



# Amid Unprecedented Global Threats, Budget Proposes Significant and Serious Investments in Development and Diplomacy Tools

Analysis of the Administration's FY23 International Affairs Budget Request  
APRIL 6, 2022

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## Introduction

Just two short weeks after Congress finalized long-delayed Fiscal Year (FY) 2022 spending bills, this year's federal budget process begins at a time when global crises continue to spiral. From Russia's unprovoked invasion of Ukraine to acute global hunger to the largest refugee crisis since World War II to a global pandemic – America is facing threats of unprecedented scope and scale that directly impact the health, security, and economic interests of every American family.

The Administration's budget proposal for FY23 seeks to ensure that America continues to “lead the world in tackling global challenges and upholding the international system that the United States did so much to build” by proposing a \$9.7 billion increase for the International Affairs Budget compared to the FY22 non-emergency enacted level.

Specifically, the request **includes \$67.7 billion in discretionary non-emergency funding for the International Affairs Budget – 17% above the FY22 enacted level. Similar to last year**, the Administration proposes funding increases across a wide range of programs and accounts, from humanitarian assistance to climate change to global health.

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 FY23 spending negotiations.**

## Key Takeaways

Below are seven key takeaways from the Administration's FY23 International Affairs Budget request. Additional details are provided later in this analysis.

## 1. International Affairs Topline: Significant and Serious Increase Amid Unprecedented Threats

Recognizing that America is facing a “moment of profound disruptions” on the global stage, the Administration’s request would **boost overall funding for the International Affairs Budget by 17%**. While this is a significant and serious request, military and business leaders have been sounding the alarm bell that more is needed to meet the unprecedented scope and scale of these threats. Additionally, had the [final](#) FY22 spending level for international affairs reflected the Administration’s request or initial appropriations bills, the proposed increase for FY23 would be approximately 5% to 8%.

## 2. Russia: Doubling Down to Counter the Threat of Rising Authoritarianism

On the heels of Russia’s unprovoked invasion of Ukraine, the Administration’s request includes a 97% increase in funding for Assistance to Europe, Eurasia, and Central Asia (AEECA) – nearly half of which is specifically designated for Ukraine. Global development experts will be watching to ensure that funding for the Ukraine crisis isn’t drawn from other critical priority areas and regions, particularly given the dynamic situation and significant unknowns in how the needs will shift when it comes to support for the Ukrainian people.

## 3. China: Competing with China from a Position of Strength

Reflecting the Administration’s continued focus on ensuring the U.S. is well positioned to “effectively compete” with China – similarly a top priority for both Democrats and Republicans in Congress – the request includes \$1.78 billion in funding for implementing the Administration’s Indo-Pacific Strategy as well as a 33% increase for the Countering the People’s Republic of China (PRC) Malign Influence Fund. Throughout the request, the Administration signals its commitment to countering Chinese influence not only in the Indo-Pacific, but also in Africa, Latin America, the Middle East, and Central Asia.

## 4. Global Health: New Resources to Fight Disease and Prevent Pandemics

As COVID-19 continues to impact the world, the request increases overall funding for global health programs by 8%. Within that total, \$1 billion is designated for global health security – a 42% increase. Notably, the Administration is also proposing \$6.5 billion in mandatory spending over five years for “transformative investments” in global pandemic and other biological threat preparedness. This is a significant new use of mandatory funding – which Congress will certainly review – to position the U.S. to take an aggressive approach to resourcing pandemic prevention.

## 5. Humanitarian Assistance: A Significant Boost to Address Acute Crises

As global events accelerate humanitarian crises and conflict around the world, the request includes a 22% overall funding for humanitarian assistance. While recent emergency supplementals have provided urgently needed funding surges for acute, new humanitarian emergencies, it is essential that the regular budget reflects increased needs and the reality that these crises are becoming enduring challenges. Reflecting a dire global food crisis, the request specifically prioritizes \$1 billion for “bilateral agriculture and food security” programming – something Congress will review closely to ensure it sufficiently meets growing needs.

