



# Detailed Budget Outlines Critical Investments in Development and Diplomacy Key to America's Recovery

*Analysis of the Administration's FY22 International Affairs Budget Request*

*June 3, 2021*

## Introduction

Nearly two months after the release of its discretionary funding request, the Administration has published the full details of its Fiscal Year 2022 budget proposal. The request for the International Affairs Budget provides important insights into the Administration's spending priorities as COVID-19 surges around the world, threatening America's recovery at home.

In line with the [discretionary request](#), the detailed budget proposes a \$6.3 billion<sup>1</sup> increase for the International Affairs Budget compared to the FY21 non-emergency enacted level. According to the Administration, additional resources would support the Administration's agenda to confront "21st century security challenges" and "revitalize U.S. leadership to accelerate our domestic renewal, deliver for all Americans, and meet the tests before us... from a position of strength." If enacted, this would represent the largest increase to the regular International Affairs Budget in over a decade.

Specifically, the request **includes \$63.7 billion for the International Affairs Budget – 11% above the FY21 enacted level** when excluding emergency funding – with increases across a wide range of programs and accounts, from global health security to climate change to development finance.

Reflecting the reality that the world has dramatically changed since last year, the Administration's budget proposes an important down payment on international affairs needs – consistent with [expert recommendations](#) for vital new investments in pandemic preparedness, to address the myriad of ongoing global health and humanitarian crises, and to ensure American competitiveness. As the Administration prepares for the upcoming G7 Summit, this is the right moment to send an unequivocal message that the U.S. is stepping up on the global stage to protect the health, security, and economic interests of American families.

As the budget and appropriations process begins in earnest, **the USGLC urges Congress to support no less than this International Affairs funding level as the floor in all FY22 spending negotiations.**

## Key Takeaways

Below are six key takeaways from the Administration's FY22 International Affairs Budget request, many of which track closely with recommendations included in the USGLC's Global Needs Assessment released earlier this year. Additional details are included later on in this analysis.

<sup>1</sup>Based on CBO's estimate of the FY21 non-emergency enacted level.

## 1. Global Health Security Sees Significant Boost

Not surprisingly, with COVID-19 continuing to devastate countries around the world, the Administration's FY22 request boosts overall global health funding by 9%. This is almost entirely due to an \$805 million (424%) increase for Global Health Security to “build country capacities to prevent avoidable epidemics, detect threats early, and respond rapidly and effectively to disease outbreaks and other critical infectious disease threats.” As a result, funding for most other global health programs – including HIV/AIDS, malaria, and nutrition – is held flat despite growing concerns about backsliding on decades of progress due to COVID-19 and political instability in places like Nigeria, Yemen and Venezuela.

## 2. Economic and Development Assistance Up

The FY22 request includes a 22% increase for State Department and USAID economic and development assistance accounts, with the Economic Support Fund and Development Assistance growing by 35% and 16%, respectively. With a focus on building future economic partners and bolstering America's own economic recovery, funding would elevate “economic growth programs that promote food secure and resilient partners,” promote commercial ties, and expand trade in countries from Africa to the Indo-Pacific to the Western Hemisphere.

## 3. As Global Needs Skyrocket, Humanitarian Assistance Grows

With the number of people in need of humanitarian assistance up 40% since last year and COVID-19 exacerbating conflict and crises across the globe, the FY22 request includes a 6% increase in funding for Humanitarian Assistance. According to the Administration, this would ensure continued U.S. leadership in response to emerging (Ethiopia) and protracted crises (Syria, Yemen, Venezuela) and unexpected natural disasters, while also investing in resilience.

## 4. Funding Priorities Clarified: Highlights of Key Increases

In keeping with the strategic priorities outlined in the Administration's Interim National Security Strategic Guidance, the FY22 budget request increases funding in several priority areas, including:

