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State, Foreign Operations, and Related Programs: FY2014 Budget and Appropriations

Susan B. Epstein

Specialist in Foreign Policy

Alex Tiersky

Analyst in Foreign Affairs

Marian L. Lawson

Specialist in Foreign Assistance Policy

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Summary

On April 10, 2013, the Obama Administration submitted to Congress its budget request for FY2014. The request for State, Foreign Operations, and Related Programs totals \$51.84 billion, which is about 0.8% below the FY2013 post-sequester estimated funding level of \$52.24 billion. Within this total, \$3.81 billion is designated as Overseas Contingency Operations (OCO) funding, which is 68% below FY2013 estimated OCO funding of \$11.91 billion. Of the total request, \$16.88 billion is for State Department Operations and related agencies, a 4.5% decline from the FY2013 funding estimate. About \$35.1 billion is for Foreign Operations, a 1.6% increase from the FY2013 estimate. This report provides a brief overview of the FY2014 State Department, Foreign Operations and Related Programs funding request, as well as top-line analysis of House and Senate State-Foreign Operations appropriations proposals and enacted continuing resolutions. It does not provide information or analysis on specific provisions in the House and Senate legislation.

A table in the **Appendix** provides side-by-side account-level funding data for FY2012, FY2013, the FY2014 request, and the pending FY2014 House and Senate proposals. The FY2013 funding data used as a point of comparison throughout this report represent post-sequestration estimates provided by the Department of State and reflect across-the-board rescissions. These data are not yet available for all accounts, or for country allocations. The funding table in the **Appendix** will be updated as more information becomes available.

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Continuing Appropriations Act, 2014

After 16 days of a government shutdown resulting from an appropriations lapse, Congress passed the Continuing Appropriations Act, 2014 (H.R. 2775), on October 16, 2013; the President signed it into law (P.L. 113-46) on October 17, 2013. The continuing resolution (CR) continues FY2013 funding levels, including previous sequestration and rescission reductions, until January 15, 2014. Funds that were considered to be Overseas Contingency Operation (OCO) funding before will continue until January 15. Section 109 of the law states that programs with high early payouts, such as the Foreign Military Finance (FMF) program, will be prohibited from distributing funds between now and January 15 if payouts would negatively affect full year funding options. This, for example, could affect FMF aid to Israel.

The Budget Control Act and State-Foreign Operations Appropriations

Sequestration required by the Budget Control Act of 2011 (BCA, P.L. 112-25, amended by the American Taxpayer Relief Act of 2012, P.L. 112-240), together with an additional 0.032% across-the-board rescission resulting from Section 3004 of the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6), reduced FY2013 Department of State and Foreign Operations discretionary funding by an estimated 2% from the enacted level. As determined by the BCA, for some Department of State, U.S. Agency for International Development (USAID), and foreign aid activities, sequestration and rescissions are applied at the account level, such as USAID Operating Expenses. For others, such as Development Assistance (DA), Foreign Military Financing (FMF), Economic Support Fund (ESF), and Global Health Programs (GHP), reductions are at the country allocation level. Overseas Contingency Operations (OCO) funds are subject to sequester, but do not count toward spending caps. This report uses FY2013 post-sequester funding estimates when available.

The sequestration process could again be triggered after January 15, FY2014, if Congress does not either enact appropriations legislation that is consistent with budget caps or repeal or amend the BCA. On December 12 and 18, 2013, respectively, the House and Senate agreed to the Bipartisan Budget Act (BBA, H.J.Res. 59), which established less stringent spending caps for FY2014 and FY2015 than the BCA, potentially easing the way for an appropriations agreement. However, the BBA did not repeal the BCA sequestration process. Congress still must pass FY2014 appropriations within the revised statutory limits to avoid sequestration. For more detail, see CRS Report R42994, *The Budget Control Act, Sequestration, and the Foreign Affairs Budget: Background and Possible Impacts*, by Susan B. Epstein.

Government Shutdown Effects on the Department of State and Foreign Aid

FY2014 began on October 1, 2013, with a partial government shutdown because Congress had not passed any appropriations bills for FY2014 and could not agree to differing House and Senate terms for a continuing resolution (CR) to keep the government funded.¹ State operations and foreign assistance programs generally continued to operate because of two-year funding for the Department of State's Diplomatic and Consular Programs account that funds salaries and expenses and the U.S. Agency for International Development's (USAID) Operating Expenses

¹ For general information about government shutdowns, see CRS Report RL34680, *Shutdown of the Federal Government: Causes, Processes, and Effects*, coordinated by Clinton T. Brass.

account. In addition to residual FY2013 and prior year money, trust funds, fees, permanent appropriations, and the Working Capital Fund remained available.² In contrast, the Office of Inspector General, the International Boundary and Water Commission, and reportedly the American Sections of the International Joint Commission and International Boundary Commission operate on single-year appropriations and did shut down until the CR became law.

Since the majority of foreign aid programs operate with multi-year or no-year funding, most foreign aid continued to flow. Activities within these programs, however, were limited by prohibitions on new grants and cooperative agreements as well as restrictions on travel, training, and representational events, among other things. These applied to programs such as State's global health activities, migration and refugee assistance, and democracy promotion funds.

A few foreign aid programs operate with single-year appropriations but, according to Department of State officials, were able to operate on FY2013 money. U.S. security assistance programs including International Military Education and Training (IMET), Foreign Military Financing (FMF), and Peacekeeping Operations (PKO), with small exceptions, were funded only through FY2013. Another significant delay in passing a FY2014 CR might be felt more immediately by the recipients of these programs, such as Israel, as might U.S. support to the peacekeeping mission in the Sinai, according to the Department of State.³ Multilateral assistance within the International Organizations and Programs (IO&P) account also typically is funded with one-year appropriations. A lack of FY2014 funding for this account could delay U.S. voluntary contributions to such international entities as the U.N. Children's Fund (UNICEF) and the U.N. Development Program (UNDP). If there is another government shutdown and the balance of FY2013 funding becomes insufficient, these programs funded entirely through single-year appropriations will shut down until a new appropriation is enacted or unless they are deemed by the relevant Chief of Mission to be necessary for the safety of human life or protection of government property or for the "conduct of foreign affairs essential to national security." A delay in passing a budget could be felt more immediately by recipients of these programs.

If another shutdown occurs in FY2014 and funds lapse, both the Department of State and USAID would institute procedures to cease operations other than "excepted" functions—those essential to national security, including the conduct of foreign affairs.⁴ Among other restrictions, a hiring freeze would remain in place and new security investigations would be suspended. The Foreign Service Institute would be closed and training would not be authorized. In addition, the Department would restrict a number of allowances, including representation allowances (reimbursement for expenses while on official commission overseas), education allowances, and educational travel, unless the travel is necessary for human safety. In addition to those, unpaid allowances for non-excepted positions could also include post differential (such as hardship posts) and danger pay.

² For more detail, contact Alex Tiersky at atiersky@crs.loc.gov to obtain a general distribution memo: *Potential Impacts of a Lapse in Appropriations for the Department of State*, October 3, 2013.

³ Department of State, "Daily Press Briefing," press release, October 3, 2013, <http://www.state.gov/r/pa/prs/dpb/2013/10/215092.htm>.

⁴ See State Department's *Guidance on Operations during a Lapse in Appropriations* at <http://www.state.gov/m/rls/2013/214862.htm> and *Guidance on USAID Operations during a Lapse in Appropriations* at http://www.usaid.gov/sites/default/files/documents/1868/GuidanceonUSAIDOperationsduringaLapseinAppropriation9_27_13.pdf.

FY2014 State-Foreign Operations Overview

The Administration's FY2014 request of \$51.84 billion for State, Foreign Operations, and Related Programs represents about 1.4% of the total budget request for FY2014. It is 5.3% less than the FY2013 request and about 0.8% less than the FY2013 post-sequester funding estimate. Unless otherwise noted, all of the FY2013 funding levels in this report reflect estimated funding levels after both sequestration and across-the-board rescissions are applied.