## 6. Strategic Priorities: Significant Investments for Key Areas of Focus

In line with the Administration’s strategic foreign policy and national security priorities, the FY23 budget request increases funding in several areas, including:

- ▶ **Multilateral Investments:** The request proposes to strengthen U.S. leadership in international organizations, including through a 55% increase to fully fund UN peacekeeping operations and pay remaining arrears.
- ▶ **Climate Change:** The request more than doubles funding for international climate change programs at the State Department and USAID to scale up efforts to support developing countries to promote adaptation, enhance resilience, and increase access to renewable energy.
- ▶ **Gender:** The request proposes the largest-ever investment in programs that advance gender equality and empowerment of women and girls – a total of \$2.6 billion across all accounts. This includes increased funding to combat gender-based violence, strengthen women’s participation in peace and security, and empower women economically.

## 7. Personnel: New Resources to Strengthen America’s Foreign Affairs Workforce

In line with the Administration’s commitment to revitalize and diversify America’s diplomatic and development workforce, the request increases funding for the State Department and USAID accounts that fund personnel and the U.S. diplomatic presence around the world by 5% and 7%, respectively. These proposed increases would support new Foreign Service and Civil Service positions to ensure critical capacity to advance U.S. interests and values at an unprecedented time of global threats. The request also advances both agencies’ diversity, equity, inclusion, and accessibility (DEIA) goals, including through increased paid internships, expanded recruitment and retention initiatives, and targeted fellowship 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 FY23 request to FY22 enacted levels, excluding emergency funding provided by Congress in FY22 for Ukraine and to support Afghan refugees. However, in some cases – particularly involving country and regional funding levels – the Administration has not yet determined FY22 allocations. In those instances, comparisons are made between the FY23 request and FY21 actual levels.

# I. Notable Programs and Policy Issues

## Protecting U.S. National Security

Conflict, violence, and instability around the world directly impact the safety and security of Americans at home. The Administration’s FY23 budget request sustains funding for critical accounts and in key regions where security challenges abound, and America’s interests are at stake.

**Countering Chinese Malign Influence: Large Boost.** The Administration’s request includes \$400 million for the Countering PRC Malign Influence Fund – \$100 million (33%) above the FY22 enacted level – to confront unfair and illegal trade practices, cyber theft, and coercive economic practices. In part to counter China, the FY23 request also provides \$1.78 billion for implementing the Administration’s Indo-Pacific Strategy.

**International Security Assistance: Slight Increase.** The FY23 request includes \$9 billion for security assistance programs, \$100 million (1%) above the FY22 enacted level. Within this total, International Narcotics Control and Law Enforcement (INCLE) receives a \$75 million (5%) increase, while funding for Nonproliferation, Anti-terrorism, Demining, and Related (NADR) programs and International Military Education and Training (IMET) is held essentially flat. Foreign Military Financing (FMF) sees a modest (2%) increase, with the largest beneficiaries being:

- ▶ **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, consistent with previously enacted levels.
- ▶ **Jordan**, which would receive \$400 million in anticipation of a new MOU between the U.S. and Jordan that would take effect in FY23.

Like those from the previous Administration, the FY23 proposal 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 \$2.8 billion for peacekeeping operations in FY23, including \$2.33 billion to fund UN peacekeeping missions through the Contributions to International Peacekeeping Activities (CIPA) account and \$464 million for non-UN peacekeeping missions through the Peacekeeping Operations (PKO) account. This represents a \$829 million (55%) increase for CIPA and a \$9 million (2%) increase for PKO compared to the FY22 enacted levels. The proposed increase for CIPA would fully fund U.S. assessed contributions to UN peacekeeping in FY23 based on the new assessed rate of 26.9% and provide \$730 million to pay down arrears the U.S. has accumulated since FY17. The budget also calls for lifting the 25% legislative cap on U.S. peacekeeping contributions, which has led to the accumulation of arrears.

