



# State, Foreign Operations, and Related Programs: FY2013 Budget and Appropriations

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## Summary

International affairs expenditures typically amount to about 1.5% of the total federal budget. While some foreign policy and defense experts view that share as a small price to pay for a robust foreign affairs budget that they believe is essential to meeting national security and foreign policy objectives, others see international affairs spending, particularly foreign aid, as an attractive target for significant spending cuts in order to reduce deficit spending.

On February 13, 2012, the Obama Administration submitted its FY2013 budget proposal. The FY2013 request totaled \$54.87 billion for the State-Foreign Operations appropriations, including a core budget proposal of \$46.63 billion plus \$8.24 billion for extraordinary and temporary war-related Overseas Contingency Operations (OCO) in frontline states. The total request represented an increase of 2.6% over the estimated FY2012 funding level for the foreign affairs accounts, including \$18.8 billion (a 4.5% increase) for State Department and Related Agencies and \$36.1 billion (a 0.1% increase) for Foreign Operations. Within the regular budget process, the Administration requested authority in addition to appropriations (\$770 million) for a new account—the Middle East and North Africa Incentive Fund (MENA IF)—to provide flexible and transparent support for Arab Spring countries in transition toward democracy. The foreign affairs request included \$8.2 billion for the frontline states of Iraq, Afghanistan, and Pakistan. For other key accounts, the Administration sought \$7.9 billion for the Global Health Programs (GHP) account, \$770 million for global climate change activities, and \$643 million for family planning and reproductive health activities, including \$39 million for the controversial U.N. Population Fund (UNFPA).

Early action by the House and Senate appropriators demonstrated differing priorities and funding levels. The House Appropriations Committee-approved State-Foreign Operations FY2013 funding bill (H.R. 5857/H.Rept. 112-494) would have provided a total of \$48.5 billion (including \$8.3 billion in OCO and \$160 million in rescissions), while the Senate committee bill (S. 3241/S.Rept. 112-172) would have provided a total of \$52.3 billion (including \$2.3 billion in OCO). Both House and Senate committees provided more than requested for GHP, but differed significantly on funding MENA IF—the House committee provided no funding for it, and the Senate committee recommended \$1 billion. The House bill provided \$461 million for international family planning and reproductive health activities, prohibited funding for UNFPA, and included a “Mexico City Policy” provision prohibiting funding for organizations that perform or promote abortions. In contrast, the Senate bill included \$700 million for international family planning, including \$44.5 million for UNFPA, and did not include “Mexico City Policy” language.

The State Department, Foreign Operations, and Related Agencies appropriations legislation, in addition to funding U.S. diplomatic and foreign aid activities, has been the primary legislative vehicle through which Congress reviews the U.S. international affairs budget and influences executive branch foreign policy making in recent years. (Congress has not addressed foreign policy issues through a complete authorization process for State Department diplomatic activities since 2003 and since 1985 for foreign aid programs.) After a period of reductions in the late 1980s and 1990s, funding for State Department operations, international broadcasting, and foreign aid rose steadily from FY2002 to FY2010, largely because of ongoing assistance to Iraq and Afghanistan, new global health programs, and increasing assistance to Pakistan. Funding declined by 11.6% in FY2011 when Congress passed a continuing resolution (P.L. 112-10) significantly reducing U.S. government-wide expenditures, including foreign affairs. The FY2012

funding represented a 2.3% increase from the previous year, largely reflecting OCO support for frontline states.

Congress delayed floor consideration of FY2013 appropriations bills until after the start of the new fiscal year and the November 2012 elections, instead enacting a six-month stopgap funding measure that expired in March 2013 (P.L. 112-175). Before that measure expired, Congress approved new legislation on March 21, signed by the President on March 26, 2013 (P.L. 113-6), to fund federal programs through the end of FY2013. Under P.L. 113-6, State-Foreign Operations accounts are funded through a continuing resolution at the same level as in FY2012, though several anomalies were specified in the legislation. For example, funding for Embassy Security, Construction and Maintenance was increased significantly and offset largely by a rescission in unobligated Diplomatic and Consular Programs funds, while the International Disaster and Famine Assistance account received OCO funding, which was not in the FY2012 appropriation. While this report lists FY2013-enacted account level estimates in **Appendix C**, these funds are subject to the budget sequestration process that is currently in effect, which may significantly reduce the actual funding levels that are made available to agencies.

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## Introduction

Facing significant pressure to reduce the federal budget deficit, some in the 112<sup>th</sup> Congress viewed international affairs spending, particularly for foreign aid programs, as expenditures of limited benefit to U.S. taxpayers and eligible for cuts.<sup>1</sup> Others favored a more robust foreign affairs budget for various reasons. In particular, some Members of Congress in both political parties, as well as the previous and current Secretaries of Defense, viewed a solid foreign affairs budget as essential to assisting the Defense Department in promoting U.S. national security and foreign policy interests, perhaps even saving long-term spending by preventing the much costlier use of troops overseas.<sup>2</sup> To address budget costs, Congress considered the FY2013 Department of State, Foreign Operations, and Related Agencies appropriations in the context of the Budget Control Act of 2011. (See **text box** below.)

Congress delayed passing most appropriations bills, including State-Foreign Operations, until after the start of the new fiscal year and the fall elections. It passed a continuing resolution (CR) that provided government funding until March 27, 2013. With that resolution soon to expire, the House passed legislation (H.R. 933) on March 6, 2013, that would fund federal programs for the remainder of FY2013. The Senate approved an expanded version of the bill on March 20, 2013, and the House adopted the Senate version the next day. The legislation was signed into law on March 26, 2013 (P.L. 113-6).

The State-Foreign Operations appropriation, typically representing about 1.5% of the total federal budget in recent years, supports most programs and activities within the international affairs budget account, known as Function 150, including foreign economic and security assistance, contributions to international organizations and multilateral financial institutions, State Department and U.S. Agency for International Development (USAID) operations, public diplomacy, and international broadcasting programs. The bill does not align perfectly with the

### The Budget Control Act and the Foreign Affairs Budget

FY2013 discretionary appropriations were considered in the context of the Budget Control Act of 2011 (BCA, P.L. 112-25) that established discretionary spending limits for FY2012-FY2021 to achieve \$1.2 trillion in savings over 10 years. The BCA also tasked a Joint Select Committee to develop a federal deficit reduction plan for Congress and the President to enact by January 15, 2012. The failure of Congress and the President to enact deficit reduction legislation by that date triggered an automatic spending reduction process established by the BCA, consisting of a combination of sequestration (across-the-board cuts) and lower discretionary spending caps, to begin on January 2, 2013. Sequestration was delayed until March 1, 2013, and the required reductions lowered, by enactment of the American Taxpayer Relief Act (P.L. 112-240). The modified sequestration is currently in effect. Legislation providing government funding for the remainder of FY2013 was signed into law on March 26, 2013, and did not include provisions to stop the sequestration process. The total budget impact of sequestration will not be known until the Office of Management and Budget determines the baseline to which it will apply the mandatory reductions. It is expected, however, that the enacted State-Foreign Operations funding for FY2013 will be reduced by approximately 5% through sequestration, and those reductions will be applied at the program, project, and activity level. For more information on the impact of sequestration on foreign affairs funding, see CRS Report R42994, *The Budget Control Act, Sequestration, and the Foreign Affairs Budget: Background and Possible Impacts*, by (name redacted).

<sup>1</sup> This was reflected by the House passage of its Budget Resolution (H.Con.Res. 112) that recommended reducing the foreign affairs budget in FY2013 by 10% as compared with FY2012 funding levels.

<sup>2</sup> Woodrow Wilson Center for Scholars, NewSecurityBeat, *Panetta: Diplomacy and Development Part of Wider Strategy to Achieve Security; Will they Survive Budget Environment?*, by Schuyler Null, Oct 13, 2011. See <http://www.newsecuritybeat.org/2011/10/from-wilson-center-leon-panetta-support.html>.

international affairs budget, however. Food aid, which is appropriated through the Agriculture appropriations bill, and the International Trade Commission and Foreign Claims Settlement Commission, both funded through the Commerce-Science-Justice appropriation, are international affairs (Function 150) programs not funded through the State-Foreign Operations appropriations bill. Furthermore, a number of international commissions that are not part of Function 150, such as the International Boundary and Water Commission, are funded through the State-Foreign Operations bill.

A chart illustrating the organizational structure of the State-Foreign Operations appropriations bill is provided in **Appendix A**. Abbreviations of terms used throughout this report are in **Appendix B**. The report focuses on the accounts funded through the State-Foreign Operations appropriations bill (see **Appendix C** for data), and it also provides appropriations figures for the entire international affairs (Function 150) budget in **Appendix D**.

## Most Recent Developments and Legislative Status

### **Consolidated and Further Continuing Appropriations Act, FY2013**

On March 6, 2013, the House passed H.R. 933, the FY2013 Defense and Military Construction/VA, Full Year Continuing Resolution. The Senate approved an expanded version of the bill on March 20, 2013, and the House adopted the Senate version the next day. The legislation was signed into law on March 26, 2013 (P.L. 113-6). The legislation would fund State-Foreign Operations accounts at the FY2012-enacted level, with some exceptions. Most notably, the legislation adds \$1.27 billion in Overseas Contingency Operations (OCO) funding for the Embassy Security, Construction and Maintenance account to address congressional concern about embassy security in the wake of the deadly September 2012 attack on U.S. diplomatic facilities in Benghazi, Libya. The increase is largely offset by a \$1.11 billion rescission of unobligated FY2012 Diplomatic and Consular Programs OCO funds no longer needed in Iraq. In addition, the bill provides nearly \$775 million in International Disaster and Famine Assistance OCO funds that were not in the FY2012 appropriation. Total budget authority in P.L. 113-6 for State-Foreign Operations accounts, net of rescissions, is roughly \$53.29 billion.

The legislation did not change the budget sequestration process that is currently in effect (see text box above). The enacted funding levels are subject to sequestration cuts, though the total budget impact cannot be calculated until the Office of Management and Budget determines the baseline to which it will apply the mandatory reductions.

In order of the most recent events, congressional activity related to the State-Foreign Operations appropriations includes the following as summarized in **Table 1** below:

- On March 26, 2013, President Obama signed the FY2013 Defense and Military Construction/VA, Full Year Continuing Resolution, P.L. 113-6 (see text box above), which funds most State-Foreign operations accounts for the remainder of FY2013 at the FY2012-enacted level, not including sequestration. **Appendix C** has been updated to show enacted FY2013 funding by account, but does not reflect estimated budget sequestration reductions.
- On September 28, 2012, President Obama signed the Continuing Appropriations Resolution, 2013, H.J.Res. 117 into law (P.L. 112-175), funding the government until March 27, 2013.
- On September 22, 2012, the Senate passed H.J.Res. 117.
- On September 13, 2012, the House passed H.J.Res. 117, a continuing resolution that would fund the federal government through March 27, 2013. H.J.Res. 117 would provide 0.612% more than FY2012 levels for State and Foreign Operations non-OCO funded activities. OCO-designated activities would be

funded at the FY2012-enacted level. According to the Congressional Budget Office, the annualized State-Foreign Operations funding rate under the CR was estimated to be \$53.52 billion.

