



Final FY24 Spending Deal a Step Backwards for Development and Diplomacy Funding Despite Converging Threats to America

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Executive Summary

After intense negotiations that left the federal government operating under stopgap Continuing Resolutions for nearly six months, Congress approved the second of two Fiscal Year (FY) 2024 appropriations minibuss packages – completing its work on spending bills that will fund federal agencies through September 30, 2024, and avoiding automatic across-the-board sequester cuts under the Fiscal Responsibility Act.

The final compromise spending deal adhered to the bipartisan topline funding agreement struck by Senate Majority Leader Chuck Schumer (D-NY) and House Speaker Mike Johnson (R-LA) in January – largely holding overall non-defense discretionary spending flat compared to the FY23 enacted level.

In this context, Congress provided **\$60 billion in discretionary funding for the FY24 International Affairs Budget**, including:

- ▶ **\$57.5 billion in regular, non-emergency funding.**
- ▶ **\$2.5 billion in emergency funding** intended to cover base budget activities.

This overall funding level represents a **\$3.7 billion (6%) cut** compared to the FY23 enacted level.

The significant reduction to critical development and diplomacy resources in the final FY24 spending deal increases the urgency for Congress to approve the pending national security emergency supplemental with nearly [\\$27 billion](#) in emergency civilian international affairs funding for Ukraine, Israel, Taiwan, and global humanitarian assistance.

In a [statement](#), USGLC President & CEO Liz Schrayner called the FY24 International Affairs Budget topline a step backwards that “will make it harder for America to respond as our adversaries and competitors are outpacing us at every turn,” and called on Congress to immediately approve the national security emergency package.

INTERNATIONAL AFFAIRS BUDGET SNAPSHOT

	FY23 Enacted*	FY24 Request**	FY24 House^	FY24 Senate	FY24 Enacted
Non-Emergency	\$61.6 billion	\$70.9 billion	\$54.4 billion	\$60.3 billion	\$57.5 billion
Base Emergency	\$2.1 billion	\$0	\$0	\$3.3 billion	\$2.5 billion
Total	\$63.7 billion	\$70.9 billion	\$54.4 billion	\$63.6 billion	\$60.0 billion

**Excludes \$19 billion in emergency funding primarily for Ukraine.*

***Reflects Congressional Budget Office's re-estimate of the Administration's request and excludes \$35.5 billion in requested emergency funding for Ukraine and other emerging crises.*

^Assumes the enactment of \$11.1 billion in rescissions of prior-year Environmental Protection Agency (EPA) funding

I. Select Highlights

With a 6% cut to the overall FY24 International Affairs Budget topline, many important international affairs programs and accounts saw their funding reduced compared to FY23 enacted levels. However, there is some variation – with other accounts receiving flat or increased funding compared to FY23 enacted levels. Below are select highlights of significant increases and decreases in programmatic and account funding compared to FY23 enacted levels. More details are included below.

Increases Compared to FY23 Enacted

- ▶ Countering Chinese Influence Fund: up \$75 million (23%)
- ▶ Contributions to International Organizations: up \$105 million (7%)
- ▶ International Disaster Assistance (IDA): up \$236 million (5%)
- ▶ Migration and Refugee Assistance (MRA): up \$101 million (3%)
- ▶ Foreign Military Financing (FMF): up \$80 million (1%)

Decreases Compared to FY23 Enacted

- ▶ International Organizations and Programs (IO&P): down \$72 million (-14%)
- ▶ Development Assistance (DA): down \$438 million (-10%)
- ▶ Economic Support Fund (ESF): down \$411 million (-10%)
- ▶ Assistance for Europe, Eurasia, and Central Asia (AEECA): down \$80 million (-9%)
- ▶ Contributions to International Peacekeeping (CIPA): down \$115 million (-8%)

II. Notable Programs

Below is an analysis of notable programs and how they fared in the final FY24 spending deal compared to FY23 enacted levels. In general, this excludes FY23 emergency funding largely provided for Ukraine. However, it does include \$2.1 billion in FY23 and \$2.5 billion in FY24 emergency funding added by Congress to cover base budget activities (referred to in this analysis as “base emergency” funding). The analysis below notes where the inclusion of this emergency funding impacts comparisons.

