

Congress Finalizes FY22 Spending: 1% Increase for International Affairs Budget Does Not Reflect Dramatically Changed World

International Affairs Budget Update
MARCH 17, 2022

Capping off months of tense negotiations that left the federal government operating under Continuing Resolutions for nearly six months, Congress approved a compromise spending package for Fiscal Year (FY) 2022 that included a 12-bill omnibus as well as emergency supplemental funding to support Ukraine that will keep the government open through September 30, 2022. The President signed the measure into law earlier this week.

In total, the spending package **provides a total of \$64.9 billion for the FY22 International Affairs Budget**, including \$58.0 billion in regular funding and \$6.9 billion in emergency funding for Ukraine. Excluding emergency funding, this represents a \$605 million (1.1%) increase compared to the FY21 enacted level – significantly [less](#) than the Administration’s FY22 request and the House and Senate proposals.

The spending deal reached by Congressional leaders had also contained \$15.6 billion in emergency supplemental funding to combat COVID-19, including \$5 billion for the International Affairs Budget. However, in an unexpected move, the emergency COVID-19 resources were stripped from the final package over concerns with the proposed offsets. The last-minute decision to remove urgently needed international affairs funding to combat the global pandemic raises serious questions about America’s ability to respond to new variants and the destabilizing impacts of the virus around the world – including a rise in conflict, hunger, migration, and authoritarianism as well as global supply chain disruptions – that have important consequences for all Americans.

The USGLC released a [statement](#) expressing deep concern that, aside from the critical emergency funding for Ukraine, the final spending deal is “not a serious response to the multitude of growing global threats that impact our health, economic, and security interests” and “a self-inflicted wound.”

INTERNATIONAL AFFAIRS BUDGET SNAPSHOT

| | FY21 Enacted | FY22 Request* | FY22 House | FY22 Senate | FY22 Senate |
|------------------|----------------|----------------|----------------|----------------|------------------|
| Base | \$49.4 billion | \$64.0 billion | \$64.1 billion | \$62.5 billion | \$58.0 billion |
| OCO | \$8.0 billion | \$0 | \$0 | \$0 | \$0 |
| SUBTOTAL | \$57.4 billion | \$64.0 billion | \$64.1 billion | \$62.5 billion | \$58.0 billion |
| EMERGENCY | | | | | |
| TOTAL | \$16.7 billion | \$0 | \$0 | \$0 | \$10.3 billion** |
| COMBINED | | | | | |
| TOTAL | \$74.1 billion | \$64.0 billion | \$64.1 billion | \$62.5 billion | \$68.3 billion |

*Reflects CBO’s re-estimate of the Administration’s request

**Includes \$6.9 billion for Ukraine provided in the FY22 spending package and \$3.4 billion to support Afghan refugees attached to two FY22 Continuing Resolutions.

I. Select Highlights

Regular/Non-Emergency Funding

Despite unprecedented global needs, the spending package provides a slim 1.1% increase in regular funding. With limited additional funding to be distributed across a vast array of critical programs and accounts, an analysis of funding levels compared to FY21 gives some insight into Congress’s top priorities. It is troubling that in several areas – including humanitarian assistance – new FY22 emergency funding appears to have been paid for, in part, by reductions in regular FY22 funding compared to FY21 enacted levels.

| Increases Compared to FY21 Enacted | Decreases Compared to FY21 Enacted |
|---|---|
| <ul style="list-style-type: none"> ▶ Economic Support Fund (ESF): up \$947 million (+30%) ▶ International Development Finance Corporation (DFC): up \$130 million (+23%) ▶ US Agency for International Development (USAID) Operating Expenses: up \$258 million (+19%) ▶ Development Assistance (DA): up \$640 million (+18%) ▶ Contributions to International Organizations (CIO): up \$157 million (+10%) | <ul style="list-style-type: none"> ▶ Assistance for Europe, Eurasia, and Central Asia (AEECA): down \$270 million (-35%) ▶ Migration and Refugee Assistance (MRA): down \$520 million (-15%) ▶ International Disaster Assistance (IDA): down \$490 million (-11%) |

Emergency Funding

The spending package provides \$6.9 billion in emergency supplemental funding to “support the Ukrainian people and defend global democracy in the wake of Russia’s unprovoked attack on Ukraine.” This includes:

| | |
|--|----------------|
| International Disaster Assistance (IDA) | \$2.65 billion |
| Migration and Refugee Assistance (MRA) | \$1.4 billion |
| Assistance for Europe, Eurasia, and Central Asia (AEECA) | \$1.12 billion |
| Foreign Military Financing (FMF) | \$650 million |
| Economic Support Fund (ESF) | \$647 million |
| Diplomatic Programs | \$125 million |
| Office of Transition Initiatives | \$120 million |
| Food for Peace (Title II, PL 480) | \$100 million |
| International Narcotics Control and Law Enforcement (INCLE) | \$30 million |
| Agency for Global Media | \$25 million |
| USAID Operating Expenses | \$25 million |
| USAID Inspector General | \$4 million |
| Department of State Inspector General | \$4 million |

II. Notable Programs

Below is an analysis of notable programs and how they fared in the compromise FY22 spending package. Unless otherwise noted, the discussion and tables below include only non-emergency funding.

