction providers.

- International Law Enforcement Academy (ILEA) (\$14.5 million) – The request will fund academies in Hungary, Thailand, Botswana, Roswell, NM and Latin America and provide administrative support and life cycle equipment replacement for all academies.
- International Organizations (\$12 million) – Funds will support contributions to the UN Office on Drugs and Crime projects and the Inter-American Drug Abuse Control Commission (OAS/CICAD) for efforts to obtain ratification and implementation of the Convention Against Corruption. It is anticipated that these funds will focus on: programs against money laundering; precursor chemical control; drug eradication and alternative development in East Asia; law enforcement institutional support in Central Asia and Afghanistan; judicial training and port security training in Sub-Saharan Africa; and, provide legal advisors to ensure parties to the international drug conventions have adequate laws and capacity to enforce the treaties.
- Interregional Aviation Support (\$70 million) – Funds will provide core services including logistics, contractor support, spare parts, and Air Wing costs associated with operations centered at Patrick Air Force Base, necessary to operate a fleet of 164 fixed- and rotary-wing aircraft supporting counternarcotics aviation programs in Colombia, Bolivia, and Peru, border security operations in Pakistan, and, as required, programs at other temporary deployment locations.
- Program Development and Support (\$13.85 million) – These funds will provide for the administrative expenses to carryout the International Narcotics and Law Enforcement programs.
- System Support and Upgrades (\$ 4.5 million) – Funds will support sustaining sensor packages in Barbados, Trinidad and Tobago, Mexico and Colombia, for maritime surveillance and intelligence collection programs as well as provide contractor logistical support and training to these programs. Funds will also help build infrastructure in these countries for eventual nationalizing these programs.
- Trafficking in Persons (\$5 million) – Funds will target countries in Tiers 2 and 3 of the Trafficking in Persons Report, as well as other countries or regions where there are trafficking problems. Funds will support investigative and prosecutorial capacity building, strengthen law enforcement and civil society collaboration, victim protection initiatives, developing anti-trafficking legislation, promoting regional and cross-border partnerships and support research to determine long-term and sustainable strategies.
- United Nations Crime Center (\$1 million) – Funds will be used to continue implementation of the UN Convention Against Transnational Organized Crime and its protocols by providing technical mentoring/assistance to member states to bring laws, regulations and enforcement capabilities up to standards codified by the Convention. Funds will be used in similar fashion to support ratifying the Convention Against Corruption.

Andean Counterdrug Initiative (ACI)

The FY 2005 \$731 million request will be used to continue the multi-year counterdrug program (ACI) that aims to reduce the flow of drugs to the United States and prevent instability in the Andean region.

Bolivia (\$91 million) – The request will support Bolivian efforts to reduce the growth and export of coca in Bolivia, increase interdiction of essential chemicals and cocaine products, foster alternative economic development, increase successful prosecutions of narcotics related cases, and improve the quality of investigations into alleged human rights violations. To achieve these goals, the request will continue ground and air interdiction operations, eradication operations and drug awareness, demand reduction and alternative development programs. The drug control programs in Bolivia focus on: support and maintenance of a network of interdiction bases; a national secure communications grid; and additional personnel to control coca production, enhance interdiction efforts and provide intelligence support for the growing number and increased complexity of operations and investigations. Funds will assist Bolivia and its efforts towards self-sufficiency, particularly in police counterdrug operations and will also support military, eradication, anti-corruption and border security operations, law enforcement development, controlled substance prosecutors, drug awareness and demand reduction programs, field support and infrastructure as well as assistance to the Bolivian “Drug Czar’s” office. Additionally, alternative development and institution building funds will focus on key areas of farming, public health, micro and macro economics and entrepreneurial activities, municipal government capabilities and Administration of Justice programs by providing training and technical assistance in these areas.

Colombia (\$463 million) – The Colombia funds will continue to support our unified campaign against drug trafficking and narco-terrorists. Funds will maintain support to the Colombian Army’s aviation program and drug units with training, logistics support, operating expenses, equipment, and upgrades to forward operating locations. These funds will similarly maintain support for the Colombian National Police in the areas of aviation, eradication and interdiction by providing equipment, logistical support, training, new base construction, upgrades of security equipment, interoperable communications and information links, and basic administrative support. Alternative Development programs will increase legaleconomic opportunities by promoting social and economic development by introducing new licit crops, supporting agribusiness and forestry activities and developing local and international markets for these new products. Funds will also support vulnerable groups, democracy, the rule of law, judicial reform, drug awareness and demand reduction, and a culture of lawfulness by providing training, equipment, education, technical assistance and advisors in these areas. Lastly, funds will help the Bureau of Alcohol, Tobacco and Firearms provide equipment, training and database support to additional bomb squads to help stem further terrorist bombings in Colombia.

Peru (\$112 million) – The FY 2005 funds will support continued eradication of illicit coca and opium poppy and law enforcement interdiction efforts (training and equipment) against the trafficking organizations, with airlift operations using the current INL owned fleet of assets. Funds will maintain the aviation program by providing continued operations and maintenance support such as fuel, spares, etc. Other programs where funds will be focused include research on current legal coca cultivation (to better determine illegal cultivation), demand reduction and public relations, and money laundering programs by providing training and technical assistance. Alternative development and institution building programs will continue by helping to rehabilitate roads, bridges, general social infrastructure such as schools and health care systems, land reform, agro-business and such, all to help local governments build and sustain infrastructure against the spread of economic activities linked to narcotics trafficking.

Brazil, Ecuador, Venezuela and Panama (\$44 million) – The request for interdiction and eradication efforts in the key transshipment countries of Brazil, Ecuador, Venezuela and Panama will continue to focus on improving police and military operations including air, ground and water capabilities by providing training

and equipment and upgrading critical facilities. Funds will be used to train law enforcement units to improve drug detection, seizure and mobile inspection capabilities; and enhance money laundering and chemical investigation efforts. In addition, training and equipment will be provided to enhance judicial and prosecutorial effectiveness and port and border point of entry security programs.

Airbridge Denial Program (\$21 million) – Funds in this program will provide continued contractor logistical support, operational sustainment and continuous training for the Colombian Airbridge program. Funds will also provide infrastructure support, communications equipment and aircraft upgrades including support at forward operating bases, upgrades to fix-winged aircraft to include enhanced sensor capabilities, and communications links with satellite and forward locations. Funds will also support efforts to develop the infrastructure for a planned anti-narcotics coordination center in Peru to facilitate air, ground, and water-based endgames against trafficking targets.

Migration and Refugee Assistance (MRA)

The FY 2005 request of \$729.8 million provides the resources necessary to respond to the projected humanitarian needs of refugees and conflict victims worldwide. Funding will be provided to international organizations such as the UN High Commissioner for Refugees (UNHCR), the International Organization for Migration (IOM), the International Committee of the Red Cross (ICRC), and the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), as well as to non-governmental organizations resettling refugees in the United States and filling critical gaps in the international community's multilateral response to humanitarian needs overseas. These funds support programs to: protect refugees and conflict victims; meet basic needs to sustain life and health; resolve refugee problems through voluntary repatriation, local integration, or permanent resettlement in a third country, including the United States; and foster the humane and effective management of international migration flows.

- Administrative Expenses (\$19.5 million). The FY 2005 request includes funding for two positions in Kabul and one in the Balkans (currently funded under the Emergency Refugee and Migration Assistance Fund), as well as mandatory increases for staff salary and benefits costs and projected price increases.
- Overseas Assistance (\$524.5 million). This request will support the protection of refugees and conflict victims, the provision of basic needs to sustain their life and health, and the resolution of refugee problems through durable solutions. The request includes funding to support internally displaced persons (IDPs) in Colombia and the Newly Independent States, programs previously funded through the Andean Counterdrug Initiative and FREEDOM Support Act accounts.
- Humanitarian Migrants to Israel (\$50 million). The request for funds to assist in the resettlement of Jewish humanitarian migrants in Israel is \$50 million, the same amount likely to be appropriated in FY 2004, prior to the rescission.
- Refugee Admissions (\$135.75 million). The FY 2005 request maintains a strong refugee admissions program and ensures that adequate reception services are available to refugees upon arrival in the United States.

U.S. Emergency Refugee and Migration Assistance Fund (ERMA)

A request of \$20 million in FY 2005 will ensure readiness to respond to future urgent and unexpected humanitarian needs.

Nonproliferation, Anti-terrorism, Demining, and Related Programs (NADR)

The Nonproliferation, Anti-terrorism, Demining, and Related Programs account provides resources to support critical security and humanitarian-related foreign policy objectives. The FY 2005 request for this account totals \$415.2 million:

(\$ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Nonproliferation Programs			
Nonproliferation and Disarmament Fund	14,902	29,823	34,500
Export Control and Related Border Security Assistance	36,000	35,788	38,000
Science Centers/Bio Redirection	52,000	50,202	-
IAEA Voluntary Contribution	52,900	52,687	53,000
CTBT International Monitoring System	14,000	18,888	19,000
KEDO	4,968	-	-
Nonproliferation of WMD Expertise	-	-	50,500
Subtotal - Nonproliferation Programs	174,770	187,388	195,000
Anti-Terrorism Programs			
Anti-terrorism Assistance	65,638	96,428	128,300
Anti-terrorism Assistance - ERF	-	10,000	-
Anti-terrorism Assistance - SUP	25,000	35,000	-
Counterterrorism Financing	-	-	7,500
Terrorist Interdiction Program	5,000	4,971	5,000
CT Engagement w/Allies	-	-	500
Subtotal - Anti-Terrorism Programs	95,638	146,399	141,300
Regional Stability & Humanitarian Assistance			
Humanitarian Demining Program	46,000	49,705	59,900
Humanitarian Demining Program - SUP	3,000	-	-
International Trust Fund	10,000	9,941	10,000
Small Arms/Light Weapons Destruction	3,000	2,982	9,000
Subtotal - Regional Stability & Humanitarian Assistance	62,000	62,628	78,900
Total	332,408	396,415	415,200

- \$34.5 million for the Nonproliferation and Disarmament Fund (NDF) to support core NDF activities as well as the Dangerous Materials Initiative (DMI), an effort to inventory, secure, and remove dangerous materials from insecure locations worldwide. As part of DMI, NDF funds will expand Tracker and other automated export control systems to better handle biological, chemical and radiological materials. DMI activities also will include a worldwide fissile materials protection initiative and assistance to foreign governments in developing laws, regulations and capabilities to secure and inventory biological materials.

