The President’s FY 2014 budget request for the Department of State and the U.S. Agency for International Development (USAID) is $47.8 billion, a six percent decrease from FY 2012. The request makes tough trade-offs, proposes important reforms, and takes advantage of efficiencies to support our diplomatic, development, and national security priorities and use taxpayer dollars efficiently.

With just over one percent of the federal budget, the State Department and USAID budget advances U.S. national security; protects Americans at home and abroad; creates American jobs and opens markets overseas; fights disease, hunger and extreme poverty; addresses climate change; forges global partnerships; and delivers real results for the American people. It supports U.S. engagement with the governments and citizens of over 180 countries, and provides the people and programs necessary to protect U.S. interests, promote peace, and ensure America’s leadership in the world.

**Advancing Peace, Security, and Stability**

Our investments in diplomacy and development help prevent wars, reduce the threat of nuclear weapons, secure our borders, and protect Americans abroad. The men and women of the State Department and USAID serve on the front lines, including in the most dangerous corners of the world, protecting and advancing American interests and countering violent extremism. Knowing that failed states are among our greatest security threats and that new partners are our greatest assets, we advance civilian power, lessening the need for costly military intervention that risks American lives.

- **Middle East and North Africa Incentive Fund ($580 million).** Capitalizes on the opportunities and challenges presented by the Arab transitions, providing incentives to countries that are moving to undertake the democratic and economic reforms necessary to provide lasting stability in the region.

- **East Asia and Pacific ($1.2 billion).** Supports the Asia Pacific rebalance by tapping the region’s growing markets that are vital to U.S. economic recovery, supporting democratic reform, and shaping the emerging security landscape in order to promote global peace and stability.

- **Iraq ($1.7 billion).** Maintains activities that promote Iraq’s stability and growth, including support for democratic institutions and civil society, economic reform, vulnerable populations, as well as military assistance to develop Iraq’s security institutions, while ending programs that have outlived their necessity, like the Police Development Program. Includes funding for the New Consulate Compound in Erbil, providing a more safe, secure and permanent platform in Northern Iraq.

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1. May not sum to total.
• **Afghanistan ($3.1 billion).** Sustains and builds upon hard-fought security, economic, social and political gains of the last decade. Supports economic growth, agriculture, justice, counternarcotics, education, and health; and keeps the United States on track to fulfill the Tokyo commitments. Also supports the continued security transition with reduced operating costs from FY 2013.

• **Pakistan ($1.3 billion).** Continues programs that increase stability, strengthens democratic institutions, and help counter and undermine violent extremism. Invests in energy, economic growth, stabilization of border areas, education, health, and counterinsurgency and counterterrorism capabilities. Supports the continued U.S. Government civilian presence, civil society engagement, and all associated security requirements. Modernizes security forces but eliminates the Pakistan Counterinsurgency Capability Fund.

• **Security, Law Enforcement, Counterrorism and Related Assistance ($8.6 billion).** Strengthens security forces of key allies and partners, including military assistance to Israel, Egypt and Jordan. Security assistance also includes programs that protect our borders, repel the reach of criminal organizations and gang violence, counter proliferation, counter narcotics trafficking, fight extremism, and reinforce the rule of law.

• **Contributions to International Organizations and Peacekeeping Activities ($3.7 billion).** Continues our engagement with important partners and vital multilateral organizations to advance our interests abroad and support critical missions and operations that bring peace and security around the world.

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**Strengthening Our Economy While Combating Global Challenges**
The State Department and USAID are committed to leveraging our unmatched global reach – our network of diplomatic outposts and relationships with global decision-makers in government and business – to advance America’s traditional national security interests, as well as to support economic renewal here at home. To do this, we must continue to address global challenges, including hunger, disease, extreme poverty, and the destabilizing effects of climate change. We promote economic development and lay the foundation for prosperous societies. We must support the rise of new allies to help solve regional and global problems and protect our own nation’s security and prosperity.