Global Health: Global Health Security Sees Largest Boost

The spending package provides \$9.83 billion for global health programs – a \$634 million (7%) increase compared to the FY21 enacted level. Funding for Global Health Security accounts for \$510 million of this increase, while most other global health programs receive more modest increases or are held flat at FY21 enacted levels. Despite the boost for Global Health Security, funding remains well below the Administration’s FY22 request and the House and Senate proposals in the midst of a global pandemic.

GLOBAL HEALTH FUNDING**

| | FY21 Enacted | FY22 Request | FY22 House | FY22 Senate | FY22 Enacted |
|------------------------------------|----------------------|------------------------|------------------------|------------------------|-----------------------|
| PEPFAR | \$4.37 billion | \$4.37 billion | \$4.52 billion | \$4.37 billion | \$4.39 billion |
| Global Fund | \$1.56 billion | \$1.56 billion | \$1.56 billion | \$1.56 billion | \$1.56 billion |
| USAID HIV/AIDS | \$330 million | \$330 million | \$330 million | \$330 million | \$330 million |
| Malaria | \$770 million | \$770 million | \$820 million | \$800 million | \$775 million |
| Tuberculosis | \$319 million | \$319 million | \$469 million | \$400 million | \$371 million |
| Maternal & Child Health | \$856 million | \$880 million | \$880 million | \$941 million | \$890 million |
| Vulnerable Children | \$25 million | \$25 million | \$30 million | \$31 million | \$27.5 million |
| Nutrition | \$150 million | \$150 million | \$160 million | \$160 million | \$155 million |
| Family Planning | \$608 million | \$640 million | \$830 million | \$705 million | \$608 million |
| Neglected Tropical Diseases | \$103 million | \$103 million | \$113 million | \$113 million | \$108 million |
| Global Health Security | \$190 million | \$995 million | \$1 billion | \$1 billion | \$700 million |
| TOTAL | \$9.2 billion | \$10.05 billion | \$10.64 billion | \$10.35 billion | \$9.83 billion |

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

^ Excludes COVID-related funding provided through emergency appropriations, including \$435 million in FY20 and \$8.66 billion in FY21 funding.

Humanitarian Assistance: Reliance on Emergency Funding as Crises Grow

The spending package includes \$6.82 billion in non-emergency funding for humanitarian assistance – a \$1.01 billion (13%) decrease compared to the FY21 enacted level and well below the Administration’s FY22 request and the House and Senate proposals. While the addition of emergency funding creates an overall increase in humanitarian assistance when accounted for, it is important that the lower non-emergency total not set an artificially lower baseline for FY23 at a time of acute and growing humanitarian crises from food insecurity to migration to conflict.

HUMANITARIAN ASSISTANCE FUNDING*

| | FY21 Enacted | FY22 Request | FY22 House | FY22 Senate | FY22 Omnibus |
|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Disaster Assistance | \$4.4 billion | \$4.68 billion | \$4.68 billion | \$4.68 billion | \$3.91 billion |
| Migration and Refugees | \$3.43 billion | \$3.85 billion | \$3.85 billion | \$3.85 billion | \$2.91 billion |
| Emergency Refugee | \$100,000 | \$100,000 | \$100,000 | \$100,000 | \$100,000 |
| TOTAL | \$7.83 billion | \$8.53 billion | \$8.53 billion | \$8.53 billion | \$6.82 billion |

*Excludes funding provided through emergency appropriations, including \$4.2 billion in FY21 funding and \$7.6 billion in FY22 funding (\$4.05 billion provided in the FY22 spending package and \$3.09 billion in two Continuing Resolutions).

Development and Economic Assistance: Important Increases

Most of the major development and economic assistance programs receive significant increases in the FY22 spending package compared to FY21 enacted levels. Specifically, the Economic Support Fund (ESF), Development Assistance (DA), and Democracy Fund accounts are increased by \$640 million (18%), \$947 million (30%), and \$50 million (17%), respectively.