- \$38 million for global Export Control and Related Border Security Assistance (EXBS) program, which is designed to help prevent the proliferation of weapons of mass destruction, their missile delivery systems, and advanced conventional weapons. Funds provide training, equipment, and services to establish or enhance export control systems and border control capabilities to mitigate the illegal transit of prohibited material, as well as to prevent transfers of strategic trade items to end-users and end-users of proliferation concern, including rogue states and terrorist networks. The FY 2005 program targets potential proliferation source and transit states in Eurasia, while stepping up efforts in potential source countries in South Asia and key transit and transshipment states in Southeastern Europe, as well as countries with major transshipment ports in the Mediterranean, Middle East and Southeast Asia. Funds will also support the provision of enforcement and detection equipment to the Baltics as part of our strategy to make these states self-sustaining. In addition, the EXBS program will continue to adapt its assistance efforts to help address the proliferation threat posed by radiologic al devices and Man-Portable Air Defense Systems (MANPADS).
- \$50.5 million for Nonproliferation of WMD Expertise, a global effort which currently funds three programs: Science Centers, Bio-Chem Redirection and the BioIndustry Initiative.
 - Funding for the Science Centers finances civilian research by former Soviet weapons experts as an alternative to providing their weapons of mass destruction expertise to terrorist networks or proliferant states. The FY 2005 program supports projects and activities in 10 countries with one more state (Moldova) expected to join in 2004. The program continues to fund activities that seek to transition the scientists to self-sustaining civilian careers.
 - Funding for the Biological and Chemical Redirection program supports a targeted initiative to prevent the spread of biological and chemical weapons (BW and CW) expertise by providing former Soviet BW and CW scientists opportunities to conduct other research and development in areas such as public health, agriculture, and environment. The funds also support U.S. efforts to counter chemical and biological terrorism. Funds support activities carried out by DHHS, EPA, and USDA, which are coordinated by an interagency working group to ensure that appropriate monitoring and oversight provisions are in place for funded projects.
 - The BioIndustry Initiative (BII), which began in FY 2002, is the only U.S. program to reconfigure large-scale Soviet BW production facilities for civilian biotechnology purposes. Via BII, the U.S. in 2003 gained first-ever access to ten previously closed Soviet BW production facilities and is engaging them in projects. Also, as mandated by Congress, BII focuses on accelerated drug and vaccine development to combat highly-infectious diseases, which makes the program an important element of U.S.-Russian efforts to combat bioterrorism.
- \$53 million for voluntary contributions to the International Atomic Energy Agency (IAEA) to support expanded programs in nuclear safeguards and security. Safeguards funding will support strengthened nuclear verification measures to detect covert nuclear activities and help replace outdated equipment. Nuclear security funds will help counter threats of nuclear terrorism through training and other assistance to states on physical protection, countering nuclear smuggling and improving controls on radioactive materials that could be used for dirty bombs.
- \$19 million for the Comprehensive Nuclear Test Ban Treaty (CTBT) Preparatory Commission to pay the U.S. share for the ongoing development and implementation of the international monitoring system (IMS), which supplements U.S. capabilities to detect nuclear explosions. Since the United States does not seek ratification and entry-into-force of the CTBT, none of the funds will support Preparatory Commission activities that are not related to the IMS.

- \$128.3 million for the Anti-Terrorism Assistance (ATA) program to support the global campaign against terrorism by providing training and equipment to coalition partners. Funds will support the expanded core of ATA programs, including the Weapons of Mass Destruction Preparedness Program's "first responders" training, and also provides for development of new courses to respond to shifting requirements emanating from the evolving terrorist threat. In addition, the FY 2005 request supports increased training for the Middle East, Central and East Asia, and follow on funding for special programs in Afghanistan, Pakistan, Indonesia, Kenya and Colombia. The request funds the Mobile Anti-terrorism Training Team component to facilitate implementation of in-country ATA training for priority, short-notice requirements. Lastly, the request provides funding to support activities at a new regional training center established by the Government of Malaysia.
- \$7.5 million for Counterterrorism Financing to assist foreign countries' efforts to identify, freeze, and prevent the use of financial institutions, businesses, and charitable organizations as conduits for money to terrorist organizations.
- \$5 million for the Terrorist Interdiction Program to support a multi-pronged border security program designed to assist selected vulnerable countries in stopping terrorists from crossing their borders or using their territory as transit points or staging areas for attacks. Funds will support up to five installations of an integrated personal identification database system and associated training with a focus on countries in East and North Africa, the Middle East, and East Asia.
- \$500,000 for Counterterrorism Engagement with Allies supports funding for bilateral and multilateral CT engagement activities to bring together senior officials from key regions of the world to open channels of communication and cooperation on CT issues.
- \$59.9 million for the Humanitarian Demining program, which supports a wide range of humanitarian mine action (HMA) initiatives. The program emphasizes landmine and unexploded ordnance (UXO) clearance, landmine surveys, and landmine/UXO awareness. In addition, some funds are provided for training and special projects that indirectly benefit mine-affected nations. The FY 2005 increase will initiate, sustain, or expand U.S. HMA efforts in some twenty countries across the globe. These efforts protect the victims of war, alleviate adverse humanitarian and economic impacts, and serve as an engagement tool to further efforts to promote regional stability.
- \$10 million to support the International Trust Fund (ITF) for Demining and Mine Victims' Assistance. As with previous funding, this \$10 million will be used to match dollar-for-dollar contributions from other international donors to conduct a broad range of mine action initiatives.
- \$9 million to support the Small Arms/Light Weapons Destruction initiative, designed to eliminate stockpiles of excess small arms and light weapons left over from Cold War and post-Cold War conflicts, particularly in Eastern Europe, Central Asia, Africa and Latin America. Destruction of these weapons contributes to U.S. force protection and regional security efforts by helping prevent the spread of illicit weapons to insurgent groups and terrorist organizations. The FY 2005 program will focus on destruction of shoulder-launched surface-to-air missiles, or MANPADS, that increasingly have been sought after and used by terrorist groups in Kenya, Iraq, and elsewhere.

Global HIV/AIDS Initiative

In his State of the Union Address on January 28, 2003, President Bush called for a new Initiative, the Emergency Plan for AIDS Relief, to enhance the commitment of the United States to preventing the global spread of HIV/AIDS and to developing and delivering more effective treatments to millions of people overseas already infected and threatened with HIV infection.

In response to President Bush's proposal, the Congress took quick action by passing the "United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003" and the Senate confirmed the Honorable Randall L. Tobias as the U.S. Global AIDS Coordinator.

The "United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003" provides a very powerful framework to organize and finance the Emergency Plan for AIDS Relief. It champions an integrated approach that will make the best possible use of the various USG entities that are engaged in fighting the AIDS pandemic internationally. It also authorizes a level of funding that can make a real difference in turning back the pandemic. The Office of the AIDS Coordinator will oversee more than \$2.8 billion in requested funds to combat HIV/AIDS, including \$1.45 billion in the Global HIV/AIDS Initiative account.

The Global AIDS Coordinator reports directly to the Secretary of State and leads the U.S. Government's worldwide effort against HIV/AIDS. The Coordinator oversees and coordinates all U.S. Government HIV/AIDS programs in more than 75 countries, including the rapid expansion of comprehensive and integrated prevention, care and treatment programs in selected "focus countries." The Emergency Plan for AIDS Relief has specific goals in the focus countries:

- to prevent 7 million new infections (60 percent of the projected new infections in the target countries); the Emergency Plan will provide large scale prevention efforts, including voluntary testing and counseling;
- to treat 2 million HIV-infected individuals with antiretroviral therapy; capitalizing on recent advances in antiretroviral treatment (ARV) the Emergency Plan will provide advanced ARV treatment on a large scale in the poorest, most afflicted countries. The availability of treatment will also enhance prevention efforts by providing an incentive for individuals to be tested; and
- to care for 10 million HIV-infected individuals; providing a range of care, including support for AIDS orphans and vulnerable children.

Fourteen focus countries have been identified. They are: Botswana, Cote d'Ivoire, Ethiopia, Guyana, Haiti, Kenya, Mozambique, Namibia, Nigeria, Rwanda, South Africa, Tanzania, Uganda, and Zambia. Language in the Consolidated Appropriations Bill for 2004 requires that a fifteenth country from outside of Africa and the Caribbean be added to the list of focus countries, and such a country will be selected as soon as there is a final appropriation with final language on the subject.

The President's Emergency Plan provides \$15 billion over five years. This includes some \$10 billion in new funding, of which \$1 billion is for U.S. contributions to the Global Fund to Fight AIDS, Tuberculosis and Malaria, currently funded through USAID and HHS. The other \$5 billion is for existing bilateral programs. The funding will be ramped up over five years as the focus countries build the necessary human capital and infrastructure needed to ensure long-term success and accountability.

As of World AIDS Day, December 1, 2003, the U.S. Government had announced new competitive procurements to expand successful programs rapidly, in particular community-based and faith based

programs, to prevent HIV infection through abstinence and being faithful; to establish safe blood and safe medical injections; to care for orphans and vulnerable children; and to care for and provide antiretroviral therapy to those in need.

The pace of implementation will continue to accelerate during fiscal year 2004. An overall five-year HIV/AIDS strategy will be completed in February 2004. The Coordinator has asked that detailed fiscal year 2004 country implementation plans for the focus countries be in place by April 16, 2004. The Coordinator has also asked that multi-year plans be completed for these countries by September 30, 2004. These multi-year plans will describe the expected large scale program expansions and be the basis for allocating FY 2005 funding among the 15 focus countries.

This year's request will provide the additional resources necessary to increase host country infrastructure and expand human capacity significantly so that treatment, care and prevention activities will reach many more people. A wide-range of partners will help implement activities under the Emergency Plan, including faith- and community-based organizations, other non-governmental organizations, and public-private partnerships. Funding will support:

- **Treatment:** Treatment activities will expand very rapidly, but from a very low base. In Africa, it is currently estimated that of the four million people who have a sufficiently advanced stage of AIDS to warrant ARV treatment, only 50,000 are receiving it.
- **Prevention:** Prevention activities will encourage behavior change and follow the “ABC” model - Abstinence, Be faithful, or correctly and consistently use Condoms, in that priority order based on the individual’s situation. Uganda has provided the model for success using the ABC approach and adaptation of that success of Uganda to local circumstances throughout the focus countries will be strongly encouraged. Prevention activities related to health care practices must also be pursued. Programs to ensure the safety of the blood supply and to promote safe medical injections are important aspects of health care and to preventing the spread of HIV/AIDS and other infectious diseases such as hepatitis.
- **Care for those who are infected:** Care activities will include care for HIV-infected persons who do not require antiretroviral therapy but who need disease management or end-of life care .
- **Care for orphans and vulnerable children:** Care also includes the support of those affected by HIV/AIDS, in particular, orphans and vulnerable children who may or may not be infected with HIV. Support for orphans and vulnerable children is aimed at improving the lives of children and families affected by HIV/AIDS.
- **Administration:** This request includes funding for the administrative expenses of the Global AIDS Coordinator of \$8,818,000. This is a modest increase due to inflation, having a full complement of staff on board, and increased travel for oversight.

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E. Department of the Treasury

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Treasury Technical Assistance	12,980	18,888	17,500
Debt Restructuring	-	94,440	200,000
Total, Department of the Treasury	12,980	113,328	217,500

Treasury Technical Assistance

The FY 2005 request for Treasury International Affairs Technical Assistance is \$17.5 million.

The program provides financial advisors to countries seeking assistance in implementing significant economic reforms, especially during crucial periods of transition to market-based economies. The program supports economic policy and financial management reforms, focusing on the functional areas of budget, taxation, government debt, financial institutions, and financial crimes law enforcement.

In FY 2005, \$8.5 million of the request will be used by Treasury Technical Assistance to fund resident and short-term advisor projects to countries combating terrorist finance activity. A large portion of the request will be used for assistance programs in sub-Saharan Africa, supporting economic and financial reforms in countries receiving HIPC debt relief, and other areas of emphasis.

Debt Restructuring

The FY 2005 request provides an additional \$75 million for the Heavily Indebted Poor Countries (HIPC) Trust Fund. These funds will complete the U.S. pledge of \$150 million made following the President's commitment at the G-8 Summit in Kananaskis, Canada, to contribute the United States' share of filling the projected HIPC Trust Fund financing gap. In addition, the request provides \$105 million to fund a portion of the U.S. bilateral debt reduction costs for the Democratic Republic of the Congo under the HIPC initiative. The request also provides \$20 million for the Treasury Debt Restructuring account for debt-for-tropical forest programs under the Tropical Forest Conservation Act (TFCA).