The State Department and related agencies request of \$16.88 billion (including the mandatory Foreign Service Retirement and Disability Fund) represents a decline of 4.5% from the estimated FY2013 funding level of \$17.68 billion. About \$35.1 billion is requested for foreign operations accounts, which is a 1.6% increase from the FY2013 estimated funding of \$34.56 billion. However, the FY2014 foreign operations request includes funding for Food for Peace programs that are currently funded through the Department of Agriculture appropriation. As a result, the FY2014 request for Agriculture programs within the 150 budget decreases dramatically from the FY2013-enacted funding of \$1.6 billion⁵ to \$185 million. Excluding the shifted Food for Peace funds, the foreign operations request is about 2.5% lower than the FY2013 estimate.

Overseas Contingency Operations

Since FY2012, the Administration's international affairs budget has distinguished between what it has interchangeably called "core," "base," or "enduring," funding and funding to support "overseas contingency operations" (OCO), described in budget documents as "extraordinary, but temporary, costs of the Department of State and USAID in Iraq, Afghanistan, and Pakistan."⁶ Congress has adopted this approach, but has defined OCO more broadly. In each of the last two years, Congress has appropriated more OCO funding than requested, and for a broader range of countries and activities. The FY2014 request continues this pattern. Of the total funding requested for State-Foreign Operations in FY2014, \$3.81 billion was designated as OCO.

Congressional Action

On July 25, 2013, the Senate Appropriations Committee passed its FY2014 State-Foreign Operations spending bill, S. 1372. The House Appropriations Committee approved H.R. 2855, a State-Foreign Operations appropriations bill for FY2014, on July 30, 2013. The House bill includes \$40.78 billion in spending, net of rescissions, or about 21.3% below the FY2014 request and 21.9% below the FY2013 funding estimate. The Senate bill totals \$49.49 billion, which is 4.5% less than requested and 5.3% less than FY2013 funding. (See **Table 1** below.)

⁵ A post-sequester estimate is not yet available for this account.

⁶ From Executive Budget Summary, Function 150 & Other International Programs, Fiscal Year 2014, p. 97.

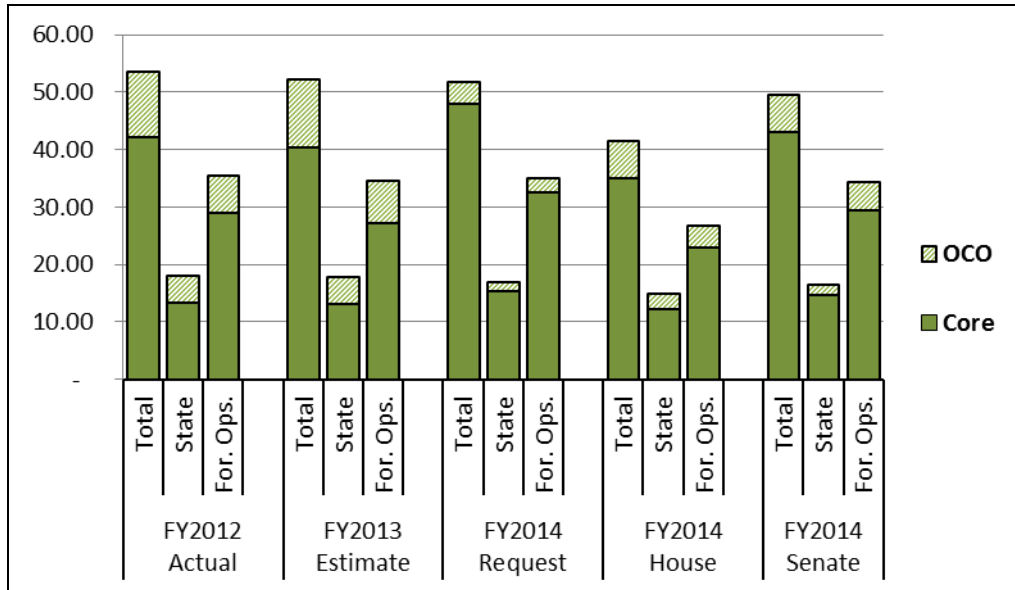
Table I. Status of State-Foreign Operations Appropriations, FY2014
(funding in billions of current U.S. dollars)

302(b) Allocations ^a		Committee Action		Floor Action		Conference			Public Law
House	Senate	House H.R. 2855	Senate S. 1372	House	Senate	House	Senate	Agreement	
5/21	6/20	7/30	7/25						
\$40.78	\$47.87	\$40.78	\$49.49						

a. The Congressional Budget and Impoundment Control Act of 1974 established a congressional budget process. The act, as amended, includes a requirement that the House and Senate allocate funds to the Appropriations Committee, which are then divided among the 12 subcommittees, as required by Section 302(b).

The steepest cuts in the House bill would be applied to the Foreign Operations accounts (-23.7% from the request and -22.5% from FY2013), though State Department accounts would also be reduced significantly (-12.4% from the request and -16.4% from FY2013). The Senate bill, in contrast, proposes relatively minimal reductions to foreign operations accounts (-2.3% from the request and -0.8% from the FY2013 estimate), but somewhat larger cuts for the State Department and related programs (-2.5% from the request and -7% from FY2013). Both the House and Senate bills designate about \$6.5 billion as OCO funding, or 71% more than the \$3.8 billion requested as OCO for FY2014 (**Figure 1**). Account level data for each proposal is available in the **Appendix**.

Figure 1. State & Foreign Operations Appropriations, FY2012, FY2013, FY2014 Request and the FY2014 House and Senate Proposals
(in billions of current U.S. dollars)



Source: FY2012 data are from the FY2014 CBJ; FY2013 data are from tables provided to CRS by the State Department; FY2014 House data are from H.Rept. 113-185; Senate data are from S.Rept. 113-81.

FY2014 State Operations Request Overview

The Administration has requested \$16.88 billion for the State Department and related agencies in FY2014. The request seeks \$12.18 billion for administration of foreign affairs accounts that include the mandatory Foreign Service Retirement and Disability Fund, a 9.4% decrease from the FY2013 estimated funding level. The decrease is largely attributable to a \$2.3 billion reduction in OCO Iraq operations funds as the U.S. presence and footprint in that country are reduced. (See **Table 2** below.)

The Diplomatic and Consular Programs (D&CP) account, the operating account of the Department of State, would see a 12% decline from the FY2013 post-sequester estimate. This is largely due to a \$3.1 billion decrease in requested OCO funding in that account. Non-OCO or “enduring” funding for D&CP would actually rise by 12% from the FY2013 estimated funding level.

The request for Embassy Security, Construction and Maintenance, the State Department’s second-largest administrative account, calls for \$2.65 billion to continue efforts to provide for more secure facilities abroad. While this represents a 6% reduction from the FY2013 post-sequester funding estimate, it is a 60.6% increase from the FY2012 actual level. Among other large accounts, total contributions to International Organizations and Peacekeeping Operations would rise by about 8.3% compared to the FY2013 post-sequester estimate, while funding for international broadcasting activities would increase by about 2.8% and funds for Educational and Cultural Exchange Programs would decline by about 1%.

Table 2. State Department & Related Programs: Total Funding and Select Accounts
(in billions of current U.S. dollars)

	FY2012 Actual	FY2013 post-sequester estimate	FY2014 Request	% change, FY2013 to FY2014 Req.
Total, State & Related Programs	18.01	17.68	16.88	-4.5%
Diplomatic and Consular Programs	10.86	9.66	8.48	-12.2%
Embassy Security Construction and Maintenance	1.65	2.82	2.65	-6.0%
Educational and Cultural Exchange Programs	0.60	0.57	0.56	-1.8%
Contributions to Int. Organizations/ Peacekeeping	3.38	3.39	3.67	+8.3%
International Broadcasting	0.75	0.71	0.73	+2.8%
Other	0.77	0.53	0.79	+49.1%

Source: Department of State, FY2014 Congressional Budget Justification Executive Summary; CRS calculations.