• **U.S. Food Aid Reform ($1.8 billion).** Allows the U.S. Government to respond more flexibly and efficiently to hunger needs around the world. Ends the costly and inefficient process of P.L. 480 Title II monetization, the sale of U.S. food abroad for cash, which loses an average of 25 cents per taxpayer dollar. Allows for continued food procurement from the United States, as well as from local and regional markets, and for vouchers for food insecure individuals. Food aid reform will enable the U.S. to reach two to four million additional people, while reducing per-person costs.

• **Global Health Initiative ($8.3 billion).** Includes $6.0 billion to support the President’s vision of achieving an AIDS-free generation, as outlined in the President’s Emergency Plan for AIDS Relief (PEPFAR) Blueprint; provides $1.65 billion for the U.S. contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria; and fulfills the $450 million three-year pledge to the GAVI Alliance with a $175 million contribution. The request also increases funding for maternal and child health, malaria, and family planning with the goal of reducing child and maternal
mortality.

- **Feed the Future ($1.1 billion).** Continues progress toward sustainable global food and nutrition security in the developing world by attacking the root causes of hunger and poverty; supports economic resilience activities, including in the Horn of Africa and the Sahel; and encourages greater private sector investment in agricultural development.

- **Global Climate Change ($481 million).** Promotes low-emission, climate resilient development with a focus on adaptation, clean energy and sustainable landscapes; incentivizes private sector investment; improves resilience of countries that are most vulnerable to climate and weather-related disasters; and supports fast-growing economic and regional leaders in their transition to clean energy.

- **Consular Affairs and the Border Security Program ($2.8 billion, fully offset by fee revenue).** Provides secure error-free travel processes to strengthen our borders while keeping them safe for the legitimate flow of commerce; strengthens our economy and promotes America's tourism economy; and provides assistance to American citizens abroad, often when they need help the most.

- **Humanitarian Assistance ($4.1 billion).** Provides life-saving interventions to people affected by conflict or natural disasters, which are becoming more frequent and having greater impacts. Funding supports a robust response to the refugee crisis in and around Syria.

- **International Commissions ($121 million).** Helps navigate foreign regulations, settle disputes, and compete for foreign government and private contract through negotiation of international agreements and treaties.

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### Our People and Platform

The people of the Department of State and USAID need the right tools to confront the complex national security and foreign policy challenges facing our nation. The practice of foreign policy is changing, whether it is reaching out directly to people of other nations through new technologies or ensuring that our diplomats are as fluent in economics as they are in the world’s languages. This means making investments now in the people and platforms that will provide the foundation for our vital mission now and in the future. Most importantly, this means ensuring that the men and women who work and live at more than 280 posts in almost every country on the planet are safe and secure.

- **State Operations Diplomatic and Consular Programs ($5.5 billion).** Supports ongoing operations for essential diplomatic personnel and programs worldwide at more than 280 diplomatic and consular posts in over 180 countries around the globe.

- **Worldwide Security Protection and Overseas Infrastructure ($4.4 billion).** Increases security protection and operations at high-threat posts and permits new construction projects as well as program enhancements necessary to ensure safe and secure facilities for our personnel overseas. The funding provides for constructing secure diplomatic facilities, meeting a key independent Accountability Review Board recommendation. In addition, the request includes ongoing funding for facility maintenance and operations.

- **USAID Operating Expenses ($1.4 billion).** Maintains and strengthens the significant improvements in procurement, local capacity building, and innovation that USAID Forward has
yielded to date, including regularizing the cost of personnel hired under the Development Leadership Initiative, and provides for minimal hiring in support of these reforms.

- **USAID Forward ($173 million).** Strengthens USAID by embracing new partnerships, investing in the catalytic role of innovation, and demanding a relentless focus on results. Increases funding for applied research and other science and technology applications that will help USAID create transformative solutions to persistent development challenges, contributing to the eradication of extreme poverty in the next two decades.

- **Public Diplomacy and Education and Cultural Exchanges ($1.1 billion).** Continues to counter violent extremism, expand and strengthen people-to-people relationships, inform policy making, and deploy resources in strategic alignment with foreign policy priorities; fosters support for academic programs, professional and cultural exchanges, and continued growth for strategic partnerships around the world.