- **Combating Climate Change.** Boosts funding for State Department and USAID climate programs by 230%. Additional resources would support a proposed \$1.25 billion contribution to the Green Climate Fund and allow USAID to scale up climate adaptation and resilience work as well as mobilize climate finance in collaboration with the U.S. Development Finance Corporation.
- **Addressing Root Causes of Migration.** Includes a 70% increase in funding to revitalize U.S. engagement in Central America and address the root causes of migration. Additional resources would support and expand programs that strengthen good governance and rule of law, combat corruption, prevent violence, reduce poverty, and promote economic development.
- **Gender Equality and Equity.** Across all accounts, funding for gender-related programs would grow by 45%. Highlighting this issue as a “strategic imperative,” additional resources would support efforts to combat gender-based violence, promote women's economic empowerment, and expand women's and girls' participation in peace processes and leadership opportunities, among others.
- **Strengthening U.S. Leadership in International Organizations.** Proposes a 32% increase to fully fund UN peacekeeping operations and to begin paying down recently accumulated arrears. Increases – by 10% and 18%, respectively – accounts that fund U.S. assessed and voluntary contributions to the UN and agencies such as UNICEF and UNDP.
- **Advancing Democracy.** Increases overall funding for democracy programs by 18% to “respond to democratic backsliding and growing authoritarianism” and support good governance and respect for human rights.

## 5. Bipartisan Initiatives Embraced

In recent years, Democratic and Republican administrations and Members of Congress have collaborated on game changing initiatives to strengthen America’s development and diplomacy tools. New administrations have embraced and integrated these bipartisan priorities into their foreign policy agendas. The Administration’s FY22 request builds on this legacy by sustaining programs launched under the previous administration – including Prosper Africa, the U.S. Development Finance Corporation, and the successor to W-GDP – at or above FY21 enacted levels.

## 6. Core Operating Budgets Emphasize Growth, Diversity of Global Workforce

The FY22 request proposes to increase the State Department and USAID accounts that fund our personnel and diplomatic presence around the world by 3% and 11%, respectively. According to the Administration, additional resources would support the largest staffing increase for the foreign and civil service in a decade. The request would also support training and recruitment to advance diversity and inclusion across both agencies as well as “human capital initiatives, security, and information technology” to support the implementation, monitoring and evaluation of a wide range of foreign assistance programs.

## Included in this Analysis

- I. Notable Programs and Policy Issues
- II. Snapshot of Regional and Country Funding
- III. What’s Ahead
- IV. Additional Information and Resources
- V. Account-by-Account Details

## About this Analysis

Wherever possible, this analysis compares funding levels in the FY22 request to FY21 enacted levels, excluding emergency funding provided by Congress in FY21 to respond to COVID-19. However, in some cases – particularly involving country and regional funding levels – the Administration has not yet determined FY21 allocations. In those instances, comparisons are made between the FY22 request and FY20 actual levels.

# I. Notable Programs and Policy Issues

## Protecting U.S. National Security

Recognizing that America's national security "depends not only on the strength of our armed forces but also on our ability to conduct effective diplomacy and development," the Administration's FY22 budget sustains funding for critical accounts and in key regions where security challenges abound.

**Indo-Pacific: Countering Chinese Influence.** The FY22 request includes \$1.61 billion for the region – \$123 million (8%) above the FY21 enacted level – to implement the Administration's Indo-Pacific Strategy, address regional security, and promote a "free, open, and inclusive" region. \$300 million is also provided for the Countering PRC Malign Influence Fund, equal to the FY21 enacted level, to counter China's influence, strengthen partnerships in the region, combat unfair economic practices, and bolster democracy by combating cyberattacks and disinformation.

**Western Hemisphere: Addressing Drivers of Irregular Migration.** The Administration's request provides \$861 million for assistance to Central America to address the root causes of migration and improve security in the region – the first step in a four-year \$4 billion commitment to the region. This represents a \$355 million (70%) increase compared to the FY21 enacted level. Additional resources would support efforts to combat violence and corruption, increase economic opportunity, promote democratic governance and rule of law, disrupt transnational crime, and strengthen climate resilience.

**International Security Assistance: Modest Growth.** The FY22 request includes \$9.2 billion for security assistance programs, \$180 million (2%) above the FY21 enacted level. Within this total, International Narcotics Control and Law Enforcement (INCLE) and Nonproliferation, Anti-terrorism, Demining, and Related (NADR) Programs would see increases of \$140 million (10%) and \$11 million (1%), respectively. International Military Education and Training (IMET) and Foreign Military Financing (FMF) are sustained at FY21 enacted levels. The largest beneficiaries of FMF are:

- **Israel**, which would continue to receive \$3.3 billion, consistent with the Memorandum of Understanding (MOU) covering FY19-FY28.
- **Egypt**, which would receive \$1.3 billion, similar to past enacted levels.
- **Jordan**, which would receive \$350 million, a \$75 million (18%) decrease from the FY21 enacted level to align funding with the existing MOU between the U.S. and Jordan.