### PEACEKEEPING FUNDING

	FY21 Enacted	FY22 Enacted	FY23 Request	Change from FY22
<b>UN Operations (CIPA)</b>	\$1.46 billion	\$1.5 billion	\$2.33 billion	55%
<b>Non-UN Ops (PKO)</b>	\$441 million	\$455 million	\$464 million	2%
<b>Total</b>	<b>\$1.9 billion</b>	<b>\$1.95 billion</b>	<b>\$2.79 billion</b>	<b>43%</b>

## Securing America’s Economic Future

Global events, including ongoing effects of COVID-19 and supply chain issues, continue to have a far-reaching impact on the American economy. The Administration’s FY23 budget request substantially increases investments in America’s development finance and export agencies to bolster America’s economic recovery by fostering sustainable growth in developing countries and expanding exports, trade, and investment opportunities around the world for American companies.

**Development Finance Corporation (DFC): Further Expansion.** The request includes \$220 million for administrative expenses for the U.S. International Development Finance Corporation (DFC), a \$22 million (11%) increase from the FY22 enacted level, and \$780 million for programs, a \$280 million (56%) increase compared to the FY22 enacted level. These new resources will bolster the DFC to deliver on its mission by hiring additional staff and substantially expanding its portfolio in areas such as climate change, health, and information technology through a range of tools including credit subsidy, equity, technical assistance, and grants. In addition, the request anticipates an additional \$50 million in transfers to the DFC from the State Department and USAID to support greater interagency program coordination.

**U.S. Trade and Development Agency (USTDA): Significant Growth.** The Administration’s request includes \$98 million for the U.S. Trade and Development Agency (USTDA), a \$19 million (23%) increase from the FY22 enacted level. According to the Administration, the increase will support key policy priorities – namely, positioning American companies to compete against foreign infrastructure development programs, such as China’s Belt and Road Initiative (BRI), and addressing the impacts of climate change.

**Export-Import Bank: Large Boost and Return on Investment.** The FY23 request provides \$130 million for the Export-Import Bank’s operations, a \$16 million (14%) increase above the FY22 enacted level. It also includes \$25 million for programs, a \$20 million (400%) boost compared to the FY22 enacted level, as well as \$6.4 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 \$202 million in net collections to the U.S. Treasury in FY23.

## Addressing Humanitarian Needs

In the face of unprecedented humanitarian crises – driven by Russia’s invasion of Ukraine, ongoing effects of the COVID-19 pandemic, and natural disasters, among others – the Administration’s FY23 budget request resources programs that save lives and support the most vulnerable around the world.

**Humanitarian Assistance: Modest Growth.** The Administration’s request includes \$10.45 billion for humanitarian assistance programs – \$1.9 billion (22%) above the FY22 enacted level – at a time when 274 million of people need humanitarian assistance, a 60% increase from only two years ago, according to the UN. Notably, the Administration proposes significant increases for Migration and Refugee Assistance (MRA) and International Disaster Assistance (IDA). At the same time, it holds funding flat for the Food for Peace program – which is up for reauthorization in FY23 – and calls for modifications to improve efficiency and flexibility.

### HUMANITARIAN ASSISTANCE FUNDING

	FY21 Enacted	FY22 Enacted	FY23 Request	Change from FY22
<b>Disaster Assistance (IDA)</b>	\$4.4 billion	\$3.91 billion	\$4.7 billion	20%
<b>Refugees (MRA)</b>	\$3.43 billion	\$2.91 billion	\$3.91 billion	34%
<b>Emergency Refugees (ERMA)</b>	\$100,000	\$100,000	\$100 million	99,900%
<b>Title II, P.L. 480 Food for Peace</b>	\$1.74 billion	\$1.74 billion	\$1.74 billion	0%
<b>Total</b>	<b>\$9.57 billion</b>	<b>\$8.56 billion</b>	<b>\$10.45 billion</b>	<b>22%</b>

## Promoting Sustainable Economic Development

As developing countries work to navigate a myriad of challenges – from the impacts of COVID-19 to the root causes of migration to advancing peace and security to promoting trade and economic opportunity – the FY23 budget provides resources to help build America’s future economic and security partners.