Notes: Totals include mandatory funding for the Foreign Service Retirement and Disability Fund. Percentage change calculations use the detailed account numbers in the **Appendix**, not the rounded numbers presented in the table. “Other” includes accounts and commissions not included in the table.

State Operations Key Issues

Diplomatic Security

The dangers to U.S. diplomats abroad have been underscored by a number of recent attacks on U.S. facilities and personnel. These include the death of the U.S. Ambassador and three other U.S. personnel in an attack in Benghazi, Libya, on September 11, 2012; attacks on U.S. embassies in Egypt, Sudan, Tunisia, and Yemen, on the same day; the bombing of U.S. Embassy Ankara on February 1, 2012; and the death of U.S. Foreign Service Officer Anne Smedinghoff in Afghanistan on April 6, 2013.⁷ The protection of U.S. government employees and facilities abroad under Chief of Mission authority from terrorist, criminal, or technical attack is the responsibility of the Secretary of State.⁸

The Accountability Review Board on the Benghazi attack urged State to work with Congress to increase resources for diplomatic security and allow for more flexibility in the application of those resources. In December 2012, the Secretary of State presented an Increased Security Proposal to Congress, which requested authority to transfer \$1.3 billion in OCO funds previously appropriated for Iraq operations towards diplomatic security needs. Of that, \$553 million would be for additional Marine security guards worldwide, \$130 million for 151 new diplomatic security personnel, and \$736 million for improved security at overseas facilities. While the transfer authority was not provided by the 112th Congress, Section 1707 of the Consolidated and Further Continuing Appropriations Act of 2013 (H.R. 933, P.L. 113-6) provided additional funding for diplomatic security (\$918 million for Worldwide Security Protection, to remain available until expended; and \$1.3 billion for Embassy Security, Construction, and Maintenance), while rescinding \$1.1 billion in unobligated balances from FY2012 OCO funds.

The Administration's FY2014 request seeks to sustain the initiatives launched under the FY2013 Increased Security Proposal, including expansion of the Bureau of Diplomatic Security and further growth in the number of Marine Security Guard detachments deployed to diplomatic facilities. The request seeks \$2.2 billion for construction of new secure diplomatic facilities, a combination of enduring funding, OCO funding, and other agency contributions. The request for Embassy Security, Construction and Maintenance of \$2.65 billion (including OCO) is 6% less than the FY2013 post-sequester estimate, but a 60.6% increase from the FY2012 actual level. Within this account, Worldwide Security Upgrades funding (for bricks and mortar security needs, including construction of secure new embassy compounds) would decrease 15% from the FY2013 post-sequester estimate to \$1.61 billion, but remain 108% above the FY2012 funding level, while Ongoing Operations would increase by 18%. Worldwide Security Protection funds (for security programs including a worldwide guard force), under Diplomatic and Consular Programs, would decrease by 3% from FY2013, to \$2.18 billion.

⁷ For more information on issues pertaining to diplomatic security, see CRS Report R42834, *Securing U.S. Diplomatic Facilities and Personnel Abroad: Background and Policy Issues*, by Alex Tiersky and Susan B. Epstein.

⁸ As designated under the Omnibus Diplomatic Security and Antiterrorism Act of 1986, as amended, 22 U.S.C. §4801 et seq., P.L. 99-399.

Management and Human Resources of the Department of State

Many observers suggest that the Department of State chronically faces significant personnel shortfalls, a situation worsened in recent years by a growing number of overseas positions to fill. The ranks of mid-level Foreign Service officers (FSOs) are particularly thin, forcing junior personnel to serve in assignments meant for personnel of higher rank.⁹ In the past few years, to address this deficiency as well as the need to better train its employees, the State Department increased hiring under its Human Resources Initiative, growing the FS by approximately 18%; however, hiring slowed significantly in FY2011-FY2012 due to budget constraints.

The Administration's FY2014 request seeks to grow its Human Resources account (under Diplomatic & Consular Programs) by 5% over its FY2012 level, to a total of \$2.60 billion.¹⁰ While the Administration's FY2014 request indicates that it plans 186 new positions at the Department of State altogether, 151 of these would be funded by consular fees and devoted to meeting increasing visa demand. The remaining 35 new positions (30 Foreign Service, 5 Civil Service) for which State seeks appropriated funding would be focused on the high priorities of the "re-balance" to Asia, and to staffing the Secretary's Office of the Coordinator for Cyber Issues. As a point of comparison, the State Department requested appropriated funding for 121 new positions in its FY2013 request, and for 133 in its FY2012 request.

Among its initiatives to address workforce needs, the department seeks \$81.4 million in FY2014 funding to provide an overseas comparability pay (OCP) adjustment intended to bring the base pay of Foreign Service personnel posted overseas to levels comparable to their Foreign Service colleagues serving in Washington, DC, who receive locality pay. OCP advocates argue that the discrepancy affects morale and retention of FSOs and acts as a financial disincentive to serve overseas, including by its cumulative impact on retirement pay. The requested funding would provide a third and final tranche of OCP adjustment; two-thirds of the gap was addressed through prior year funding. The department's similar FY2013 request for OCP adjustment was not supported by appropriators.

Expeditionary Diplomacy and Key Regional Initiatives

Reduced Resources for the Frontline States

State Operations resources for the frontline states of Iraq, Afghanistan, and Pakistan would all decrease under the Administration's FY2014 budget request, compared to FY2012.¹¹

In Iraq, the Department of State became the lead agency for all U.S. programs after the departure of U.S. military forces in late 2011. An initially ambitious presence has been dramatically curtailed in the last year, due to a number of factors including resource constraints and what some observers suggest were overly ambitious initial plans and Iraq's intent to assert its independence from U.S. tutelage. It also reduces further the department's footprint by closing the Erbil Diplomatic Support Center (to be replaced by a new consulate) and handing over other sites to the

⁹ U.S. Government Accountability Office, *Department of State: Foreign Service Midlevel Staffing Gaps Persist Despite Significant Increases in Hiring*, GAO-12-721, June 2012, p. 1, <http://www.gao.gov/assets/600/591595.pdf>.

¹⁰ FY2013 post-sequestration levels are not yet available for this account.

¹¹ FY2013 post-sequester country allocations are not yet available.

Iraqi government, thereby reducing sustainment and security contract costs. Including foreign assistance, the Administration requests \$1.18 billion for its activities in Iraq, including \$0.65 billion in Ongoing Operations OCO funding. The request is \$2.4 billion lower than the FY2012 actual level.

The U.S. presence in Afghanistan is also evolving as the international combat mission is slated to end in 2014. The President's overall budget request for Afghanistan is \$3.1 billion, including \$2.2 billion in assistance and \$0.9 billion to support decreasing numbers of civilian personnel under the State Department presence in Kabul and in four key regions. Ongoing Operations OCO funding under the request would decrease by \$0.71 billion from FY2012 levels, although Worldwide Security Protection (WSP) OCO funding would increase to \$0.37 billion, a jump of 96%.

Funds requested for Pakistan, including foreign assistance, total \$1.3 billion. OCO funding for Ongoing Operations (\$0.04 billion) and WSP (\$0.02 billion) both decrease under the FY2014 proposal, by 61% and 50%, respectively, compared to FY2012 funding.