Similar to proposals from the previous Administration, the FY22 budget seeks the authority to provide FMF funding to NATO and major non-NATO allies through a combination of grants and loans – a proposal Congress has consistently rejected.

**Peacekeeping: Significant Boost.** The budget proposes a total of \$2.4 billion for peacekeeping operations in FY22, including \$1.93 billion to fund UN peacekeeping missions through the Contributions to International Peacekeeping Activities (CIPA) account and \$469 million for non-UN peacekeeping missions through the Peacekeeping Operations (PKO) account. This represents a \$472 million (32%) increase for CIPA and a \$29 million (7%) increase for PKO compared to the FY21 enacted levels. The proposed increase for CIPA would fully fund U.S. assessed contributions to UN peacekeeping in FY22 and provide an additional \$300 million to begin paying down arrears the U.S. has accumulated over the past four years. The budget

also calls for these arrears to be paid off over two years and a lift of the 25% legislative cap on peacekeeping contributions.

## PEACEKEEPING FUNDING

	FY20 Enacted	FY21 Enacted	FY22 Request	Change from FY21
<b>UN Operations (CIPA)</b>	\$1.53 billion	\$1.46 billion	\$1.93 billion	32%
<b>Non-UN Ops (PKO)</b>	\$457 million	\$441 million	\$469 million	7%
<b>Total</b>	<b>\$1.98 billion</b>	<b>\$1.9 billion</b>	<b>\$2.4 billion</b>	<b>26%</b>

**Addressing Global Fragility: Increased Resources to Implement 2019 Law.** The FY22 request includes \$125 million for the Prevention and Stabilization Fund, a \$25 million (25%) increase from the FY21 enacted level, to address the drivers of conflict and promote more cohesive, resilient, and peaceful communities overseas. The Administration also provides \$60 million for the Complex Crisis Fund to prevent and respond to emerging and unforeseen crises, \$30 million (100%) above the FY21 enacted level.

## Securing America’s Economic Future

The COVID-19 pandemic has had far-reaching impacts on the global economy. The Administration’s FY22 budget request sustains or increases investments for America’s development and export agencies to promote economic recovery at home and abroad by fostering sustainable economic growth in developing countries and expanding U.S. exports, trade, and investment opportunities around the world.

**Development Finance Corporation (DFC): Additional Resources for New Staff.** The FY22 request includes \$148 million in administrative expenses for the U.S. International Development Finance Corporation (DFC), a \$29 million (24%) increase from the FY21 enacted level, to support the hiring of additional staff to further engage the private sector in addressing critical challenges from climate change to the COVID-19 response. The request holds the DFC’s program funding flat at \$450 million and anticipates an additional \$50 million in transfers from the State Department and USAID to support greater interagency coordination in programming.

**U.S. Trade and Development Agency (USTDA): Sustained Funding.** The Administration’s FY22 request includes \$80 million for the U.S. Trade and Development Agency, equal to the FY21 enacted level. According to the Administration, USTDA will focus greater attention on climate-related investments – including clean energy and climate-smart infrastructure – as well as support other areas such as health, IT and transportation.

**Millennium Challenge Corporation (MCC): Increased Focus on Climate.** The proposal holds funding for the MCC flat at the FY21 enacted level of \$912 million. The FY22 request supports new compacts with Kosovo, Malawi and Timor-Leste and two regional compacts as well as MCC’s efforts to devote 50% of program funds to climate-related activities over the next five years.

**Export-Import Bank: Program Growth.** The FY22 request provides \$124 million for the Bank’s operations, a \$14 million (13%) increase compared to the FY21 enacted level, plus \$6.5 million for its Inspector General. The Bank is self-funding and the Administration projects its collections will far exceed its operational costs, returning an estimated \$222 million in net collections to the U.S. Treasury in FY22.

## Addressing Humanitarian Needs

In the face of unprecedented needs from human-made emergencies and natural disasters – all of which have been exacerbated by COVID-19 – the Administration’s FY22 budget funds programs that save lives and support the most vulnerable around the world.

**Humanitarian Assistance: Modest Growth.** Funding for humanitarian assistance programs receives a \$530 million (6%) increase compared to the FY21 enacted level. According to the Administration, funding would support emergency food security, nutrition, water, and health as well as efforts to promote resilience in at-risk communities. The request for Migration and Refugee Assistance (MRA) would “rebuild the refugee admissions program” to support up to 125,000 refugee admissions in 2022. Of note, the request also shifts \$170 million in funding from Food for Peace to the International Disaster Assistance (IDA) Emergency Food Security Program, where the Administration says it can be used more flexibly to draw on additional market-based food assistance options when working in rapidly shifting humanitarian contexts.