**Development and Economic Assistance: Net Growth.** The request includes an overall increase of \$1.1 billion (12%) for State Department and USAID development and economic assistance compared to the FY22 enacted level. Most notably, the Administration requests a \$484 million (97%) increase for Assistance to Europe, Eurasia, and Central Asia (AEECA) – due in large part to support for Ukraine and other countries in the region in the wake of Russia’s invasion. The Development Assistance (DA) account also sees a \$629 million (15%) increase.

**Millennium Challenge Corporation (MCC): Slight Growth.** The Administration proposes a modest \$18 million (2%) increase for the Millennium Challenge Corporation (MCC) compared to the FY22 enacted level. Resources would support two new compacts with Indonesia and Mozambique expected to be signed in FY23 and threshold programs in five countries. Additionally, the request proposes a legislative change to allow threshold programs in countries that have previously had compacts.

**Peace Corps: Slight Increase.** The request includes \$431 million for the Peace Corps, a \$20 million (5%) increase compared to the FY22 enacted level. According to the Administration, the request will support the continued return of Volunteers abroad following the worldwide evacuation of Volunteers due to the global COVID-19 pandemic as well as “new and innovative ways to continue to spread world peace and friendship” – including a virtual Volunteer service initiative.

### DEVELOPMENT AND ECONOMIC ASSISTANCE FUNDING

	FY21 Enacted	FY22 Enacted	FY23 Request	Change from FY22
<b>Development Assistance (DA)</b>	\$3.5 billion	\$4.14 billion	\$4.77 billion	15%
<b>Economic Support Fund (ESF)</b>	\$3.15 billion	\$4.1 billion	\$4.12 billion	1%
<b>AEECA</b>	\$770 million	\$500 million	\$984 million	97%
<b>Democracy Fund</b>	\$291 million	\$341 million	\$291 million	-15%
<b>MCC</b>	\$912 million	\$912 million	\$930 million	2%
<b>Peace Corps</b>	\$411 million	\$411 million	\$431 million	5%

## Strengthening Global Health and Combating Pandemic Threats

The Administration’s FY23 request states that “in our interconnected world, where diseases know no borders, it is a priority of the U.S. government to prevent future epidemics and pandemics” by continuing to invest in global health programs.

**Global Health: Focus on Pandemic Preparedness.** The FY23 request includes a total of \$10.58 billion for State and USAID Global Health Programs, a \$746 million (8%) increase over the FY22 enacted level – with nearly all of the increase directed to Global Health Security and the Global Fund to Fight AIDS, Tuberculosis and Malaria.

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

As the U.S. prepares to host the Global Fund’s Seventh Replenishment Conference, the request specifically includes \$2 billion for the U.S. contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria – a \$440 million (28%) increase compared to the FY22 enacted level – as part of a three-year \$6 billion commitment.

### Global Health Security

Global Health Security receives a \$295 million (42%) increase compared to the FY22 enacted level.

This total includes:

- ▶ \$405 million for bilateral Global Health Programs managed by USAID.
- ▶ \$250 million for a new health security financing mechanism.
- ▶ \$250 million in U.S. contributions for the ACT-Accelerator Platform.
- ▶ \$90 million to replenish USAID’s Emergency Reserve Fund.

### Other Global Health Programs

The picture is mixed for other global health programs – some (such as Neglected Tropical Diseases) receive modest increases compared to their FY22 enacted levels, while others (such as Tuberculosis and Polio) receive cuts. Some (such as Gavi, the Vaccine Alliance) are held essentially flat at their FY22 enacted levels. Of note, the request includes \$10 million for a new Health Resilience Fund to support select pilot programs to demonstrate the potential usefulness of supporting health systems in countries emerging from COVID-19 or other health crises.