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F. Complex Foreign Contingencies

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
U.S. Emergency Fund for Complex Foreign Crises	-	-	100,000
Total, Complex Foreign Contingencies	-	-	100,000

Complex Foreign Contingencies

This funding is requested to allow the President to respond quickly and effectively to or prevent unforeseen complex foreign crises by providing resources that can be drawn upon at the onset of a crisis. Similar to FY 2004 emergency supplemental funding provided for Liberia and Sudan, these funds will be used to finance a range of foreign assistance activities, including support for peace and humanitarian operations to prevent or respond to foreign territorial disputes, armed ethnic and civil conflicts that pose threats to regional and international peace, and acts of ethnic cleansing, mass killing or genocide.

These funds will not be used to provide assistance in response to natural disasters because existing contingency funding is available for that purpose. Use of this appropriation will require a determination by the President that a complex emergency exists and that it is in the national interest to furnish assistance in response.

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III. Military Assistance

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
International Military Education and Training	79,480	91,159	89,730
Foreign Military Financing	5,991,632	4,632,665	4,957,500
Peacekeeping Operations	214,252	124,458	104,000
Total, Military Assistance	6,285,364	4,848,282	5,151,230

International Military Education and Training (IMET)

IMET's traditional purpose of promoting more professional militaries around the world through training and education has taken on greater importance as an effective means to strengthen military alliances and the international coalition against terrorism. IMET has made these militaries more efficient, effective and reflective of U.S. values and has improved interoperability with U.S., NATO and regional coalitions.

Recipients of IMET training include foreign military personnel and civilian government and NGO personnel whose participation contributes to improved civil-military relations, civilian control of the military and human rights.

The FY 2005 request for IMET is \$89.7 million. Country increases over FY 2004 levels reflect the U.S. policy interest in building military alliances and capabilities in the international coalition against terrorism.

Africa – \$10.775 million, including \$3.125 million for Nigeria, Senegal, Ghana and Kenya – major contributors to peacekeeping operations on the continent and beyond.

East Asia and the Pacific – \$9.545 million, including \$6.6 million for key programs in the Philippines, Malaysia and Thailand.

Europe and Eurasia – \$32.72 million for new NATO members, NATO invitees, partners, as well as other nations in the region to promote regional security and integration among U.S., NATO, European and Eurasian armed forces.

Near East – \$12.375 million, including \$10.15 million to sustain major programs in Jordan, Morocco, Tunisia, Egypt, Oman and Yemen.

South Asia – \$6.425 million, including \$3.4 million for programs in Pakistan and India and \$800,000 to maintain Afghan National Army (ANA) IMET training.

Western Hemisphere – \$14.39 million, including \$1.7 million for Colombia and \$6.15 million for key programs in El Salvador, Mexico, Argentina, Dominican Republic and Honduras.

Foreign Military Financing (FMF)

The FY 2005 request for FMF is \$4.9075 billion. The total reflects increases in funding for major programs in Afghanistan and Pakistan while sustaining other key programs. FY 2005 FMF will also support front-line states critical to the Global War on Terrorism (GWOT), new NATO nations and NATO invitees, and other key countries active in the War on Terrorism such as Colombia.

The FMF program is a key element of coalition building, critical to enhancing the capabilities of friends and allies on whom we depend in multilateral coalitions and operations.

Near East – \$3.816 billion, including \$2.22 billion for Israel, an increase of \$60 million consistent with the agreement to increase FMF and decrease Economic Support Funds (ESF) for Israel; \$1.3 billion for Egypt to fund programs which promote a modern, well-trained Egyptian military; \$206 million to support Jordan's force modernization, border surveillance and counter-terrorism efforts; \$25 million to enhance Oman's capability to monitor land, sea and air borders and improve interoperability with U.S. forces; \$20 million to upgrade Bahrain's military capabilities pivotal to operations; \$20 million to enhance Morocco's capacity to patrol its northern coast and the Strait of Gibraltar; \$15 million to improve Yemen's ability to uproot the al-Qaeda presence in Yemen and safeguard its borders and territorial waters; and \$10 million to support Tunisia's efforts to secure its porous borders from terrorist threats.

Europe and Eurasia – \$217.2 million to fund ongoing efforts to incorporate the most recent NATO members into the Alliance and support prospective NATO members preparing for accession while simultaneously having forces deployed in Iraq and elsewhere. Funds will also support Partnership for Peace countries in Central Europe, the Caucasus and Central Asia to pursue defense reform and the continued implementation of Membership, Partnership and Individual country Action Plan goals. Major items include \$34 million to promote Turkish Armed Forces modernization and increase the interoperability of Turkish equipment and procedures; \$66 million to help reform Poland's military forces while advancing professionalization, modernization and interoperability; and \$41.5 million for Bulgaria, Romania, Slovenia, Slovakia and the Baltic countries to enhance their military's capabilities in line with their impending NATO accession.

East Asia and the Pacific – \$32 million, including \$30 million for the Philippines, a steadfast ally in the war on terrorism, to continue the long-term, multi-year plan for modernizing and reforming the Philippine Armed Forces as well as to reinforce the armed forces' counter-terrorism training instituted after 9/11; \$1 million for East Timor to ensure the establishment of an appropriately-equipped defense force through purchase of non-lethal, basic soldier equipment; \$500,000 to support Thailand's special operations units, which are the Thai military's primary counter-terrorism assets; and \$500,000 to sustain Mongolia's successful border communications project as part of a multi-year effort to improve its border defense capabilities.

South Asia – \$701.5 million, including \$400 million to sustain the U.S. commitment to train and equip the Afghan National Army (ANA) in order to enable Afghanistan to maintain its own security and prevent the country from again becoming a terrorist haven; \$300 million for Pakistan, critical to ongoing Operation Enduring Freedom efforts, to provide equipment to help Pakistan's Armed Forces interdict and apprehend terrorists and prevent illegal cross-border movements; \$1 million to support Nepalese armed forces' efforts to combat a Maoist insurgency; and \$500,000 to enhance the Sri Lankan armed forces' capability to counter regional, international and internal security terrorist threats and to bolster interoperability with U.S. forces.

Western Hemisphere – \$126.5 million to ensure that regional militaries are equipped and professionally trained to support counter-terrorism activities relating to border control, participate in coalition and peacekeeping operations, and exert effective authority over their national territory. The major area of funding consists of \$108 million for Colombia, located at the center of the hemisphere's narcotics and terrorism threat, to provide operational support and specialized equipment to the Colombian armed forces, focusing on specialized and mobile units of the Colombian Army as well as units assigned to protect the Cano Limon oil pipeline, a key portion of Colombia's economic infrastructure. Other programs include \$3 million to assist the Bolivian army, military police and security units to support the democratically elected Bolivian government against threats of violence and to fund counterterrorism and counternarcotics

operations; \$6.250 million to promote El Salvadoran, Honduran, Nicaraguan, and Dominican Republic armed forces modernization and upgrade maritime interdiction capabilities; \$2 million to improve the Ecuadorian armed forces' readiness, mobility and communications capability in order to prevent spillover of narcotics production and related crime, violence and terrorism; and \$1.35 million for six island states in the Eastern Caribbean to sustain and enhance regional mechanisms and systems related to maritime interdiction.

Africa – \$22 million for key African countries to bolster counterterrorism capabilities, improve peacekeeping capacity, enhance border and maritime control and strengthen regional stability. Major items include \$7 million to help Kenya thwart the terrorist threat from Somalia and bolster its substantial commitment to regional security and international peacekeeping through provision of equipment and support for air base operations; \$4 million to fund the African Coastal and Border Security program, which seeks to provide new and follow-on assistance to several key African partners to develop means to control Africa's territorial waters and borders; and \$4 million for Djibouti to provide equipment and training to help protect its borders and waters from terrorist activity.

Global – \$42.3 million, including \$1.8 million for Enhanced International Peacekeeping Capabilities, which provides assistance to key countries to improve their peacekeeping capabilities, thus creating a bigger pool of potential peacekeepers and reducing the likelihood and expense of future U.S. involvement in peacekeeping operations, while helping to ensure that the U.S. has effective coalition partners when national interests dictate involvement; and \$40.5 million for FMF administrative costs.

Peacekeeping Operations (PKO)

The Administration is requesting \$104 million for PKO in FY 2005.

PKO funds are designed to advance international support for voluntary multinational efforts in conflict resolution, including support for international missions in response to emerging crises. These funds promote involvement of regional organizations and help leverage support for multinational efforts where no formal cost-sharing mechanisms exist.

The PKO request provides \$24 million for *Afghanistan* as the U.S. contribution to a global effort to develop institutional support and nascent organizations for the Afghan National Army (ANA). PKO funds support salaries and training for ANA soldiers, including training 3,700 additional soldiers.

The request also includes \$45 million for *Africa Regional Peacekeeping Operations*. PKO funding is critical to our efforts to help end destructive conflicts in Liberia, Sudan, Burundi, the Democratic Republic of Congo (DRC) and Cote d'Ivoire. Funds will also support programs to enhance African capabilities to respond to regional crises, especially in conjunction with the Economic Community of West African States (ECOWAS).

FY 2005 PKO funds provide \$15 million to the *African Contingency Operations Training and Assistance (ACOTA)* program. Built on the achievements of its predecessor, the African Crisis Response Initiative, ACOTA trains and equips selected African militaries to carry out peace support and humanitarian relief operations. At the same time, it will provide the basis for lethal peace enforcement training. Funds will sustain programs in Ghana, Senegal, Botswana, Ethiopia, Kenya and South Africa and will add additional countries to the peacekeeping coalition.

The request includes \$16.5 million to fund the U.S. contribution to the *Multinational Force and Observers (MFO)* in the Sinai.

\$2.5 million will support voluntary contributions to high priority peacekeeping-related activities of the *Organization for Security and Cooperation in Europe (OSCE)*. Additional funding for OSCE activities for FY 2005 has been requested under the SEED and FSA accounts to better align current OSCE activities with the appropriate source of funds.

\$1 million will support activities aimed at maintaining the momentum of the peace initiative in *Sri Lanka*.

IV. Multilateral Economic Assistance

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
International Financial Institutions			
Global Environment Facility	146,852	138,418	120,678
International Development Association	844,475	907,812	1,061,310
Multilateral Investment Guarantee Agency	1,620	1,117	-
Asian Development Fund	97,250	143,569	112,212
African Development Fund	107,371	112,060	118,000
African Development Bank	5,071	5,075	5,100
European Bank for Reconstruction and Development	35,572	35,222	35,431
Inter-American Development Bank - Multilateral Investment Fund	24,431	24,853	25,000
Inter-American Investment Corporation	18,233	-	-
International Fund for Agricultural Development	14,906	14,916	15,000
Arrears	[65,403]	[97,457]	[58,700]
Total, International Financial Institutions	1,295,781	1,383,042	1,492,731
International Organizations and Programs	168,881	319,752	304,450
Total, Multilateral Economic Assistance	1,464,662	1,702,794	1,797,181

International Financial Institutions (IFIs)

International Financial Institutions (IFIs) lend to and invest in developing and transition economies and private sector enterprises in countries where risks are too high for private financing alone and where leverage is needed to encourage private financing. Bank policies and lending programs reflect U.S. priorities in promoting growth, increasing productivity, and reducing poverty in developing countries.