### HUMANITARIAN ASSISTANCE FUNDING

	FY20 Enacted	FY21 Enacted	FY22 Request	Change from FY21
<b>Disaster Assistance (IDA)</b>	\$4.4 billion	\$4.4 billion	\$4.68 billion	7%
<b>Refugees (MRA)</b>	\$3.43 billion	\$3.43 billion	\$3.85 billion	12%
<b>Emergency Refugees (ERMA)</b>	\$100,000	\$100,000	\$100,000	0%
<b>Title II, P.L. 480 Food for Peace</b>	\$1.73 billion	\$1.74 billion	\$1.57 billion	-10%
<b>Total</b>	<b>\$9.55 billion</b>	<b>\$9.57 billion</b>	<b>\$10.1 billion</b>	<b>6%</b>

## Promoting Economic Development

As developing countries work to combat COVID-19 and begin an economic recovery, the FY22 budget request includes funding to build future economic and security partners for the United States and promote “free, peaceful, and self-reliant societies.”

**Development and Economic Assistance: Growth Overall.** The request includes an overall increase of \$1.7 billion (22%) for State Department and USAID development and economic assistance compared to the FY21 enacted level. Notably, the Administration requests separate funding the Assistance to Europe, Eurasia, and Central Asia (AEECA) and Democracy Fund accounts for the first time in nearly a decade in an attempt to better align budget priorities with the congressional appropriations process.

## DEVELOPMENT AND ECONOMIC ASSISTANCE FUNDING

	<b>FY20 Enacted</b>	<b>FY21 Enacted</b>	<b>FY22 Request</b>	<b>Change from FY21</b>
<b>Development Assistance (DA)</b>	\$3.4 billion	\$3.5 billion	\$4.1 billion	16%
<b>Economic Support Fund (ESF)</b>	\$3.05 billion	\$3.15 billion	\$4.26 billion	35%
<b>Assist. for Europe, Eurasia, &amp; Central Asia (AEECA)</b>	\$770 million	\$770 million	\$789 million	2%
<b>Democracy Fund</b>	\$274 million	\$291 million	\$291 million	0%
<b>Millennium Challenge Corporation (MCC)</b>	\$905 million	\$912 million	\$912 million	0%
<b>Peace Corps</b>	\$411 million	\$411 million	\$411 million	0%

### Combating COVID-19 and Strengthening Global Health

As the world grapples with a global pandemic, the Administration’s FY22 request notes that investments in global health “substantially advance U.S. foreign policy interests by protecting Americans and home and abroad, promoting social and economic progress, and supporting the rise of capable partners better able to solve regional and global problems.”

**Global Health: Focus on Pandemic Preparedness.** The FY22 request includes a total of \$10 billion for State and USAID Global Health Programs, an \$855 million (9%) increase over the FY21 enacted level – nearly all of which is for Global Health Security. Maternal and child health programs and family planning both see increases, while most other accounts – including Gavi, the Vaccine Alliance and PEPFAR – are sustained at the FY21 enacted level.

#### *Global Health Security*

Global Health Security receives \$805 million, a 424% increase compared to the FY21 enacted level. This total includes \$250 million for a new Global Health Security Financing Mechanism, which would be managed by the State Department and developed in coordination with U.S. partners and allies to ensure country-level preparedness and global readiness to respond to the next disease outbreak. The request also includes:

- \$335 million for bilateral Global Health Programs managed by USAID.
- \$90 million to replenish the Emergency Reserve Fund.
- \$300 million for the ACT-Accelerator Platform, which supports global collaboration to accelerate development, production, and equitable access to COVID-19 tests, treatments, and vaccines.

#### *Global Fund to Fight AIDS, Tuberculosis and Malaria*

The request includes \$1.56 billion for the U.S. contribution to the Global Fund, equal to the FY21 enacted level, and commits to matching one U.S. dollar for every two dollars provided by other countries to the Global Fund during its FY20-22 replenishment cycle.