### Pandemic Preparedness

The Administration’s FY23 budget also includes an unusual request for \$6.5 billion in mandatory spending for a five-year effort to invest in transformative programs and technologies focused on pandemic preparedness.

The proposed funding includes:

- ▶ \$4.5 billion for a new Global Health Security and Pandemic Preparedness Fund “housed at the World Bank would provide funding to address key gaps in the health security architecture to bolster pandemic preparedness.”
- ▶ \$500 million to “support vaccine research, development, and delivery” and build resilience for future pandemics.
- ▶ \$1 billion to strengthen the global health workforce.
- ▶ \$500 million for USAID’s Emergency Reserve Fund.

## GLOBAL HEALTH FUNDING\*

	FY21 Enacted	FY22 Enacted	FY23 Request	Change from FY22
<b>Bilateral PEPFAR</b>	\$4.37 billion	\$4.39 billion	\$4.37 billion	-0.5%
<b>Global Fund</b>	\$1.56 billion	\$1.56 billion	\$2.0 billion	28%
<b>USAID HIV/AIDS</b>	\$330 million	\$330 million	\$330 million	0%
<b>Malaria</b>	\$770 million	\$775 million	\$780 million	1%
<b>Tuberculosis</b>	\$319 million	\$371 million	\$350 million	-6%
<b>Maternal/Child Health</b>	\$856 million	\$890 million	\$880 million	-1%
<b>Vulnerable Children</b>	\$25 million	\$28 million	\$25 million	-9%
<b>Nutrition</b>	\$150 million	\$155 million	\$150 million	-3%
<b>Family Planning</b>	\$608 million	\$608 million	\$653 million	8%
<b>NTDs</b>	\$103 million	\$108 million	\$114.5 million	7%
<b>Global Health Security &amp; Emerging Threats</b>	\$190 million	\$700 million	\$995 million	42%
<b>Health Resilience Fund</b>	\$	\$0	\$10 million	N/A
<b>Total</b>	<b>\$9.2 billion</b>	<b>\$9.83 billion</b>	<b>\$10.58 billion</b>	<b>8%</b>

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

\*\*Excludes \$6.5 billion in mandatory funding requested for a five-year effort to improve pandemic preparedness globally.

## Crosscutting Issues

The Administration's FY23 budget request includes increased funding for priorities that span multiple regions, accounts, and agencies.

**Climate Change: Continued Focus.** The Administration's request provides a total of \$5.3 billion in funding for international climate change programs across all agencies. This includes \$2.3 billion for State Department and USAID programs – a \$1.66 billion (268%) increase over the FY21 enacted level (FY22 data is not yet available) – with significant resources for adaptation (\$1.1 billion), Clean Energy (\$702 million), and Sustainable Landscapes (\$452 million) programs. Another \$2.3 billion is provided for Treasury International Programs, \$2 billion (800%) above the FY22 enacted level, including \$1.6 billion for the U.S. contribution to the Green Climate Fund – which Congress did not fund in FY22.

**Gender Programs: Equality and Equity Prioritized.** Across all accounts, the request includes a significant \$2.6 billion for gender-related programs – \$1.9 billion (249%) above the FY21 actual level (FY22 data is not yet available). Of this total, \$200 million is designated for the Gender Equity and Equality Action (GEEA) Fund, the same level provided in FY22.

**Democracy Funding: Steady Growth.** In the wake of Russia's unprovoked invasion of Ukraine, the FY23 request includes \$2.9 billion, which is \$300 million (12%) above the enacted FY22 level, for democracy, human rights, and governance programs – building on the commitments made at the Administration's global Summit for Democracy and in preparation for a second summit, likely later this year.