The "Rebalancing" to Asia

In the fall of 2011, the Obama Administration announced its intent to expand and intensify the already significant U.S. role in the Asia-Pacific, particularly in Southeast and South Asia. Goals underpinning this "rebalancing"—or "pivot"—to Asia include tapping into the economic dynamism of the region and influencing the development of the Asia-Pacific's norms and rules, particularly as China's regional influence grows. To this end, the Administration has, among other actions, announced new military deployments to and partnerships with Australia, Singapore, and the Philippines; joined the East Asia Summit; and secured progress in negotiations with 10 other nations to form a Trans-Pacific Strategic Economic Partnership (TPP) free trade agreement.

With some critics suggesting that the "rebalancing" has, to date, been overly focused on military deployments and initiatives, the FY2014 request emphasizes the State Department's role in resourcing the re-balancing to Asia. In addition to a 7% increase in foreign assistance to the region, compared to FY2012, the department seeks 29 new positions (of which 22 are Foreign Service) with the intention of deploying additional Economic and Political/Military officers at key posts across Asia. The request seeks \$1.2 billion overall for Asia and the Pacific, including \$0.77 billion in assistance and \$0.42 billion for operations in support of initiatives such as new facilities in China, Laos, Papua New Guinea, and Burma. Still, the requested 4.4% increase in FY2014 enduring State Operations funding for the East Asia and Pacific Bureau, compared to FY2012, is smaller than proposed increases for the Africa Bureau at +9.4% and the Near East Bureau without Iraq at +11.8%.

FY2014 Foreign Operations Request Overview

The Foreign Operations budget funds most traditional foreign aid programs, including bilateral economic aid, multilateral aid, security assistance, and export promotion programs. It has not traditionally funded food aid. Funding for U.S. Agency for International Development (USAID) operations is also part of the foreign operations budget.

The FY2014 request of \$35.095 billion for these programs would be about a 1.5% increase from the FY2013 estimated funding. However, this total includes funding for food aid programs that are not currently funded through foreign operations accounts. Excluding the roughly \$1.5 billion in food aid shifted to these accounts, the FY2014 foreign operations request is about 2.3% below the FY2013 estimate. Breaking the request down by appropriations title shows proposed shifts in foreign assistance programming at the broad level (**Table 3**):

- Bilateral Economic Assistance, including funding for independent agencies, makes up about 64.5% of the FY2014 foreign assistance request. Bilateral aid would increase by 2.9% over FY2013 estimates, largely as a result of the proposed shift of food aid out of the agriculture bill and into bilateral assistance accounts. The \$580 million requested for a new Middle East and North Africa Incentive Fund also contributes to the increase.
- Security assistance accounts for about 24% of the proposed foreign aid budget, with proposed funding at 6% less than the FY2013 post-sequester estimate. Almost every security assistance account would be reduced compared to FY2013 estimates. However, total enduring security assistance funds would increase 11% from FY2013, reflecting an Administration effort to shift security assistance away from OCO for frontline states and into enduring activities.
- Multilateral aid makes up about 9% of the foreign aid budget request, and would increase by about 13% over FY2013 estimated levels. Increases are spread over many accounts.

Table 3. Foreign Aid by Appropriations Title, FY2012 Actual and FY2014 Request
(in millions of current U.S. dollars)

	FY2012 Actual	FY2013 post- sequester estimate	FY2014 Request	% change, FY2013 to FY2014 Req.
USAID Administration	1,528.00	1,450.80	1,571.34	+8.3%
Bilateral Economic Aid	22,194.80	22,133.45	22,770.04	+2.9%
Security Assistance	9,749.59	9,070.95	8,524.39	-6.0%
Multilateral Aid	2,966.29	2,819.35	3,196.44	+13.4%
Export Promotion, net	(1,015.44)	(913.00)	(966.76)	-5.9%
Total Foreign Operations ^a	35,423.24	34,561.55	35,095.45	+1.5%
+ Food Aid from Ag bill	1,650.00	1,536.55	185.13	-88.0%
Total Foreign Aid	37,073.24	36,098.10	35,280.58	-2.3%

Source: FY2014 International Affairs Budget, Executive Summary; CRS calculations.

Notes: FY12 data do not reflect rescissions. Independent agencies and Treasury Department accounts under Bilateral Economic Assistance. Does not include the International Trade Commission and the Foreign Claims Settlement Commission, which were included in the Foreign Operations total in FY2014 budget request materials.

- a. Totals do not include funding for related international commissions within Commerce, Justice, Science appropriations.

Many of the top 10 recipients of foreign assistance would be the same under the FY2014 request as in FY2012 (**Table 4**).¹² The top recipient list is dominated by strategic allies in the Middle East and Southeast Asia, as well as top global health program recipients in Africa. Israel would continue to be the top U.S. aid recipient, at \$3.1 billion, a \$25 million increase over FY2012 funding. Afghanistan would again rank second among recipients, though with a slightly smaller allocation compared to FY2012. Iraq would drop out of the top five, with elimination of the Police Development Program driving a 55% funding cut, while Nigeria would move up to number five with a proposed allocation of \$693 million, a 7% increase over actual FY2012 funding intended to bolster health and conflict prevention programs. Together, the top 10 recipients would account for about 37% of total bilateral economic and security assistance funds in the FY2014 budget proposal.

Table 4. Top 10 Recipients of U.S. Foreign Assistance, FY2012 Actual and FY2014 Request

(in millions of current U.S. dollars)

FY2012 Actual		FY2014 Req. Est.	
1. Israel	3,075	1. Israel	3,100
2. Afghanistan	2,286	2. Afghanistan	2,200
3. Pakistan	1,821	3. Egypt	1,600
4. Egypt	1,556	4. Pakistan	1,200
5. Iraq	1,270	5. Nigeria	693
6. Jordan	776	6. Jordan	671
7. Ethiopia	707	7. Iraq	573
8. Nigeria	647	8. Kenya	564
9. South Sudan	620	9. Tanzania	553
10. South Africa	542	10. Uganda	456

Source: FY2014 data from the Executive Summary, International Affairs Budget, FY2014. FY2012 data are calculated from data provided in FY2014 budget materials provided by the State Department as well as <http://www.foreignassistance.gov>.

Note: FY2013 estimates are not included because FY2013 country-level funding data are not yet available.

Foreign Operations Key Issues

Support for Middle East and North Africa Transitions

Political transitions and unrest in the Middle East and North Africa may have significant implications for U.S. national security goals, including protecting global oil supplies, enhancing intelligence/military cooperation, ensuring military access and force projection, and promoting

¹² Country level allocations are not yet available for FY2013.

Arab-Israeli peace. The rise of new leaders in the region represents both risks and opportunities, as the Administration and lawmakers consider how to respond in a manner that best promotes U.S. strategic interests and democratic values.

Last year, the Administration requested an appropriation of \$770 million (of which \$700 million was new funding) to create a new Middle East North Africa Incentive Fund (MENA IF) that would provide flexible resources to meet diverse and rapidly evolving needs in the region. Congress neither authorized nor appropriated any MENA IF funding in FY2013 continuing resolutions. In the 112th Congress, House and Senate Foreign Operations Appropriations bills differed over MENA IF. A Senate bill would have funded it at \$1 billion while a corresponding House measure would not fund it at all, proposing instead \$200 million for Middle East response spending. Some lawmakers have expressed significant reservations about the broad spending authorities sought by the Administration's MENA-IF proposal as well as assisting some entities that would be likely candidates for MENA IF assistance.

For FY2014, the Administration has again requested funding for a MENA IF. The request calls for \$580 million, of which \$105 million would be for the existing Middle East Partnership Initiative and USAID Middle East Regional Office. The Administration request does not specify how the funds would be allocated, but explains that they would be used to cover interventions such as "support to Syrian opposition, humanitarian assistance, Enterprise Funds, and loan guarantees" that are already being funded in the region through reallocations of existing funds, "at great opportunity cost." The MENA IF, the Administration asserts, would increase flexibility and transparency with respect to these activities, and "begin to address the imbalance between our security and economic assistance in the region."