## GLOBAL HEALTH FUNDING\*

	FY20 Enacted	FY21 Enacted	FY22 Request	Change from FY21
<b>Bilateral PEPFAR</b>	\$4.37 billion	\$4.37 billion	\$4.37 billion	0%
<b>Global Fund</b>	\$1.56 billion	\$1.56 billion	\$1.56 billion	0%
<b>USAID HIV/AIDS</b>	\$330 million	\$330 million	\$330 million	0%
<b>Malaria</b>	\$770 million	\$770 million	\$770 million	0%
<b>Tuberculosis</b>	\$310 million	\$319 million	\$319 million	0%
<b>Maternal/Child Health</b>	\$851 million	\$856 million	\$880 million	3%
<b>Vulnerable Children</b>	\$25 million	\$25 million	\$25 million	0%
<b>Nutrition</b>	\$150 million	\$150 million	\$150 million	0%
<b>Family Planning</b>	\$608 million	\$608 million	\$640 million	5%
<b>NTDs</b>	\$103 million	\$103 million	\$103 million	0%
<b>Global Health Security &amp; Emerging Threats</b>	\$100 million	\$190 million	\$995 million	424%
<b>Total</b>	<b>\$9.09 billion</b>	<b>\$9.2 billion</b>	<b>\$10.05 billion</b>	<b>9%</b>

\*State Department and USAID Global Health accounts only, except for family planning

### Crosscutting Issues

The Administration's FY22 budget request includes funding for a number of priorities that span multiple regions, accounts, and agencies.

**Climate Change: Green Climate Fund Restored.** The Administration's request provides \$2.5 billion for international climate change programs across all agencies, including \$1.6 billion for State Department and USAID programs – a \$1.13 billion (230%) increase over the FY21 enacted level. Of this, \$625 million is designated for the State Department's contribution to the Green Climate Fund (GCF), alongside an additional \$625 million contribution from the Treasury International funds, for a combined total of \$1.25 billion. Additional State Department and USAID climate-related spending would more than double, with large increases for adaptation (\$167 million), Clean Energy (\$239 million), and Sustainable Landscapes (\$97 million) programs.

**Gender Programs: Equality and Equity Prioritized.** Across all accounts, the request includes \$1.2 billion for gender-related programs, representing a \$370 million (45%) increase from the FY20 actual level. Within this total, \$200 million is provided for the Gender Equity and Equality Action (GEEA) Fund, the successor to the W-GDP Fund.

## Engaging with Multilateral Institutions

With its focus on “revitalizing alliances, partnerships, and multilateral institutions,” the Administration’s FY22 request includes large increases for international financial institutions and other multilateral institutions.

**International Financial Institutions (IFIs): Major Increases for Climate Change.** The request includes \$3.3 billion for Treasury International programs, \$1.4 billion (73%) above the FY21 enacted level – with increases focused largely on contributions to various climate change and environmental funds. The request also includes \$67 million for bilateral debt relief and restructuring programs to respond to “the COVID-19 pandemic, the resulting global economic crisis that has eroded years of progress in reducing poverty in developing countries, and the climate crisis, which is the greatest long-term threat that the world faces and puts the wellbeing of the American people at significant risk.”

**Contributions to International Organizations (CIO): Full Funding of Assessments.** The budget includes \$1.66 billion for assessed Contributions to International Organizations (CIO), a \$157 million (10%) increase from the FY21 enacted level. This total is sufficient to fully pay UN and other assessments funded through this account, as well as \$82 million in arrears related to UN human rights activities accumulated since FY17.

**International Organizations and Programs (IO&P): Large Increase.** The Administration’s request includes \$457 million for International Organizations and Programs (IO&P), \$70 million (18%) above the FY21 enacted level. The account funds U.S. voluntary contributions to a wide range of international organizations, such as the UN Children’s Fund (UNICEF), UN Women, and the UN Development Program (UNDP).

## Reform and Modernization

The Administration’s FY22 request advances reforms and modernizations across several key areas at the State Department and USAID.

**Diversity, Equity, and Inclusion Initiatives.** The FY22 request proposes a number of reforms focused on diversity, equity, and inclusion within international affairs agencies.

- **Workforce Diversity.** The request supports the recruitment and retention of diverse candidates within the foreign policy workforce. It would also bolster the work of the State Department’s new Chief Diversity Officer by expanding engagement with the Department’s bureaus and overseas missions, adding 12 new dedicated positions within the Department’s Office of Diversity and Inclusion, and increasing funding for diversity initiatives by \$28 million (129%) compared to the FY21 enacted level.
- **Racial Equity in Foreign Assistance.** The FY22 request calls for the implementation of Executive Order 13985 on Racial Equity and Support for Underserved Communities as it pertains to foreign assistance. Specifically, the Administration notes that the State Department and USAID will work “to proactively advance equity by reducing structural disparities and creating opportunities for members of marginalized racial and ethnic groups as well as other individuals and communities that have been underserved.”