- The FY 2005 request includes \$1.493 billion for scheduled annual U.S. commitments to the International Financial Institutions. The scheduled International Development Association (IDA) request of \$1.06 billion, the third and final under the IDA-13 replenishment, includes a \$200 million incentive contribution contingent on IDA meeting certain performance targets during 2004.
- \$118 million and \$112 million are requested for the final scheduled payments for current replenishments for the African Development Fund (AfDF) and Asian Development Fund (AsDF), respectively.
- The scheduled request for the Global Environment Facility (GEF) of \$121 million is for the third of four payments under the current replenishment, with \$70 million of the final FY 2006 scheduled payment on GEF meeting specified performance targets.
- The request also includes \$58.7 million to clear a portion of outstanding U.S. arrears to IFIs, which currently total \$472.7 million.

International Organizations and Programs (IO&P)

The FY 2005 request of \$304.5 million for International Organizations and Programs (IO&P) is intended to advance U.S. strategic goals by addressing challenges that require international consultation and coordination.

The FY 2005 request of \$120 million for the UN Children's Fund (UNICEF) will provide goods and services directly to the world's neediest children, and contributes to the development of local capacity to help meet basic needs. Its development work complements USAID's Child Survival programs and the Center for Disease Control and Prevention's polio eradication program, and is closely coordinated with those U.S. agencies.

The FY 2005 request also calls for \$90 million for the United Nations Development Program (UNDP), the primary development agency in the UN system. UNDP focuses on poverty alleviation, democracy, environment and sustainable development, crisis prevention, and HIV/AIDS. Increasing demands are being made on UNDP to play a more forceful role in post-conflict situations, in areas such as Afghanistan and East Timor.

More than \$43 million of the FY 2005 request will support environmental programs, including \$21.5 million for the Montreal Protocol, which aims to combat ozone depletion.

The request provides for the funding of one new program, \$100,000 for the International Maritime Organization (IMO) for a maritime security initiative. A U.S. voluntary contribution would support IMO technical assistance to countries to help them meet new port security standards.

The request seeks \$500,000 in support of International Contributions for Scientific, Educational, and Cultural Activities (ICSECA). Consistent with the recent US return to UNESCO, such funding would support U.S. efforts to use UNESCO to achieve priority U.S. goals. Many other member countries make substantial voluntary contributions in addition to their assessed contributions.

**DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE,
THE JUDICIARY, AND RELATED AGENCIES (CJS)**

I. Department of State

A. Administration of Foreign Affairs

State Programs

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Diplomatic and Consular Programs			
Ongoing Operations	3,328,750	3,540,313	3,626,343
Worldwide Security Upgrades	559,405	639,896	658,701
Worldwide IT Infrastructure	-	39,579	-
Total, Diplomatic and Consular Programs	3,888,155	4,219,788	4,285,044
Capital Investment Fund	182,119	79,158	155,100
Total, Administration of Foreign Affairs	4,070,274	4,298,946	4,440,144

Overview

The United States remains fully engaged in the global war on terrorism and fundamentally committed to the expansion of human freedom. In both campaigns, the conduct of the nation's foreign affairs plays a pivotal role.

The Department of State has helped maintain American leadership of an international coalition to counter terror, while at the same time advancing a broad array of other U.S. interests around the world. This has demanded the application of sustained diplomatic force – and demonstrated the necessity of having the means to deliver it.

The FY 2005 budget identifies the resources required for a proactive U.S. foreign policy. It provides funding to meet the President's commitments in the campaigns we wage. The budget also provides funding to ensure the readiness of American diplomacy – the first line of offense against threats to the security and prosperity of the American people.

Diplomatic and Consular Programs (D&CP)

The FY 2005 request for D&CP – the Department's principal operating account – totals \$4.285 billion. This critical funding supports the people, platform, and programs required to carry out U.S. foreign policy in more than 260 embassies, consulates, and other posts worldwide.

The D&CP request provides \$3.626 billion for Ongoing Operations – a net increase of \$86 million over the estimated FY 2004 level including supplementals. This funding sustains current diplomatic and consular operations and enables the Department to meet new requirements in the post-September 11 environment,

including staffing for U.S. embassies in Baghdad and Kabul. It also supports additional Foreign Service positions overseas to enhance the security of U.S. borders in the visa adjudication process.

The request for Ongoing Operations includes \$309.2 million for vigorous public diplomacy to influence foreign opinion and encourage support for U.S. foreign policy goals. The public diplomacy strategy emphasizes outreach to younger and wider audiences through television and the Internet. It also places increased emphasis on research and analysis to target programs more effectively and on translations to facilitate access.

The D&CP request also provides \$658.7 million for Worldwide Security Upgrades to strengthen the security of diplomatic personnel and facilities in the face of terrorism. The program will increase worldwide security staffing and continue to upgrade security equipment and technical support, information and systems security, perimeter security, and security training.

The FY 2005 request provides \$855 million for the Border Security Program, including \$75 million in appropriated funds and \$100 million in fees associated with legislation proposed for later transmittal related to biometric requirements. Revenue from Machine Readable Visa (MRV) fees and other fees will help fund continuous improvements in systems, processes, and programs to protect U.S. borders against the illegal entry of terrorists and others who would threaten homeland security. This funding will also support the national security requirement to collect biometric data from visa and passport applicants.

Capital Investment Fund (CIF)

The FY 2005 request provides \$155.1 million for the Capital Investment Fund (CIF) to make investments in information technology. With every Department program now dependent on IT, from simple e-mail to specialized systems, these investments are essential for conducting the business of foreign affairs. The Department's total request for IT from all funding sources - including CIF, D&CP, user fees, and other Department appropriations - is \$830.9 million.

The requested CIF funding includes \$32.5 million to implement the State Messaging and Archive Retrieval Toolset (SMART). The SMART initiative will replace outdated systems for cables and messages with a unified system and serve inter-agency information needs.

Embassy Security, Construction, and Maintenance

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Ongoing Operations	654,694	568,323	626,680
Worldwide Security Upgrades			
Security Construction	604,594	753,388	785,320
Compound Security	145,499	98,948	127,000
Total, Worldwide Security Upgrades	750,093	852,336	912,320
Total, Embassy Security, Construction, and Maintenance	1,404,787	1,420,659	1,539,000

Embassy Security, Construction, and Maintenance (ESCM)

The FY 2005 request for ESCM is \$1.539 billion. This total – an increase of \$118 million over the estimated FY 2004 level – reflects the Administration’s continuing commitment to protect U.S. Government personnel serving abroad, improve the security of overseas facilities, and address requirements for the State Department’s overseas infrastructure.

The ESCM request provides \$626.7 million for Ongoing Operations. This budget includes maintenance and repairs at overseas posts, facility rehabilitation projects, construction security, renovation of the Harry S Truman Building, all activities associated with leasing overseas properties, and management of the overseas buildings program.

The ESCM request provides \$785.3 million for security construction in Worldwide Security Upgrades. This amount will fund the next tranche of security-driven projects to replace high-risk facilities. It will support construction of new embassy compounds in eight countries.

The FY 2005 budget initiates the Capital Security Cost Sharing Program. Under this program, which is to be phased in over the next five years, all agencies with overseas staff operating under Chief of Mission authority will contribute toward the costs of constructing secure embassy compounds.

The ESCM request provides \$127 million to strengthen compound security at vulnerable posts.

Other State Programs

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Office of Inspector General	29,074	31,369	30,435
Educational and Cultural Exchanges	243,712	316,633	345,346
Representation Allowances	6,443	8,905	8,640
Protection of Foreign Missions & Officials	10,929	9,895	9,600
Emergencies in the Diplomatic & Consular Service	42,208	116,489	7,000
Repatriation Loans Program Account	1,461	1,206	1,219
Payment to the American Institute in Taiwan	18,330	18,584	19,482
Payment to the Foreign Service Retirement and Disability Fund	[138,200]	[134,979]	[132,600]
Total, Other State Programs	352,157	503,081	421,722

Office of Inspector General (OIG)

The FY 2005 request provides \$30.4 million to support activities of the OIG. These include audits, investigations, and inspections of worldwide operations and programs of the Department of State and the Broadcasting Board of Governors. OIG activities assist in improving the economy, efficiency, and effectiveness of operations, as well as detecting and preventing fraud, waste, and mismanagement.

Educational and Cultural Exchange Programs (ECE)

The FY 2005 request provides \$345.3 million for strategic exchange programs to engage foreign publics and develop mutual understanding. These activities establish the trust, confidence, and international cooperation necessary to advance the full range of U.S. national interests.

Increased funding of \$25.3 million over the estimated FY 2004 level will expand the Partnerships for Learning (P4L) initiative directed at the younger generation in the Muslim world. Education and exchange programs under P4L counter anti-American sentiment and negative stereotypes with constructive action and positive dialogue.

The request provides \$192.1 million for Academic Programs. These include exchanges with foreign participants and U.S. citizens, such as the J. William Fulbright Educational Exchange Program for scholars, students, teachers, and mid-career professionals from developing countries, and the Benjamin Gilman program for American undergraduates with financial need to study abroad. Funding also supports English language programming abroad, U.S. overseas educational advising centers, American overseas research centers, and U.S. studies programs.

The request provides \$114.2 million for Professional and Cultural Exchanges. These include the International Visitor Program, which supports travel to the United States by current and emerging foreign leaders. These also include cooperative programs with non-governmental organizations, such as the Citizen Exchange Program, which awards grants to U.S. non-profit organizations for professional, cultural, institutional, and grassroots community exchanges, including youth exchanges and study programs.

The request for the account further provides \$39 million to support these exchange activities.

Representation Allowances

The FY 2005 request of \$8.6 million will reimburse diplomatic and consular personnel, in part, for officially representing the United States abroad and before international organizations.

Protection of Foreign Missions and Officials

The FY 2005 request of \$9.6 million in two-year funds will provide for extraordinary protection for international organizations and foreign missions and officials in the United States.

Emergencies in the Diplomatic and Consular Service (EDCS)

The FY 2005 request provides \$7 million to help meet emergency requirements in the conduct of foreign affairs. The account reimburses other agencies for hostage rescue contingencies and covers the evacuation of American officials and their families from areas of political unrest or natural disaster and other activities. Funding also pays rewards for information concerning international terrorism, narco-terrorism, and war crimes.

Repatriation Loans Program Account

The requested funding of \$1.2 million in FY 2005 will provide emergency loans to assist destitute Americans abroad who have no other source of funds to return to the United States. They include travelers without money because of theft, illness, or accident, as well as Americans residing abroad caught in disasters or needing to escape abusive situations.

Payment to the American Institute in Taiwan (AIT)

At \$19.5 million, the FY 2005 request will fund the contract with AIT for economic and commercial services, cultural and information programs, and travel documents and services for Americans and the people on Taiwan.

B. International Organizations

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Contributions to International Organizations	893,837	999,830	1,194,210
Contributions for International Peacekeeping Activities	635,865	695,056	650,000
Total, International Organizations	1,529,702	1,694,886	1,844,210

Contributions to International Organizations (CIO)

The FY 2005 request of \$1.194 billion for CIO provides funding, consistent with statutory restrictions, of U.S. assessed contributions to 44 international organizations.

The request recognizes U.S. international obligations and reflects our commitment to maintain the financial stability and efficiency of the United Nations and other international organizations. These include the World Health Organization, the North Atlantic Treaty Organization, the International Atomic Energy Agency, and the Organization for Economic Cooperation and Development.

Multilateral diplomacy through such organizations advances U.S. foreign policy interests. Among these are: promoting economic growth through market economies; settling disputes peacefully; encouraging non-proliferation, nuclear safeguards, arms control, and disarmament; adopting international standards to facilitate international trade, telecommunications, transportation, environmental protection, and scientific exchange; and strengthening international cooperation in agriculture and health.

