

REQUEST FOR FISCAL YEAR (FY) 2022 EMERGENCY
SUPPLEMENTAL FUNDING FOR CRITICAL SECURITY
AND ECONOMIC ASSISTANCE TO UKRAINE

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A REQUEST FOR FISCAL YEAR (FY) 2022 EMERGENCY SUPPLEMENTAL FUNDING FOR CRITICAL SECURITY AND ECONOMIC ASSISTANCE TO UKRAINE, PURSUANT TO PUBLIC LAW 117-31, SEC. 606; (135 STAT. 320)



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THE WHITE HOUSE,
Washington, April 28, 2022.

Hon. NANCY PELOSI,
Speaker of the House of Representatives,
Washington, DC.

DEAR MADAM SPEAKER: I am writing to provide you with my request for fiscal year (FY) 2022 emergency supplemental funding for critical security and economic assistance to Ukraine.

I appreciate the Congress' continued bipartisan support for Ukraine, NATO, and other partner countries affected by Russia's War in Ukraine. My Administration is committed to providing the Ukrainian people the assistance they need. Our assistance to date has made a difference on the battlefield, helping Ukraine win the battle for Kyiv. This \$33.0 billion request for additional funding and authority builds on the Congress' supplemental appropriation of \$13.6 billion on March 15, 2022, and seeks to address immediate and near-term security and economic needs. Additional security assistance will put urgently needed equipment into the hands of Ukraine's military and police, including ammunition, armored vehicles, small arms, demining assistance, and unmanned aircraft systems. Economic assistance will provide Direct Budget Support to provide rapid, flexible funds to assist the Government of Ukraine in responding to the immediate crisis and continue to provide basic citizen services. Additional food security and humanitarian assistance will provide wheat and other commodities to people in need, build countries' resilience to global food supply and price shocks, and provide lifesaving aid to people displaced by or otherwise impacted by Russia's War in Ukraine. Additionally, the request includes funding to support the production of United States food crops that are experiencing a global shortage due to the war in Ukraine, for example, wheat and soybeans helping to address rising food prices here at home and around the world. The request also would help increase domestic production for strategic minerals and materials produced in Russia or Ukraine and respond to global shortfalls and reduce price pressures. The request also outlines a number of authorities needed to support Ukraine, our European allies and partners, and address other emergent global needs. The details of this request are set forth in an enclosed addendum.

Though we expect our NATO allies and EU partners will be making even larger collective contributions than the United States, there is no doubt that continuing to support Ukraine in this war against Russian aggression will require a substantial additional investment on our part. What I want to make clear to the Congress and the American people is this: the cost of failing to stand up to violent aggression in Europe has always been higher than the cost of standing firm against such attacks. That is as it always has

been, and as it always will be. America must meet this moment, and do its part.

In addition to the legislative proposals in this package, my Administration is also sending a proposal to the Congress to enhance the United States' ability to hold Russia accountable financially for its ongoing invasion of Ukraine. These proposals would strengthen our whole-of-government approach—along with those of our international partners—by providing for expanded and expedited measures for investigating, prosecuting, and forfeiting assets of Russian oligarchs to be used for the benefit of Ukraine.

Finally, I also appreciate the Congress' bipartisan support for ensuring we can continue to provide the American people with the tools they need to protect themselves from COVID-19, and again urge the Congress to act promptly to provide the \$22.5 billion I requested on March 2, 2022. Without additional funding, we are unable to purchase additional life-saving treatments for the American people, and we are losing our spot in line to other countries for vaccines that may provide better and more durable protection against multiple variants. We also must stop the spread of possible new variants from around the world as every COVID variant has emerged from overseas. We have to keep vaccinating the world to save lives here at home and protect our economy from further supply chain disruptions, but we need funding to help get shots into arms. To avoid needless deaths in the United States and around the world, I urge the Congress to include this much needed, life-saving COVID funding as part of this supplemental funding request.

I urge the Congress to address these critical and urgent needs promptly. The amounts included in this request are requested to be designated by the Congress as being for an emergency requirement pursuant to section 4001(a)(1) and section 4001(b) of S. Con. Res. 14 (117th Congress), the concurrent resolution on the budget for FY 2022.

Sincerely,

JOSEPH R. BIDEN, Jr.

ADDENDUM A: DETAILED FUNDING REQUEST

ASSISTANCE TO UKRAINE

Department of Defense (DOD) – \$16.4 billion

The request includes funding to provide additional military capabilities and equipment to Ukraine, to replenish additional DOD stocks provided to Ukraine, to continue to support U.S. troop deployments in neighboring countries in support of broader NATO efforts, and to procure high-demand munitions for the U.S. and approved coalition partners.