Protecting U.S. National Security

In terms of resources to support international peace and security, the final spending deal approved by Congress includes increases in some security-oriented accounts, but reductions in others.

International Security Assistance

The final spending deal includes \$8.93 billion for international security assistance, an \$81 million (-1%) decrease compared to the FY23 enacted level. Of note:

- ▶ **Foreign Military Financing (FMF)** and **International Military Education and Training (IMET)** receive slight increases of \$80 million (1%) and \$6 million (6%). *For FMF, \$275 million is provided in base emergency funding.*
- ▶ **Narcotics Control and Law Enforcement (INCLE) and Nonproliferation, Antiterrorism, Demining, and Related (NADR)** receive reductions of \$66 million (-5%) and \$51 million (-6%), respectively. *For INCLE, \$115 million is provided in base emergency funding.*

Peacekeeping

The FY24 spending deal provides a total of \$1.78 billion for peacekeeping operations, including \$1.37 billion to fund United Nations (UN) peacekeeping missions through the **Contributions to International Peacekeeping Activities (CIPA)** account and \$410 million for non-UN peacekeeping missions through the **Peacekeeping Operations (PKO)** account. This represents a \$115 million (-8%) decrease for CIPA and a \$50 million (-11%) cut for PKO compared to FY23 enacted levels.

As in past years, Congress maintains the 25% legislative cap on UN peacekeeping contributions rather than the assessed rate of 26.9%. As such, the U.S. will not be able to fully meet its peacekeeping obligations and will continue to accumulate arrears, which now total more than \$1 billion.

PEACEKEEPING

	FY23 Enacted	FY24 Request	FY24 House	FY24 Senate	FY24 Enacted
UN Operations (CIPA)	\$1.48 billion	\$1.94 billion	\$602 million	\$1.48 billion	\$1.37 billion
Non-UN Operations (PKO)	\$461 million	\$420 million	\$420 million	\$415 million	\$410 million
Total	\$1.94 billion	\$2.36 billion	\$1.02 billion	\$1.9 billion	\$1.78 billion

Promoting America's Economic Prosperity

With America's economic security top of mind for Members of Congress, the final FY24 spending deal largely sustains investments in America's development finance and export agencies compared to their FY23 enacted levels. Of note:

- ▶ The **U.S. International Development Finance Corporation (DFC)** receives \$1 billion in FY24, holding funding essentially flat. This includes \$755 million for its program budget, a \$25 million (-3%) cut, and \$243 million for administrative expenses, a \$23 million (10%) increase.
- ▶ The **Export-Import Bank** receives a \$1 million (1%) increase, which is allocated to its Inspector General, and the **U.S. Trade and Development Agency (USTDA)** is held flat.

Responding to Humanitarian Crises

With nearly 300 million in 72 countries in need of humanitarian assistance in 2024, the FY24 spending deal provides \$8.71 billion for **humanitarian assistance** programs – a \$336 million increase compared to the FY23 enacted level. As in recent years, Congress continues to rely heavily on emergency funding to cover base budget needs – with \$1.5 billion of the total provided in base emergency funding.

HUMANITARIAN ASSISTANCE

	FY23 Enacted*	FY24 Request**	FY24 House	FY24 Senate^	FY24 Enacted^^
Disaster Assistance (IDA)	\$4.54 billion	\$4.7 billion	\$3.91 billion	\$4.85 billion	\$4.78 billion
Refugees (MRA)	\$3.83 billion	\$3.91 billion	\$2.55 billion	\$4.21 billion	\$3.93 billion
Emergency Refugees (ERMA)	\$100,000	\$100 million	\$0	\$100,000	\$100,000
Total	\$8.37 billion	\$8.71 billion	\$6.45 billion	\$9.06 billion	\$8.71 billion

*Includes \$1.55 billion in base emergency funding (\$638 million for IDA and \$915 million for MRA), excludes \$920 million in other emergency funding primarily for Ukraine.