- On May 24, 2012, the Senate Appropriations Committee approved by a vote of 29-1 its FY2013 State-Foreign Operations appropriations bill (S. 3241/S.Rept. 112-172). The bill provided a total of \$52.3 billion, including \$2.3 billion in Overseas Contingency Operations (OCO) funds. This was 5% below the \$54.9 billion requested and 2% below the FY2012 estimated level. For the State Department and Related Agencies, the Senate sets FY2013 funding at \$16.3 billion, including \$1.6 billion for OCO. It funded Foreign Operations at \$36.0 billion, including \$709.8 million in OCO funds.
- On May 17, 2012, the House Appropriations Committee approved by voice vote its FY2013 State-Foreign Operations appropriations bill (H.R. 5857/H.Rept. 112-494) totaling \$40.3 billion for regular funding and \$8.2 billion for OCO. In total, the bill's \$48.5 billion was 12% less than requested and 9% below the FY2012 estimated levels. Within the total, the bill provided \$15.8 billion for the Department of State and Related Agencies accounts, including \$2.9 billion in OCO funding and \$32.9 billion for Foreign Operations accounts, including \$5.4 billion in OCO funding
- On April 25, using the caps in the March 29, 2012, House-passed budget resolution (H.Con.Res. 112) for guidance, the House Appropriations Committee approved its initial subcommittee allocations. The House allocation for the State-Foreign Operations subcommittee was \$48.38 billion, including \$8.2 billion in OCO funds, or almost 12% below the Administration's request and nearly 9% below the Senate allocation.
- On April 19, using the FY2013 budget authority caps in the Budget Control Act of 2011 (P.L. 112-25) as guidance, the Senate Appropriations Committee adopted its initial FY2013 subcommittee allocations. The Senate allocated \$53.02 billion for the State-Foreign Operations subcommittee, or 3% less than the Administration's request. This included \$3.2 billion in OCO funds.
- On February 13, 2012, the Obama Administration submitted its FY2013 budget request to Congress, seeking an increase of 2.6% above the estimated FY2012 level for the Department of State-Foreign Operations and Related Agencies.

**Table I. Status of State-Foreign Operations Appropriations, FY2013**

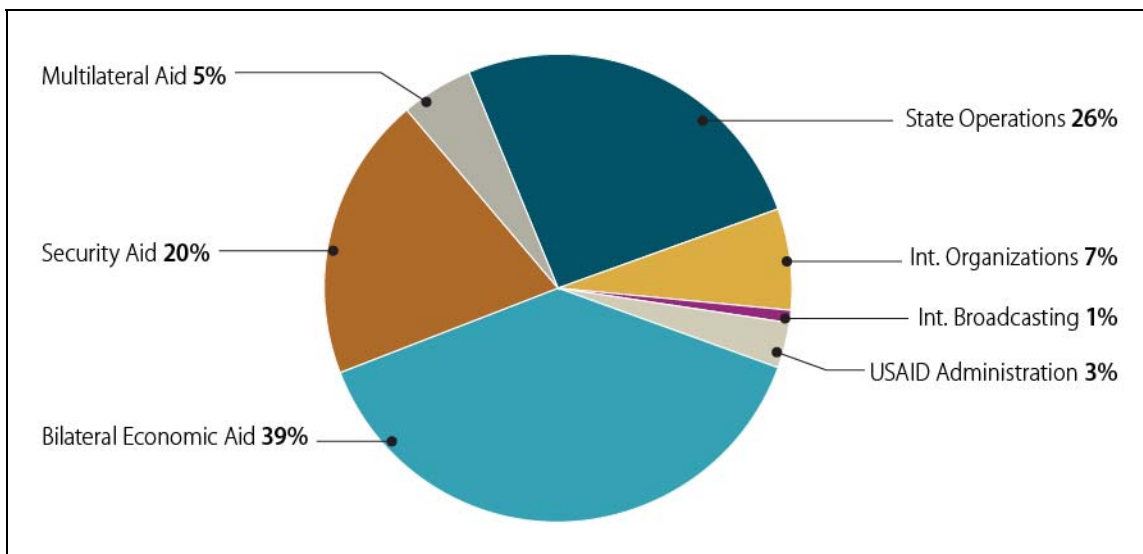
302(b) Allocation		Committee Action		Continuing Resolution through 3/27/13			Full Year CR (P.L. 113-6)		
House	Senate	House H.R. 5857	Senate S. 3241	House H.J.Res. 117	Senate H.J.Res. 117	Signed P.L. 112-175	House H.R. 933	Senate Amnd. to H.R. 933	Signed P.L.
4/25	4/19	5/17	5/24	9/13	9/22	9/28	3/6	3/20	3/26
\$48.38	\$53.02	\$48.54	\$52.39	\$53.52			\$53.58 Est.	\$53.29 Est.	\$53.29 Est. (pre-sequester)



## The FY2013 Request and Congressional Action

On February 13, 2012, the Obama Administration submitted its FY2013 budget proposal. The Administration’s priorities on foreign affairs funding for FY2013 did not differ significantly from the congressional priorities indicated by the enacted FY2012 funding levels. The FY2013 request totaled \$54.9 billion for the State-Foreign Operations appropriations, including a core budget proposal of \$46.6 billion plus \$8.2 billion for extraordinary and temporary war-related Overseas Contingency Operations (OCO) in frontline states. The total request represented an increase of 2.6% over the estimated FY2012 funding level for State-Foreign Operations, including a 4.5% increase in State Department and Related Agencies accounts and a 0.1% increase in Foreign Operations accounts. Within the budget, the Administration requested authority and \$770 million in funds for a new bilateral economic aid account—the Middle East and North Africa Incentive Fund (MENA IF)—to provide flexible and transparent support for Arab Spring countries in transition toward democracy. Within the security aid category, the Administration sought \$800 million for the Pakistan Counterinsurgency Capability Fund (PCCF), even though most past PCCF funding has not been disbursed and many lawmakers have voiced concerns about U.S.-Pakistan relations, in general, and aid to Pakistan, specifically. **Figure 1** provides a breakout of the FY2013 request by funding category.

**Figure 1. Composition of the State-Foreign Operations Budget Request, FY2013**



**Source:** Fiscal Year 2013 Budget of the United States Government and CRS calculations.

**Note:** Numbers total 101% due to rounding.

The FY2013 request reflected a slight increase of State Department Administration of Foreign Affairs funding as a share of the total request, from 25% in FY2012 to 26% requested for FY2013, a slight decrease from 40% in FY2012 to 39% requested for FY2013 for bilateral economic aid, and a small increase from 19% in FY2012 to 19.5% in the FY2013 request for security assistance funding. These three categories make up more than 85% of the total State-Foreign Operations funding requested. For a full listing of funds requested for State, Foreign Operations and Related Agency accounts, by account, see **Appendix C**. (For a description of all the accounts, see CRS Report R40482, *State, Foreign Operations Appropriations: A Guide to Component Accounts*, by (name redacted) and (name redacted).)

## **State Department FY2013 Budget Request—Key Issues**

The State Department and Related Agencies portion of the international affairs budget request included funding for State Department operations, International Organizations (including U.S. assessed dues to the U.N. system) and International Peacekeeping activities, International Broadcasting, and entities such as the National Endowment for Democracy (NED) and the U.S. Institute of Peace (USIP).

The State Department and Related Agencies accounts would have seen, under the Administration request, a 4.5% boost in FY2013 to a total of \$18.8 billion. This amount included \$14.1 billion for Administration of Foreign Affairs, which provided for the personnel, operations, and programs of the department as well as the construction and maintenance of its facilities around the world. The FY2013 request focused on supporting several key efforts, including the unprecedented military-to-civilian transition in Iraq and ongoing State Department-led efforts in the other “frontline states” of Afghanistan and Pakistan; internal reorganizations under the Quadrennial Diplomacy and Development Review (QDDR); and ongoing efforts addressing personnel issues. These issues are highlighted below. Note that the synopses of legislative action in the following sections reflect the initial proposals considered by each chamber, not the part-year or full-year FY2013 continuing resolutions.

### **Iraq Operations: From “Transition” to Normalized Relations**

In what U.S. officials have called the largest military-to-civilian transition since the Marshall Plan,<sup>3</sup> the Department of State has become the lead agency for all U.S. programs in Iraq, after the departure of U.S. military forces in late 2011. The State Department is pursuing a wide-ranging policy agenda while also seeking to execute the unprecedented scope of responsibilities it took over from the U.S. military forces that were withdrawn, ranging from air transport, to environmental cleanup, to medical support.

For FY2013, the first post-transition fiscal year, the Administration requested 23% less funding than the estimated FY2012 level for State Operations in Iraq: \$2.7 billion, including \$2.3 billion in OCO.<sup>4</sup> Officials suggested that this lower funding level reflects the Administration’s intent to “normalize” the U.S. presence in Iraq. Its original plans in the FY2012 request for \$3.7 billion included funds for an embassy branch office in Diyala that was not included in the FY2013 request, as well as funding for another office in Mosul that has been postponed. Factors cited by the State Department as cost-saving included a planned 25% reduction in the State Department presence in Iraq by the fall of 2012, reductions in security and sustainment contracts, and anticipated completion of construction that was funded in FY2012.

The *House* appropriations bill included a total of \$2.8 billion for State Department operations in the three frontline states (Iraq, Afghanistan, and Pakistan); funding for increased security for staff in these states was provided, but funding for increased staff was not. The *Senate* Appropriations Committee bill stated that new funding, in addition to carryover balances, provided a total of \$2.1

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<sup>3</sup> Special Briefing, Thomas Nides, Deputy Secretary for Management and Resources, and Rajiv Shah, USAID Administrator, Washington, DC, February 13, 2012, available at <http://www.state.gov/s/dmr/remarks/2012/183842.htm>.

<sup>4</sup> The Administration’s FY2013 request totaled a combined \$4.78 billion for State Department operations and bilateral aid in Iraq.

billion for Department of State operations in Iraq in FY2013, a level it deemed adequate under State's revised operational assumptions.

### **QDDR Implementation**

The FY2013 budget request was the first to reflect reforms outlined in the QDDR. The QDDR, completed in the fall of 2010 and modeled on the Defense Department's Quadrennial Defense Reviews, identified several reforms intended to shift diplomatic resources towards the highest priority countries and programs. Among the reforms spelled out in the QDDR were the establishment of a new Bureau of Energy Resources and elevation of the Office of the Coordinator for Counterterrorism to a Bureau. Both occurred in 2011 without any specific authorization or additional funding from Congress. Additionally, activities of the Office of the Coordinator for Reconstruction and Stabilization were subsumed in the renamed Bureau of Conflict and Stabilization Operations.

Funding for the State Department's operations in support of the Counterterrorism mission has increased from \$3.2 million in FY2011, when the Office of Counterterrorism was an element of the Office of the Secretary of State, to \$19 million for the new Bureau of Counterterrorism in the FY2013 request (an increase of \$2.4 million over the FY2012 levels). The Administration requested funds for an additional 12 new positions within the Bureau, in addition to the 70 U.S. direct-hires and 30 contract staff already in place. Neither the *House* nor *Senate* bill mentioned the Bureau of Counterterrorism, but could still provide funding for new hires within the Diplomatic and Consular Programs (D&CP) account.

### ***Bureau of Energy Resources***

The Bureau of Energy Resources (ENR) similarly sought 22 additional direct-hire positions in the FY2013 budget request, at a cost of \$5.4 million (out of a total \$16.9 million budget request for ENR). The Bureau, announced in late 2011, requested the additional funding to grow its capacity "to strengthen market incentives to transform the future of energy supplies, deepening the Department's human resource expertise on energy matters, and institutionalizing improved capabilities to engage more broadly and deeply on U.S. global energy priorities."<sup>5</sup> The Administration's funding request also included plans for the Bureau to establish four regional hubs in Istanbul, Singapore, Johannesburg, and Rio de Janeiro, to engage regional partners and promote energy-issue involvement at posts and in State's regional bureaus. The *House* Appropriations Committee recommendation did not include the additional \$5.4 million and 22 new positions specifically for the Bureau of Energy Resources. The *Senate* Appropriations Committee report did not mention this Bureau. Funding within the D&CP could support these new hires, however.

### ***Bureau of Conflict and Stabilization Operations***

The Administration's FY2013 request for the Bureau of Conflict and Stabilization Operations (CSO) totaled \$56.5 million, an 86% increase over FY2012 levels. Staffing levels would drop by 64 positions as part of a restructuring to make the Bureau more agile and expeditionary, with a greater emphasis on creating a flexible response capacity with a smaller staff. The proposed

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<sup>5</sup> State Department FY2013 Congressional Budget Justification, Vol. 1: Department of State Operations, p 141.

change was intended to produce greater deployment capacity, but with significantly less overhead. In addition, the Civilian Response Corps (CRC) model was modified from a standing group of experts deployed less than half the time, to a structure that funds experts only when they are deployed; as part of this reorganization, the FY2012 high of 144 CRC members would be reduced by 76 members.<sup>6</sup>

The *House* Appropriations Committee's FY2013 proposal replicated its FY2012 action for Conflict and Stabilization Operations, continuing to provide authority for the Secretary of State to transfer up to \$35 million of the funds appropriated under the D&CP heading to CSO. It also provided \$8.5 million in OCO funding, as it did in FY2012. The *Senate* Appropriations Committee proposal included no funding for Conflict and Stabilization Operations, but did authorize up to \$56.5 million (the amount requested) to be transferred from Diplomatic & Consular Program funding to this account, as well as an additional \$10 million from the Complex Crisis Fund, as requested by the Administration.