Contributions for International Peacekeeping Activities (CIPA)

The FY 2005 request of \$650 million for CIPA will allow the United States to pay its share of projected United Nations peacekeeping assessments, fulfilling U.S. commitments and avoiding arrears. The requested funding will help support UN peacekeeping missions in Europe/Eurasia, the Middle East, and Africa, including a mission in Liberia started in FY 2003.

UN peacekeeping missions further U.S. objectives by ending conflicts, restoring peace, and strengthening regional stability. They leverage U.S. political, military, and financial assets through the authority of the UN Security Council and the participation of other states that provide funds and peacekeepers for conflicts around the world.

The Administration requests that 15 percent of the CIPA funding be appropriated as “two-year funds” because of the unpredictability of requirements in this account and the nature of multi-year operations with mandates overlapping U.S. fiscal years.

C. Related Appropriations

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
The Asia Foundation	10,376	12,863	8,880
National Endowment for Democracy	41,727	39,579	80,000
International Center for Middle Eastern-Western Dialogue	-	6,926	-
East-West Center	17,883	17,692	13,709
Eisenhower Exchange Fellowship Program	497	500	500
Israeli Arab Scholarship Program	373	375	375
Total, Related Appropriations	70,856	77,935	103,464

The Asia Foundation

The Asia Foundation is a non-governmental grant-making organization with a sustained presence in Asia and the Pacific. Its programs complement official efforts to advance U.S. interests in the region.

The FY 2005 request of \$8.9 million will enable The Asia Foundation to support local groups and hands-on programs that strengthen democratic institutions and leadership, develop non-governmental and regional organizations, and advance the rule of law and human rights. In response to global terrorism, the foundation will continue to emphasize activities that contribute to the stability of key Asian countries and reduce the threat of extremism.

National Endowment for Democracy (NED)

NED was established by Congress in 1983 to expand democracy throughout the world. Governed by an independent, nonpartisan board of directors, NED makes hundreds of grants each year to support pro-democracy groups in dozens of countries. NED works in part through direct grants to nongovernmental organizations and civil society groups fighting for democracy, human rights, religious tolerance, freedom of the press, and free elections.

The FY 2005 budget request for NED of \$80 million will fund democracy-building programs in Africa, Asia, Central and Eastern Europe, the Independent States of the former Soviet Union, Latin America, and the Middle East.

The request doubles NED's budget, allocating the additional \$40 million to programs under a new Greater Middle East Democracy Initiative.

East-West Center

The Center for Cultural and Technical Interchange Between East and West was established by Congress in 1960. Located in Hawaii, it promotes understanding and strengthens relations between the United States and nearly 60 nations of Asia and the Pacific.

The FY 2005 request of \$13.7 million will help support the center's programs of cooperative study, training, and research – programs directed toward a region with more than 50 percent of the world's

population. These advance long-term U.S. interests and multilateral needs, including democracy and human rights and economic growth and security.

Eisenhower Exchange Fellowship Program

The Eisenhower Exchange Fellowship Program builds international understanding by bringing rising leaders to the United States and sending their American counterparts abroad on custom-designed professional programs. The program's trust fund will provide an estimated \$500,000 in FY 2005 to support these exchanges.

Israeli Arab Scholarship Program

The Israeli Arab Scholarship Program fosters mutual understanding by enabling Arab citizens of Israel to study and conduct research in the United States. The program's trust fund will provide an estimated \$375,000 in FY 2005 to support these scholarships.

II. Broadcasting Board of Governors

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
International Broadcasting Operations	496,350	580,292	533,111
Broadcasting to Cuba	24,834	-	27,629
Broadcasting Capital Improvements	12,657	11,275	8,560
Total, Broadcasting Board of Governors	533,841	591,567	569,300

International Broadcasting Operations (IBO)

The FY 2005 budget request provides \$533.1 million for IBO. Through this account in FY 2005, the Broadcasting Board of Governors (BBG) will fund operations of the Voice of America (VOA), Radio Free Europe/Radio Liberty, Radio Free Asia (RFA), the Middle East Television Network (including Radio Sawa), and all related program delivery and support activities. The IBO request includes \$42.7 million for the Middle East Television Network. The FY 2004 estimate includes \$40 million in supplemental funding for an Iraqi component of the Middle East Television Network.

The FY 2005 request reflects a planned reduction in VOA English programs, the integration of Radio Free Iraq into the Middle East Television Network, and efficiencies achieved in transmission and central news operations. The request also includes the elimination of RFA's Cantonese Service, which currently broadcasts 14 hours per week. VOA will continue to broadcast in Cantonese 14 hours per week. This proposal reflects the BBG's continuing effort to achieve broadcast efficiencies in certain markets that are served by more than one BBG broadcast entity.

Broadcasting to Cuba (OCB)

The FY 2005 request provides \$27.6 million for Radio Marti and TV Marti broadcast operations, including salary and inflation increases, to support current schedules.

Broadcasting Capital Improvements (BCI)

The FY 2005 request provides \$8.6 million for Broadcasting Capital Improvements to maintain the BBG's worldwide transmission network. The request includes \$1.6 million to maintain and improve the security of U.S. transmission facilities overseas.

III. Other Programs

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
International Trade Commission	53,649	57,682	61,700
Foreign Claims Settlement Commission	1,129	1,193	1,220
Total, Other Programs	54,778	58,875	62,920

International Trade Commission (ITC)

The ITC is an independent, nonpartisan, Federal agency with a wide range of trade-related mandates. The ITC makes determinations with respect to unfair trade practices in import trade, as well as import injury and intellectual property-based investigations. It also exercises broad investigative powers on matters of trade, conducts economic research and fact-finding investigations of trade issues, and provides technical information and advice on trade matters to Congress and the Administration.

At \$61.7 million, the FY 2005 request for the ITC will fund activities related to these mandates.

Foreign Claims Settlement Commission

The Foreign Claims Settlement Commission adjudicates the claims of American nationals (individuals and corporations) arising out of the nationalization, expropriation, or other taking of their property by foreign governments - and, in some cases, claims for personal injury and death - pursuant to the International Claims Settlement Act of 1949 and other statutes.

The FY 2005 request of \$1.2 million will enable the commission to continue this function, while also providing technical assistance to the Departments of State and Treasury, other Federal agencies, and the public in connection with international and war claims programs.

**AGRICULTURE, RURAL DEVELOPMENT,
FOOD AND DRUG ADMINISTRATION,
AND RELATED AGENCIES**

Department of Agriculture

P.L. 480 Title II

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
P.L. 480 Title II	1,740,575	1,184,967	1,185,000
Total, P.L. 480 Title II	1,740,575	1,184,967	1,185,000

P.L. 480 Title II

Title II Food Aid of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) is requested by the Department of Agriculture and administered by USAID.

The FY 2005 request for Title II is \$1.185 billion. This is the same level as requested for FY 2004.

Title II provides U.S. food assistance in response to emergencies and disasters around the world via the World Food Program and private voluntary organizations. Title II resources have been critical to saving lives by preventing and mitigating famines and providing urgent relief to victims of natural disasters and complex emergencies where natural disasters are compounded by ongoing civil strife.

Through this program, the United States also provides development-oriented resources to private voluntary organizations and the World Food Program to help improve the food security of needy people through the direct distribution of agricultural commodities or the use of local currencies generated by the sale of these commodities in the recipient country.

**DEPARTMENTS OF LABOR,
HEALTH AND HUMAN SERVICES, AND EDUCATION,
AND RELATED AGENCIES**

United States Institute of Peace

(\$ in thousands)	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
United States Institute of Peace	16,256	17,099	22,099
Total, United States Institute of Peace (USIP)	16,256	17,099	22,099

United States Institute of Peace

USIP was created by Congress in 1984 to strengthen the nation's capabilities to promote peaceful resolution of international conflicts.

The FY 2005 request of \$22.1 million will enable the Institute to continue support for its Special Initiative on the Muslim World, with particular emphasis on programs to support the rule of law and to open channels of communication with key religious leaders in this area.

USIP program activity includes policy assessments for the executive and legislative branches, rule of law projects and interfaith dialogues in zones of conflict, conflict resolution training for foreign affairs professionals, summer institute and educational materials for teachers at high school and undergraduate levels, grants and fellowships, publications, a research library, a national student essay contest, and other programs to increase public understanding of the nature of international conflicts.

Child Survival and Health Programs Fund
(\$ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Africa			
Angola	7,797	7,700	7,130
Benin	6,638	7,550	7,910
Burundi	750	880	1,731
Democratic Republic of Congo	15,916	22,050	20,022
Eritrea	5,600	5,050	5,605
Ethiopia	30,752	34,500	39,191
Ghana	19,150	18,620	18,560
Guinea	6,860	6,600	6,202
Kenya	36,488	34,100	31,962
Liberia	2,627	2,400	1,997
Madagascar	9,293	10,015	11,200
Malawi	17,480	19,400	18,900
Mali	13,821	14,300	13,974
Mozambique	22,601	19,700	19,730
Namibia	7,601	2,150	2,150
Nigeria	47,911	42,550	43,724
Rwanda	16,168	13,350	13,406
Senegal	15,167	14,325	15,873
Sierra Leone	784	300	-
Somalia	250	100	-
South Africa	28,565	23,328	24,011
Sudan	700	11,500	11,000
Tanzania	25,040	21,200	19,856
Uganda	41,114	34,460	34,294
Zambia	37,904	34,200	34,100
Zimbabwe	11,923	11,100	11,369
Africa Regional	82,258	29,292	31,830
REDSO/ESA	10,452	12,500	11,009
West Africa Regional	19,461	19,300	21,464
Subtotal - Africa	541,071	472,520	478,200
East Asia and the Pacific			
Burma	2,000	-	-
Cambodia	22,100	29,860	25,300
Indonesia	31,955	34,000	32,300
Laos	1,000	-	-
Philippines	22,920	29,350	28,000
Thailand	1,500	-	-
Vietnam	5,300	6,600	5,700
Regional Development Mission / Asia	-	16,620	15,500

Child Survival and Health Programs Fund
(\$ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Subtotal - East Asia and the Pacific	86,775	116,430	106,800
Europe and Eurasia			
Central and Eastern Europe Regional	250	250	250
Central Asian Republics	1,000	1,000	1,000
Russia	3,000	3,000	3,000
Ukraine	1,750	1,750	1,750
Subtotal - Europe and Eurasia	6,000	6,000	6,000
International Organizations			
International Organizations/Partnerships	386,935	570,360	244,408
Subtotal - International Organizations	386,935	570,360	244,408
Near East			
Iraq	40,000	-	-
Subtotal - Near East	40,000	-	-
South Asia			
Afghanistan	45,975	21,000	22,000
Bangladesh	27,600	36,000	36,300
India	47,438	48,300	43,400
Nepal	19,899	24,840	23,350
Pakistan	15,645	25,600	21,050
Sri Lanka	300	300	300
Subtotal - South Asia	156,857	156,040	146,400
Western Hemisphere			
Bolivia	18,594	15,302	16,139
Brazil	10,300	9,850	7,638
Dominican Republic	12,508	12,700	11,354
Ecuador	-	-	351
El Salvador	9,800	7,150	8,871
Guatemala	12,017	11,400	9,723
Guyana	4,200	1,700	1,700
Haiti	19,207	19,626	16,525
Honduras	13,400	12,777	10,777
Jamaica	3,713	3,117	4,339
Mexico	5,200	3,700	3,230
Nicaragua	9,830	7,805	6,913
Paraguay	1,959	2,125	1,907
Peru	19,912	17,282	13,037