Overseas Contingency Operations

As described earlier, since FY2012, the Administration's international affairs budget has distinguished between what it has interchangeably called "core," "base," or "enduring," funding and funding to support "overseas contingency operations" (OCO), described in budget documents as "extraordinary, but temporary, costs of the Department of State and USAID in Iraq, Afghanistan, and Pakistan."¹³ In FY2012, Congress increased foreign operations funds designated as OCO by 52% over the requested level, including funds for Somalia, Yemen, and Kenya. The FY2013 full-year CR included unrequested OCO funds for disaster assistance and migration and refugees assistance, without language restricting it by country.

For FY2014, the Administration continues with its approach, requesting \$2.308 billion in foreign operations OCO funds for Iraq, Afghanistan, and Pakistan. This represents a 65% decline from the FY2012 OCO appropriation and a 40% reduction from the FY2013 OCO request (country-level OCO funding levels are not yet available for FY2013). The downward trend in foreign aid designated as OCO reflects significantly scaled down programming in Iraq and Pakistan, countered by a slight increase, over FY2012 funding, in Afghanistan:

- **Iraq.** Termination of the Iraq Police Development Program, once the largest U.S. assistance program in Iraq, is the justification for a sharp decline in foreign aid OCO to Iraq, from \$1,270 million in FY2012 to \$500 million in the FY2014 request. The requested FY2014 OCO funds would support democratic

¹³ From Executive Budget Summary, Function 150 & Other International Programs, Fiscal Year 2014, p. 97.

institutions and civil society, promote economic reform, protect vulnerable populations, and develop security institutions.

- **Afghanistan.** While the Administration has requested more OCO aid money to Afghanistan in FY2014 (\$1,445 million) than it did in FY2012 or FY2013, the request is 33% below the FY2012 actual OCO funding. The request would support a broad range of activities and is intended to uphold U.S. commitments made at the 2012 Tokyo Conference on Afghanistan.
- **Pakistan.** The FY2014 request includes \$281.2 million for OCO aid to Pakistan, a sharp drop from the requests and enacted funding in prior years. The drop reflects the elimination of the Pakistan Counterinsurgency Capability Fund (for which significant prior year funding is still available). Civilian assistance programs would be funded near prior-year levels.

Table 5 compares requested and enacted foreign operations OCO from FY2012, the FY2013 request, and the FY2014 request.

Table 5. Overseas Contingency Operations Funding in Foreign Operations Accounts, FY2012, FY2013 Request, and FY2014 Request
(in millions of current U.S. dollars)

	FY2012 Req.	FY2012 Actual	FY2013 Req.	FY2014 Req.
Foreign Operations OCO, total	4,316.60	6,573.80	3,882.87	2,308.20
Iraq	2,000.00	1,170.50	1,750.00	500.00
Afghanistan	1,216.60	2,162.80	1,237.87	1,445.00
Pakistan	1,100.00	1,610.10	800.00	281.20
Other	0.00	1,630.50	95.00	82.00
As % of total Foreign Ops funding	10.73%	18.25%	10.76%	6.57%

Source: FY2012 and FY2013 Congressional Budget Justifications, Regional Annex; FY2014 Budget Request.

Note: FY2013 country-level funding data is not yet available.

Food Aid Reform

The International Affairs budget has supported international food assistance for decades, primarily through the Food for Peace (donated U.S. agricultural commodities) and Food for Education (school feeding and maternal, infant, and child nutrition) programs. Unlike most foreign assistance, these programs have been authorized in farm bills and received appropriations through the Agriculture appropriations bill. In recent years, appropriations to these two programs totaled more than \$1.5 billion annually.

Development professionals have long raised concerns about the efficiency and effectiveness of U.S. food assistance, which is subject to several restrictions. With some exceptions, Food for Peace commodities must be bought from U.S. producers and shipped on U.S. vessels. In recent years, the U.S. Department of Agriculture operated a pilot project to evaluate local and regional procurement of food aid commodities, while USAID carried out cash-based food security assistance (local and regional purchase, cash vouchers, cash transfers) through the International

Disaster Assistance program (up to \$300 million). While most U.S. food aid is used to provide emergency humanitarian relief, some food aid commodities are provided to U.S. nongovernmental organizations to be sold (“monetized”) on local or regional markets and the proceeds used for development programs related to hunger and nutrition. Critics contend that U.S. procurement and shipping requirements, together with monetization practices, make food aid highly inefficient and ineffective.

In the FY2014 budget, the Administration requests \$1.821 billion for international food aid in three accounts. Under the food aid reform, the Administration proposes to shift \$1.1 billion of Food for Peace funds to the International Disaster and Famine Assistance account for emergency food response. In FY2014, 55% of this funding, about \$600 million, would still be used to procure and ship U.S. produced commodities. Together with \$300 million of IDA funds for cash-based food security programs, total emergency food aid would be \$1.4 billion in FY2014. The Administration’s budget also proposes to shift \$250 million to Development Assistance (DA) for a Community Development and Resilience Fund (CDRF). Feed the Future funding of \$80 million would be used to augment the CDRF, making its total \$330 million. The CDRF would effectively replace the current \$400 million “safe box” for nonemergency development food aid provided in the 2008 farm bill. Presumably, U.S. NGOs that currently carry out food aid programs would participate in these CDRF programs. The Administration maintains that by removing cost inefficiencies of the Food for Peace program, such as monetization, the same level of nonemergency program activity would be supported and more people would be reached. Finally, the Administration’s budget proposes to create a new Emergency Food Assistance Contingency Fund (\$75 million) to provide emergency food assistance for unexpected and urgent food needs.

Humanitarian Assistance

Humanitarian assistance is intended to save lives and meet basic human needs in the wake of natural disasters and conflicts. In FY2012, humanitarian assistance funding totaled \$4.563 billion. The FY2013 full-year continuing resolution increased funding over the FY2012 level for two key humanitarian assistance accounts. International Disaster & Famine Assistance (IDA) increased from \$1.095 billion to an estimated \$1.55 billion (post-sequester estimate), with the increased funds designated as OCO. The Migration and Refugee Assistance (MRA) account increased from \$1.975 billion to \$2.704 billion (post-sequester estimate), also with OCO funds. In addition, the Administration transferred previously appropriated OCO funds for the Pakistan Counterinsurgency Capability Fund to the MRA account to respond to the crisis in Syria.

The Administration’s FY2014 budget includes \$4.131 billion for humanitarian assistance accounts, including \$1.761 billion for MRA, \$2.045 billion for IDA, \$0.25 billion for Emergency Refugee and Migration Assistance (of which \$0.20 billion is specifically for Syria), and \$0.075 billion for a new Emergency Food Assistance Contingency Fund. Of the IDA funds, \$0.629 billion are allocated to USAID’s Office of Foreign Disaster Assistance to respond to natural disaster, civil strife, food security, and displaced populations. The remaining \$1.416 billion is designated for Food for Peace activities currently funded through the Agriculture appropriation (see Food Aid above). In total, the humanitarian assistance request is about 27% below the FY2013 post-sequester estimate, due in part to \$0.25 billion in food aid being moved to the Development Assistance account.

Ongoing Administration Initiatives

The Obama Administration introduced three major foreign assistance initiatives in 2009 and 2010—the Global Health Initiative, the Food Security Initiative (Feed the Future), and the Global Climate Change Initiative—which continue to be priorities in the FY2014 budget request.