### **Human Resource Issues**

The Administration's FY2013 request for additional human resources D&CP was a total of \$2.5 billion, or \$71.2 million above its FY2012 request. Of the FY2013 request, \$24.9 million was requested to bolster State's staffing by 121 new positions (including those mentioned in the above sections) in a continuation of State's multi-year hiring efforts to fill human resources gaps and bolster new programs and organizations under the "Diplomacy 3.0" initiative. Secretary Clinton originally sought to increase the number of Foreign Service Officers (FSO) by 25% from 2008 to 2014. With the proposed FY2013 funding, State would have reached 18% growth since 2008, through the hiring of an additional 82 FSOs. The proposed funding also would have permitted State to hire an additional 39 civil servants. In the context of constrained budgeting, the department postponed its goal of 25% growth in the Foreign Service to future years beyond 2014.<sup>7</sup>

The Administration also requested \$81.4 million for the third and final phase of implementing its Overseas Comparability Pay (OCP) for FSOs. According to the Department of State, prior to 2009 Foreign Service employees transferring abroad experienced a 23.1% cut in basic pay from what they had been receiving as locality pay for serving in Washington, DC.<sup>8</sup> This situation was compounded by lowered employer contributions by the department to the Federal Thrift Savings Plan. Entry and mid-level Foreign Service employees were particularly affected, according to State officials, who suggested that this issue could affect diplomatic readiness by increased

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<sup>6</sup> For background information, see CRS Report RL32862, *Peacekeeping and Stabilization Missions Abroad: The Development of Civilian Capabilities, 2004-2011*, by (name redacted).

<sup>7</sup> The 2014 goal of a 25% increase in the Foreign Service was originally postponed in the FY2012 budget request, which nonetheless included funding for 197 new State Department positions at a cost of \$66.7 million, including 130 (86 overseas, 44 domestic) Foreign Service and 67 Civil Service positions. The Administration had requested funds to support 500-600 new positions in the three years prior to FY2012.

<sup>8</sup> Locality pay is provided to most civilian Federal employees in the United States based on the location in which they serve. The Federal Employees Pay Comparability Act of 1990, which took effect in 1994, sought to achieve pay comparability between federal and non-federal jobs. It adds to the base pay of almost all federal employees a "locality" adjustment that reflects the costs of attracting talent in a given geographical area.

attrition and recruitment challenges, and is “critical for the Department’s Foreign Service competitiveness in the workplace.”<sup>9</sup>

Congress approved two prior OCP adjustments since 2009, reducing the pay differential by nearly 70%. The FY2013 request would have provided for a third and final tranche of funds to bring the comparability pay level to the Washington, DC, locality pay rate.

On the above human resources issues, the *House* Appropriations Committee recommendation included no funding for hiring above attrition in FY2013. The committee also rejected the department’s requested extension of authority for overseas comparability pay, stating that “the authority to grant overseas comparability pay is a matter within the jurisdiction of the authorization committee and should be considered in the context of legislation addressing the authorities and compensation rules governing the Foreign Service.” The *Senate* Appropriations Committee also did not include the overseas comparability pay authority or funding in its FY2013 proposal.

### **Palestinian Statehood and the United Nations**

In October 2011, the United Nations Educational, Scientific and Cultural Organization (UNESCO) voted to admit Palestine as a full member, prolonging a U.S. policy debate that is being played out, in part, in the State-Foreign Operations appropriations process. The United States has long opposed any path to Palestinian statehood outside of a negotiated agreement with Israel, and U.S. law prohibits American funding, which is assessed at 22% of the UNESCO budget, to any U.N. agency that accepts the Palestinians as a full member. U.S. assessed contributions to UNESCO within the State Department’s Contributions to International Organizations (CIO) account have been withheld since the vote. The Administration, which supports U.S. participation in UNESCO, sought almost \$80 million for UNESCO to pay U.S. assessed contributions for calendar year 2012, explaining that it would work with Congress to seek authority to waive the restriction.

The *House* committee report stated that the House specifically would withhold U.S. contributions to UNESCO within the CIO account. The report also included language prohibiting the disbursement of Economic Support Funds (ESF) assistance to the Palestinian Authority if, after enactment of the legislation, the Palestinians gain full membership in the United Nations or any U.N. entity outside of a negotiated Israeli-Palestinian agreement. The *Senate* legislation did not recommend funding for UNESCO within the CIO account, which it said is prohibited by law, and also included the same ESF restriction, as well as an explicit prohibition on U.S. funding to UNESCO and other U.N. entities that grant full membership status to the Palestinian Authority. Both proposals included less funding than requested for the International Organizations and Programs (IO&P) account through which a small (\$880,000) amount was requested for U.S. voluntary contributions to UNESCO for International Contributions for Scientific, Educational, and Cultural Activities (UNESCO/ICSECA) for FY2013.

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<sup>9</sup> State Department FY2013 Congressional Budget Justification, Vol. 1: Department of State Operations, p. 54.

## **Foreign Operations FY2013 Budget Request—Key Issues**

The Foreign Operations budget comprises the majority of both bilateral and multilateral U.S. foreign assistance programs. The main exception is food assistance, which is appropriated through the Agriculture Appropriations bill. Foreign Operations accounts are managed primarily by USAID and the State Department, together with several smaller independent foreign assistance agencies such as the Millennium Challenge Corporation and the Peace Corps, as well as the Inter-American and African Development Foundations, the Overseas Private Investment Corporation (OPIC), and the Trade and Development Agency (TDA). The Foreign Operations budget also encompasses U.S. contributions to major multilateral financial institutions, such as the World Bank and U.N. entities, and includes funds for the Export-Import Bank, whose activities are regarded more as trade promotion than foreign aid. On occasion, the budget replenishes U.S. financial commitments to international financial institutions, such as the World Bank and the International Monetary Fund.

The Foreign Operations budget request for FY2013 totaled \$36.07 billion, representing a 0.1% increase from the enacted FY2012 level of \$36.03 billion. The request continued to emphasize the Administration's ongoing foreign assistance initiatives—the Global Health Initiative, Food Security Initiative, and the Global Climate Change Initiative—as well as funding for the “front line” war-related states of Iraq, Afghanistan, and Pakistan. In addition, the request called for a new regional funding account to respond to political transitions in the Middle East and North Africa. House and Senate committee action indicated that these priorities may not be shared by all in Congress. In addition to funding levels, policy issues such as restrictions on funding for international family planning programs and conditions on aid to certain countries and entities continued to be a focus of the congressional foreign aid funding debate. These key issues are highlighted below. Note that the synopses of legislative action in the following sections reflect the initial proposals considered by each chamber, not the part-year or full-year FY2013 continuing resolutions.

### **Middle East and North Africa Incentive Fund**

With recent popular uprisings leading to the fall of some governments in the Middle East and North Africa, the use of foreign assistance as a democracy promotion tool has received significant scrutiny. In particular, the fall of the Mubarak regime in Egypt, long a top U.S. aid recipient, and the U.S. role in ousting Muammar Gaddafi in Libya, have raised a number of policy questions about the appropriate U.S. role in foreign political transitions. Members of the 112<sup>th</sup> Congress had expressed interest in supporting popular uprisings against undemocratic regimes, yet were concerned about accountability and potential unintended consequences of providing assistance to entities that may pursue actions counter to U.S. policy interests.

To support effective U.S. engagement in the evolving situation in the Middle East, the Administration proposed in its FY2013 budget request the creation of a \$770 million Middle East and North Africa Incentive Fund (MENA IF). Of the requested funds, some would have supported existing programs: \$65 million would be base funding for the Middle East Partnership Initiative (MEPI) and \$5 million would be for the Office of Middle East Programs (OMEP) regional activities. These programs are currently funded through regional Economic Support Funds. The remaining \$700 million would have been unallocated funds intended to provide incentives for beneficiary countries to move toward democracy, while allowing for State Department flexibility and transparency in supporting Arab Spring countries in transition, eliminating the need to transfer funds from other programs and accounts to meet evolving circumstances. The

Administration stated that the funds would have been allocated in close consultation with Congress, but suggested that the funds could have been used for humanitarian relief, contributions to U.N. peacekeeping activities, or bilateral loan forgiveness, among other possibilities, depending on the circumstances.

Some Members of Congress expressed concerns about the proposed MENA IF, which some believe would have given the Administration too much discretion and Congress too little opportunity for oversight. The *House* committee bill provided no funding for a new account, but would have allocated \$175 million within the Economic Support Fund (ESF) account and \$25 million in the Foreign Military Finance account for “Middle East Response,” including the funding of MEPI and OMEP and no less than \$50 million for Jordan, leaving \$75 million unallocated and “flexible.” In sharp contrast, the *Senate* committee report included \$1 billion for MENA IF—about 30% more than the \$770 million requested. The bill would have increased MEPI funding to \$70.0 million.

## **Frontline States**

As a result of their strategic significance in the so-called Global War on Terror, Afghanistan, Iraq, and Pakistan, referred to by the Administration as the “frontline states,” consistently have been top U.S. aid recipients over the past decade. For FY2013, the Administration requested \$6.8 billion (including OCO), or about 19% of the foreign operations budget, for aid to these three countries.<sup>10</sup>

### ***Iraq***

For FY2013, the Administration sought \$2.1 billion in foreign operations funds for Iraq, of which the great majority, \$1.8 billion, was designated as OCO. This was 22% more than the FY2012 enacted level. The department’s FY2013 request for Iraq included \$1 billion for the Police Development Program (PDP), the State Department’s largest single program in Iraq. The Administration stated that the funding reflected the transition to full State Department authority of the PDP, which was described in State’s budget justification as the cornerstone of U.S. security engagement and assistance in Iraq. In the spring of 2012, the PDP came under scrutiny when news reports suggested that the program was being reduced significantly and might be abandoned altogether.<sup>11</sup> The U.S. Embassy in Baghdad forcefully rejected this notion in a statement calling the program a “vital part of the U.S.-Iraqi relationship and an effective means of standing by our Iraqi friends.”<sup>12</sup> Still, doubts remain among some foreign policy observers regarding the program’s ultimate efficacy in the face of numerous obstacles including security challenges and Iraqi indifference.

The *House* legislation did not provide specific funds for Iraq, but expressed support for the PDP while requiring the Administration to report on revised personnel, scope, and costs of the program to reflect a review conducted earlier this year. The House report (H.Rept. 112-494) stated that

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<sup>10</sup> For information on U.S. spending in Iraq, Afghanistan and Pakistan over the last decade, see CRS Report RL33110, *The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11*, by (name redacted).

<sup>11</sup> Tim Arango, “U.S. May Scrap Costly Efforts to Train Iraqi Police,” *The New York Times*, May 13, 2012.

<sup>12</sup> U.S. Embassy: “Police Development Program is a Vital Part of the U.S.-Iraqi Relationship”, Press Release, U.S. Embassy Baghdad, May 13, 2012, <http://iraq.usembassy.gov/may1312poldevelop.html>.

appropriations provided within the International Narcotics Control and Law Enforcement (INCLE) program would continue funding the PDP program. The *Senate* Appropriations Committee provided \$635 million<sup>13</sup> in foreign operations funds for Iraq, but did not include funding for the PDP, citing its largely unsuccessful implementation due to Iraqi disinterest and inadequate planning by the Department of State.