Child Survival and Health Programs Fund
(\$ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Caribbean Regional	4,233	3,733	4,637
Central American Regional	4,950	4,950	6,708
International Mother & Child HIV Prevention	4,000	-	-
LAC Regional	7,194	12,128	4,622
South America Regional	2,300	2,155	1,829
Subtotal - Western Hemisphere	163,317	147,500	130,300
Global			
Asia-Near East Regional	11,097	2,280	2,900
Democracy, Conflict & Humanitarian Assistance	64,555	5,130	2,050
Global Health	324,900	328,020	299,342
Other Programs	152,746	14,594	-
Program & Policy Coordination	5,310	5,300	3,600
Subtotal - Global	558,608	355,324	307,892
Total	1,939,563	1,824,174	1,420,000

Development Assistance
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
Africa			
Angola	4,568	3,600	4,544
Benin	9,403	7,430	7,077
Burundi	4,400	1,782	1,543
Democratic Republic of Congo	11,376	8,015	7,427
Djibouti	2,000	-	-
Eritrea	4,560	1,240	781
Ethiopia	19,686	18,263	15,529
Ghana	20,716	14,879	11,500
Guinea	16,717	11,827	10,888
Kenya	14,183	10,010	12,171
Liberia	3,758	-	545
Madagascar	10,504	9,506	10,379
Malawi	9,849	11,737	10,295
Mali	26,581	24,296	20,793
Mozambique	27,567	24,261	18,319
Namibia	4,851	5,726	6,558
Nigeria	23,385	13,601	15,590
Rwanda	6,555	4,810	5,121
Senegal	15,014	12,781	10,548
Sierra Leone	3,007	3,727	3,269
Somalia	3,122	899	986
South Africa	34,393	28,678	26,789
Sudan	18,171	50,263	70,000
Tanzania	12,769	7,000	7,132
Uganda	27,183	27,182	20,450
Zambia	15,676	13,677	11,150
Zimbabwe	2,919	746	1,246
Africa Regional	59,656	69,827	77,423
Anti-Corruption Initiative	-	6,000	7,500
Competitive Initiative Funds	-	36,000	39,500
Congo Basin Forest Partnership	15,000	15,000	15,000
REDSO/ESA	23,774	17,172	16,579
Regional Center for Southern Africa	21,115	18,999	18,363
West Africa Regional	18,232	14,846	14,405
Subtotal - Africa	490,690	493,780	499,400

Development Assistance
(\$ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
East Asia and the Pacific			
Cambodia	3,687	2,000	2,200
Indonesia	39,016	31,291	32,742
Laos	1,000	-	-
Philippines	28,209	22,068	26,076
Thailand	1,250	-	-
Vietnam	7,671	3,000	4,500
Regional Development Mission / Asia	-	9,800	12,500
Subtotal - East Asia and the Pacific	80,833	68,159	78,018
Near East			
Lebanon	-	400	-
Morocco	6,644	5,400	6,000
Yemen	2,000	-	-
Subtotal - Near East	8,644	5,800	6,000
South Asia			
Afghanistan	43,817	150,000	150,000
Bangladesh	21,391	18,850	19,187
India	34,495	25,739	25,400
Nepal	10,247	11,274	11,000
Pakistan	34,500	42,350	29,000
Sri Lanka	6,150	4,750	6,624
Subtotal - South Asia	150,600	252,963	241,211
Western Hemisphere			
Bolivia	12,082	12,032	14,454
Brazil	7,967	7,876	6,993
Dominican Republic	8,631	10,982	8,324
Ecuador	7,127	6,821	6,953
El Salvador	26,334	28,605	17,342
Guatemala	14,810	11,099	6,647
Guyana	2,180	2,750	4,957
Haiti	13,999	8,119	7,963
Honduras	24,112	22,367	19,925
Jamaica	13,713	13,234	17,532
Mexico	10,440	17,855	13,915
Nicaragua	23,460	27,206	25,311
Panama	5,499	5,322	5,446
Paraguay	3,895	4,140	4,040
Peru	16,437	15,036	10,492

Development Assistance
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
Amazon Environmental Initiative	-	10,000	-
Caribbean Regional	8,775	3,935	11,799
Central American Regional	24,383	16,487	21,582
LAC Regional	36,734	41,574	32,500
South America Regional	-	2,400	5,525
Subtotal - Western Hemisphere	260,578	267,840	241,700
Global			
Asia-Near East Regional	38,982	24,818	18,571
Democracy, Conflict & Humanitarian Assistance	190,472	77,220	77,700
Economic Growth, Agriculture and Trade	182,759	150,810	150,600
Global Development Alliance	29,800	15,000	10,000
Legislative and Public Affairs	750	1,960	1,400
Other Programs	40,192	12,499	-
Program & Policy Coordination	5,672	5,980	4,400
Subtotal - Global	488,627	288,287	262,671
Total	1,479,972	1,376,829	1,329,000

Economic Support Fund
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
Africa			
Angola	3,825	3,479	3,000
Burundi	1,150	3,479	3,250
Democratic Republic of Congo	2,800	4,971	5,000
Djibouti	-	-	2,000
Djibouti SUP	25,000	-	-
Ethiopia	1,075	4,971	5,000
Kenya	2,950	7,953	8,000
Liberia	4,420	-	25,000
Nigeria	1,900	4,971	5,000
Sierra Leone	11,910	4,971	5,000
South Africa	80	1,988	1,000
Sudan	7,000	9,941	20,000
Zimbabwe	4,050	2,982	2,000
Africa Regional Fund	14,390	11,929	11,000
Africa Regional Fund REIMB	15,740	-	-
Countries in Transition	1,750	-	-
East Africa Counterterrorism REIMB	2,700	-	-
Kimberley Process	-	1,491	-
Kimberley Process REIMB	2,000	-	-
NED Democracy Programs	-	2,982	-
Regional Organizations	1,700	2,982	1,000
Safe Skies	5,000	4,971	5,000
Subtotal - Africa	109,440	74,061	101,250
East Asia and the Pacific			
Burma	6,954	12,923	7,000
Cambodia	15,000	16,900	17,000
East Timor	24,838	22,367	13,500
Indonesia	59,610	49,705	70,000
Mongolia	10,000	9,941	10,000
Philippines	15,000	17,645	35,000
Philippines SUP	30,000	-	-
ASEAN	-	994	2,500
Democracy Programs (China, Hong Kong, Tibet)	5,961	-	-
EAP Regional HIV/AIDS REIMB	1,720	-	-
Environmental Programs	-	1,740	-
NED Democracy Programs	-	2,982	-
Regional Democracy	1,000	-	-
Regional Security Fund	200	-	250
Regional Women's Issues	1,000	1,988	1,000

Economic Support Fund
(\$ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
South Pacific Fisheries	17,829	17,894	18,000
South Pacific Fisheries REIMB	171	-	-
Tibet	-	3,976	-
Subtotal - East Asia and the Pacific	189,283	159,055	174,250
Europe and Eurasia			
Cyprus	14,902	13,420	13,500
Turkey	-	99,410	50,000
Turkey SUP	1,000,000	-	-
International Fund for Ireland	24,838	18,391	8,500
Irish Visa Program	3,460	3,479	3,500
Subtotal - Europe and Eurasia	1,043,200	134,700	75,500
Near East			
Egypt	611,002	571,608	535,000
Egypt SUP	300,000	-	-
Israel	596,100	477,168	360,000
Jordan	248,000	248,525	250,000
Jordan SUP	700,000	100,000	-
Lebanon	34,772	34,794	32,000
Morocco	-	-	20,000
Yemen	9,898	11,432	20,000
Iraq Opposition	10,000	-	-
Iraq Pre-positioning	140,000	-	-
Iraq War Crimes Tribunal SUP	10,000	-	-
Middle East Democracy	4,000	-	-
Middle East Multilaterals	2,900	-	2,000
Middle East Partnership Initiative	-	89,469	150,000
Middle East Partnership Initiative SUP	90,000	-	-
Middle East Regional Cooperation	4,900	5,467	5,000
NED Muslim Democracy Programs	-	3,479	-
U.S. North Africa Economic Partnership	3,000	-	-
West Bank/Gaza	74,500	74,558	75,000
West Bank/Gaza SUP	50,000	-	-
Subtotal - Near East	2,889,072	1,616,500	1,449,000

Economic Support Fund
(\$ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
South Asia			
Afghanistan	49,500	74,558	225,000
Afghanistan ERF	-	153,000	-
Afghanistan REIMB	175	-	-
Afghanistan SUP	167,000	672,000	-
Bangladesh	4,000	4,971	5,000
India	10,500	14,912	15,000
Nepal	4,000	4,971	5,000
Pakistan	188,000	-	300,000
Pakistan SUP	-	200,000	-
Sri Lanka	3,950	11,929	12,000
South Asia Regional Funds	1,900	1,988	2,000
Subtotal - South Asia	429,025	1,138,329	564,000
Western Hemisphere			
Bolivia	10,000	8,000	8,000
Bolivia REIMB	2,000	-	-
Cuba	6,000	6,959	9,000
Dominican Republic	3,000	2,982	3,000
Ecuador	14,500	12,923	13,000
Guatemala	6,500	4,971	4,000
Mexico	11,650	11,432	11,500
Nicaragua	-	-	2,500
Panama	3,000	2,982	3,000
Paraguay	3,000	2,982	3,000
Peru	8,000	7,953	8,000
Peru REIMB	2,000	-	-
Venezuela	470	497	500
Administration of Justice	5,000	4,924	-
Hemispheric Cooperation	-	9,941	-
Peru-Ecuador Peace	6,000	3,976	4,000
Regional Anticorruption Initiatives	-	-	3,000
Summit of the Americas Support	-	-	2,000
Third Border Initiative	2,500	3,976	9,000
Third Border Initiative REIMB	500	-	-
Trade Capacity Building	-	-	8,500
Subtotal - Western Hemisphere	84,120	84,498	92,000
Global			
Conflict Resolution Programs REIMB	1,494	-	-
Human Rights and Democracy Funds	31,448	34,296	27,000

Economic Support Fund
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
Lockerbie (Pan Am 103) REIMB	8,000	-	-
Muslim Outreach	-	-	20,000
Muslim Outreach SUP	10,000	-	-
Muslim Secondary Exchange Program REIMB	3,000	-	-
Oceans, Environmental and Science Initiative	1,500	3,976	3,000
Oceans, Environmental and Science Initiative REIMB	500	-	-
Partnership to Eliminate Sweatshops	2,000	1,988	2,000
Reconciliation Programs	-	7,953	-
Security and Sustainability Programs	-	2,982	-
Trafficking in Persons	-	-	12,000
Wheelchairs	-	4,971	-
Subtotal - Global	57,942	56,166	64,000
Total	4,802,082	3,263,309	2,520,000

Assistance for Eastern Europe and the Baltic States
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
Europe and Eurasia			
Albania	28,500	27,835	28,000
Bosnia and Herzegovina	50,150	44,735	41,000
Bulgaria	28,000	27,835	27,000
Croatia	30,000	24,853	20,000
Kosovo	85,000	78,534	72,000
Macedonia	50,000	38,770	34,000
Romania	30,500	27,835	27,000
Serbia and Montenegro	150,000	134,203	102,000
Regional SEED	69,437	37,775	59,000
Subtotal - Europe and Eurasia	521,587	442,375	410,000
Total	521,587	442,375	410,000