- **Global Health Initiative.** The request includes \$8.315 billion for global health programs, a 3% increase over the FY2013 post-sequester estimate. Several programs would see mostly modest increases over FY2012 funding: Malaria (+3%), Maternal and Child Health (+12%), and Family Planning and Reproductive Health (+1%). Others would see significant cuts: Tuberculosis (-19%), Pandemic Influenza (-19%), Neglected Tropical Diseases (-4%), and USAID HIV/AIDS (-6%), though FY2013 allocations for these subaccounts are not yet available. The Administration asserts that the requested funding will allow the continuation and scale-up of HIV/AIDS prevention, care, and treatment activities and meet pledged commitments to multilateral efforts.
- **Food Security Initiative.** Feed the Future (FtF) is the Administration's food security initiative, designed to support long-term country-led agricultural growth and nutrition plans. For FY2014, the Administration has requested \$1.191 billion for Feed the Future, a 9% increase over the FY2012 funding (FY2013 data are not available). The Administration's pledge of \$3.5 billion for food security assistance, made at the L'Aquila G-8 summit in 2009, has been exceeded. For FY2014, increased funding would be channeled to economic resilience activities in regions of Africa facing chronic food insecurity.
- **Global Climate Change Initiative (GCCCI).** The GCCCI would see a 2% decrease from FY2012 funding (FY2013 data are not yet available), including a \$100 million transfer from ESF, with the Administration's FY2014 request of \$0.837 billion. Within that total, bilateral clean energy funding would increase by 7% and adaptation programs by 1%, while sustainable landscapes funding would be reduced by 10%. Total U.S. contributions to World Bank climate accounts would decrease by 6% if the \$100 million ESF transfer to these funds is calculated into the FY2012 funding total.¹⁴ With FY2013 funds, the United States has met the specific international climate change commitments which initially drove the initiative.

¹⁴ These accounts include the Clean Technology Fund, Strategic Climate Fund, and Global Environment Fund (GEF), but only about half of GEF funding related to climate change and is included in the GCCCI funding calculation.

Appendix. State-Foreign Operations Appropriations, by Account

Table A-1. State Department, Foreign Operations and Related Agencies Appropriations, FY2012-FY2014 Request

(in millions of current U.S. dollars)

	FY2012 actual (of which is OCO)	FY2013 estimate Post-sequestration & rescissions (P.L. 113-6)			FY2014 request			FY2014 House (H.R. 2855)			FY2014 Senate (S. 1372)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
	Title I. State, Broadcasting & Related Agencies	18,009.31 (4,627.46)	13,267.12	4,592.58	17,859.70	15,384.07	1,499.14	16,883.20	12,179.24	2,600.56	14,779.80	14,721.49	1,735.06
<i>Administration of Foreign Affairs, Subtotal</i>	<i>13,562.25 (4,513.35)</i>	<i>8,957.40</i>	<i>4,496.37</i>	<i>13,453.77</i>	<i>10,678.23</i>	<i>1,499.14</i>	<i>12,177.37</i>	<i>8,862.25</i>	<i>2,493.66</i>	<i>11,355.91</i>	<i>10,173.93</i>	<i>1,650.24</i>	<i>11,824.17</i>
Diplomatic & Consular Program	10,864.24 (4,306.36)	6,484.28	3,178.99	9,663.27	7,282.36	1,199.49	8,484.85	5,666.03	2,171.51	7,837.54	7,089.85	1,024.91	8,114.76
<i>Worldwide Security Protection</i>	<i>(1,591.20)</i>			<i>(2,250.59)</i>	<i>(1,791.17)</i>	<i>(390.96)</i>	<i>(2,182.13)</i>	<i>(1,791.17)</i>	<i>(390.96)</i>	<i>(2,182.14)</i>	<i>(1,867.25)</i>	<i>(900.27)</i>	<i>(2,767.52)</i>
Capital Investment Fund	59.38	56.37		56.37	76.90		76.90	76.90		76.90	76.90		76.90
Embassy Security, Construction & Maintenance	1,652.70 (115.70)	1,581.79	1,237.54	2,819.33	2,399.35	250.00	2,649.35	2,399.35	250.00	2,649.35	2,105.80	558.55	2,664.35
<i>Worldwide Security Upgrades</i>	<i>(775.00)</i>	<i>(1,896.56)</i>		<i>(1,896.56)</i>	<i>(1,614.00)</i>		<i>(1,614.00)</i>	<i>(1,614.00)</i>		<i>(1,614.00)</i>	<i>(1,320.45)</i>		<i>(1,320.45)</i>
Civilian Stabilization Operations	30.32 (8.50)		8.08	8.08	45.20		45.20	0.00		0.00	0.00	8.50	8.50
Ed. & Cultural Exchanges	598.80 (15.60)	553.68	14.82	568.50	562.66		562.66	438.84	12.50	451.34	595.00	8.63	603.63
Office of Inspector General	129.09 (67.18)	59.58	56.94	116.52	69.41	49.65	119.06	59.41	59.65	119.06	69.41	49.65	119.06

	FY2012 actual (of which is OCO)	FY2013 estimate Post- sequestration & rescissions (P.L. 113-6)			FY2014 request			FY2014 House (H.R. 2855)			FY2014 Senate (S. 1372)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
	Representation Allowances	8.03	6.93		6.93	6.93		6.93	6.93		6.93	7.30	
Protection of Foreign Missions & Officials	27.75	25.63		25.63	25.63		25.63	25.64		25.64	28.20		28.20
Emergency-Diplomatic & Consular Services	9.07	8.83		8.83	8.83		8.83	8.83		8.83	9.65		9.65
Repatriation Loans	1.67	1.37		1.37	1.37		1.37	1.37		1.37	1.70		1.70
Payment American Institute Taiwan	21.78	20.04		20.04	36.22		36.22	20.05		20.05	31.22		31.22
Foreign Service Retirement (mandatory)	158.90	158.90		158.9	158.90		158.90	158.90		158.90	158.90		158.90
<i>International Orgs, Subtotal</i>	<i>3,379.18 (101.30)</i>	<i>3,290.22</i>	<i>96.21</i>	<i>3,386.43</i>	<i>3,668.11</i>		<i>3,668.11</i>	<i>2,352.46</i>	<i>74.40</i>	<i>2,426.86</i>	<i>3,477.07</i>	<i>74.40</i>	<i>3,551.47</i>
Contributions to Int'l Orgs	1,551.00 (101.30)	1,376.33	96.21	1,472.54	1,573.45		1,573.45	671.63	74.40	746.03	1,382.41	74.40	1,456.81
Contributions, International Peacekeeping	1,828.18	1,913.89		1,913.89	2,094.66		2,094.66	1,680.83		1,680.83	2,094.66		2,094.66
<i>International Commission subtotal</i>	<i>124.17</i>	<i>112.96</i>		<i>112.96</i>	<i>120.96</i>		<i>120.96</i>	<i>111.71</i>		<i>111.71</i>	<i>132.96</i>		<i>132.96</i>
Int'l Boundary/U.S.-Mexico	76.18	68.78		68.78	77.02		77.02	68.92		68.92	80.82		80.82
American Sections	11.69	11.31		11.31	12.50		12.50	11.34		11.34	12.80		12.80