### *Afghanistan*

For FY2013, the Administration requested \$2.5 billion in foreign operations funds for Afghanistan, of which almost half, or \$1.2 billion, was designated as OCO. This was 7.6% more than the FY2012 enacted level. According to the Administration, the increase reflected a surge in infrastructure programs and other investments in economic growth, as well as the ramping up of justice sector programs in anticipation of the transition of these programs from the Department of Defense to civilian management. The *House* legislation did not specify total funding for Afghanistan and specified that assistance to Afghanistan would be withheld until certification that adequate security is in place for civilian aid workers. The *Senate* bill included \$1.8 billion<sup>14</sup> in foreign operations funds for Afghanistan, asserting that less funding than requested would be needed as the Afghan government is taking control of more programs.

### *Pakistan*

The Administration's FY2013 budget requested \$2.2 billion in foreign operations funds for Pakistan, including \$800 million for the Pakistan Counterinsurgency Capability Fund (PCCF) designated as OCO. This was about 6% more than the FY2012 enacted level. According to the Administration, the request reflected a modest increase in civilian assistance focused on energy, economic growth, stabilization, education, and health, but remained well below the levels authorized in the Enhance Partnership with Pakistan Act of 2009. The *House* legislation did not specify an aid level for Pakistan, and prohibited all economic and security assistance if Pakistan is uncooperative in anti-terrorism and other efforts. The *Senate* bill included \$842.3 million<sup>15</sup> in foreign operations funds for Pakistan, including \$50 million for the PCCF (reflecting the significant unobligated funds still in the pipeline, rather than lack of support for the activities funded) and continued existing aid restrictions. The *Senate* bill also included new conditions on aid to Pakistan, including withholding \$33 million in Foreign Military Financing (FMF) to Pakistan until the Secretary of State certifies that Dr. Shakil Afridi is released from prison and cleared of all charges related to providing assistance to the United States in locating Osama bin Laden.<sup>16</sup>

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<sup>13</sup> Includes OCO and USAID Operating Expenses.

<sup>14</sup> Including OCO and USAID Operating Expenses.

<sup>15</sup> Including OCO and USAID Operating Expenses.

<sup>16</sup> For more detail on U.S. aid to Pakistan, see CRS Report R41856, *Pakistan: U.S. Foreign Assistance*; for more information about U.S. conditions/restrictions on aid to Pakistan, see CRS Report R42116, *Pakistan: U.S. Foreign Aid Conditions, Restrictions, and Reporting Requirements*; both are updated regularly.



## Administration Initiatives

### *Global Health Initiative*

The budget request included roughly \$7.9 billion for the Administration's Global Health Initiative (GHI) through State-Foreign Operations appropriations, compared to the FY2012 enacted level of \$8.2 billion. The proposed cut of approximately \$300.0 million was the largest foreign operations account reduction requested, in dollar terms, and would have represented the end of a decade-long growth trend in global health funding.<sup>17</sup> Compared to the FY2012-enacted amount, the request included decreases for each global health activity area, except for a 1.2% increase in funding for international family planning and reproductive health and a 57% increase in funding (\$1.7 billion) for the Global Fund to Fight HIV, Tuberculosis and Malaria (Global Fund). The most significant proposed reductions were for bilateral HIV/AIDS activities. The Administration asserted that current goals could be attained at the lower funding level as a result of program efficiencies and reduced drug costs.

Both House and Senate would have provided more than the request. The *House* legislation provided \$8 billion for global health, slightly more than the request, which included \$1.3 billion for a U.S. contribution to the Global Fund. The *Senate* proposed \$8.5 billion for the GHI, 8% more than was requested, including \$1.7 billion for the Global Fund, and 4% more than the FY2012 level.

### *Food Security*

Feed the Future (FtF), the Obama Administration's food security initiative announced in 2010, continues to be a priority for the Administration. The FY2013 request was for \$1.1 billion in Foreign Operations funds for related programs. FtF is the outgrowth of a pledge made by the President at a G-8 summit in 2009 to provide at least \$3.5 billion over three years (FY2010-FY2012) to address root causes of global hunger.<sup>18</sup> The initiative also emphasizes the benefits of working multilaterally and in partnership with other stakeholders to leverage resources.<sup>19</sup> The FY2013 request included \$134 million for the multi-donor Global Agriculture and Food Security Program (GAFSP), managed by the World Bank.

The *House* proposal for FY2013 included language supporting the goals of FtF, but did not specify a funding level, with the exception of \$99.8 million allocated for GAFSP. The *Senate* proposal recommended that \$1.2 billion in assistance from all accounts in the act be made available for agricultural and food security, including \$200 million specifically appropriated for GAFSP.

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<sup>17</sup> For more on the GHI and its history, see CRS Report R41851, *U.S. Global Health Assistance: Background and Issues for the 112<sup>th</sup> Congress*, by (name redacted).

<sup>18</sup> For more information on this initiative, see CRS Report R41612, *The Obama Administration's Feed the Future Initiative*, by (name redacted).

<sup>19</sup> An additional \$18 billion was pledged by other donors at the summit.

## *Climate Change*

The FY2013 request for programs supporting the Global Climate Change Initiative (GCCCI) was \$770 million, a 1% increase from the \$760.9 million enacted estimate for FY2012. Funds for GCCCI activities flow through a number of appropriations accounts, including ESF, DA, IO&P, and several multilateral funds. The initiative supports activities relating to climate change with an emphasis on adaptation, deployment of clean energy technologies, and reduction of greenhouse gas emissions through sustainable landscapes. A significant portion of this climate change funding would be channeled through World Bank Trust Funds, which the Administration promotes as a cost effective approach, claiming that every dollar of U.S. contribution to these funds leverages four to five dollars from other donor countries and 6 to 10 times that amount from other sources.<sup>20</sup>

The House and Senate took notably different positions on GCCCI in their FY2013 proposals. The *House* legislation did not mention the GCCCI and recommended zero funding for the Clean Technology Fund and Strategic Climate Fund, while providing just half of the requested funds for the Global Environment Facility (GEF). The *Senate* committee chose not to provide a minimum funding level for climate change programs as a whole, but recommended that \$111 million be spent on Sustainable Landscapes, a pillar of the GCCCI. The *Senate* also indicated strong support for the multilateral climate change funds, providing \$139.4 million for the GEF, \$100.0 million for the Strategic Climate Fund, and \$300.0 million for the Clean Technology Fund—exceeding the Administration’s request for each account.

## **International Family Planning and Abortion-Related Issues<sup>21</sup>**

The Administration requested \$643 million for family planning and reproductive health activities in FY2013. These activities have generated contentious debate in Congress for over three decades, primarily over policy rather than funding concerns, resulting in frequent clarification and modification of family planning laws and policies. Recent congressional debate centers around two key issues: (1) implementation of the “Mexico City policy” and (2) U.S. funding of the U.N. Population Fund (UNFPA). The Mexico City policy, issued by President Reagan in 1984, required foreign NGOs receiving USAID family planning assistance to certify that they would not perform or actively promote abortion as a method of family planning, even if such activities were undertaken with non-U.S. funds. The policy has been rescinded and reissued by past and current Administrations. It was most recently rescinded by President Obama in January 2009. The proposed FY2013 House legislation included language that would codify the Mexico City Policy. The Senate bill did not include such language.

Previous Administrations have also suspended grants to UNFPA due to evidence of coercive family planning practices in China, citing violations of the “Kemp-Kasten” amendment, which bans U.S. assistance to organizations that support or participate in the management of coercive family planning programs. Past and current Administrations have disagreed as to whether UNFPA engages in such activities. The George W. Bush Administration suspended U.S. contributions to UNFPA from FY2002 to FY2008 following a State Department investigation of family planning

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<sup>20</sup> FY2013 Budget Request, U.S. Department of the Treasury International Programs, p. 6.

<sup>21</sup> (name redacted) contributed this section. For more information on international planning issues, see CRS Report R41360, *Abortion and Family Planning-Related Provisions in U.S. Foreign Assistance Law and Policy*, by (name redacted).

programs in China. President Obama resumed U.S. contributions to the organization in 2009, and requested \$39 million for UNFPA for FY2013. The proposed FY2013 *House* legislation included \$461 million for family planning and reproductive health activities and prohibited funding for UNFPA, while the *Senate* legislation included \$700 million for family planning and reproductive health, including \$44.5 million for UNFPA. Both the House and Senate bills included the Kemp-Kasten amendment.

### **Assistance for Europe, Eurasia and Central Asia (AEECA)**

The Administration proposed that the AEECA account, a remnant of the Support for Eastern European Democracy (SEED) Act of 1989 and the Freedom Support Act of 1992, be dissolved in FY2013 to reflect the end of an era of special focus on former Soviet and Eastern bloc states transitioning to democracy and free market economies. While the request included \$420.9 million in funding for programs currently funded through AEECA, an 18% cut from FY2012 funding of \$513.9 million, funding for the programs that had been under AEECA would have come from ESF, GHP, and INCLE accounts in FY2013 and beyond. The *House* legislation adopted this approach, merging AEECA funds with ESF, GHP, and INCLE, while stating that the change is not intended to signal diminished support for the region or for the role of the Coordinator of U.S. Assistance to Europe and Eurasia. The *Senate* proposal also included a provision that funds from ESF and other accounts may be used to provide assistance to countries that are eligible for AEECA assistance. Neither House nor Senate proposals provide a minimum funding level for AEECA-eligible countries.

## **State-Foreign Operations Background and Trends**

U.S. national security, trade promotion, and humanitarian interests are rationales for most international affairs activities. During the Cold War, foreign aid and diplomatic programs had a primarily anti-communist focus, while concurrently pursuing other U.S. policy interests, such as promoting economic development, advancing U.S. trade, expanding access to basic education and health care, promoting human rights, and protecting the environment. After the early 1990s, with the Cold War ended, distinct policy objectives—including stopping nuclear weapons proliferation, curbing the production and trafficking of illegal drugs, expanding peace efforts in the Middle East, achieving regional stability, protecting religious freedom, and countering trafficking in persons—replaced the Cold War-influenced foreign policy objectives.

A defining change in focus came following the 9/11 terrorist attacks in the United States. Since then, many U.S. foreign aid and diplomatic programs have emphasized national security objectives, frequently cast in terms of contributing to efforts to counter terrorism. In 2002, President Bush released a National Security Strategy that for the first time established global development as the third pillar of U.S. national security, along with defense and diplomacy. Development was again underscored in the Administration's 2006 and 2010 National Security Strategy.

Also in 2002, foreign assistance budget justifications began to highlight the war on terrorism as the top foreign aid priority, emphasizing U.S. assistance to 28 “front-line” states—countries that

cooperated with the United States in the war on terrorism or faced terrorist threats themselves.<sup>22</sup> Large reconstruction programs in Afghanistan and Iraq began to dominate the foreign aid budget and exemplified the emphasis on using foreign aid as a tool of national security. State Department efforts focused extensively on diplomatic security and finding more effective ways of presenting American views and culture through public diplomacy, particularly in Muslim communities. At the same time, the Bush Administration vastly increased aid to combat HIV/AIDS globally, with the creation of the President's Emergency Plan for AIDS Relief (PEPFAR), and explored a new approach to development assistance with creation of the Millennium Challenge Corporation (MCC), which supports the development strategies of countries that have demonstrated good governance.<sup>23</sup>

The Obama Administration has carried forward many Bush foreign aid initiatives, including the MCC, massive global health funding (though the Obama Administration's Global Health Initiative is broader in scope than PEPFAR), and robust assistance to the frontline states of Iraq, Afghanistan, and Pakistan. Funding for these, rather than being in supplemental appropriations requests, however, has been requested within Overseas Contingency Operations (OCO) in regular appropriations bills.

The Obama Administration completed the first ever Quadrennial Diplomacy and Development Review (QDDR) in the fall of 2010. Within that context, the U.S. Agency for International Development (USAID) was named the leading government agency for development assistance. The QDDR also identified several reforms for the Department of State that have been implemented, including establishment of the Bureau of Energy and elevating the Office of the Coordinator for Stabilization and Reconstruction to the Bureau of Conflict and Stabilization Operations.

