



DEPARTMENT OF STATE AND OTHER INTERNATIONAL PROGRAMS

Funding Highlights:

- The Department of State, the U.S. Agency for International Development (USAID), and other international programs promote and advance the national security and economic prosperity of the United States through diplomacy, enhanced security, and fair economic competition.
- The Budget for U.S. international programs advances the Nation's strategic objectives outlined in the 2017 National Security Strategy. The Budget supports new tools to allow the United States to focus on great power competition and respond flexibly to international challenges. The Budget also prioritizes organizational reforms to increase agency effectiveness, prioritize the efficient use of taxpayer dollars, and increase burden-sharing.
- Across the international affairs budget, eliminations of various programs and accounts would save nearly \$170 million compared to the 2020 enacted level. These savings include the elimination of earmarked funding to non-Federal and non-profit entities such as The Asia Foundation, which sustains outside fundraising and should rely on private donations and competitive grants rather than taxpayer dollars. Further savings come from reductions to embassy-based small grants for non-strategic events and programs, which have included: \$4,800 to send American artists to a poetry festival in Finland; \$7,500 for a foreign student to attend Space Camp; and \$10,000 to support the Muppet Retrospectacle in New Zealand.
- The 2021 Budget requests \$40.8 billion for the Department of State and USAID, an \$11.7 billion or 22-percent decrease from the 2020 enacted level. The Budget also requests \$1.6 billion for Department of Treasury international programs, a \$0.1 billion or 8-percent decrease from the 2020 enacted level.

The President's 2021 Budget:

The 2021 Budget provides the necessary resources for the United States to maintain and expand U.S. influence while safeguarding U.S. economic interests. As great power competition becomes more prevalent, the United States must confront new challenges and meet new realities. To achieve this effectively, the Budget invests in new capabilities to defend American interests and values across the security, trade, and information domains.

The Budget supports America's allies, proposes new avenues to deepen existing relationships, and contains a new approach toward countries that have taken unfair advantage of U.S. generosity. The Budget increases fiscal restraint by eliminating ineffective programs and continuing to support

wide-reaching agency reforms. This includes recalibrating American contributions to international organizations; asking other nations to pay their fair share, while maintaining American leadership.

Prioritizes Great Power Competition

Ensures the Indo-Pacific Region Remains Free, Open, Independent, and Counters Chinese Propaganda. The future of the Indo-Pacific, which contains roughly half the world's population and many of the fastest-growing economies, is critical to U.S. security and long-term economic interests. The Budget provides \$1.5 billion for the Indo-Pacific, reflecting a strong Administration commitment to ensuring that the region remains free, open, and independent of malign Chinese influence. This funding supports democracy programs, strengthens security cooperation, improves economic governance, and facilitates private sector-led economic growth. A total of \$30 million is included in the Budget for the Global Engagement Center dedicated to countering foreign state and non-state propaganda and disinformation from China.

Counters Russian Influence by Strengthening U.S. Allies. The Budget provides \$0.7 billion for assistance to Europe, Eurasia, and Central Asia to advance shared security; safeguard the territorial integrity of U.S. allies; support partner countries' efforts to transition away from Russian military equipment; and address weaknesses in the macro-economic environment that the government of Russia seeks to exploit, such as dependence on energy and trade. The Budget also provides \$24 million for the Global Engagement Center to counter Russian propaganda and disinformation.

Levels the Playing Field for U.S. Exporters. The Budget promotes the President's trade agenda by providing robust support for the Office of the U.S. Trade Representative (USTR). The Administration is advancing fair and reciprocal trade through agreements with Mexico and Canada, South Korea, Japan, and China, and through ongoing negotiations with the United Kingdom, China, and European countries. These agreements are opening new markets for American exports and creating jobs while protecting American intellectual property. The Budget also supports the Administration's efforts to enforce trade agreements and protect American businesses and workers from trade violations and predatory business practices.

Expands the International Development Finance Corporation (DFC) for Private Sector Development Internationally. The Budget provides \$0.8 billion for the DFC to support private-sector growth in less developed countries and to provide a transparent, high-quality alternative to predatory Chinese international lending in the Indo-Pacific and other strategic regions. The Budget allows the DFC to make equity investments, increasing its ability to invest in critical private sector projects. Using these tools, the DFC would complement and enhance U.S. strategic and foreign policy objectives in the developing world.

