

America Wins When America Leads

PROPOSED CUTS TO DIPLOMACY AND INTERNATIONAL ASSISTANCE OUT OF STEP WITH BROAD BIPARTISAN CONSENSUS

Analysis of the Administration's FY27 International Affairs Budget Request

April 10, 2026

INTRODUCTION

The Administration's Fiscal Year (FY) 2027 budget request, released last Friday, comes just eight weeks after Congress passed a bipartisan final FY26 National Security & State Department Appropriations bill that gives America the tools to counter our rivals, stand with our allies, keep threats at bay, save lives, and protect our national and economic security.

Despite this recent overwhelming bipartisan statement from Congress that strategic investments in diplomacy and international assistance are central to how America wins in the world, the Administration's FY27 budget proposes to dramatically reduce funding for America's diplomatic and international affairs agencies and programs – this time by nearly one-third. The proposal closely mirrors the Administration's FY26 request, although the FY27 version is not accompanied by roughly \$20 billion in rescissions of previously appropriated funding.

Specifically, this year's request includes a **total of \$35.1 billion for the State Department and other U.S. international affairs agencies and programs – \$16.2 billion (32%) below the FY26 enacted level of \$51.3 billion.** This is a significant departure from the bipartisan spending deal struck just months ago, which minimized cuts and protected funding for critical programs.

INTERNATIONAL AFFAIRS BUDGET SNAPSHOT

	FY25 Enacted*	FY26 Enacted	FY27 Request
Non-Emergency	\$58.6 billion	\$51.3 billion	\$35.1 billion
Base Emergency	\$2.5 billion	\$0	\$0
Total	\$61.1 billion	\$51.3 billion	\$35.1 billion

**Includes \$2.5 billion in base emergency funding that was not made available because the Administration chose not to concur with Congress's emergency designation.*

In a [statement](#), USGLC President & CEO Liz Schrayner said, "With so much at stake—and rivals like Iran, China, and Russia playing to win—America needs all its strategic tools of influence... As the FY27 appropriations process begins in earnest, we look forward to working with Members on both sides of the aisle and the Administration to build on the important decisions made just weeks ago to ensure U.S. international assistance remains a key, strategic, effective, and accountable component of America's national security toolkit that delivers for the American people."

KEY TAKEAWAYS

Below are seven key takeaways from the Administration's FY27 International Affairs Budget request. *Additional details are provided later in this analysis.*

1. International Affairs Topline: Significant Reduction on Heels of Bipartisan Spending Deal

For the second straight year, the Administration targets the State Department and U.S. international affairs agencies for some of the deepest reductions of any major federal department or agency – with cuts impacting nearly every program and account. This comes on the heels of January’s bipartisan, bicameral agreement on a full-year FY26 National Security & State Department Appropriations bill that rejected other harsher proposals but still reduced overall funding by 16% compared to the previous year. If the Administration’s request were enacted, America’s footprint abroad would be cut nearly in half across a two-year period.

2. Investment Priority: Critical Minerals Elevated as Core National and Economic Security Issue

In line with the Administration’s National Security Strategy, which prioritizes securing U.S. access to critical minerals, the FY27 request for international affairs programs includes “nearly \$13 billion in financing and dedicated resources to rebuild and secure” critical mineral supply chains spanning multiple departments and agencies. Given bipartisan agreement that international assistance is key to advancing U.S. critical mineral goals, this proposal is likely to garner significant interest on Capitol Hill – including important questions about how “wraparound” investments in rule of law, food security, and health can strengthen project outcomes, increase the success of infrastructure investments, and increase partner country stability for private sector investment.

3. Economic and Development Assistance: Steep Reductions and Shift to Flexible “America First” Funding Mechanism

For the second consecutive year, the Administration proposes to significantly reduce overall funding for economic and development assistance while requesting FY27 resources through an expanded America First Opportunity Fund (A1OF). The Administration positions the A1OF as a flexible pool of resources intended to support “core national security interests such as: ending mass illegal immigration; securing critical mineral supply chains; and countering adversarial expansion.” This proposed shift away from development assistance as a tool that both supports long-term economic growth in developing countries and furthers U.S. interests is likely to draw continued scrutiny from Congress – which not only largely rejected proposed deep cuts in FY26 but opted to establish the A1OF as a smaller, and more limited fund without a direct appropriation.

4. Global Health: Sweeping Cuts Paired with Unprecedented Spending Discretion

In the wake of an FY26 spending deal that largely maintained global health funding, the FY27 request proposes a steep 46% cut, with remaining resources primarily directed toward the Administration’s America First Global Health Strategy. For the first time, the request does not include a program-by-program funding breakdown – including for bipartisan priorities like the Global Fund, Gavi, and maternal and child health. While the Administration says this approach would give the Secretary “greater flexibility to program global health assistance based on outcomes of negotiations with partner governments and the specific needs of countries,” Congress is unlikely to relinquish control over an issue that retains overwhelming support among both Republicans and Democrats.