## **Overseas Contingency Operations**

In its FY2012 budget proposals, the Department of State proposed a significant change in how funding for the "front line states" of Iraq, Afghanistan, and Pakistan is viewed in budgetary terms. It requested that the use of OCO funds, through which war-related Defense appropriations had flowed for years, be extended to include "extraordinary, but temporary, costs of the Department of State and USAID in the front line states of Iraq, Afghanistan and Pakistan."<sup>24</sup> Congress not only adopted the OCO designation in the FY2012 State-Foreign Operations appropriations legislation, but expanded it to include funding for additional accounts and countries.

The OCO designation gained increased significance in August 2011 with enactment of the Budget Control Act of 2011 (BCA), as previously discussed, specifying that funds designated as OCO do not count toward the budget caps established by the act. OCO designation makes it possible to keep war-related funding from crowding out core international affairs activities within the budget allocation. The Office of Management and Budget (OMB) recently determined, however, that

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<sup>22</sup> According to the State Department, these "frontline" states in 2002 included Afghanistan, Algeria, Armenia, Azerbaijan, Bangladesh, Colombia, Djibouti, Egypt, Ethiopia, Georgia, Hungary, India, Indonesia, Jordan, Kazakhstan, Kenya, Oman, Pakistan, Philippines, Poland, Russia, Saudi Arabia, Tajikistan, Tunisia, Turkey, Turkmenistan, Uzbekistan, and Yemen. Today, the term generally refers only to Iraq, Afghanistan and Pakistan.

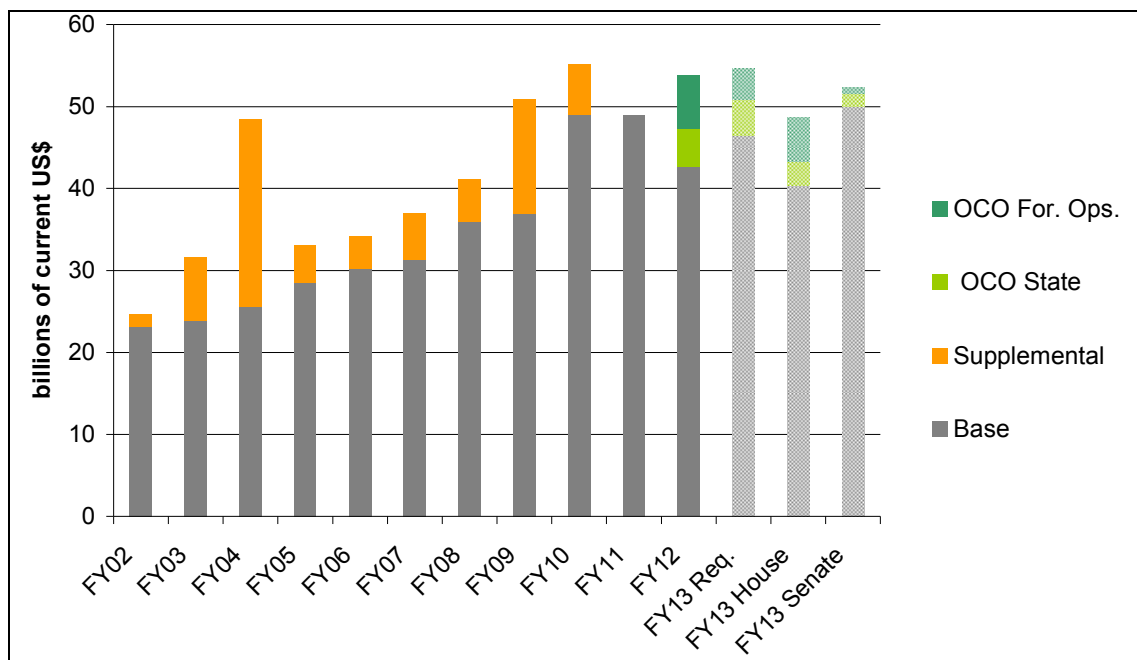
<sup>23</sup> For more on MCC, see CRS Report RL32427, *Millennium Challenge Corporation*, by (name redacted).

<sup>24</sup> The Department of State, Executive Budget Summary Function 150 & Other International Programs, FY2012, p. 2.

OCO funds are not exempt from the BCA automatic across-the-board reductions that are to occur January 2, 2013.

The OCO approach is reminiscent of the use of supplemental international affairs appropriations for much of the past decade. Significant emergency supplemental funds for foreign operations were appropriated in FY2002-FY2010 for activities in Iraq, Afghanistan, and elsewhere, and were not counted toward subcommittee budget allocations. (See **Figure 2** below.) The Obama Administration criticized this practice, asserting that after several years such activities should no longer be considered emergencies, and pledged to request funds for these activities through the regular budget process starting in FY2010. This resulted in a sharp increase in base funding in FY2010, yet supplemental international affairs funds were still requested and enacted for that year, largely in response to the earthquake in Haiti, but also for activities in Afghanistan, Iraq, and Pakistan. The FY2011 funding cycle was the only one in the last decade in which all international affairs funding was appropriated as part of the base budget, before the OCO approach was adopted for FY2012. Unlike supplementals that often have been submitted to Congress separate from regular funding requests, OCO allows all the funding to be considered simultaneously in the regular appropriations process.

**Figure 2. Base + Supplemental/OCO Funding, FY2002- Pending FY2013 Proposals**



**Source:** CRS appropriations reports; S. 3241; H.R. 5857; FY2013 International Affairs Congressional Budget Justification; CRS calculations.

For FY2013, the Administration again used this approach, requesting that \$8.24 billion, or about 15% of the international affairs request, be designated as OCO. This amount was 5% less than was requested for OCO in FY2012, and about 26% less than the \$11.2 billion that Congress enacted for that year. The House legislation designated \$8.3 billion as OCO, similar to the Administration request, but designated proportionately more of the funds within foreign operations accounts and less within State operations accounts. The Senate bill designated \$2.3 billion as OCO, or 72% less than requested, largely because it provided no funding for the Iraq

Police Development program, as mentioned above, and would fund disaster assistance and migration and refugee assistance accounts entirely through the base budget.

### 10-Year Funding Trends

Over the past decade, State Department-Foreign Operations funding generally trended upward until 2011, with the exception of a spike in FY2004 that reflected large reconstruction funds for Iraq and Afghanistan. This changed in FY2011 when Congress significantly reduced foreign affairs spending to help meet deficit reduction goals. The FY2012 estimate and FY2013 request in current dollars leveled off largely due to congressional efforts to reduce deficit spending, and after adjusting for inflation, both in constant dollars were below the FY2009 overall funding level. **Table 2** and **Figure 3** below show State-Foreign Operations appropriations for the past decade in both current and constant dollars.

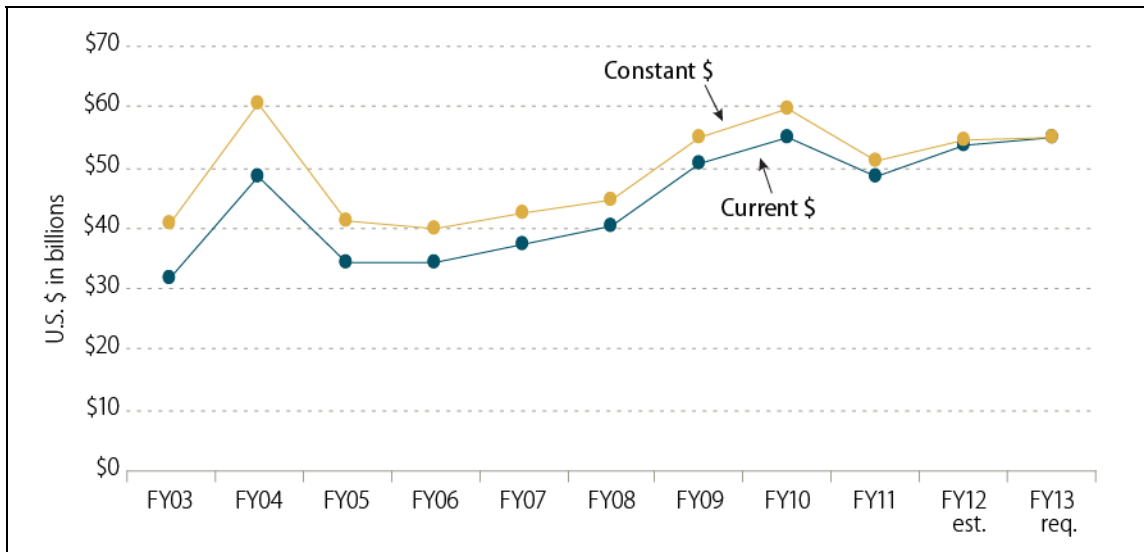
**Table 2. State-Foreign Operations Appropriations, FY2003-FY2013 Request**  
(in billions of current and 2013 constant dollars)

	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12 est.	FY13 req.
Current \$	31.72	48.34	34.23	34.25	37.28	40.47	50.50	55.11	48.72	53.50	54.87
Constant 2013 \$	40.60	60.43	41.42	40.07	42.50	44.52	55.05	59.52	51.16	54.57	54.87

**Source:** The Department of State, Summary and Highlights, International Affairs Function 150, FY2004-FY2013 and CRS calculations.

**Notes:** Figures include all enacted appropriations: regular, OCO, supplementals, and rescissions. Constant dollars are adjusted for inflation using FY2013 total non-defense deflators, Fiscal Year 2013 Historical Tables, Budget of the U.S. Government, Office of Management and Budget, p. 212.

**Figure 3. State-Foreign Operations Appropriations, FY2003-FY2013 Request**



**Source:** Summary and Highlights, International Affairs Function 150, FY2004-FY2013, and CRS calculations.

**Table 3** and **Figure 4** show appropriations for the State Department and related agencies over the past decade in both current and constant dollars. Note that while there was a spike in foreign aid in 2004, there was only a slight increase in State Department funding that year as diplomacy funding lagged. In recent years, however, the State Department and related agencies funding trends upward at a steeper rate than the overall foreign affairs spending, reflecting an interest by both the George W. Bush and Obama Administrations to increase human resource capacity at the Department of State.

**Table 3. State Department and Related Agencies Appropriations, FY2003-FY2013 Request**

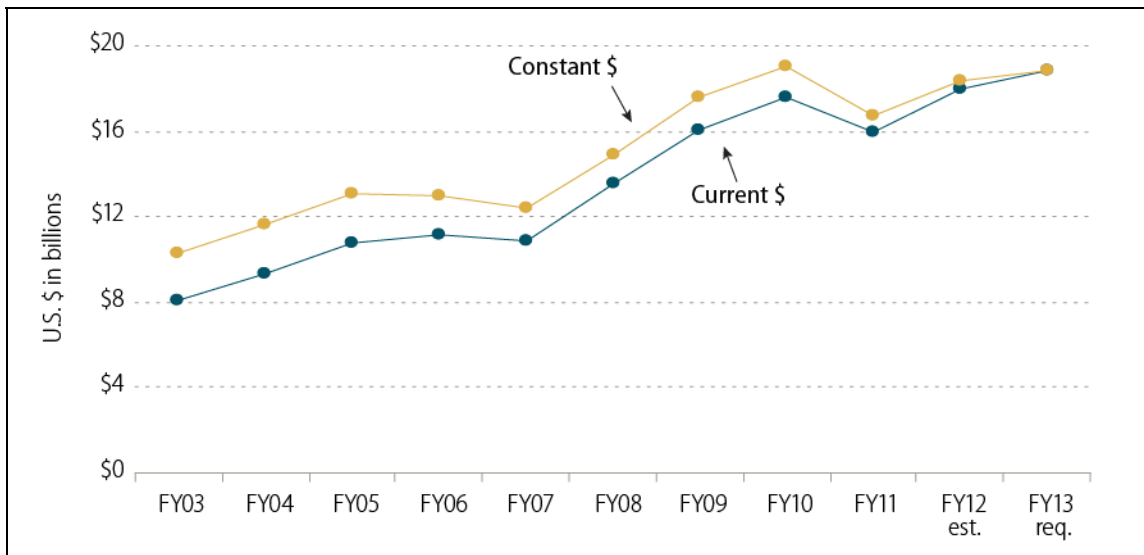
(discretionary budget authority in billions of current and 2013 constant dollars)

	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12 est.	FY13 req.
Current \$	8.05	9.29	10.78	11.12	10.90	13.57	16.1	17.62	15.93	17.99	18.80
Constant 2013 \$	10.3	11.61	13.04	13.01	12.43	14.93	17.55	19.03	16.73	18.35	18.80

**Source:** The Department of State Congressional Budget Justifications, FY2004-FY2013, and CRS calculations.

**Notes:** Figures include all enacted appropriations: regular, OCO, supplementals, and rescissions. Constant dollars are adjusted for inflation using FY2013 total non-defense deflators, Fiscal Year 2013 Historical Tables, Budget of the U.S. Government, Office of Management and Budget, p. 212.