**Excludes \$10 billion in emergency funding for use globally included in the Administration's FY24 security supplemental request.

^Includes \$2.47 billion in base emergency funding (\$1.09 billion for IDA and \$1.37 billion for MRA).

^^ Includes \$1.5 billion in base emergency funding (\$750 each for IDA and MRA).

Advancing Sustainable Development

When it comes to resources to support long-term economic growth and development, the FY24 spending deal reduces funding for most major development and economic assistance programs compared to FY23 enacted levels. Additionally, Congress is relying more on emergency funding to cover base budget activities among these programs – with such funding growing from \$350 million in FY23 to \$610 million in FY24. Of note:

- ▶ **Development Assistance (DA)**, the **Economic Support Fund (ESF)**, and **Assistance to Europe, Eurasia, and Central Asia (AEECA)** see cuts of \$438 million (-10%), \$411 million (-10%), and \$80 million (-9%), respectively.

- ▶ The **Democracy Fund** receives a more modest \$11 million (-3%) reduction.
- ▶ The **Millennium Challenge Corporation (MCC)** and **Peace Corps** are both held flat at their FY23 enacted levels.

Humanitarian and development stakeholders have already expressed concern that these significant reductions to core development assistance accounts could undermine critical resilience-building efforts and ultimately lead to more crises.

DEVELOPMENT AND ECONOMIC ASSISTANCE

	FY23 Enacted*	FY24 Request**	FY24 House	FY24 Senate^^	FY24 Enacted^^^
Development Assistance (DA)	\$4.37 billion	\$5.43 billion	\$3.0 billion	\$3.98 billion	\$3.93 billion
Economic Support Fund (ESF)	\$4.3 billion	\$5.39 billion	\$3.98 billion^	\$4.03 billion	\$3.89 billion
AEECA	\$850 million	\$1.05 billion	\$770 million	\$850 million	\$770 million
Democracy Fund	\$356 million	\$291 million	\$356 million	\$356 million	\$345 million
MCC	\$930 million	\$1.07 billion	\$905 million	\$930 million	\$930 million
Peace Corps	\$431 million	\$495 million	\$411 million	\$449 million	\$431 million

*Includes \$350 million in base emergency funding for AEECA and excludes \$17.5 billion in emergency ESF funding for Ukraine.

** Excludes \$14.4 billion in emergency funding primarily for Ukraine (\$11.8 billion for ESF and \$2.2 billion for AEECA) included in the Administration's FY24 security supplemental request.

^Includes \$1 billion provided in a new budget title focused on countering China.

^^ Includes \$785 million in base emergency funding (\$435 million for ESF and \$350 million for AEECA).

^^^ Includes \$610 million in base emergency funding (\$300 million for ESF and \$310 million for AEECA).

Strengthening Global Health

Congress provides a total of \$10.03 billion for State Department and USAID Global Health Programs in the final FY24 spending deal – a \$531 million (-5%) cut compared to the FY23 enacted level, largely due to a readjusted U.S. contribution to the Global Fund and reductions for Global Health Security. Of note:

- ▶ Provides \$1.65 billion for the second installment of a three-year U.S. pledge to the **Global Fund to Fight AIDS, Tuberculosis, and Malaria** – a \$350 million (-18%) reduction to reflect the statutory cap that limits U.S. contributions to \$1 for every \$2 contributed by other donors. Importantly, the explanatory statement urges donors to “increase their contributions... to allow the United States to honor the \$6,000,000,000 United States pledge for the seventh replenishment.”
- ▶ **Global Health Security** is cut by \$200 million (-22%).
- ▶ A first-time appropriation of \$10 million is provided for a **global health workforce initiative**.