Assistance for the Independent States of the Former Soviet Union
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
Europe and Eurasia			
Armenia	89,415	74,558	62,000
Azerbaijan	45,938	38,782	38,000
Belarus	9,045	6,850	6,500
Georgia	84,056	71,376	90,000
Kazakhstan	43,416	33,342	28,000
Kyrgyz Republic	37,878	35,938	33,000
Moldova	30,242	21,898	17,500
Russia	143,307	93,445	79,500
Tajikistan	25,853	24,411	25,000
Turkmenistan	7,805	5,700	6,000
Ukraine	138,700	92,589	79,500
Uzbekistan	39,435	35,688	36,000
Regional FSA	59,970	48,960	49,000
Subtotal - Europe and Eurasia	755,060	583,537	550,000
Total	755,060	583,537	550,000

International Narcotics Control and Law Enforcement
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
Africa			
Liberia	-	-	5,000
Nigeria	-	2,250	2,250
South Africa	-	1,770	1,770
Africa Regional	6,700	2,830	1,480
Subtotal - Africa	6,700	6,850	10,500
East Asia and the Pacific			
Indonesia	-	-	10,000
Laos	2,500	2,000	2,000
Philippines	-	2,000	2,000
Thailand	3,700	2,000	2,000
Subtotal - East Asia and the Pacific	6,200	6,000	16,000
Near East			
Morocco	-	-	6,000
Iraq Pre-positioning	24,601	-	-
Subtotal - Near East	24,601	-	6,000
South Asia			
Afghanistan	-	-	90,000
Afghanistan ERF	-	50,000	-
Afghanistan SUP	-	170,000	-
Pakistan	6,000	36,500	40,000
Pakistan SUP	25,000	-	-
Subtotal - South Asia	31,000	256,500	130,000
Western Hemisphere			
Bahamas	1,100	1,000	1,000
Guatemala	2,500	3,000	2,820
Jamaica	1,200	1,500	1,500
Mexico	12,000	32,000	40,000
Latin America Regional	9,500	4,850	3,250
Subtotal - Western Hemisphere	26,300	42,350	48,570
Global			
Anticorruption/Rule of Law	-	-	9,000
Asia Regional	4,500	1,000	1,000
Civilian Police Program	4,670	2,700	2,700
Demand Reduction	5,000	4,200	4,200
INL Anticrime Programs	12,300	11,324	10,000

International Narcotics Control and Law Enforcement
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
International Law Enforcement Academies	14,500	14,500	14,500
International Organizations	12,200	13,000	12,000
Interregional Aviation Support	65,000	70,000	70,000
Program Development and Support	13,850	13,850	13,850
Regional Narcotics Training	4,500	-	-
Systems Support and Upgrades	4,000	5,000	4,500
Trafficking in Persons	10,000	12,000	5,000
United Nations Crime Center	-	1,000	1,000
Subtotal - Global	150,520	148,574	147,750
Total	245,321	460,274	358,820

Andean Counterdrug Initiative
(\$ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Andean Counterdrug Initiative			
Bolivia Total	90,727	91,000	91,000
<i>Bolivia - Alternative Development/Institution Building</i>	41,727	42,000	42,000
<i>Bolivia - Interdiction</i>	49,000	49,000	49,000
Brazil Total	6,000	10,200	9,000
Colombia Total	580,200	463,000	463,000
<i>Colombia - SUP</i>	54,000	-	-
<i>Colombia - Alternative Development/Institution Building</i>	149,200	150,000	150,000
<i>Colombia - Interdiction</i>	377,000	313,000	313,000
Ecuador Total	30,896	35,000	26,000
<i>Ecuador - Alternative Development/Institution Building</i>	15,896	15,000	15,000
<i>Ecuador - Interdiction</i>	15,000	20,000	11,000
Panama Total	4,500	6,487	6,000
Peru Total	128,052	116,000	112,000
<i>Peru - Alternative Development/Institution Building</i>	68,552	50,000	50,000
<i>Peru - Interdiction</i>	59,500	66,000	62,000
Venezuela Total	2,075	5,000	3,000
Air Bridge Denial Program	-	-	21,000
Total	842,450	726,687	731,000

Nonproliferation, Anti-terrorism, Demining, and Related Programs
(\$ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Nonproliferation Programs			
Nonproliferation and Disarmament Fund	14,902	29,823	34,500
Export Control and Related Border Security Assistance	36,000	35,788	38,000
Science Centers/Bio Redirection	52,000	50,202	-
IAEA Voluntary Contribution	52,900	52,687	53,000
CTBT International Monitoring System	14,000	18,888	19,000
KEDO	4,968	-	-
Nonproliferation of WMD Expertise	-	-	50,500
Subtotal - Nonproliferation Programs	174,770	187,388	195,000
Anti-Terrorism Programs			
Anti-terrorism Assistance	65,638	96,428	128,300
Counterterrorism Financing	-	-	7,500
Anti-terrorism Assistance - ERF	-	10,000	-
Anti-terrorism Assistance - SUP	25,000	35,000	-
Terrorist Interdiction Program	5,000	4,971	5,000
CT Engagement w/Allies	-	-	500
Subtotal - Anti-Terrorism Programs	95,638	146,399	141,300
Regional Stability & Humanitarian Assistance			
Humanitarian Demining Program	46,000	49,705	59,900
Humanitarian Demining Program - SUP	3,000	-	-
International Trust Fund	10,000	9,941	10,000
Small Arms/Light Weapons Destruction	3,000	2,982	9,000
Subtotal - Regional Stability & Humanitarian Assistance	62,000	62,628	78,900
Total	332,408	396,415	415,200

International Military Education and Training
(\$ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Africa			
Angola	152	100	300
Benin	382	500	250
Botswana	716	700	700
Burkina Faso	-	50	50
Burundi	-	100	50
Cameroon	306	200	225
Cape Verde	143	120	120
Central African Republic	13	150	110
Chad	253	150	225
Comoros	-	-	50
Cote d'Ivoire	-	50	50
Democratic Republic of Congo	-	100	50
Djibouti	154	325	325
Equatorial Guinea	-	50	50
Eritrea	181	450	450
Ethiopia	210	570	600
Gabon	233	160	210
Gambia	68	100	75
Ghana	522	500	575
Guinea	210	350	350
Guinea-Bissau	77	100	100
Kenya	596	600	650
Lesotho	52	125	50
Madagascar	209	200	200
Malawi	312	360	360
Mali	309	350	175
Mauritania	131	125	130
Mauritius	110	125	125
Mozambique	196	225	215
Namibia	175	225	100
Niger	103	200	100
Nigeria	96	850	800
Republic of the Congo	108	110	110
Rwanda	162	175	225
Sao Tome and Principe	180	100	200
Senegal	1,062	1,000	1,100
Seychelles	53	100	100
Sierra Leone	318	300	300
South Africa	1,258	1,600	50
Swaziland	97	135	100

International Military Education and Training
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
Tanzania	210	230	100
Togo	116	125	120
Uganda	170	200	225
Zambia	225	225	225
ECOWAS	-	100	100
Subtotal - Africa	9,868	12,610	10,775
East Asia and the Pacific			
Cambodia	-	-	50
East Timor	119	150	300
Fiji	-	200	250
Indonesia	276	459	600
Laos	-	100	100
Malaysia	831	1,200	1,100
Mongolia	767	850	850
Papua New Guinea	256	300	300
Philippines	2,400	2,700	3,000
Samoa	76	150	50
Solomon Islands	151	50	150
Thailand	1,768	2,450	2,500
Tonga	127	125	135
Vanuatu	106	100	110
Vietnam	-	100	50
Subtotal - East Asia and the Pacific	6,877	8,934	9,545
Europe and Eurasia			
Albania	957	975	900
Armenia	659	900	750
Azerbaijan	878	900	750
Bosnia and Herzegovina	796	900	900
Bulgaria	1,324	1,350	1,395
Croatia	700	800	50
Czech Republic	1,929	1,900	1,900
Estonia	1,099	1,200	1,200
Georgia	1,184	1,300	1,200
Greece	594	600	600
Hungary	1,888	1,900	1,900
Kazakhstan	872	1,200	1,000
Kyrgyz Republic	1,068	1,200	1,100
Latvia	1,091	1,200	1,200
Lithuania	1,087	1,200	1,200

International Military Education and Training
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
Macedonia	676	700	650
Malta	292	250	125
Moldova	988	1,000	900
Poland	2,172	2,000	2,000
Portugal	850	850	850
Romania	1,651	1,500	1,500
Russia	777	800	800
Serbia and Montenegro	-	250	250
Slovakia	920	950	950
Slovenia	935	950	950
Tajikistan	339	400	350
Turkey	2,800	5,000	4,000
Turkmenistan	216	450	450
Ukraine	1,698	1,700	1,700
Uzbekistan	1,104	1,350	1,200
Subtotal - Europe and Eurasia	31,544	35,675	32,720
Near East			
Algeria	612	550	850
Bahrain	448	600	650
Egypt	1,232	1,200	1,200
Jordan	2,400	2,900	3,000
Lebanon	700	700	700
Morocco	1,575	1,750	1,875
Oman	567	1,000	1,100
Saudi Arabia	22	25	25
Tunisia	1,500	1,750	1,875
Yemen	638	1,000	1,100
Subtotal - Near East	9,694	11,475	12,375
South Asia			
Afghanistan	387	600	800
Bangladesh	772	800	900
India	1,000	1,250	1,400
Maldives	139	175	175
Nepal	500	600	650
Pakistan	990	1,250	2,000
Sri Lanka	307	500	500
Subtotal - South Asia	4,095	5,175	6,425

International Military Education and Training
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
Western Hemisphere			
Argentina	1,000	1,100	1,100
Bahamas	146	165	240
Belize	173	200	100
Bolivia	800	900	800
Brazil	483	-	50
Chile	559	600	600
Colombia	1,165	1,800	1,700
Costa Rica	336	-	50
Dominican Republic	570	800	1,100
Ecuador	645	650	300
El Salvador	1,165	1,200	1,600
Guatemala	350	350	300
Guyana	316	375	300
Haiti	51	200	150
Honduras	724	1,000	1,100
Jamaica	646	700	700
Mexico	1,250	1,275	1,250
Nicaragua	600	600	600
Panama	209	400	600
Paraguay	297	300	250
Peru	592	700	300
Suriname	156	150	150
Trinidad and Tobago	150	-	50
Uruguay	450	450	150
Venezuela	683	-	50
Eastern Caribbean	686	875	800
Subtotal - Western Hemisphere	14,202	14,790	14,390
Global			
E-IMET Schools	3,000	2,000	3,000
General Costs	200	500	500
Subtotal - Global	3,200	2,500	3,500
Total	79,480	91,159	89,730