**Figure 4. State Department and Related Agencies Appropriations, FY2003-FY2013 Request**



**Source:** The Department of State Congressional Budget Justifications, FY2004-FY2013, and CRS calculations.

**Table 4** and **Figure 5** show appropriations for the Foreign Operations (foreign aid) portion of the foreign affairs budget over the past decade in both current and constant dollars. Because Foreign Operations typically makes up about two-thirds of the State-Foreign Operations appropriations, it shows a similar trend as the overall State-Foreign Operations budget. Unlike the State

Department trend line, which continues upward in FY2012 and FY2013, foreign aid funding levels off in those years.

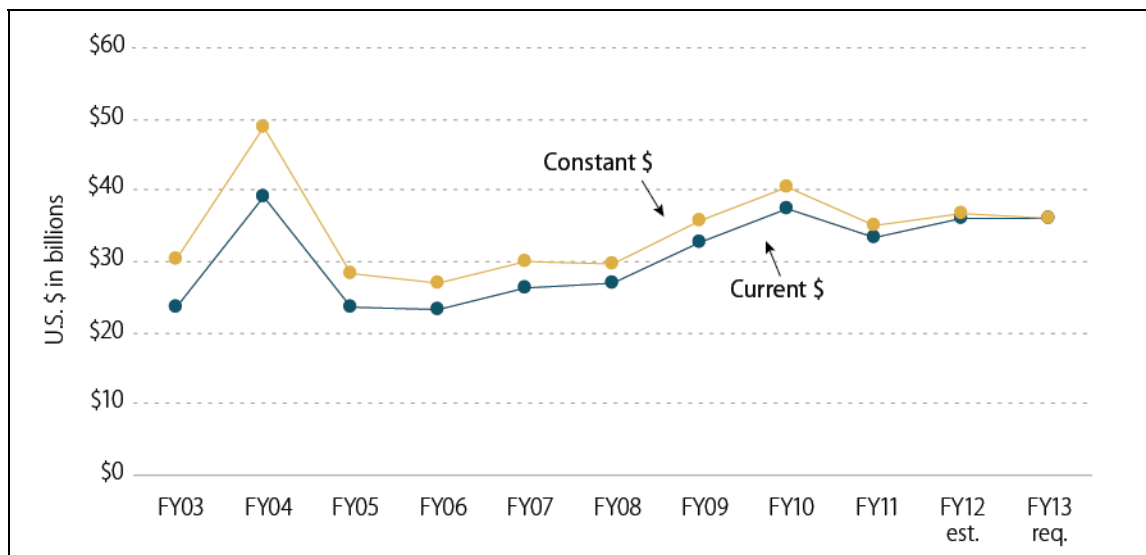
**Table 4. Foreign Operations Appropriations, FY2003-FY2013 Request**  
(discretionary budget authority in billions of current and constant 2013 dollars)

	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12 est.	FY13 req.
Current \$	23.67	39.05	23.45	23.13	26.38	26.89	32.82	37.49	33.3	36.03	36.07
Constant 2013 \$	30.30	48.81	28.37	27.06	30.07	29.58	35.77	40.49	34.97	36.75	36.07

**Source:** The Foreign Operations Congressional Budget Justifications, FY2004-FY2013, and CRS calculations.

**Notes:** Figures include all enacted appropriations: regular, OCO, supplementals, and rescissions. Constant dollars are adjusted for inflation using FY2013 total non-defense deflators, Fiscal Year 2013 Historical Tables, Budget of the U.S. Government, Office of Management and Budget, p. 212.

**Figure 5. Foreign Operations Appropriations, FY2003-FY2013 Request**



**Source:** The Foreign Operations Congressional Budget Justification, FY2004-FY2013, and CRS calculations.

## Top 10 U.S. Foreign Aid Recipient Countries

Prior to 9/11 and the wars in Afghanistan and Iraq, Israel and Egypt typically received the largest amounts of U.S. foreign aid every year since the Camp David Peace Accords in 1978.<sup>25</sup> The reconstruction efforts in Iraq and Afghanistan moved those countries into the top five, though assistance to Iraq has declined significantly in recent years with the completion of many

<sup>25</sup> For more information on historic aid trends, see CRS Report R40213, *Foreign Aid: An Introduction to U.S. Programs and Policy*, by (name redacted) and Marian Leonardo Lawson.



reconstruction activities. Meanwhile, a combination of security assistance and economic aid designed to limit the appeal of extremist organizations has moved Pakistan up the list in recent years. Funding for Iraq, Afghanistan, and Pakistan includes temporary OCO appropriations.

**Table 5. Top 10 Recipients of U.S. Foreign Aid in FY2012 and the FY2013 Request**  
(in millions of current U.S. \$)

FY2012		FY2013 Request	
Country	Estimated Allocation	Country	Requested Allocation
Israel	\$3,075	Israel	\$3,100
Afghanistan	\$2,327	Afghanistan	\$2,505
Pakistan	\$2,102	Pakistan	\$2,228
Iraq	\$1,683	Iraq	\$2,045
Egypt	\$1,557	Egypt	\$1,563
Jordan	\$676	Jordan	\$671
Kenya	\$652	Nigeria	\$599
Nigeria	\$625	Tanzania	\$571
Ethiopia	\$580	South Africa	\$489
Tanzania	\$531	Kenya	\$460

**Source:** Congressional Budget Justification Summary Tables, FY2013, Country/Account Summary (spigots) FY2012 estimates and FY2013 request tables.

**Notes:** These lists consist of funding only from the 150 International Affairs Function. If funding from the defense budget were included, Pakistan, for example, would rank second for both FY2012 and the FY2013 request. Numbers include Overseas Contingency Operations (OCO) funding.

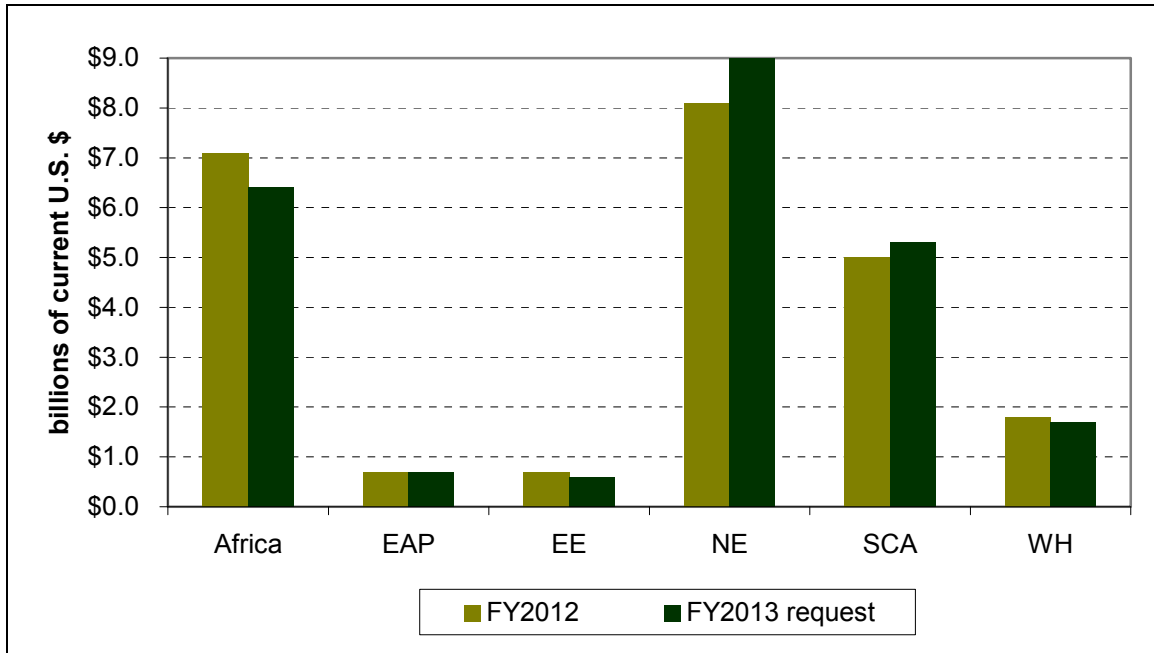
The top five recipient countries in the FY2013 request were the same as the top five aid recipients of the allocated FY2012 funds. Israel topped the list at \$3,100 million in Foreign Military Financing (FMF), and Afghanistan ranked second, with \$2,505 million requested, of which \$1,237.9 million was designated as OCO funds. Nearly three-quarters of aid requested for Afghanistan was within ESF. Pakistan ranked third at \$2,228 million, including \$800 million for PCCF and \$928 million within ESF. Iraq moved up from sixth in FY2010 to fourth in FY2012 and in the FY2013 request. Of the \$2,045 million for Iraq, \$1,750 million was OCO money. (See **Table 5** above.)

## Regional Distribution

As shown in **Figure 6**, under the FY2013 budget request, aid to Africa would have declined by 10% from the current level to \$6.4 billion; U.S. aid to the Near East would have increased by 12% to \$9.0 billion, largely due to support for the Arab Spring; and aid to South Central Asia would have increased by 6% to \$5.3 billion. Aid to Africa primarily supports HIV/AIDS and other health-related programs while 88% of the aid to South Central Asia was requested, largely for war-related costs, in Afghanistan and Pakistan. The Near East region request continued to be dominated by assistance to Israel (\$3.1 billion), Iraq (\$2.0 billion), Egypt (\$1.6 billion), and Jordan (\$0.7 billion). The Western Hemisphere's projected relative decline in FY2013 was attributable to a reduction in funding of ESF and INCLE for Colombia. Europe and Eurasia's

14% decline was largely due to progress made by many countries in the region and other more pressing global priorities.<sup>26</sup> Aid to East Asia and Pacific remained relatively low and consistent with past years' levels.

**Figure 6. Regional Distribution of Foreign Aid, FY2012 and FY2013 Request**



**Source:** Foreign Operations Congressional Budget Justification, FY2013.

**Note:** FY2012 figures include estimated funding including Overseas Contingency Operation funds. FY2013 figures represent the Administration's request, including Overseas Contingency Operations funds. EAP=East Asia and Pacific; EE=Europe and Eurasia; NE=Near East; SCA=South and Central Asia; WH=Western Hemisphere.

## Sector Distribution

Over the years, Congress has expressed interest in various discrete aid sectors, such as education, building trade capacity, maternal and child health, and biodiversity, that are funded across multiple accounts and/or agencies. Administrations have begun presenting their respective budget requests with a section showing what portion of the request would address some of these “key interest areas.” The Administration did not provide allocation data, limiting comparisons to year-to-year requested funds rather than comparing requested funds to previous enacted levels. Comparing past and present requested levels do provide an indication of the Administration's interests and priorities, but not those of congressional appropriators.

**Table 6** compares the FY2012 and FY2013 budget requests for key interest areas identified by the Administration. Out of 23 sectors listed, the Administration's FY2013 request was less than the FY2012 request for all except five. Perhaps surprisingly, two of the Administration's major initiatives—Food Security and Global Climate Change—showed declines in the FY2013 request. Other sectors with reduced funding requests included Sustainable Landscapes (helping manage

<sup>26</sup> Executive Budget Summary, Function 150 and Other International Programs, Fiscal Year 2012, p. 86.

forests and ecosystems to reduce greenhouse effects), Neglected Tropical Diseases, Nutrition, Maternal and Child Health, Higher Education, Clean Energy, and Basic Education. The Administration emphasized increased funding for two focus areas that were new in FY2012: Gender Funding (up by 330% over last year's request) and Science, Technology, and Innovation (up 85% over last year's request).