**Cybersecurity and IT Modernization.** The proposal also prioritizes initiatives that advance cybersecurity within America’s civilian national security agencies.

- **State Department Cybersecurity.** Following the SolarWinds cyberattack in 2020, the President's FY22 request includes a \$750 million Cybersecurity Reserve to be allocated among affected agencies, with \$101 million of that total for the State Department to address cybersecurity vulnerabilities.
- **Modernizing Technology at USAID.** The request also provides new resources to strengthen and modernize USAID's IT and remote work capabilities, particularly in light of the agency's elevated role to the National Security Council Principals Committee.

## Strengthening Civilian Capacity

Consistent with the Administration's proposed increases in foreign assistance funding and greater diplomatic engagement around the world, the request also calls for growth in the State Department and USAID's core operating accounts. In particular, these proposed increases would allow for hiring additional diplomatic and program implementation personnel.

**Diplomatic Programs (DP): Personnel Growth.** The State Department's Diplomatic Programs (DP) account – which funds personnel, infrastructure support, and operational costs – receives \$9.5 billion, a \$321 million (3%) increase compared to the FY21 enacted level. The increase to DP would, in part, support 485 additional Foreign Service and Civil Service personnel positions, bringing total State Department staffing to 27,485 personnel. In addition, \$4.1 billion is provided for diplomatic security through the Worldwide Security Protection (WSP) account, roughly equal to the FY21 enacted level.

**Embassy Security Construction and Maintenance (ESCM): Slight Increase.** The request includes \$1.98 billion for the State Department's Embassy Security Construction and Maintenance (ESCM) account – a slight increase of \$33 million (2%) from the FY21 enacted level. Within this total, the request provides for a \$82 million (11%) boost in funding for ongoing operations and a \$49 million (4%) cut to Worldwide Security Upgrades. Despite this reduction in funding for security upgrades, the Administration notes that the overall level of funding for ESCM (including contributions from other agencies) is consistent with the recommendations of the Benghazi Accountability Review Board.

**Operating Expenses (OE): More Funding and Staff.** USAID's Operating Expenses (OE) account – which supports personnel and the administrative costs of implementation, monitoring, and evaluation of USAID's foreign assistance programs – receives \$1.53 billion, a \$150 million (11%) increase compared to the FY21 enacted level. The request supports the addition of 70 new Foreign Service and Civil Service staff positions to help advance the Administration's expansion of Global Health Security programs, expanding on USAID's current workforce of 1,850 Foreign Service officers and 1,600 Civil Service officers.

## II. Snapshot of Country and Regional Funding

As in past years, the FY22 budget request specifies funding levels for each country and region. It is important to note that comparisons in this section are generally to FY20 actual levels since the Administration has not yet determined FY21 allocations.

**Africa:** The FY22 request provides \$7.43 billion to advance the U.S. Strategy for Africa – a \$218 million (3%) increase over the FY20 actual level. The bulk of these resources are directed to strengthen health programs, as well support food security, counterterrorism, investment, and democracy-building efforts. Additional signature initiatives supported by the budget request include PEPFAR, Prosper Africa and Power Africa. The largest recipients of U.S. aid in Africa are Nigeria, Mozambique, Kenya, the Democratic Republic of the Congo (DRC), and Ethiopia.

**Indo-Pacific:** The FY22 request for the Indo-Pacific is part of the Administration’s commitment to expand its presence in the region to counter threats from China and destabilization from Russia. The Administration’s request includes \$1.61 billion in FY22 to support democracy, fair trade and investment, security, and other programs in the region – a \$123 million (8%) increase compared to the FY21 enacted level. The countries in the region that are provided with the highest levels of U.S. assistance include Bangladesh, Vietnam, the Philippines, Indonesia, Burma, and Cambodia.

**Europe, Eurasia and Central Asia:** For FY22, the request includes \$1.35 billion to counter the Russian Government’s malign influence in Europe, Eurasia, and Central Asia, roughly the same as the FY20 actual level. This funding is largely intended to support democracy, good governance, energy and cyber security. The largest share of funding, \$634 million, is directed to Ukraine, Georgia, and Moldova.