Expands Defense Financing for America's Allies. The Budget proposes an expanded set of Foreign Military Financing (FMF) loan and loan guarantee programs for NATO and Major Non-NATO Allies to complement traditional FMF grant assistance. With these tools, the United States would increase opportunities for allies to build their militaries around U.S. innovation and quality and transition away from inferior equipment from foreign adversaries. This would increase burden sharing, while bolstering security and improving interoperability, and support the U.S. defense industrial base.

Bolsters Core Diplomatic Efforts

Supports America's Strongest Allies in the Middle East. The Budget fully supports the U.S.-Israel Memorandum of Understanding and includes \$3.3 billion in FMF grant assistance to bolster Israel's capacity to defend itself against threats in the region and maintain its qualitative military

edge. The Budget also fully supports the U.S.-Jordan Memorandum of Understanding at \$1.3 billion and the U.S. diplomatic and security partnership with Egypt, including \$1.3 billion in FMF grant assistance.

Empowers Women to Contribute to Global Economic Growth and Political Stability.

The Budget promotes women's economic empowerment in developing countries by doubling support for the Women's Global Development and Prosperity (W-GDP) Fund to \$200 million. The W-GDP Initiative helps women advance in the workplace, succeed as entrepreneurs,

and fully and freely participate in the economy. Despite making up half of the world's population, women remain one of the greatest underutilized resources for growing economies. W-GDP applies rigorous metrics to track and assess progress as the initiative works to economically empower 50 million women across the developing world by 2025. The Budget also supports the meaningful participation of women in conflict prevention, resolution, and recovery as an evidence-based solution for promoting lasting peace and stability through the implementation of the Women, Peace, and Security Act.

Promotes American Interests Abroad. The Budget requests \$4.8 billion for Diplomatic Programs supporting the Department of State's core function of achieving U.S. foreign policy objectives and advancing American interests via 276 embassies, consulates, and diplomatic missions around the world. This funding level sustains and invests in the State Department's workforce, while putting taxpayers first by promoting more efficient operations. The Budget would enable the Department to continue modernizing its Information Technology platform to allow its workforce to do their jobs efficiently, effectively, and securely. In addition, the Budget includes \$4.1 billion for consular and border security programs. This critical component of U.S. border security protects the American people while facilitating legitimate travel. The Budget also requests \$1.3 billion for USAID Operating Expenses to support USAID personnel in 87 missions.

Prioritizes Embassy Security. The Budget requests \$5.4 billion to protect overseas personnel and facilities, including the Department's share of the \$2.2 billion requested Government-wide, for new, secure embassy construction, as recommended by the Benghazi Accountability Review Board. This security funding supports the protection of every U.S. diplomatic mission and the thousands of employees who promote U.S. interests and values overseas in dangerous and challenging security environments. In fact, through 2019, with sustained embassy security funding, the Department successfully moved more than 41,000 personnel into safer overseas facilities. The Budget also includes \$100 million to bolster maintenance of these facilities. With the proposed level of funding, the Department of State would continue to protect American personnel representing more than 30 agencies, as well as provide services to Americans overseas, in a safe and secure environment.

Improves Stewardship of Taxpayer Dollars and Maintains U.S. Global Leadership

Focuses on U.S. Interests and Promotes Fairer Burden Sharing. The Budget supports the aims of the United States to compete and lead in multilateral organizations, thereby protecting American interests and principles around the world. To do so efficiently and effectively, this is accomplished by fully funding international organizations critical to U.S. national security, and reducing or eliminating funding to other organizations and programs whose results are either unclear or do not directly affect U.S. national security interests. The Budget also continues America's commitment to reevaluate the design and implementation of peacekeeping missions and increase accountability and transparency in all international organizations. In addition, the United States will continue to

"We resolve that the future of the Western Hemisphere will not be written by socialists and tyrants, but by liberty-loving patriots. Our great destiny is to become the first fully free hemisphere in human history."

President Donald J. Trump
September 25, 2019

insist that financial burden sharing be more fair and equitable to the United States and its taxpayers, including through negotiating lower assessment rates and proposing more appropriate contribution levels in the Budget. One recent achievement to advance this objective was the reduction in the assessment rate for NATO, so that the United States is now in line with other major members.

Demands Necessary Reforms at the Multilateral Development Banks (MDBs) while Maintaining U.S. Leadership. The Budget requests \$1.5 billion in funding for the MDBs, including support for new pledges to the World Bank's International Development Association and the African Development Fund. The Administration continues to demand reforms that would better align the MDBs with U.S. development and foreign policy goals. Recently negotiated reforms will improve financial management and debt sustainability while increasing the MDB's focus on infrastructure, women's economic empowerment, and assistance to fragile states, when implemented.