**Cyber and Technology: Large Increases.** The Administration's FY23 request includes \$470 million for the State Department's Capital Investment Fund (CIF), a \$170 million (57%) increase from the FY22 enacted level, and \$289 million, a \$31 million (12%) increase to USAID's CIF. Much of the growth in these funds – which are used to support a range of capital investments – is focused on critical IT and cybersecurity initiatives.

**Diversity, Equity, Inclusion and Access: Continuing Emphasis.** In support of the Administration's overarching priority to advance diversity and inclusion across the federal government, the request provides \$66 million for the State Department and \$20 million for USAID to advance DEIA efforts – including for new personnel as well as for “modernization of recruitment methods to mirror industry best practices, increased workforce training including additional paid internships, and Department-wide programs and activities.”

## Engaging with Multilateral Institutions

The Administration's FY23 request highlights the importance of multilateral institutions to “restoring American global standing and leadership” and includes significant increases for international financial institutions (IFIs), in particular.

**International Financial Institutions (IFIs): Climate Change-Driven Increases.** The request includes \$4.4 billion for Treasury International programs, a \$2.1 billion (113%) increase from the FY22 enacted level – with additional funding largely focused on contributions to various environmental and climate change funds. Of the total, \$67 million is designated for bilateral debt relief and restructuring, including funding to support the Tropical Forest and Coral Reef Conservation Act, which provides debt relief in exchange for developing countries taking steps to protect tropical forests and coral reefs.

**Contributions to International Organizations (CIO): Full Funding of Assessments.** The FY23 request includes \$1.66 billion for assessed Contributions to International Organizations (CIO) – largely in line with the FY22 enacted level and sufficient to fully pay UN and other assessments. Importantly, resources provided through this account support U.S. treaty and convention obligations to 43 international organizations, including the North Atlantic Treaty Organization (NATO).

**International Organizations and Programs (IO&P): Modest Growth.** The Administration’s request includes \$457 million for International Organizations and Programs (IO&P), \$34 million (8%) above the FY22 enacted level. This account supports U.S. voluntary contributions to a wide range of international organizations, such as the UN Children’s Fund (UNICEF).

## Strengthening Civilian Capacity

Consistent with the Administration’s emphasis on increasing foreign assistance and diplomatic engagement around the world, the FY23 request boosts funding for the State Department and USAID’s core operating accounts to allow for additional hiring of diplomatic and program staff.

**Diplomatic Programs (DP): Increases for Personnel.** The State Department’s Diplomatic Programs (DP) account – which funds personnel, infrastructure support, and operational costs – receives \$9.6 billion, a \$459 million (5%) increase compared to the FY22 enacted level. Importantly, this increase would support new Foreign Service and Civil Service positions critical to advancing U.S. interests and values at a time of unprecedented global threats. In addition, \$3.8 billion is provided for diplomatic security through the Worldwide Security Protection (WSP) account, roughly equal to the FY22 enacted level.

**Embassy Security Construction and Maintenance (ESCM): Flat Funding.** The State Department’s Embassy Security Construction and Maintenance (ESCM) account is essentially held flat at the FY22 enacted level, receiving \$1.96 billion. Of this total, the request provides for a \$52 million (6%) boost in funding for ongoing operations and a \$77 million (7%) 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): Funding Growth for Personnel.** 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 \$1.74 billion, a \$107 million (7%) increase compared to the FY22 enacted level. With this increase in funding, USAID would be able to grow its workforce to a total of 3,720 Foreign Service and Civil Service personnel.

## II. Snapshot of Country and Regional Funding

As in past years, the Administration's FY23 request specifies funding levels for each country and region. It is important to note that comparisons in this section are generally to FY21 actual levels since the Administration has not yet determined FY22 allocations.