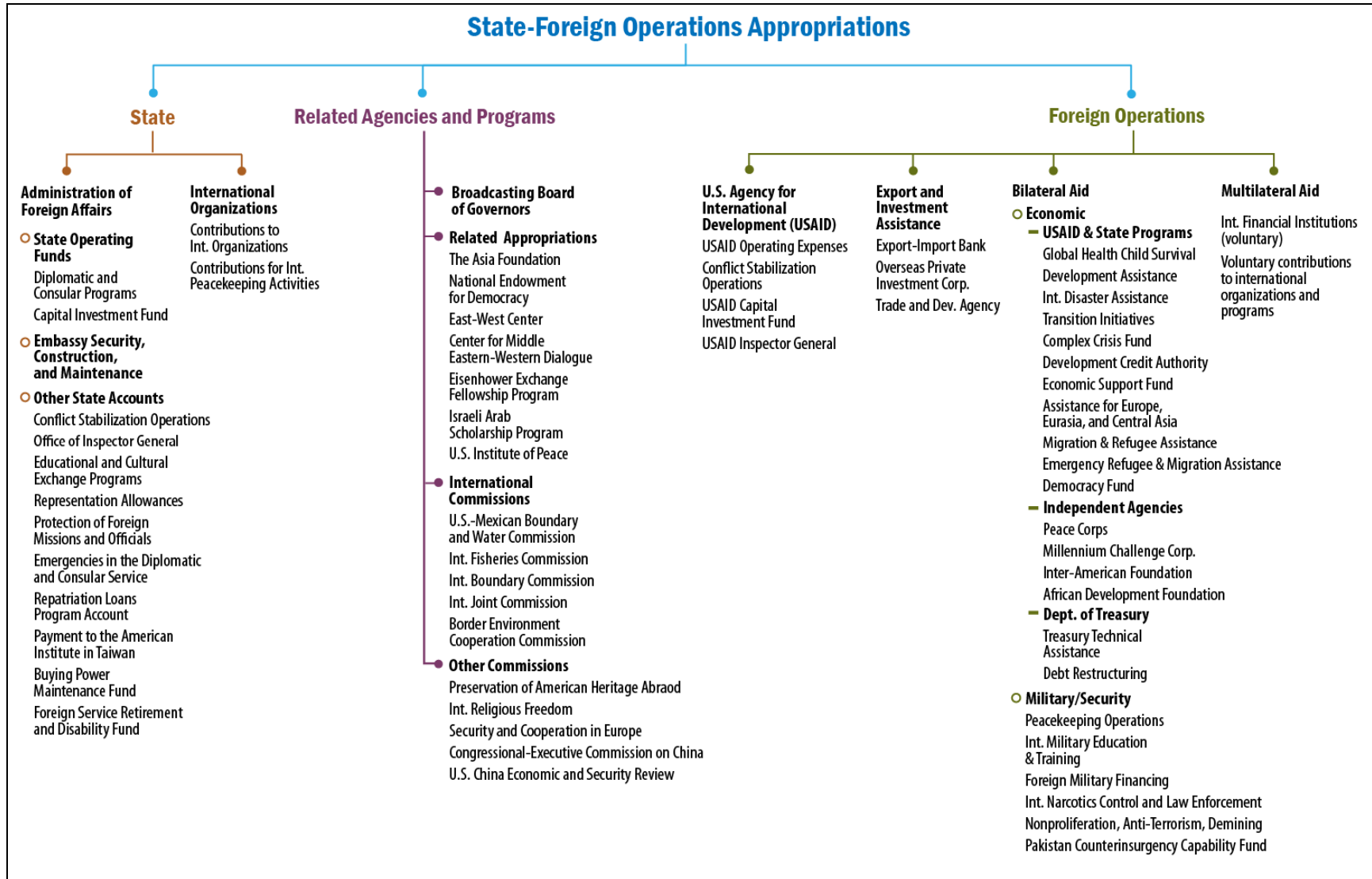
**Table 6. Selected Sector Funding, FY2012 Request and FY2013 Request**  
(millions of current U.S. \$)

Sector	FY2012 req.	FY2013 req.	% Change
Avian/Pandemic Influenza	\$60	\$53	-12%
Basic Education	\$740	\$570	-23%
Biodiversity	\$79	\$100	+27%
Clean Energy	\$195	\$149	-24%
Family Planning/Reproductive Health	\$769	\$643	-16%
Food Security	\$1,100	\$1,091	-1%
Gender Funding	\$391	\$1,680	+330%
Global Climate Change Adaptation	\$215	\$190	-12%
Higher Education	\$233	\$175	-25%
HIV/AIDS	\$5,992	\$5,680	-5%
Malaria	\$691	\$619	-10%
Maternal and Child Health	\$1,191	\$847	-29%
Microenterprise and Microfinance	\$155	\$195	+26%
Neglected Tropical Diseases	\$163	\$104	-36%
Nutrition	\$226	\$156	-31%
Polio	\$40	\$37	-8%
Science, Tech. & Innovation	\$333	\$617	+85%
Sustainable Landscapes	\$241	\$131	-46%
Trade Capacity Building	\$216	\$201	-7%
Trafficking in Persons	\$37	\$38	+3%
Trans-Sahara Counter-Terrorism	\$53	\$44	-17%
Tuberculosis	\$254	\$232	-9%
Water	\$294	\$274	-7%

**Source:** U.S. Department of State Foreign Operations Congressional Budget Justification, FY2012 and FY2013, and CRS calculations.

**Note:** Totals for Water, Basic Education, Child & Maternal Health, and Food Security do not include related funding through the P.L. 480/Food for Peace program, which is funded through Agriculture appropriations.

# Appendix A. Structure of State-Foreign Operations Appropriations



Source: The Congressional Research Service.

## Appendix B. Abbreviations

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### **Funding Accounts:**

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ACI	Andean Counterdrug Initiative
AEECA	Assistance for Europe, Eurasia, and Central Asia
CSH	Child Survival and Health
DA	Development Assistance
DF	Democracy Fund
ERMA	Emergency Refugee and Migration Assistance
ESF	Economic Support Fund
FMF	Foreign Military Financing
GHAJ	Global HIV/AIDS Initiative
IDFA	International Disaster and Famine Assistance
IMET	International Military Education and Training
INCLE	International Narcotics Control and Law Enforcement
MCC	Millennium Challenge Corporation
MENA IF	Middle East North Africa Incentive Fund
MRA	Migration and Refugee Assistance
NADR	Non-proliferation, Anti-Terrorism, Demining, and Related Programs
PEPFAR	President's Emergency Plan For AIDS Relief
PKO	Peacekeeping Operations
PL 480	Food aid
PMI	President's Malaria Initiative
TI	Transition Initiatives

### **Other:**

DFA	Director of Foreign Assistance
AFR	Africa
EAP	East Asia and Pacific
EE	Europe and Eurasia
LAC	Latin America and Caribbean
NE	Near East
SCA	South and Central Asia
USAID	U.S. Agency for International Development

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# Appendix C. State Department, Foreign Operations and Related Agencies Appropriations

**Table C-1. State Department, Foreign Operations and Related Agencies Appropriations, FY2011-FY2013 Enacted**  
(millions of current U.S. \$)

	FY2012 estimate (P.L. 112-74)			FY2013 Request			FY2013 CR, pre-sequester (P.L. 113-6) <sup>a</sup>		
	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
<b>Title I. State Department Administration of Foreign Affairs, Subtotal</b>	<b>9,018.01</b>	<b>4,513.34</b>	<b>13,531.35</b>	<b>9,747.77</b>	<b>4,361.65</b>	<b>14,109.42</b>	<b>9,107.63</b>	<b>4,566.1</b>	<b>13,673.73</b>
Diplomatic & Consular Program (WSP) <sup>b</sup>	6,529.13 (1,355.00)	4,389.06 (236.20)	10,918.19 (1,591.20)	7,068.62 (1,428.50)	4,311.75 (721.50)	11,380.37 (2,150.00)	6,529.13 (1,355.00)	3,210.65 (918.44)	9,739.78 (2,273.44)
Capital Investment Fund	59.38		59.38	83.30		83.30	59.38		59.38
Embassy Security, Construction & Maintenance (WVSU) <sup>b</sup>	1,537.00 (775.00)	33.00	1,570.00 (775.00)	1,637.72 (688.80)		1,637.72 (688.80)	1,626.62 (688.50)	1,272.20 (1,261.40)	2,898.82 (1,949.90)
Conflict Stabilization Operations	21.82	8.50	30.32	56.50		56.50	21.82	8.50	30.32
Ed. & Cultural Exchanges	583.20	15.60	598.80	586.96		586.96	583.2	15.60	598.80
Office of Inspector General	61.90	67.18	129.08	65.62	49.90	115.52	61.90	59.15	121.05
Representation Allowances	7.30		7.30	7.48		7.48	7.30		7.30
Protection of Foreign Missions & Officials	27.00		27.00	28.20		28.20	27.00		27.00
Emergency-Diplomatic & Consular Services	9.30		9.30	9.50		9.50	9.30		9.30
Repatriation Loans	1.45		1.45	1.80		1.80	1.45		1.45
International Center	0.52		0.52	5.97		5.97	0.52		0.52
Payment American Institute Taiwan	21.11		21.11	37.20		37.20	21.11		21.11
Foreign Service Retirement (mandatory)	158.90		158.90	158.90		158.90	158.90		158.90
<b>International Organizations, Subtotal</b>	<b>3,277.88</b>	<b>101.30</b>	<b>3,379.18</b>	<b>3,668.50</b>	<b>0.00</b>	<b>3,668.50</b>	<b>3,456.2</b>	<b>101.30</b>	<b>3,557.50</b>
Contributions to Int'l Orgs	1,449.70	101.30	1,551.00	1,570.00		1,570.00	1,449.70	101.30	1,551.00
Contributions to International Peacekeeping	1,828.18		1,828.18	2,098.50		2,098.50	2,006.50		2,006.50
<b>International Commissions</b>	<b>124.16</b>	<b>0.00</b>	<b>124.16</b>	<b>122.10</b>	<b>0.00</b>	<b>122.10</b>	<b>117.71</b>	<b>0.00</b>	<b>117.71</b>
Int'l Boundary/U.S.-Mexico	76.17		76.17	77.10		77.10	71.17		71.17
American Sections	11.69		11.69	12.20		12.20	11.92		11.92