GLOBAL HEALTH*

	FY23 Enacted	FY24 Request	FY24 House	FY24 Senate	FY24 Enacted
Bilateral PEPFAR	\$4.4 billion	\$4.37 billion	\$4.4 billion	\$4.4 billion	\$4.4 billion
Global Fund	\$2 billion	\$2 billion	\$2 billion	\$1.65 billion	\$1.65 billion
USAID HIV/AIDS	\$330 million	\$330 million	\$330 million	\$330 million	\$330 million
Malaria	\$795 million	\$780 million	\$800 million	\$795 million	\$795 million
Tuberculosis	\$395 million	\$359 million	\$395 million	\$395 million	\$395 million
Maternal & Child Health	\$910 million	\$910 million	\$910 million	\$920 million	\$915 million
Vulnerable Children	\$30 million	\$30 million	\$33 million	\$30 million	\$32 million
Nutrition	\$160 million	\$160 million	\$173 million	\$160 million	\$165 million
Family Planning*	\$608 million	\$677 million	\$461 million**	\$635 million	\$608 million
Neglected Tropical Diseases (NTD)	\$115 million	\$115 million	\$115 million	\$115 million	\$115 million
Global Health Security	\$900 million	\$1.25 billion	N/A	\$900 million	\$700 million
Health Resilience Fund	\$8 million	\$10 million	N/A	\$10 million	\$6 million
Global Health Workforce	\$0	\$20 million	N/A	\$20 million	\$10 million
Unallocated	\$0	\$0	\$409 million	\$0	\$0
Total	\$10.56 billion	\$10.93 billion	\$10.02 billion	\$10.27 billion	\$10.03 billion

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

***Represents a cap on funding.*

Engaging with Multilateral Institutions

When it comes to investments in international institutions, the outcome in the final spending deal is mixed compared to FY23 enacted levels. Notably:

- ▶ The **Contribution to International Organizations (CIO)** account, which covers assessed contribution to the UN and other international organizations, receives a total of \$1.54 billion – a \$105 million (7%) increase. Importantly, this funding level will allow the U.S. to meet its financial obligations to these agencies.
- ▶ The **International Organizations and Programs (IO&P)** account, which funds voluntary contributions to various UN-affiliated and other international organizations, receives \$437 million – a cut of \$72 million (-14%).

- ▶ **Treasury International Programs**, which provides contributions to various International Financial Institutions, receives \$2.3 billion – an increase of \$49 million (3%).

Combatting Food Insecurity

With as many as 150 million people facing acute food insecurity across 18 hunger hotspots around the world, the final FY24 spending deal cuts overall funding for U.S. international food assistance programs funded through the Agriculture Appropriations bill by \$116 million (-6%). Specifically:

- ▶ **Food for Peace** receives a total of \$1.69 billion – including \$1.619 billion in new funding and \$68 million in prior-year unobligated balances from other Department of Agriculture programs – \$112 million (-6%) below the FY23 enacted level.
- ▶ The **McGovern-Dole International Food for Education and Child Nutrition Program** receives \$240 million \$3 million (-1%) below the FY23 enacted level.

AGRICULTURE APPROPRIATIONS INTERNATIONAL PROGRAMS SNAPSHOT

	FY23 Enacted*	FY24 Request	FY24 House	FY24 Senate	FY24 Enacted
Food for Peace/PL 480 Title II	\$1.8 billion	\$1.8 billion	\$1.74 billion	\$1.8 billion	\$1.69 billion**
McGovern-Dole	\$243 million	\$243 million	\$240 million	\$248 million	\$240 million
Total	\$2.04 billion	\$2.04 billion	\$1.98 billion	\$2.05 billion	\$1.93 billion

**Includes \$50 million in base emergency funding for the Food for Peace and excludes \$5 million in emergency funding for the McGovern-Dole program.*

***Includes \$68 million in unobligated balances from other Agriculture Department programs*

Strengthening Civilian Capacity

When it comes to America’s diplomatic and development workforce, the final FY24 spending deal makes small reductions to the State Department and USAID core operating accounts that fund the hiring of additional diplomatic and program staff compared to the FY23 enacted levels.