Reforms U.S. Humanitarian Assistance while Expecting Others to Do More. The Budget continues the U.S. commitment to assist globally in the event of humanitarian crises, at a more targeted funding level. The Administration remains committed to fundamental restructuring needed to most effectively address evolving conflict-driven crises and best meet the needs of those affected, including helping refugees remain close to their homes until they can safely return. This restructuring is critical to delivering optimal results both for affected populations and for American taxpayers, and is supported by several independent analyses. USAID's new Bureau for Humanitarian Assistance consolidates multiple organizations into a single office to streamline administration of all overseas humanitarian assistance through a new flexible account that can respond to evolving needs. These changes build on USAID's and the State Department's strengths, leveraging USAID's expertise on effective program implementation and State's overall authority over foreign policy, diplomacy, and refugee policy. Under the restructuring proposal, the State Department would maintain its existing staff and continue to run U.S. refugee admissions via a separate account, with transfers from International Humanitarian Assistance account if resettlement needs increase.

Streamlines Foreign Assistance and Concentrates Resources on the Highest Impact Programs. The Budget again proposes to streamline economic and development assistance by eliminating accounts with similar authorities and reducing the request for the consolidated account by 21 percent compared to the 2020 enacted level. This account restructuring would improve flexibility and enable a more balanced consideration of how these programs support prosperity and economic opportunities, and advance American interests and values around the world. In particular, the Budget:

- Re-aligns economic and development assistance to programs with proven impact for the benefit of the American people. This includes efforts to counter Russia, China, and other adversaries; graduate developing countries from foreign aid through self-reliance; and increase trade and investment opportunities.
- Protects investments in economic growth and trade facilitation including funding for Prosper Africa and focuses limited resources on African countries with greater potential to increase two-way trade and investment. This would increase opportunities for American businesses consistent with the President's Africa Strategy.
- Includes the necessary funds to implement the comprehensive set of reforms outlined in the Administration's *Delivering Government Solutions in the 21st Century* plan, including a major structural reorganization of USAID to strengthen core capabilities, increase efficiency, and reduce costs.

Protects Freedom Worldwide. The Budget advances freedom worldwide for all people by supporting programs that counter trafficking in persons and support the freedom of religious and ethnic minorities. The Budget provides \$150 million to support persecuted religious and ethnic minorities around the world and promote religious freedom, as well as \$60 million to end modern slavery abroad and provide resources for survivors. In order to accomplish these goals, the Budget supports programs that strengthen the rule of law, combats transnational criminal operations, and partners with local and faith-based organizations worldwide. The United States will continue to challenge state and non-state entities that seek to infringe upon the fundamental right of living according to one's own principles.

"America stands with believers in every country who ask only for the freedom to live according to the faith that is within their own hearts."

President Donald J. Trump
September 23, 2019

Sustains U.S. Leadership in Fighting the HIV/AIDS Epidemic. The Budget provides \$658 million for the Global Fund to Fight AIDS, Tuberculosis and Malaria and offers to match \$1 for every \$3 contributed by other donors. Coupled with appropriated funds, this request would keep the United States on track to meet the Administration's \$3.3 billion pledge for the Global Fund's sixth replenishment by 2022. The Budget also requests \$3.2 billion for the U.S. President's Emergency Plan for AIDS Relief (PEPFAR), \$170 million less than the 2020 Budget. With these resources and 2020 appropriations, PEPFAR would continue to provide lifesaving treatment in over 50 countries, maintain all current patients on treatment, and help recipient countries achieve HIV epidemic control. With these resources, the United States would continue to be the top HIV/AIDS donor in the world.

Protects the United States and the World from Infectious Disease Through the Global Health Security Agenda (GHSA). The Budget sustains the U.S. international partnership with GHSA to defend the Nation from infectious disease outbreaks by building the capacity of countries to prevent, detect, and respond to these threats. The Budget also requests \$290 million for Gavi, the Vaccine Alliance, as part of a four year, \$1.2 billion pledge for Gavi's upcoming replenishment cycle beginning in 2021. Immunization programs avert an estimated annual 2 to 3 million child deaths globally and are one of the most cost-effective health interventions. The Budget requests \$2.2 billion for lifesaving programs addressing nutrition, neglected tropical diseases, tuberculosis, family planning, and maternal and child health. The Budget focuses increased resources on the President's Malaria Initiative, with an emphasis on combatting drug-resistant malarial strains at time when there are over 200 million new cases of malaria per year.