5. Humanitarian Assistance: Reduced and Reoriented

As the number of people in need of humanitarian assistance reaches record highs, the Administration’s FY27 request reduces overall funding by 33% and refocuses remaining resources on “core U.S. national interests in humanitarian crises.” Notably, the request states that traditional forms of humanitarian assistance – including food and nutrition assistance, shelter, sanitation and hygiene, and protection for vulnerable populations – will continue but that funding will also “support efforts to reduce mass and illegal immigration, such as funding voluntary returns of illegal aliens.” While there is bipartisan agreement that humanitarian assistance can benefit from constructive reforms and increased efficiency, Congress made clear in the FY26 spending deal that providing life-saving support to the most vulnerable around the world must continue to be a guiding principle of America’s global humanitarian leadership.

6. Levers of American Influence Drastically Cut or Eliminated

The Administration’s FY27 budget request significantly reduces funding for U.S. assessed contributions to the United Nations (UN) and other international organizations by 79%, limiting support to seven entities – including the

International Atomic Energy Agency (IAEA), NATO, and the International Civil Aviation Organization (ICAO) – that it says “directly advance U.S. national security, economic interests, and global stability.” The proposal also eliminates or sharply reduces support for organizations like the National Endowment for Democracy (NED) and the Inter-American Foundation (IAF) that have played critical roles in advancing U.S. economic, security, and humanitarian interests overseas. In FY26, bipartisan majorities in Congress rejected similar proposed cuts, underscoring continued support for U.S. leadership in these institutions.

7. Global Workforce

Following the Administration’s significant restructuring of America’s foreign policy workforce and major reorganization of U.S. diplomatic and international assistance agencies and programs, the FY27 budget continues to prioritize a leaner diplomatic footprint. While the request sustains the FY26 enacted level for the State Department account that funds personnel and America’s worldwide diplomatic presence, bipartisan Members of Congress are likely to question whether the Department can effectively manage a wide range of programs – including many formerly administered by USAID – with fewer personnel.

INCLUDED IN THIS ANALYSIS

- I. Discretionary Funding: Notable Programs and Policy Issues
- II. What’s Ahead
- III. Additional Information and Resources
- IV. Account-by-Account Details

ABOUT THIS ANALYSIS

This analysis compares the Administration’s FY27 request to FY26 enacted levels. In a few cases, these comparisons may differ slightly from those included in the Administration’s budget materials. This is because the FY26 enacted levels used in this analysis are drawn from Congressional Appropriations Committee documents, which in some areas differ modestly from the Administration’s scoring and estimates.

I. Discretionary Funding: Notable Programs and Policy Issues

Security Cooperation and Assistance

The Administration’s FY27 request would maintain funding for key allies and partners, such as Israel and Jordan, while reducing support for security-oriented accounts that underpin U.S. national security and regional and global stability even amid the risk of further escalation in the Middle East.

International Security Assistance: Significant Reduction. The FY27 request includes \$7.3 billion for security assistance programs, \$1.6 billion (-18%) below the FY26 enacted level. Of this:

- International Narcotics Control and Law Enforcement (INCLE) is reduced by \$200 million (-14%), bringing funding for this account back to near enacted levels after what the Administration described as a “strategic pause” in new funding in FY26.
- Funding for Nonproliferation, Anti-Terrorism, Demining, and Related (NADR) receives a \$125 million (-14%) cut, while International Military Education and Training (IMET) is reduced by \$24 million (-20%).
- Foreign Military Financing (FMF) is reduced by \$908 million (-15%), although the request seeks authority to provide up to \$18 billion in FMF direct loans and loan guarantees. Consistent with the recent past, the largest beneficiaries of FMF include:

- **Israel** would continue to receive \$3.3 billion, consistent with the Memorandum of Understanding (MOU) covering FY19 to FY28.
- **Egypt** would receive \$1.3 billion, consistent with previously enacted levels.
- **Jordan** would receive at least \$400 million.
- **Taiwan** would receive \$100 million, which the Administration notes could be “deployed to subsidize a loan for significantly larger total level of assistance.”

Peacekeeping: Nearly Eliminated. Like last year’s proposal, the Administration’s FY27 request eliminates funding for United Nations (UN) peacekeeping missions through the Contributions for International Peacekeeping Activities (CIPA) account despite Congress appropriating \$1.23 billion for CIPA in FY26. Given that U.S. funding accounts for approximately 25% of UN peacekeeping resources, eliminating this contribution will severely undermine the UN’s ability to support its nine ongoing peacekeeping operations – including in South Sudan and the Democratic Republic of the Congo.