	FY2012 estimate (P.L. 112-74)			FY2013 Request			FY2013 CR, pre-sequester (P.L. 113-6) <sup>a</sup>		
	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
International Fisheries	36.30		36.30	32.80		32.80	34.62		34.62
<b>International Broadcasting, Subtotal</b>	<b>747.13</b>	<b>4.40</b>	<b>751.53</b>	<b>720.15</b>	<b>0.00</b>	<b>720.15</b>	<b>747.13</b>	<b>4.40</b>	<b>751.53</b>
Broadcasting Operations	740.10	4.40	744.50	711.56		711.56	740.10	4.40	744.50
Capital Improvements	7.03		7.03	8.59		8.59	7.03		7.03
<b>Related Appropriations, Subtotal</b>	<b>183.77</b>	<b>8.40</b>	<b>192.17</b>	<b>169.22</b>	<b>0.00</b>	<b>169.22</b>	<b>183.77</b>	<b>8.40</b>	<b>192.17</b>
Asia Foundation	17.00		17.00	15.40		15.40	17.00		17.00
U.S. Institute of Peace	30.59	8.40	38.99	37.40		37.40	30.59	8.40	38.99
Center for Middle East-West Dialogue-Trust & Program	0.84		0.84	0.80		0.80	0.84		0.84
Eisenhower Exchange Programs	0.50		0.50	0.45		0.45	0.50		0.50
Israeli Arab Scholarship Program	0.38		0.38	0.37		0.37	0.38		0.38
East-West Center	16.70		16.70	10.80		10.80	16.70		16.70
National Endowment for Democracy	117.76		117.76	104.00		104.00	117.76		117.76
<b>Other Commissions</b>	<b>11.84</b>	<b>0.00</b>	<b>11.84</b>	<b>12.18</b>	<b>0.00</b>	<b>12.18</b>	<b>11.20</b>	<b>0.00</b>	<b>11.20</b>
Preservation of America's Heritage	0.63		0.63	0.60		0.60	0.61		0.61
Int'l Religious Freedom	3.00		3.00	3.50		3.50	2.93		2.93
Security & Cooperation Europe	2.72		2.72	2.58		2.58	2.44		2.44
Cong.-Exec. on People's Republic of China	2.00		2.00	2.00		2.00	1.91		1.91
U.S.-China Economic and Security Review	3.49		3.49	3.50		3.50	3.31		3.31
<b>State/Broadcasting/Related Agencies, TOTAL</b>	<b>13,362.79</b>	<b>4,627.44</b>	<b>17,990.23</b>	<b>14,439.92</b>	<b>4,361.65</b>	<b>18,801.57</b>	<b>13,623.64</b>	<b>4,680.20</b>	<b>18,303.84</b>
<b>Title II. U.S. Agency for International Development</b>	<b>1,268.50</b>	<b>259.50</b>	<b>1,528.00</b>	<b>1,448.45</b>	<b>84.00</b>	<b>1,532.45</b>	<b>1,268.50</b>	<b>259.50</b>	<b>1,528.00</b>
USAID Operating Expenses	1,092.30	255.00	1,347.30	1,263.05	84.00	1,347.05	1,092.30	255.00	1,347.30
Conflict Stabilization Operations			0.00			—	0.00		0.00
USAID Capital Investment Fund	129.70		129.70	134.90		134.90	129.70		129.70
USAID Inspector General	46.50	4.50	51.00	50.50		50.50	46.50	4.50	51.00
<b>Title III. Bilateral Economic Assistance, Subtotal</b>	<b>18,353.94</b>	<b>3,218.56</b>	<b>21,572.50</b>	<b>20,339.52</b>	<b>1,037.87</b>	<b>21,377.39</b>	<b>18,038.31</b>	<b>5,085.51</b>	<b>23,124.02</b>
Global Health Programs (GHP), State + USAID	8,167.86		8,167.86	7,854.00		7,854.00	8,476.45		8,476.45

	FY2012 estimate (P.L. 112-74)			FY2013 Request			FY2013 CR, pre-sequester (P.L. 113-6) <sup>a</sup>		
	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
GHP (State Dept.)	[5,542.86]		[5,542.86]	[5,350.00]		[5,350.00]	[5,720.50]		[5,720.50]
GHP (USAID)	[2,625.00]		[2,625.00]	[2,504.00]		[2,504.00]	[2,755.95]		[2,755.95]
Development Assistance	2,519.95		2,519.95	2,525.50		2,525.50	2,833.40 <sup>c</sup>		2,833.40
International Disaster & Famine Assistance	825.00	150.00	975.00	960.00		960.00	825.00	774.66	1,599.66
Transition Initiatives	50.14	6.55	56.69	57.60		57.60	50.14	6.55	56.69
Complex Crises Fund	10.00	30.00	40.00	50.00		50.00	10.00	30.00	40.00
Development Credit Authority –Admin	8.30		8.30	8.20		8.20	8.30		8.30
Development Credit Authority Subsidy	40.0		40.00	40.0		40.00	40.00		40.00
Economic Support Fund (ESF)	2,994.75	2,801.46	5,796.21	4,848.57	1,037.87	5,886.44	2,644.00	3,119.90	5,763.90
Assistance for Europe; Eurasia & Central Asia (AEECA) <sup>d</sup>	626.72		626.72						0
Middle East and North Africa Incentive Fund				770.00		770.00	0		0
Democracy Fund	114.77		114.77				114.77		114.77
Migration & Refugee Assistance	1,646.10	229.00	1,875.10	1,625.40		1,625.40	1,646.10	1,152.85	2,798.95
Emergency Refugee and Migration	27.20		27.20	50.00		50.00	27.20		27.20
<i>Independent Agencies</i>									
Inter-American Foundation	22.50		22.50	18.10		18.10	22.50		22.50
African Development Foundation	30.00		30.00	24.00		24.00	30.00		30.00
Peace Corps	375.00		375.00	374.50		374.50	375.00		375.00
Millennium Challenge Corporation	898.20		898.20	898.20		898.20	898.00		898.20
<i>Department of Treasury</i>			—			—			
Treasury Department Technical Assistance	25.45	1.55	27.00	25.45		25.45	25.45	1.55	27.00
Debt Restructuring	12.00		12.00	250.00		250.00	12.00		12.00
<b>Title IV. Military/Security Assistance, Subtotal</b>	<b>7,269.82</b>	<b>3,097.27</b>	<b>10,367.09</b>	<b>7,941.23</b>	<b>2,761.00</b>	<b>10,702.23</b>	<b>7,269.82</b>	<b>2,297.27</b>	<b>9,567.09</b>
International Narcotics Control & Law Enforcement (INCLE)	1,061.10	943.61	2,004.71	1,456.50	1,050.00	2,506.50	1,061.10	943.61	2,004.71
Nonproliferation, Anti-Terrorism, Demining	590.11	120.66	710.77	635.67		635.67	590.11	120.66	710.77
International Military Education & Training	105.79		105.79	102.64		102.64	105.79		105.79



	FY2012 estimate (P.L. 112-74)			FY2013 Request			FY2013 CR, pre-sequester (P.L. 113-6) <sup>a</sup>		
	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
Foreign Military Financing	5,210.00	1,102.00	6,312.00	5,472.32	911.00	6,383.32	5,210.00	1,102.00	6,312.00
Peacekeeping Operations	302.82	81.00	383.82	249.10		249.10	302.82	81.00	383.82
Pakistan Counterinsurgency Capability Fund (PCCF)		800.00	800.00		800.00	800.00	0.00	0.00	0.00
Global Security Fund	0.00	50.00	50.00	25.00		25.00	0.00	50.00	50.00
<b>Title V. Multilateral Assistance, Subtotal</b>	<b>2,971.10</b>		<b>2,971.10</b>	<b>2,952.65</b>		<b>2,952.65</b>	<b>2,788.26</b>	<b>0.00</b>	<b>2,788.26</b>
World Bank: Global Environment Facility	89.82		89.82	129.40		129.40	129.4		129.4
International Clean Technology Fund	184.63		184.63	185.00		185.00	184.63		184.63
Strategic Climate Fund	49.90		49.90	50.00		50.00	49.90		49.90
World Bank: Int'l. Development Association	1,325.00		1,325.00	1,358.50		1,358.50	1,358.50		1,358.50
Int. Bank Recon & Development	117.36		117.36	186.96		186.96	186.96		186.96
Inter-Amer. Dev. Bank - capital	75.00		75.00	102.02		102.02	111.15		111.15
IADB: Enterprise for Americas MIF	25.00		25.00	—		—	15.00		15.00
IADB: Inter-American Investment Corporation	4.67		4.67			—	0.00		0.00
Asian Development Fund	100.00		100.00	115.25		115.25	100.00		100.00
Asian Development Bank - capital	106.59		106.59	106.80		106.80	106.59		106.59
African Development Fund	172.50		172.50	195.00		195.00	0.00		0.00
African Development Bank - capital	32.42		32.42	32.42		32.42	32.42		32.42
International Fund for Agricultural Development	30.00		30.00	30.00		30.00	30.00		30.00
Global Food Security Fund	135.00		135.00	134.00		134.00	135.00		135.00
International Organizations & Programs	348.71		348.71	327.30		327.30	348.71		348.71
Multilateral Debt Relief	174.50		174.50 <sup>e</sup>	—		—	0.00		0.00
<b>Title VI. Export Aid, Subtotal</b>	<b>(413.01)</b>		<b>(413.01)</b>	<b>(493.62)</b>		<b>(493.62)</b>	<b>(908.00)</b>	<b>0.00</b>	<b>(908.00)</b>
Export-Import Bank (net) <sup>f</sup>	(266.00)		(266.00)	(359.10)		(359.10)	(754.00)		(754.00)
Overseas Private Investment Corporation (net) <sup>f</sup>	(197.01)		(197.01)	(192.12)		(192.12)	(204.00)		(204.00)
Trade & Development Agency	50.00		50.00	57.60		57.60	50.00		50.00
<b>Foreign Ops TOTAL</b>	<b>29,450.35</b>	<b>6,575.33</b>	<b>36,025.68</b>	<b>32,188.23</b>	<b>3,882.87</b>	<b>36,071.10</b>	<b>28,456.89</b>	<b>7,642.28</b>	<b>36,099.37</b>
State-Broadcasting-Related, TOTAL	13,362.79	4,627.44	17,990.23	14,439.92	4,361.65	18,801.57	13,623.64	4,680.2	18,303.84
<b>State-Foreign Operations, TOTAL</b>	<b>42,813.14</b>	<b>11,202.77</b>	<b>54,015.91</b>	<b>46,628.15</b>	<b>8,244.52</b>	<b>54,872.67</b>	<b>42,080.53</b>	<b>12,322.48</b>	<b>54,403.21</b>

	FY2012 estimate (P.L. 112-74)			FY2013 Request			FY2013 CR, pre-sequester (P.L. 113-6) <sup>a</sup>		
	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
Title VII. General Provisions (Rescissions)	(513.70)	—	(513.70)	—	—	—		(1,109.70) <sup>g</sup>	(1,109.70)
<b>State-Foreign Ops Total, Net of rescissions in general provisions</b>	<b>42,299.44</b>	<b>11,202.77</b>	<b>53,502.21</b>	<b>46,628.15</b>	<b>8,244.52</b>	<b>54,872.67</b>	<b>42,080.53</b>	<b>11,212.78</b>	<b>53,293.51</b>

**Source:** FY2012, and FY2013 request data are from the FY2013 CBJ; FY2013 enacted data are calculated by CRS based on the provisions of P.L. 113-6.

**Notes:** Shaded columns indicate fiscal year totals. Figures in brackets are subsumed in the larger account above and are not counted against the total. Figures in parentheses are negative numbers.

- a. FY2013 enacted levels do not reflect automatic reductions from sequestration. Post-sequestration data is not yet available.
- b. WSP funding in parenthesis is the amount designated for the Worldwide Security Protection program.
- c. This figure includes \$325.4 million transferred from the Economic Support Fund (ESF)
- d. Although no funding was requested or enacted through the AEECA account for FY2013, funding for many programs and activities currently supported by this account was requested in the ESF, GHP and INCLE accounts
- e. Includes MDRI funds both for the World Bank IDA and the African Development Bank.
- f. Figures are net of offsetting receipts and rescissions.
- g. The rescission is from unobligated Diplomatic & Consular Programs OCO funding originally allocated for Iraq.

## Appendix D. International Affairs (150) Budget Account

**Table D-1. International Affairs (150) Budget Account, FY2011-FY2013**  
(in millions of current dollars)

	<b>FY2011 Actual<sup>a</sup></b>	<b>FY2012 Estimate</b>	<b>FY2013 Request</b>	<b>FY2013 pre-sequester (P.L. 113-6)</b>
<b>State-Foreign Operations, excluding commissions<sup>b</sup></b>	48,575.79	53,366.21	54,738.39	53,164.40
<b>Commerce-Justice- Science</b>				
Foreign Claim Settlement Commission	2.16	2.00	2.14	2.00
Int'l Trade Commission	81.70	80.00	82.80	83.00
<b>Agriculture</b>				
P.L. 480 and McGovern-Dole	1,696.10	1,650.00	1,584.00	1,619.00
<b>Total International Affairs (150)</b>	<b>50,355.75</b>	<b>55,098.21</b>	<b>56,407.33</b>	<b>54,868.40</b>

**Source:** FY2013 International Affairs Congressional Budget Justification; H.Rept. 112-494; S.Rept. 112-172; H.Rept. 112-463; S.Rept. 112-158; S.Rept. 112-163; P.L. 113-6; CRS calculations.

- a. Funding levels in this column reflect the 0.2% rescission across all non-defense accounts for FY2011 funds
- b. While funding for certain international commissions are appropriated in State-Foreign Operations bill, they are not part of the International Affairs Function 150 Account. The State-Foreign Operations totals reflect rescissions.

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