Critical Defense Capabilities and Equipment for Ukraine, including Replenishment of DOD Stocks (\$11.4 billion). This includes \$6 billion for the Ukraine Security Assistance Initiative, which directly supports Ukraine by funding the acquisition of critical defense capabilities and equipment. \$5.4 billion is to replenish DOD stocks provided to Ukraine under Presidential Drawdown authority, including a requested \$5 billion increase in Presidential Drawdown authority under Foreign Assistance Act Section 506(a)(1).

Continued U.S. Military Direct Support in the Region (\$2.6 billion). This funding is for the deployment of U.S. military units to support the U.S. European Command and NATO Response Forces including costs for transportation of U.S. personnel and equipment, temporary duty, special pay, fuel, flying hours, airlift, weapons system sustainment, medical support, and other unit support costs.

Cybersecurity, Intelligence, and Other Defense Support (\$1.9 billion). This funding supports ongoing operational surges across multiple national defense components, including accelerated cyber capabilities, weapons systems upgrades, increased intelligence support, improving industrial base production capabilities for missiles and strategic minerals, and classified programs.

Critical Munitions Acquisitions and Defense Exports (\$550 million). This includes \$500 million to establish a Critical Munitions Acquisition Fund to procure high-demand munitions for the U.S. and approved coalition partners, build critical war reserves, and expedite availability of munition systems. An additional \$50 million is for establishing a Defense Exportability Transfer Account to enable DOD to make more systems exportable and coalition interoperable.

Department of State (State) and USAID – \$14.1 billion

The request includes a total of \$14.1 billion for State and USAID to bolster U.S. economic and security assistance to Ukraine as well as regional allies and partners (e.g. Poland, Lithuania, the Baltics, and Eastern flank countries). Funding would also help food insecure countries around the world through providing food assistance; agriculture, food security, and resilience programming, and humanitarian aid. The request includes the following:

Direct Macroeconomic Support for the Government of Ukraine (\$7.5 billion). This funding would provide the Government of Ukraine with critically needed liquidity to ensure that the GOU can continue to operate and respond to critical needs in the wake of Russia's

unprovoked and unjustified invasion. These funds, when combined with support from other donors, will allow the GOU to continue to pay salaries and pensions; ensure adequate supplies of food, energy, and health care services; and respond to other operational challenges the country is facing as businesses shutter and revenue collection plummets.

Economic and Development Assistance (\$500 million). This funding would provide maximum flexibility to respond to the most critical needs to support the resilience of the Ukrainian people, as well as emergent needs resulting from the war in Ukraine. This funding could also help build upon existing resources to support the resumption of diplomatic and development operations in Ukraine including at U.S. Embassy Kyiv. Additional efforts could also focus on resilience for countries to counter disinformation/propaganda narratives, provide support for their public messaging and engagement, support activists, journalists, and independent media, and promote accountability for Russian human rights violations.

Security Assistance (\$4.5 billion). This funding will provide direct security and military assistance to Ukraine and our partners. Of this funding, \$4 billion for Foreign Military Financing (FMF) would provide additional direct and immediate support for Ukraine critical to achieving victory over Russia, bolstering the defense requirements of the Eastern Flank and other regional partners, and enabling diversification away from Russian systems to include aviation, artillery, armor, air defense, communications, and coastal defenses and related support and training. These FMF resources will continue to build capacity, ween countries off of Russian systems, and deter Russian aggression and support Ukraine's and other Eastern European countries' top security requirements. An additional \$400 million for International Narcotics Control and Law Enforcement (INCLE) would support the provision of urgently needed equipment, including small arms and ammunition, to the Ukrainian State Border Guard Service and the National Police of Ukraine, as well as to neighboring border authorities. An additional \$100 million for Nonproliferation, Antiterrorism, Demining, and Related Programs (NADR) funding would support the clearing of landmines, improvised explosive devices, and other explosive remnants of war and assist the Government of Ukraine in securing and addressing threats related to chemical, biological, radiological, and nuclear materials.

Food Security and Humanitarian Assistance (\$1.6 billion). This funding would provide emergency food assistance to people around the world suffering from hunger due to the conflict in Ukraine and other drivers of global food insecurity as well as help countries build their resilience against food price, supply, and other shocks beyond the immediate term. It will also provide lifesaving humanitarian assistance, including support to internally displaced and vulnerable communities. Global food security and humanitarian needs are at an unprecedented level and rising, and the Ukraine crisis and its global impacts are exacerbating an already dire situation. The impacts of the war in Ukraine are further adding to the stress that climate change is placing on the global food supply, and contributing to unprecedented levels of food insecurity and humanitarian needs.