Under the request, the Peacekeeping Operations (PKO) account – which funds non-UN peacekeeping operations – is renamed as the National Security Engagement Account (NSEA) and sees its funding cut by \$308 million (-92%) compared to the FY26 enacted level.

Notably, funding for other peacekeeping missions is not eliminated. Instead, the request gives the Administration discretion to provide funding through the America First Opportunity Fund (AIOF) contingent on a national interest determination.

PEACEKEEPING

	FY25 Enacted	FY26 Enacted	FY27 Request	Change from FY26
UN Operations (CIPA)	\$1.23 billion	\$1.23 billion	\$0	-100%
Non-UN Ops (NSEA)	\$410 million	\$335 million	\$27 million	-92%
Total	\$1.64 billion	\$1.57 billion	\$27 million	-98%

Export and Investment Assistance

America’s development finance and export agencies are relatively protected in the Administration’s FY27 request, reflecting a focus on advancing U.S. economic competitiveness, securing critical supply chains, and countering China’s global influence.

Development Finance Corporation (DFC): Reduction Paired with New Mandatory Funding. Consistent with last year’s request, the Administration’s FY27 budget includes a total of \$810 million for the DFC – \$195 million (-19%) below the FY26 enacted level. Of this, \$244 million is for administrative expenses, and \$560 million is for programs. As it did last year, the Administration requests \$3 billion in mandatory funding for an equity revolving fund – which was established by Congress when it reauthorized the DFC last December and would allow the agency to reinvest any realized returns without requiring further appropriations.

U.S. Trade and Development Agency: Funding Cut. The Administration’s proposal includes \$77 million for the U.S. Trade and Development Agency (USTDA), \$10 million (-11%) below the FY26 enacted level. According to the Administration, USTDA’s activities will focus on advancing “strategic infrastructure priorities in emerging markets that are in the United States’s national interest.”

Export-Import Bank: Major Boost. The FY27 request includes \$358 million for the Export-Import Bank, a \$233 million (+132%) increase compared to the enacted FY26 level. Most of the additional funding is for the Bank’s program budget and is intended to support key Administration priorities, including “securing critical minerals supply chains and maintaining U.S. leadership in global trade.” The Bank is self-funding and the Administration projects its FY27 activities to “support approximately 80,000 U.S. jobs and forecasts returning \$174.7 million to the U.S. Treasury.”

Responding to Humanitarian Crises

Humanitarian Assistance: Cut Sharply. As crises around the world – from conflict and natural disasters to mass displacement – continue to drive historic levels of humanitarian need, the Administration’s FY27 budget request includes \$4.5 billion for humanitarian assistance programs, a \$2.2 billion (-33%) reduction from the FY26 enacted level. Of this total, \$4 billion is provided through the International Humanitarian Assistance (IHA) account, which was established in FY26 to consolidate funding from the former International Disaster Assistance (IDA) and Migration and Refugee Assistance (MRA) accounts. The request also increases funding for the Emergency Migration and Refugee Assistance (ERMA) account by \$400 million (+400%), proposing to give the President greater direct control over more humanitarian assistance resources. Further, the request proposes a \$1 billion rescission of previously appropriated funding for humanitarian assistance.

Food For Peace: Eliminated. For the second year in a row, the request eliminates the Title II, PL 480 Food for Peace Program, which ships U.S.-produced food on U.S.-flagged vessels to countries in need. While the request describes the program as “inefficient,” it maintains strong bipartisan support in Congress and among American farmers and was largely protected in the final FY26 spending deal.

HUMANITARIAN ASSISTANCE

	FY25 Enacted*	FY26 Enacted	FY27 Request	Change From FY26
International Humanitarian Assistance (IHA)	\$0	\$5.4 billion	\$4 billion	-26%
International Disaster Assistance (IDA)	\$4.78 billion	\$0	\$0	0%
Migration and Refugee Assistance (MRA)	\$3.93 billion	\$0	\$0	0%
Emergency Refugee and Migration Assistance (ERMA)	\$100,000	\$100 million	\$500 million	+400%
Title II, P.L. 480 Food for Peace	\$1.62 billion	\$1.2 billion	\$0	-100%
Total	\$10.33 billion	\$6.7 billion	\$4.5 billion	-33%

**Includes \$1.5 billion in base emergency funding (\$750 million for IDA and \$750 million for MRA) that was not made available because the Administration chose not to concur with Congress’s emergency designation.*

Economic Growth and Development Assistance

Economic and Development Assistance: Deep Cuts and A1OF Expansion. The FY27 budget request reduces overall funding for economic and development assistance by \$2.2 billion (-26%) compared to the FY26 enacted level. It also replaces the National Security Investment Programs (NSIP) account – which was established by Congress in FY26 to consolidate State Department and USAID economic and development assistance accounts – with an expanded America First Opportunity Fund (A1OF) funded at \$5 billion. The Administration frames the A1OF as a centralized, flexible pool to “advance strategic partnerships and initiatives aligned with the President’s National Security Strategy” while giving the executive branch broader discretion over how resources are programmed. These shifts are likely to draw continued scrutiny from Congress, which retained spending directives to advance development objectives including food security, water and sanitation, women’s empowerment, and global education.