The spending package also includes \$500 million in non-emergency funding for Assistance to Europe, Eurasia, and Central Asia (AEECA) – a 35% decrease from the FY21 enacted level, albeit one that is offset by \$1.12 billion in emergency supplemental ACCEA funding for Ukraine. In addition, funding for the Millennium Challenge Corporation (MCC) and Peace Corps is held flat at FY21 enacted levels.

ECONOMIC AND DEVELOPMENT ASSISTANCE FUNDING*

| | FY21 Enacted | FY22 Request | FY22 House | FY22 Senate | FY22 Enacted |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|
| Development Assistance | \$3.5 billion | \$4.1 billion | \$4.1 billion | \$4.1 billion | \$4.14 billion |
| Economic Support Fund | \$3.15 billion | \$4.26 billion | \$3.48 billion | \$3.64 billion | \$4.1 billion |
| AEECA | \$770 million | \$789 million | \$789 million | \$789 million | \$500 million |
| Democracy Fund | \$291 million | \$291 million | \$341 million | \$291 million | \$341 million |
| MCC | \$912 million | \$912 million | \$912 million | \$912 million | \$912 million |
| Peace Corps | \$411 million | \$411 million | \$411 million | \$431 million | \$411 million |

*Excludes funding provided through emergency appropriations, including \$930 million in FY21 funding and \$1.77 billion provided in the FY22 spending package.

International Food Aid: Slight Increase Despite Historic Need

At a time when the world is facing an unprecedented food crisis and global hunger is at historic levels, Congress holds non-emergency funding for the Food for Peace program flat at the FY21 enacted level. The McGovern-Dole International Food for Education and Child Nutrition program sees a \$7 million (3%) increase compared to the FY21 enacted level, with up to 10% from the program's overall funding designated to purchase food aid locally or regionally.

INTERNATIONAL FOOD ASSISTANCE FUNDING*^

| | FY21 Enacted | FY22 Request | FY22 House | FY22 Senate | FY22 Enacted |
|---|-----------------------|----------------------|-----------------------|-----------------------|-----------------------|
| Food for Peace/ PL 480 Title II* | \$1.74 billion | \$1.57 billion | \$1.74 billion | \$1.76 billion | \$1.74 billion |
| McGovern-Dole | \$230 million | \$230 million | \$245 million | \$245 million | \$237 million |
| TOTAL | \$1.97 billion | \$1.8 billion | \$1.99 billion | \$2.01 billion | \$1.98 billion |

*Funding is provided through the Agriculture Appropriations bill.

^Excludes funding provided through emergency appropriations, including \$800 million in FY21 funding, and \$100 million provided in the FY22 spending package.

International Security Assistance: Varied Results

The spending package includes \$8.9 billion in non-emergency funding for international security assistance, a \$105 million (1%) decrease compared to the FY21 enacted level. Within that total, Foreign Military Financing (FMF) receives a \$135 million (2%) cut – albeit one that is offset by \$650 million in emergency supplemental FMF funding for Ukraine. Other programs receive modest increases in funding or had funding held at FY21 enacted levels.

Trade and Investment Agencies: DFC Sees Funding Boost

The compromise spending package includes \$701 million for the United States Development Finance Corporation (DFC), a \$130 million (23%) increase from the FY21 enacted level and \$100 million higher than the Administration's FY22 request. The three-year-old agency, whose mission is to expand and modernize America's development finance capabilities, received \$500 million for its program budget – \$50 million more than in FY21 – and \$198 million for administrative expenses – a \$79 million increase.

It also provides a \$9 million (8%) increase compared to the FY21 enacted level for the Export-Import (Ex-Im) Bank while holding funding for the U.S. Trade and Development Agency (USTDA) flat at the FY21 enacted level.

Peacekeeping: Modest Growth

The FY22 spending package increases funding for Contributions for International Peacekeeping (CIPA), which covers assessed contributions for UN peacekeeping missions, and Peacekeeping Operations (PKO), which funds non-UN peacekeeping forces, training, and operations, by \$42 million (3%) and \$14 million (3%), respectively.

As in past years, Congress maintains the 25% legislative cap on UN peacekeeping contributions rather than the assessed rate of 26.94%. As such, the U.S. will not be able to fully meet its peacekeeping obligations and continue to accumulate arrears, which are already approaching \$1.1 billion.