	FY2012 actual (of which is OCO)	FY2013 estimate Post- sequestration & rescissions (P.L. 113-6)			FY2014 request			FY2014 House (H.R. 2855)			FY2014 Senate (S. 1372)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
	International Fisheries	36.30	32.87		32.87	31.44		31.44	31.45		31.45	39.34	
<i>International Broadcast, Subtotal</i>	<i>751.53 (4.40)</i>	<i>713.49</i>		<i>713.49</i>	<i>731.08</i>		<i>731.08</i>	<i>698.58</i>	<i>32.50</i>	<i>731.08</i>	<i>725.08</i>	<i>4.40</i>	<i>729.48</i>
Broadcasting Operations	744.50 (4.40)	706.82		706.82	722.58		722.58	691.58	32.50	724.08	717.08	4.40	721.48
Capital Improvements	7.03	6.67		6.67	8.50		8.50	7.00		7.00	8.00		8.00
<i>Related Approps, Subtotal</i>	<i>192.18</i>	<i>182.47</i>		<i>182.47</i>	<i>173.41</i>		<i>173.41</i>	<i>141.97</i>		<i>141.97</i>	<i>200.18</i>	<i>6.02</i>	<i>206.20</i>
Asia Foundation	17.00	16.14		16.14	17.00		17.00	13.00		13.00	17.00		17.00
U.S. Institute of Peace	39.00 (8.41)	37.03		37.03	35.69		35.69	10.71		10.71	30.98	6.02	37.00
Center for Middle East-West Dialogue-Trust & Program	0.84	0.80		0.80	0.09		0.09	0.09		0.09	0.09		0.09
Eisenhower Exchange Programs	0.50	0.48		0.48	0.40		0.40	0.40		0.40	0.40		0.40
Israeli Arab Scholarship Program	0.38	0.36		0.36	0.01		0.01	0.01		0.01	0.01		0.01
International Center	0.52	0.49		0.49	5.97		5.97	0.00		0.00	[5.97] ^a		
East-West Center	16.70	15.86		15.86	10.80		10.80	0.00		0.00	16.70		16.70
National Endowment for Democracy	117.76	111.80		111.80	103.45		103.45	117.76		117.76	135.00		135.00

	FY2012 actual (of which is OCO)	FY2013 estimate Post- sequestration & rescissions (P.L. 113-6)			FY2014 request			FY2014 House (H.R. 2855)			FY2014 Senate (S. 1372)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
<i>Other Commissions subtotal</i>	11.84	10.58		10.58	12.27		12.27	12.27		12.27	12.27		12.27
Preservation of America's Heritage	0.63	0.57		0.57	0.69		0.69	0.69		0.69	0.69		0.69
Int'l Religious Freedom	3.00	2.77		2.77	3.50		3.50	3.50		3.50	3.50		3.50
Security & Cooperation Europe	2.72	2.31		2.31	2.58		2.58	2.58		2.58	2.58		2.58
Cong.-Exec. on People's Republic of China	2.00	1.80		1.80	2.00		2.00	2.00		2.00	2.00		2.00
U.S.-China Economic and Security Review	3.49	3.13		3.13	3.50		3.50	3.50		3.50	3.50		3.50
Foreign Ops TOTAL	35,423.24 (6,575.33)	27,695.66	7,325.66	35,021.32	32,637.35	2,308.20	35,095.45	22,855.31	3,919.44	26,774.75	29,509.41	4,780.04	34,289.45
Title II. Admin of Foreign Assistance	1,528.00 (259.50)	1,204.35	246.45	1,450.80	1,500.34	71.00	1,571.34	1,105.05	250.74	1,355.79	1,449.26	70.35	1,519.61
USAID Operating Expenses	1,347.30 (255.00)	1,037.07	242.18	1,279.25	1,328.20	71.00	1,399.20	942.95	240.70	1,183.65	1,284.32	65.35	1,349.67
USAID Capital Investment Fund	129.70	123.13		123.13	117.94		117.94	117.94		117.94	117.94		117.94
USAID Inspector General	51.00 (4.50)	44.15	4.27	48.42	54.20		54.20	44.16	10.04	54.20	47.00	5.00	52.00
Title III. Bilateral Economic Assistance	22,194.80 (3,834.52)	17,224.84	4,908.61	22,133.45	22,388.22	1,382.20	22,770.42	14,873.70	2,432.35	17,306.05	18,190.20	3,959.50	22,149.7

	FY2012 actual (of which is OCO)	FY2013 estimate Post- sequestration & rescissions (P.L. 113-6)			FY2014 request			FY2014 House (H.R. 2855)			FY2014 Senate (S. 1372)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
	Global Health Programs (GHP), State + USAID	8,172.66	8,061.49		8,061.49	8,315.00		8,315.00	8,175.00		8,175.00	8,455.00	
GHP (State Dept.)	[5,334.31]	[5,439.33]		[5,439.83]	[5,670.00]		[5,670.00]	[5,670.00]		[5,670.00]	[5,670.00]		[5,670.00]
GHP (USAID)	[2,498.00]	[2,621.25]		[2,621.66]	[2,645.00]		[2,645.00]	[2,505.00]		[2,505.00]	[2,785.00]		[2,785.00]
Development Assistance	2,519.95	2,717.67		2,717.67	2,837.81		2,837.81	2,000.00		2,000.00	2,507.00		2,507.00
International Disaster Assistance (IDA)	1,095.00 (270)	799.46	750.93	1,550.39	2,045.00		2,045.00	772.60	156.40	929.00	610.00	1,005.00	1,615.00
Transition Initiatives	93.70 (43.55)	47.61	6.22	53.83	57.60		57.60	43.75	13.85	57.60	52.60	5.00	57.60
Complex Crises Fund	50.00 (40.00)	9.49	28.50	37.99	40.00		40.00	—	—	—	—	—	—
Complex Foreign Crises fund											40.00	535.00	575.00
Emergency Food Aid Contingency	—	—	—	—	75.00		75.00	—	—	—	—	—	—
Development Credit Authority –Admin	[40.00]	[40.00]		[40.00]	[40.00]		[40.00]	[40.00]		[40.00]	[40.00]		[40.00]
Development Credit Authority Subsidy	8.30	7.88		7.88	8.20		8.20	7.86		7.86	8.20		8.20
Economic Support Fund	6,146.70 (3,151.96)	2,573.59	3,008.94	5,582.53	4,076.05	1,382.20	5,458.25	1,367.72	1,541.37	2,909.09	3,589.90	901.50	4,491.40
Assistance for Europe; Eurasia & Central Asia (AEECA)	626.72	0.00		0.00 ^b	0.00		0.00	0.00		0.00	0.00		0.00

	FY2012 actual (of which is OCO)	FY2013 estimate Post- sequestration & rescissions (P.L. 113-6)			FY2014 request			FY2014 House (H.R. 2855)			FY2014 Senate (S. 1372)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
	Middle East and North Africa Incentive Fund	—	0.00		0.00	580.00		580.00	0.00		0.00	0.00	
Democracy Fund	114.77	108.96		108.96	0.00		0.00	111.50		111.50	130.50		130.50
Migration & Refugee Assistance	1,975.10 (329.00)	1,590.14	1,114.02	2,704.16	1,760.96		1,760.96	1,264.40	720.73	1,985.13	1,387.00	1,513.00	2,900.00
Emergency Refugee and Migration	27.20	25.82		25.82	250.00		250.00	25.83		25.83	50.00		50.00
<i>Independent Agencies subtotal</i>	<i>1,325.70</i>	<i>1,258.57</i>		<i>1,258.57</i>	<i>1,319.10</i>		<i>1,319.10</i>	<i>1,081.52</i>		<i>1,081.52</i>	<i>1,336.50</i>		<i>1,336.50</i>
Inter-American Foundation	22.50	21.36		21.36	18.10		18.10	13.70		13.70	22.50		22.50
African Development Foundation	30.00	28.48		28.48	24.00		24.00	9.78		9.78	30.00		30.00
Peace Corps	375.00	356.00		356.00	378.80		378.80	356.14		356.14	385.00		385.00
Millennium Challenge Corporation	898.20	852.73		852.73	898.20		898.20	701.90		701.90	899.00		899.00
<i>Department of Treasury subtotal</i>	<i>39.00</i>	<i>24.16</i>		<i>24.16</i>	<i>23.50</i>		<i>23.50</i>	<i>23.50</i>		<i>23.50</i>	<i>23.50</i>		<i>23.50</i>
Treasury Department Technical Assistance	27.00 (1.55)	24.16		24.16	23.50		23.50	23.50		23.50	23.50		23.50
Debt Restructuring	12.00	—		—	—		—	—		—	—		—