Additional Authorities. In addition to the funding request described above, State requires a number of authorities changes to allow for maximum flexibility in supporting Ukraine, our European allies and partners, and other emergent global needs. The request includes \$8 billion in military drawdown authority under the Foreign Assistance Act (FAA) Section 506(a)(1) (an

increase of \$5 billion above the previously approved Ukraine Supplemental); and \$1 billion (an increase of \$500 million above the previously approved Ukraine Supplemental) in notwithstanding authority under the FAA Section 614. Additional authorities are also requested to provide direct commercial contracting authority for Ukraine under FMF, as well as an increase to the Special Defense Acquisition Fund (SDAF) Cap.

Department of the Treasury – \$650 million

The request includes a total of \$650 million for Treasury International Programs to allow Treasury to work through the international financial institutions to support Ukraine and other countries impacted by the crisis.

European Bank for Reconstruction and Development (\$500 million). This funding would support a \$500 million contribution to the European Bank for Reconstruction and Development (EBRD) to address critical food security, energy, and other emerging needs in Ukraine.

Global Agriculture and Food Security Program (\$150 million). This funding would help countries weather the impacts of rising food insecurity and support investments to make their agricultural systems more resilient and productive. A U.S. contribution will help spur other donors to invest in this impactful multilateral tool.

Additional Authorities. In addition to the funding requested above, Treasury requires legislative authority to be able to lend up to \$21 billion to the Resilience and Sustainability Trust (RST) and the Poverty Reduction and Growth Trust (PGRT), which will enable the International Monetary Fund to respond more effectively to Russia's war in Ukraine and broader spillovers to promote a more secure global economy.

The Export-Import Bank of the United States of America (EXIM)

Additional Authorities. With Russia's further invasion into Ukraine, new risks have emerged for certain segments of the Export-Import Bank's (EXIM) portfolio, and EXIM's outstanding exposure is at significant risk of default due to the global sanctions levied against Russia. The request includes language that would temporarily increase the default rate cap from 2 percent to 4 percent through September 2023 to allow EXIM to continue supporting transactions in the event the default rate rises above the current 2 percent cap.

The United States International Development Finance Corporation (DFC)

Additional Authorities. The request includes language to temporarily authorize DFC to operate in countries affected by Russia's war in Ukraine, regardless of the country's income status.

Department of Health and Human Services - \$1.2 billion

The request includes a total of \$1.2 billion for HHS to support Ukrainians entering the United States, including through the new Uniting for Ukraine program.

Refugee and Entrant Assistance (\$1.2 billion). This funding would provide time-limited cash and medical assistance, as well as targeted supports such as English language education, job training, trauma-informed mental health services, and resources for local school districts to support Ukrainians arriving in the United States, including through the Uniting for Ukraine program.

Department of Justice--\$67 million

General Administration (\$67 million). This funding would support the Department's KleptoCapture Task force by allowing the Department to pursue high value asset seizures of sanctioned individuals related to Russian actions in Ukraine. Proceeds from seized and forfeited assets will be used to remediate the harm caused in Ukraine.

Department of Agriculture--\$620 million

Increase Food Production to Help Mitigate Global Food Disruptions (\$500 million). The request provides incentives to increase U.S. production of food crops to make up for short falls in global food production due to the war in Ukraine by temporarily increasing marketing assistance loan rates for wheat, edible oilseeds including soybeans, and rice to encourage greater supply availability for humanitarian needs or export. The funding would also provide incentive payments through crop insurance to increase wheat production by encouraging US farmers to double crop wheat.

Bill Emerson Humanitarian Trust (\$20 million). This funding would provide emergency humanitarian food assistance to developing countries. When a food crisis arises and food aid is not available from other U.S. government programs, the Secretary of Agriculture may authorize the release of funds from the trust in order to quickly meet immediate needs. Reimbursement of the trust will provide flexibility in how the USG can respond to the evolving food crises.

Food For Progress (\$100 million). This funding would provide additional Food for Progress Assistance for countries in Africa and the Middle East. U.S. agricultural commodities are transported and donated to recipient countries are sold on the local market and the proceeds are used to support agricultural, economic, or infrastructure development programs. This funding would also provide increased transportation funds for commodities to allow for full Food For Progress mission delivery.