Foreign Military Financing
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
Africa			
Botswana	490	980	500
Djibouti	8,150	5,990	4,000
Djibouti SUP	5,000	-	-
Eritrea	-	480	500
Ethiopia	4,000	2,480	2,000
Ghana	490	480	500
Kenya	1,000	6,250	7,000
Nigeria	-	385	1,000
Sao Tome and Principe	500	-	-
Senegal	480	480	500
South Africa	5,950	-	-
Uganda	-	1,990	-
Africa Coastal/Border Security Program	-	-	4,000
Military Health Affairs	1,990	1,490	2,000
Subtotal - Africa	28,050	21,005	22,000
East Asia and the Pacific			
East Timor	1,990	1,988	1,000
Mongolia	990	995	500
Philippines	19,870	19,880	30,000
Philippines SUP	30,000	-	-
Thailand	1,990	995	500
Subtotal - East Asia and the Pacific	54,840	23,858	32,000
Europe and Eurasia			
Albania	4,900	3,975	3,000
Albania SUP	3,000	-	-
Armenia	5,000	2,485	2,000
Azerbaijan	5,000	2,485	8,000
Bosnia and Herzegovina	2,400	14,900	2,500
Bulgaria	9,000	8,450	7,000
Bulgaria SUP	10,000	-	-
Croatia	5,500	-	-
Czech Republic	10,900	7,950	6,000
Czech Republic SUP	15,000	-	-
Estonia	6,500	6,200	5,000
Estonia SUP	2,750	-	-
Georgia	6,900	8,000	12,000
Hungary	10,900	7,955	6,000
Hungary SUP	8,000	-	-

Foreign Military Financing
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
Kazakhstan	2,900	2,980	6,000
Kyrgyz Republic	3,900	4,075	3,000
Latvia	6,500	6,610	5,000
Latvia SUP	2,750	-	-
Lithuania	6,500	6,950	5,500
Lithuania SUP	4,000	-	-
Macedonia	10,900	7,950	6,500
Macedonia SUP	1,000	-	-
Malta	5,000	990	-
Moldova	1,000	990	800
Poland	12,900	20,000	66,000
Poland SUP	15,000	-	-
Romania	9,900	8,950	11,000
Romania SUP	15,000	-	-
Slovakia	8,000	7,950	6,000
Slovakia SUP	6,500	-	-
Slovenia	4,000	2,485	2,000
Tajikistan	-	695	700
Turkey	17,350	40,000	34,000
Turkmenistan	690	695	700
Ukraine	3,000	2,985	6,500
Ukraine SUP	1,500	-	-
Uzbekistan	8,600	8,000	12,000
Subtotal - Europe and Eurasia	252,640	184,705	217,200
Near East			
Bahrain	-	24,850	20,000
Bahrain SUP	90,000	-	-
Egypt	1,291,550	1,292,330	1,300,000
Israel	2,086,350	2,147,255	2,220,000
Israel SUP	1,000,000	-	-
Jordan	198,000	204,785	206,000
Jordan SUP	406,000	-	-
Morocco	4,900	9,940	20,000
Oman	19,500	24,850	25,000
Oman SUP	61,500	-	-
Tunisia	4,900	9,940	10,000
Yemen	1,900	14,910	15,000
Subtotal - Near East	5,164,600	3,728,860	3,816,000

Foreign Military Financing
(\$ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
South Asia			
Afghanistan	21,000	49,705	400,000
Afghanistan ERF	-	77,000	-
Afghanistan SUP	170,000	287,000	-
Nepal	2,950	3,975	1,000
Pakistan	49,500	74,560	300,000
Pakistan SUP	175,000	-	-
Sri Lanka	-	995	500
Subtotal - South Asia	418,450	493,235	701,500
Western Hemisphere			
Argentina	1,990	1,000	1,000
Bahamas	90	99	100
Belize	290	199	200
Bolivia	1,990	3,977	3,000
Chile	990	495	500
Colombia	-	109,350	108,000
Colombia SUP	17,100	-	-
Dominican Republic	300	2,000	1,500
Ecuador	990	6,955	2,000
El Salvador	2,480	3,000	2,750
Guyana	390	95	100
Haiti	390	295	300
Honduras	168	2,000	1,500
Jamaica	690	597	600
Nicaragua	1,000	495	500
Panama	990	2,000	1,500
Peru	990	1,730	1,000
Suriname	240	145	100
Trinidad and Tobago	390	-	-
Uruguay	990	990	500
Eastern Caribbean	782	3,330	1,350
Subtotal - Western Hemisphere	33,240	138,752	126,500
Global			
Enhanced International Peacekeeping Capabilities	3,050	1,990	1,800
FMF Administrative Costs	36,762	40,260	40,500
Subtotal - Global	39,812	42,250	42,300
Total	5,991,632	4,632,665	4,957,500

Peacekeeping Operations
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
Africa			
Africa Regional SUP	11,000	-	-
Africa Regional Peacekeeping	59,134	8,947	45,000
African Contingency Operations Training and Assistance	8,000	14,912	15,000
Subtotal - Africa	78,134	23,859	60,000
East Asia and the Pacific			
East Timor	3,250	1,988	-
Subtotal - East Asia and the Pacific	3,250	1,988	-
Europe and Eurasia			
OSCE Bosnia	9,900	11,730	-
OSCE Croatia	-	895	-
OSCE Kosovo	-	9,444	-
OSCE Regional	7,858	9,245	2,500
Subtotal - Europe and Eurasia	17,758	31,314	2,500
Near East			
Iraq SUP	50,000	-	-
Multinational Force and Observers	16,212	16,303	16,500
Subtotal - Near East	66,212	16,303	16,500
South Asia			
Afghanistan	9,898	-	24,000
Sri Lanka	-	994	1,000
Subtotal - South Asia	9,898	994	25,000
Global			
Other Programs SUP	39,000	50,000	-
Subtotal - Global	39,000	50,000	-
Total	214,252	124,458	104,000

International Organizations and Programs
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
International Organizations			
Center for Human Settlements	250	746	-
IMO Maritime Security Programs	-	-	100
International Civil Aviation Organization	300	994	1,000
International Conservation Programs	6,225	6,362	6,225
International Contributions for Scientific, Educational, and Cultural Activities	1,750	1,889	500
International Panel on Climate Change/UN Framework Convention on Climate Change	6,000	5,567	5,600
Montreal Protocol Multilateral Fund	23,000	20,876	21,500
OAS Development Assistance Programs	5,500	5,468	5,500
OAS Fund for Strengthening Democracy	3,356	2,982	2,500
OAS Special Mission in Haiti	-	4,971	-
Reserve to be Allocated	-	24,853	25,000
UN Children's Fund	-	119,292	120,000
UN Development Fund for Women	1,000	994	1,000
UN Development Program	100,000	101,398	90,000
UN Environment Program	10,500	10,935	10,025
UN High Commissioner, Human Rights	-	2,484	-
UN Voluntary Fund for Technical Cooperation in the Field of Human Rights	1,500	1,491	1,500
UN Voluntary Fund for Victims of Torture	5,000	5,468	5,000
World Coffee Organization	500	-	-
World Food Program	-	-	6,000
World Meteorological Organization	2,000	1,988	2,000
World Trade Organization	2,000	994	1,000
Subtotal - International Organizations	168,881	319,752	304,450
Total	168,881	319,752	304,450

Contributions to International Organizations
(\$ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
United Nations & Affiliated Agencies	623,788	778,724	819,006
Food and Agriculture Organization	72,457	72,457	83,315
International Atomic Energy Agency	57,984	62,720	69,595
International Civil Aviation Organization	12,464	12,608	12,650
International Labor Organization	56,661	62,735	64,857
International Maritime Organization	1,202	1,344	1,304
International Telecommunication Union	6,983	7,385	7,079
United Nations Regular Budget	279,377	340,816	362,193
United Nations - War Crimes Tribunals	25,811	30,027	30,855
United Nations - Capital Master Plan	5,550	-	6,000
United Nations Education, Science and Cultural Organization	-	81,999	71,909
Universal Postal Union	1,563	1,624	1,559
World Health Organization	93,615	93,615	96,191
World Intellectual Property Organization	898	1,053	1,016
World Meteorological Organization	9,223	10,341	10,483
Inter-American Organizations	126,946	129,412	129,554
Inter-American Institute for Cooperation on Agriculture	16,560	16,560	16,560
Organization of American States	54,195	55,295	55,661
Pan American Health Organization	55,867	57,233	57,009
Pan American Institute of Geography and History	324	324	324
Regional Organizations	127,128	140,515	113,769
Asia-Pacific Economic Cooperation	601	601	637
Colombo Plan Council for Technical Cooperation	15	15	15
NATO Parliamentary Assembly	757	839	798
North Atlantic Treaty Organization	54,864	55,583	44,498
Organization for Economic Cooperation and Development	69,545	82,197	66,541
The Pacific Community	1,346	1,280	1,280
Other International Organizations	45,505	54,394	52,875
Customs Cooperation Council	3,307	3,638	3,303
Hague Conference on Private International Law	135	155	141
International Agency for Research on Cancer	1,692	1,692	1,692
International Bureau of the Permanent Court of Arbitration	28	79	71

Contributions to International Organizations
(\$ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Arbitration			
International Bureau for the Publication of Customs Tariffs	108	122	110
International Bureau of Weights and Measures	1,010	1,067	967
International Center for the Study of the Preservation and Restoration of Cultural Property	692	692	692
International Copper Study Group	72	77	73
International Cotton Advisory Committee	256	287	322
International Grains Council	494	531	491
International Hydrographic Organization	93	111	103
International Institute for the Unification of Private Law	123	133	121
International Lead and Zinc Study Group	68	65	60
International Office of Epizootics	118	128	118
International Organization for Legal Metrology	121	125	120
International Rubber Study Group	137	138	132
International Seed Testing Association	8	9	9
International Tropical Timber Organization	205	205	205
International Union for the Conservation of Nature and Natural Resources	305	335	331
Organization for the Prohibition of Chemical Weapons	20,895	25,659	24,828
International Union for the Protection of New Varieties of Plants	194	227	240
World Trade Organization	15,444	18,919	18,746
Total, Contributions to International Organizations	923,367	1,103,045	1,115,204
FY 2002/2003 Supplemental	-	(7,000)	-
FY 2003 UN Buydown	17,209	(17,209)	-
FY 2002 UN Buydown	(46,739)	-	-
FY 2004 Exchange Rate Losses	-	(79,006)	79,006
Total, Contributions to International Organizations Request	893,837	999,830	1,194,210

Contributions for International Peacekeeping Activities
(\$ in thousands)

	FY 2003	FY 2004	FY 2005
	Actual	Estimate	Request
U.N. Disengagement Observer Force on the Golan Heights (UNDOF)	10,403	11,289	10,837
U.N. Interim Force in Lebanon (UNIFIL)	22,133	25,395	24,379
U.N. Iraq / Kuwait Observer Mission (UNIKOM)	3,475	-	-
U.N. Mission for the Referendum in Western Sahara (MINURSO)	5,385	11,718	11,249
U.N. Mission in Kosovo (UNMIK)	70,927	89,029	73,901
U.N. Peacekeeping Force in Cyprus (UNFICYP)	5,866	6,670	6,403
U.N. Observer Mission in Georgia (UNOMIG)	7,999	8,665	8,318
War Crimes Tribunal - Yugoslavia	17,111	19,431	18,653
War Crimes Tribunal - Rwanda	14,122	17,420	16,723
U.N. Mission in Sierra Leone (UNAMSIL)	144,897	68,773	33,011
U.N. Transitional Administration in East Timor (UNTAET)	49,501	12,064	-
U.N. Operations in the Democratic Republic of the Congo (MONUC)	158,758	213,040	187,075
U.N. Mission in Ethiopia and Eritrea (UNMEE)	48,941	53,460	44,320
U.N. Strategic Deployment Stocks (SDS)	25,243	-	-
U.N. Mission in Liberia (UNMIL)	-	208,502	215,131
Reserve for New Peacekeeping Operation	-	50,000	-
Total	584,761	795,456	650,000
Carryforward Net	51,104	(100,400)	-
Total, Contributions for International Peacekeeping Activities	635,865	695,056	650,000