	FY2012 actual (of which is OCO)	FY2013 estimate Post- sequestration & rescissions (P.L. 113-6)			FY2014 request			FY2014 House (H.R. 2855)			FY2014 Senate (S. 1372)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
	Title IV. Int'l Security Assistance	9,749.59 (2,479.76)	6,900.35	2,170.60	9,070.95	7,669.39	855.00	8,524.39	6,908.04	1,236.35	8,144.39	7,445.90	745.19
International Narcotics Control & Law Enforcement	1,635.71 (574.60)	1,005.61	932.47	1,938.08	1,129.73	344.00	1,473.73	919.15	554.57	1,473.73	1,025.00	106.50	1,131.50
Nonproliferation, Anti-Terrorism, Demining	711.27 (121.16)	560.27	114.59	674.86	616.13		616.13	501.53	114.59	616.13	700.00		700.00
International Military Education & Training	105.79	100.43		100.43	105.57		105.57	105.57		105.57	105.00		105.00
Foreign Military Financing	6,312.00 (1,102.00)	4,946.53	1,046.61	5,993.14	5,445.96	511.00	5,956.96	5,096.06	811.00	5,907.06	5,365.00	500.00	5,865.00
Peacekeeping Operations	509.82 (207.00)	287.51	76.93	364.44	347.00		347.00	285.71	136.19	421.90	250.90	138.60	389.50
Pakistan Counterinsurgency Capability Fund (PCCF)	452.00 (452.00)	0.00		0.00	0.00		0.00	0.00	-380.00	-380.00	0.00		0.00
Global Security Fund	23.00 (23.00)	0.00		0.00	25.00		25.00	0.00		0.00	0.00		0.00
Title V. Multilateral Assistance	2,966.29	2,879.84		2,879.84	3,196.44		3,196.44	1,151.44		1,151.44	3,541.48	5.00	3,546.49
World Bank: Global Environment Facility	89.82	124.84		124.84	143.75		143.75	0.00		0.00	143.75		143.75
Internation'l Clean Technology Fund	184.63	175.28		175.28	215.70		215.70	0.00		0.00	215.70		215.70

	FY2012 actual (of which is OCO)	FY2013 estimate Post- sequestration & rescissions (P.L. 113-6)			FY2014 request			FY2014 House (H.R. 2855)			FY2014 Senate (S. 1372)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
	Strategic Climate Fund	49.90	47.37		47.37	68.00		68.00	0.00		0.00	68.00	
World Bank: Int'l. Development Association	1,325.00	1,351.02		1,351.02	1,358.50		1,358.50	942.31		942.31	1,358.50		1,358.50
Int. Bank Recon & Dev	117.36	180.99		180.99	186.96		186.96	0.00		0.00	186.96		186.96
Inter-Amer. Dev. Bank - capital	75.00	107.34		107.34	102.02		102.02	0.00		0.00	102.02		102.02
IADB: Enterprise for Americas MIF	25.00	15.00		15.00	6.30		6.30	0.00		0.00	6.30		6.30
IADB: Inter-American Investment Corporation	4.67	—		—	—		—	0.00		0.00	0.00		0.00
Asian Development Fund	100.00	94.94		94.94	115.25		115.25	74.54		74.54	115.25		115.25
Asian Development Bank – capital	106.59	101.19		101.19	106.59		106.59	0.00		0.00	106.59		106.59
African Development Fund	172.50	163.45		163.45	195.00		195.00	134.59		134.59	195.00		195.00
African Development Bank - capital	32.42	30.72		30.72	32.42		32.42	0.00		0.00	32.42		62.42
International Fund for Agricultural Development	30.00	28.48		28.48	30.00		30.00	0.00		0.00	30.00		30.00
Global Food	135.00	128.17		128.17	135.00		135.00	0.00		0.00	135.00		135.00

	FY2012 actual (of which is OCO)	FY2013 estimate Post- sequestration & rescissions (P.L. 113-6)			FY2014 request			FY2014 House (H.R. 2855)			FY2014 Senate (S. 1372)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
	Security Fund												
IMF funding quota increase											315.00		315.00
International Organizations & Programs	343.91	331.05		331.05	320.65		320.65	0.00		0.00	355.70		355.70
Multilateral Debt Relief	174.50	—		—	175.30		175.30	0.00		0.00	145.30		145.30
Middle East North Africa Transition Fund	—	—		—	5.00		5.00	0.00		0.00	0.00	5.00	5.00
Title VI. Export Assistance	(1,015.43)	(513.72)		(513.72)	(1,117.04)		(1,117.04)	(1,182.92)		(1,182.92)	(1,117.44)		(1,117.44)
Export-Import Bank (net)	(799.70)	(354.35)		(354.35)	(959.50)		(959.50)	(984.50)		(984.50)	(959.90)		(959.90)
Overseas Private Investment Corporation (net)	(265.73)	(206.84)		(206.84)	(220.20)		(220.20)	(245.91)		(245.91)	(220.20)		(220.20)
Trade & Development Agency	50.00	47.47		47.47	62.66		62.66	47.49		47.49	62.66		62.66
Title VII. General Provisions (add ons/ rescissions)					7.00		7.00	(772.63)		(772.63)	(1,254.00)		(1,254.00)
State-Foreign Ops Total, Net of Rescissions	53,432.55 (11,202.70)	40,762.78	11,918.24	52,881.02	48,026.41	3,807.34	51,835.75	35,034.55	6,520.00	40,781.92	42,976.9	6,515.10	49,492.00
Title VIII. Overseas Contingency Operations	While listed in a separate title in FY2013 legislation, OCO-designated funding has been listed here in the OCO columns above, in the appropriate account lines, to allow for easier year to-year and bill-to-bill comparison of account totals.												

Source: FY2012 data are from the FY14 CBJ; FY13 data are from tables provided to CRS by the State Department; FY14 House data are from H.Rept. 113-185; Senate data are from S.Rept. 113-81.

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. “Core” funding is also sometimes referred to as “base” or “enduring” funding in budget documents.

- a. Senate funding for the International Center is within the D&CP account.
- b. Although no funding was requested 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.
- c. Includes Multilateral Debt Relief Initiative (MDRI) funds both for the World Bank IDA and the African Development Bank.

Table A-2. International Affairs (150) Function Account, FY2012-FY2014

(in millions of current U.S. dollars)

	FY2012 Actual	FY2013 post sequestration/ rescission Estimate^a	FY2014 Request	House	Senate
State-Foreign Operations, excluding commissions^b	53,296.54	52,118.77	51,702.52	40,657.94	49,346.77
Commerce-Justice- Science					
Foreign Claim Settlement Commission	2.00	1.90	2.22	2.10	2.20
Int'l Trade Commission	80.00	78.87	85.10	79.00	85.10
Agriculture					
P.L. 480 and McGovern-Dole	1,650.00	1,536.55	185.13 ^c	1,329.98	1,651.13
Total International Affairs (150)	55,028.54	53,736.09	51,974.97	42,069.02	51,085.20

Source: FY2014 International Affairs Congressional Budget Justification; State-Foreign Operations H.Rept. 113-185; S.Rept. 113-81; Commerce, Justice, Science H.Rept. 113-171; S.Rept. 113-78; Agriculture H.Rept. 113-116; S.Rept. 113-46; and CRS calculations.

- Funding levels in this column reflect funding estimates after sequestration and after the across the board rescissions required by Section 3004 of the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6).
- While funding for certain international commissions are appropriated in the State-Foreign Operations bill, they are not part of the International Affairs Function 150 Account.
- Reflects appropriation request for P.L. 480 title II grants to be within the FY2014 Foreign Operations request.

Author Contact Information

Susan B. Epstein
Specialist in Foreign Policy
sepstein@crs.loc.gov, 7-6678

Alex Tiersky
Analyst in Foreign Affairs
atiersky@crs.loc.gov, 7-7367

Marian L. Lawson
Specialist in Foreign Assistance Policy
mlawson@crs.loc.gov, 7-4475