- ▶ **Diplomatic Programs (DP)**, which funds State Department staffing and operations, receives \$9.4 billion – a \$137 million (-1%) cut.
- ▶ **USAID Operating Expenses (OE)**, which funds USAID staffing and operations, receives \$1.7 billion – a \$48 million (-3%) cut.
- ▶ Embassy security, which is funded through the **Worldwide Security Protection and Embassy Security Construction and Maintenance** account, was held flat at the FY23 enacted level of \$5.8 billion.

III. Select Other Funding and Policy Priorities

Countering Chinese and Russian Malign Influence

With countering authoritarianism and malign influence remaining top priorities for Members of Congress on both sides of the aisle, the FY24 spending deal includes \$400 million for the Countering Chinese Influence Fund, a \$75 million (23%) increase from the FY23 enacted level. It also provides \$300 million for the Countering Russian Influence Fund, equal to the FY23 enacted level.

Democracy and Governance

The final spending deal includes \$315 million for the National Endowment for Democracy, consistent with the FY23 enacted level, and \$345.2 million for the State Department's Democracy Fund, a \$10.5 million (-3%) decrease compared to the FY23 enacted level. However, some areas did see funding increases – such as Cuba democracy programs, which received a \$5 million (20%) increase compared to the FY23 enacted level.

Economic Resilience Initiative

In line with Congress's interest in countering China's coercive economic practices, the FY24 spending deal includes \$365 million for a new Economic Resilience Initiative (ERI) to support investments in strategic infrastructure and securing critical mineral supply chains with the goal of strengthening U.S. and partner countries' economic security and stability.

Environment and Climate

The spending deal does not provide detailed funding levels for all International Affairs Budget environmental and climate change programs. However, in the areas where specific funding levels are indicated, funding is either cut modestly or held flat compared to FY23 enacted levels. For example, Congress provides \$1.05 billion in State Department and USAID bilateral funding for biodiversity, sustainable landscapes, adaptation, and clean energy programs – a \$55 million (-5%) cut. Funding for both the Clean Technology Fund (CTF) and the Global Environment Facility (GEF) is held flat at \$125 million and \$150 million, respectively. As in FY23, Congress includes no FY24 Treasury Department funding for the Green Climate Fund (GCF) but permits the State Department to make a U.S. contribution.

Fentanyl

Recognizing the urgent threat posed by fentanyl and other illicit synthetic drugs, the FY23 spending deal includes \$125 million to counter fentanyl and other narcotics trafficking. Additional funding is also provided to support programs that advance “a comprehensive approach to combating synthetic drugs” – including the establishment of a task force in the Indo-Pacific to combat fentanyl trafficking and other criminal activities.

Gender Equality and Women's Empowerment

The FY24 spending deal sustains funding at FY23 enacted levels for a range of programs that support women's empowerment and gender equality – including \$250 million to prevent and respond to gender-based violence, \$150 million to support the Women, Peace, and Security Strategy, and \$200 million for the Gender Equity and Equality Action Fund.

PEPFAR

The final spending deal includes a one-year extension – through March 25, 2025 – of the President's Emergency Plan for AIDS Relief (PEPFAR).

Afghan Special Immigrant Visa

The FY24 spending deal authorizes an additional 12,000 Special Immigrant Visas (SIVs) for Afghan allies who assisted the U.S. government during the war in Afghanistan.

IV. Next Steps

With FY24 spending bills finally complete, Congress will turn its attention to two spending priorities when lawmakers return from a two-week recess – action on the pending FY24 national security emergency supplemental and beginning the FY25 appropriations process in earnest.

Given the challenges to finalizing FY24 spending, there are real concerns that the FY25 appropriations process will be even more difficult. In addition to narrow majorities in both chambers, heightened partisanship and political tensions in a presidential election year make it likely that Congress will need to pass a stopgap Continuing Resolution (CR) to avoid a federal government shutdown when the current fiscal year ends on September 30 – punting spending decisions at least to the lame duck session.

In the coming weeks and months, the USGLC looks forward to continuing to work with bipartisan Members of Congress in support of strategic investments in our international affairs tools to advance America’s security and economic interests.

V. Account-by-Account Details

- ▶ Download the account-by-account details of the FY24 Further Consolidated Appropriations Act [here](#).