**Middle East and North Africa:** The FY22 request proposes \$7.63 billion for the Middle East and North Africa, a \$168 million (2%) increase from FY20 actual levels. The region remains among the largest recipients of U.S. assistance funding compared to other parts of the world – with assistance to Israel, Egypt, and Jordan accounting for 79% of the total request for the region. The Administration’s request restores refugee and other assistance for the Palestinian people, including requesting \$219 million in bilateral contributions. The Administration also requests \$50 million for the Nita M. Lowey Middle East Partnership for Peace Act (Lowey Fund) through the Economic Support Fund (ESF).

**South Asia:** The Administration requests \$452 million to support efforts to secure peace and stability in South Asia. This marks a \$41 million (8%) cut from FY20 actual levels. The request includes \$364 million for Afghanistan, to sustain the gains of the past 20 years in areas such as economic growth, woman’s rights, civil society, and democracy and the rule of law. It also provides \$88 million for Pakistan, with assistance focused on a broad range of activities, such as combating illicit narcotics along the border with Afghanistan, promoting democracy, increasing bilateral trade and investments, and strengthening the country’s health care system to better respond to polio and tuberculosis.

**Western Hemisphere:** The Administration’s FY22 request proposes \$2.07 billion in funding for Central and South America, a \$339 million (20%) increase from the FY20 actual level. While much of this funding is focused on Central America, the request also includes substantial aid for Colombia (\$454 million), Haiti (\$188 million), Mexico (\$117 million), and Venezuela – which would receive \$55 million, a \$22 million (67%) increase over the FY21 enacted level. Programmatic efforts in the region emphasize counternarcotics assistance, democracy promotion, health care, and climate resilience.

## III. What's Ahead

With the release of the Administration's detailed budget, all eyes are on Congress as it begins its FY22 budget and appropriations process in earnest. While there will certainly be robust debate and diverging views in Congress on the details of the Administration's budget request, one thing is clear – support for America's development, diplomacy, and global health programs remains strong and bipartisan.

As conversations in the Democratic-led Congress continue over the use of budget reconciliation, the House and Senate Budget Committees could forego FY22 Budget Resolutions and “deem” the topline discretionary spending level (also known as the 302(a) allocation). This would formally allow the appropriations process to move forward.

With a 302(a) allocation in place, the House and Senate Appropriations Committees can turn their attention to the process of drafting and approving FY21 spending bills in short order – with the House planning to markup its 12 appropriations bills in June, followed by floor consideration in July.

Slim majorities in the House and Senate mean bipartisan support will be critical for Congress to pass final FY22 spending bills. A late start to the FY22 budget and appropriations process will complicate things further, giving lawmakers a shorter timeframe in which to complete their work before the fiscal year ends on September 30. A short-term Continuing Resolution (CR) may be needed to keep the government open and give lawmakers additional time to finalize FY22 spending.

## IV. Additional Information and Resources

### OMB Budget Charts and Material

- [https://www.whitehouse.gov/wp-content/uploads/2021/05/budget\\_fy22.pdf](https://www.whitehouse.gov/wp-content/uploads/2021/05/budget_fy22.pdf)
- <https://www.whitehouse.gov/wp-content/uploads/2021/05/FINAL-FY22-Budget-Overview-Fact-Sheet.pdf>

### State Department Budget and Material

- [https://www.state.gov/wp-content/uploads/2021/05/FY-2022-State\\_USAID-Congressional-Budget-Justification.pdf](https://www.state.gov/wp-content/uploads/2021/05/FY-2022-State_USAID-Congressional-Budget-Justification.pdf)
- <https://www.state.gov/state-department-and-u-s-agency-for-international-development-usaid-fy-2022-budget-request/>

### USAID Budget and Materials

- [https://www.usaid.gov/sites/default/files/documents/USAID\\_FY\\_2022\\_Budget\\_Request\\_Fact\\_Sheet\\_May\\_2021\\_-\\_Glossy\\_-\\_FINAL.2.pdf](https://www.usaid.gov/sites/default/files/documents/USAID_FY_2022_Budget_Request_Fact_Sheet_May_2021_-_Glossy_-_FINAL.2.pdf)

## V. Account-by-Account Details

Download the Account-by-Account Details:

- <https://www.usglc.org/media/2021/06/FY22-Request-Account-by-Account-Summary.xlsx>