PEACEKEEPING FUNDING

| | FY21 Enacted | FY22 Request | FY22 House | FY22 Senate | FY22 Omnibus |
|--------------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|
| UN Operations | \$1.46 billion | \$1.93 billion | \$1.93 billion | \$1.83 billion | \$1.5 billion |
| Non-UN Operations | \$441 million | \$469 million | \$461 million | \$465 million | \$455 million |
| TOTAL | \$1.9 billion | \$2.4 billion | \$2.39 billion | \$2.29 billion | \$1.95 billion |

Multilateral Assistance: Increased Funding

The spending package provides \$1.66 billion for the Contributions to International Organizations (CIO) account to cover assessed contributions to the UN and other international organizations – a \$157 million (10%) increase compared to the FY21 enacted level and in line with the Administration’s FY22 request and the House and Senate proposals. It also includes a \$36 million (9%) boost for the International Organizations and Programs (IO&P) account – which funds voluntary contributions to various UN-affiliated and other international organizations.

In addition, the bill provides \$2.06 billion for Treasury International Programs – which provide contributions to various international financial institutions – representing a \$166 million (9%) increase.

State Operations: Mostly Level Funding

The compromise spending package includes \$9.2 billion in non-emergency funding for Diplomatic Programs, which funds State Department staffing and operations – a very slight increase compared to the FY21 enacted level.

Embassy security – which is funded through the Diplomatic Programs’ Worldwide Security Protection program and Embassy Security Construction and Maintenance account – sees a \$300 million (5%) decline compared to the FY21 enacted level.

III. Select Other Funding and Policy Priorities

Environment and Climate

The spending package includes about \$1.5 billion to address climate change and fund other environmental programs – about \$400 million above the FY21 enacted level. Notably, \$125 million is provided for the Clean Technology Fund – which did not receive any funding in FY21. The Global Environment Facility also received a total of \$149 million, an increase of \$9 million (7%) compared to the FY21 enacted level. Additionally, \$15 million is provided for the Intergovernmental Panel on Climate Change/UN Framework Convention on Climate Change.

Congress also increased funding compared to the FY21 enacted level for a range of other environment-related development programs – including conservation, poaching and wildlife trafficking, sustainable landscapes, adaptation, and renewable energy programs. The sectors that see the largest increases are adaptation (\$93 million), clean energy (\$77), and biodiversity (\$65 million).

While these increases are significant, the package includes no funding for the Green Climate Fund and overall funding for international climate change and environmental programs is well below the Administration’s FY22 request of \$3 billion.

Countering Chinese and Russian Influence

Congress provides \$300 million for the Countering Chinese Influence Fund, identical to the FY21 enacted level, and \$295 million for the Countering Russian Influence Fund, a \$5 million (2%) increase. The two funds are intended to counter malign influence efforts by both countries, including diplomatic efforts associated with China’s Belt and Road Initiative and Russia’s efforts to sow distrust in democratic institutions around the world.

Gender Equality and Women's Empowerment

The FY22 spending package includes \$175 million for programs to prevent and respond to gender-based violence and \$135 million to support the Women, Peace, and Security Strategy – increases of \$10 million (6%) and \$5 million (4%), respectively. The Gender Equity and Equality Action Fund (the successor to the W-GDP Fund) is maintained at its FY21 enacted level of \$200 million.

Diversity, Equity, and Inclusion

The spending package supports efforts by the State Department to “address the chronic lack of diversity in the Department's workforce, recruitment and retention, and the underrepresentation of diverse groups in management and senior leadership positions” and requires the Department to submit a report to Congress within 90 days on progress toward achieving these goals.

USAID Staffing

The explanatory statement accompanying the spending package notes that Congress “recognizes that USAID lacks sufficient personnel to adequately respond to many urgent and compelling needs” and the spending package includes \$1.64 billion for USAID Operating Expenses – in part to support new Foreign and Civil Service positions. This is \$258 million (19%) above the FY21 enacted level and \$108 million (7%) more than requested.

IV. Next Steps

With the annual FY22 spending bills complete, Congress will turn its attention to upcoming spending decisions – including other potential emergency funding for Ukraine and to combat COVID-19 as well as the FY23 budget and appropriations process. The Administration's FY23 budget request is expected to be released in the coming weeks. Members will have their work cut out for them with a late start and a shortened legislative calendar due to the / midterm elections.

Clearly, the global threats facing America – from a war in the heart of Europe to a global pandemic to competition with China to unprecedented humanitarian crises and rising authoritarianism – are only growing. Now more than ever, it is imperative that Congress step up and provide critically needed increases to the International Affairs Budget to meet these threats head-on.

As a first step, Congress must immediately take up and approve no less than the \$5 billion in emergency international affairs resources to fight the global pandemic that were stripped from the FY22 spending deal.

The USGLC looks forward to working with bipartisan Members of Congress to ensure our international affairs investments match the urgency of this unprecedented moment in history – and reflect the strong, bipartisan support that exists for America's development and diplomacy tools.

V. Account-by-Account Details

Download the account-by-account details of the FY22 spending package [here](#).