**Africa:** In anticipation of a second U.S.-Africa Leaders Summit this year, the FY23 request provides \$7.77 billion to advance U.S. policy priorities in Africa – a \$481 million (7%) increase compared to the FY21 actual level. The majority of these funds are dedicated to advancing peace and security in sub-Saharan Africa; economic growth, trade, and investment; democracy support; and post-pandemic resilience. Specific regional initiatives supported include implementation of the Sahel Strategy, Power Africa, Prosper Africa, and the Young African Leaders Initiative (YALI). The largest recipients of U.S. aid in Africa are the Democratic Republic of the Congo (\$346 million), Somalia (\$293 million), and Ethiopia (\$267 million).

**Central America:** As the U.S. prepares to host the Ninth Summit of the Americas in June, the Administration's FY23 request proposes \$959 million in funding for Central America – \$403 million (72%) above the FY21 actual level. Funding is intended to address the root causes of migration; combat economic insecurity and inequality; strengthen democratic governance; combat corruption; and prevent violence perpetuated by criminal organizations. Notable country-level investments include Guatemala (\$163 million), Honduras (\$134 million), and El Salvador (\$125 million).

**Indo-Pacific:** The request includes \$1.78 billion to advance American interests in the Indo-Pacific – a \$250 million (16%) increase from the FY21 actual level. Funding would support the five pillars of the U.S. Indo-Pacific Strategy and a range of regional-level initiatives intended to strengthen regional partnerships, advance democratic governance, deter aggression, and generate collective resilience. The countries in the region receiving the highest levels of U.S. assistance include Indonesia (\$150 million), India (\$117 million), and Burma (\$109 million).

**Europe, Eurasia, and Central Asia:** For FY23, the request includes \$1.65 billion for Europe, Eurasia, and Central Asia – a \$288 million (21%) increase from FY21 actual levels – with the assistance largely focused on building region-wide resilience to Russian malign influence and malign influence and democracy promotion. Notable country-level investments include Ukraine (\$682 million); Georgia, Moldova, and Belarus (\$196 million); Tajikistan (\$55 million); and Uzbekistan (\$49 million).

**Middle East and North Africa:** The request provides \$7.6 billion for the Middle East and North Africa, a \$88 million (1%) decline from FY21 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 82% of the total request for the region.

**South Asia:** The Administration requests \$1.22 billion to advance U.S. interests in South Asia, a \$162 million (15%) cut from FY21 actual levels. The request includes \$268 million for Afghanistan to help address economic challenges, strengthen health, education, and food security programs, and protect civil society, independent media, human rights, and women and girls. In addition, it also provides \$105 million for Pakistan, with assistance focused on a broad range of activities, such as improving stability along its border with Afghanistan, bolstering health systems, and promoting human rights.

## III. What's Ahead

With the long-awaited release of the Administration's budget request, all eyes are on Congress as it begins its FY23 budget and appropriations process in earnest. As a first step, committees will hold a series of budget hearings to consider the Administration's request in the coming weeks.

Notably, Democratic and Republican Appropriation Committee leaders have already expressed an interest in beginning conversations on FY23 topline spending levels to avoid another lengthy delay in enacting annual appropriations bills.

However, given the political realities, slim Democratic majorities in the House and Senate, and a shortened legislative calendar in a midterm election year, it is unlikely Congress will approve all 12 spending bills before the start of the new fiscal year on October 1, 2022. At least one short-term Continuing Resolution (CR) may be needed to keep the government open and give lawmakers additional time to finalize FY23 spending.

## IV. Additional Information and Resources

### OMB Budget Charts and Materials

- ▶ [Administration's FY23 Budget Request](#) and [Appendix](#)
- ▶ [OMB Fact Sheets](#)

### State Department Budget Materials

- ▶ [FY23 Congressional Budget Justification – Department of State, Foreign Operations, and Related Programs](#)
- ▶ [State Department Fact Sheet – FY23 Budget Request](#)

### USAID Budget Materials

- ▶ [USAID Fact Sheet – FY23 President's Budget Request](#)

## V. Account-by-Account Details

### Download the Account-by-Account Details

- ▶ Download the account-by-account details of the Administration's FY23 budget request [here](#).