Millennium Challenge Corporation: Large Reduction. The FY27 request includes a \$221 million (-27%) cut for the MCC compared to the FY26 enacted level. According to the Administration’s budget documents, the remaining funds will be used to finance “new compacts and threshold programs and support oversight for 13 compacts and 7 threshold programs.” Additionally, the request includes a \$385 million rescission of prior year unobligated balances.

Peace Corps: Slight Boost. The Administration’s request increases funding for the Peace Corps by \$20 million (+5%), with the additional funds focused on sustaining investments in “critical information technology, health, safety, and security infrastructure essential to the recruitment and deployment of higher numbers of Volunteers.” The request also highlights the agency’s goal to recruit 8,000 Volunteers by 2030, which would be a return to pre-COVID levels.

ECONOMIC AND DEVELOPMENT ASSISTANCE

	FY25 Enacted*	FY26 Enacted	FY27 Request	Change from FY26
America First Opportunity Fund (A10F)	\$0	\$0	\$5 billion	NA
National Security Investment Programs	\$0	\$6.77 billion	\$0	-100%
Development Assistance (DA)	\$3.93 billion	\$0	\$0	0%
Economic Support Fund (ESF)	\$3.81 billion	\$0	\$0	0%
AEECA	\$770 million	\$0	\$0	0%
Democracy Fund	\$345 million	\$205 million	\$0	-100%
MCC	\$930 million	\$830 million	\$609 million	-27%
Peace Corps	\$431 million	\$411 million	\$431 million	+5%

**Includes \$610 million in base emergency funding (\$300 million for ESF and \$310 million for AEECA) that was not made available because the Administration chose not to concur with Congress’s emergency designation.*

Global Health

The Administration’s FY27 request includes \$5.1 billion for Global Health Programs, a \$4.3 billion (-46%) reduction from the FY26 enacted level, with a stated focus on advancing the America First Global Health Strategy. Unlike past requests, the Administration provides no program-by-program funding breakdown. According to the supporting justification, this would provide “the Secretary with greater flexibility to program global health assistance based on outcomes of negotiations with partner governments and the specific needs of countries and their unique disease burdens.”

In place of a detailed funding breakdown, the request outlines a set of broad goals in areas such as HIV/AIDS, maternal and child health, malaria, and global health security that are expected to guide funding decisions. Of note:

- The Administration does not specify a U.S. contribution to the Global Fund, but it indicates that resources will be provided to “accelerate innovation to save lives, while ensuring other donors contribute their fair share, leveraging \$2 from other donors for every \$1 from the United States.”
- The request does not include funding for a U.S. contribution to Gavi, the Vaccine Alliance, stating that any future funding would be contingent on the organization implementing reforms and meeting benchmarks on vaccine safety.
- The FY27 budget eliminates funding for family planning and reproductive health – which it describes as “global health activities that do not make America safer” – despite Congress sustaining funding for such programs in FY26.

GLOBAL HEALTH*

	FY25 Enacted	FY26 Enacted	FY27 Request	Change from FY26
Bilateral PEPFAR	\$4.4 billion	\$4.6 billion	NA	NA
Global Fund	\$1.65 billion	\$1.25 billion	NA	NA
USAID HIV/AIDS	\$330 million	\$0	NA	NA
Malaria	\$795 million	\$795 million	NA	NA
Tuberculosis	\$395 million	\$379 million	NA	NA
Maternal/Child Health	\$915 million	\$915 million	NA	NA
Vulnerable Children	\$32 million	\$30 million	NA	NA
Nutrition	\$165 million	\$165 million	NA	NA
Family Planning	\$608 million	\$608 million	NA	NA
NTDs	\$115 million	\$115 million	NA	NA
Global Health Security & Emerging Threats	\$700 million	\$616 million	NA	NA
Health Resilience Fund	\$6 million	\$0	NA	NA
Global Health Workers Initiative	\$10 million	\$0	NA	NA
Total	\$10.03 billion	\$9.42 billion	\$5.12 billion	-46%

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

Engaging with Multilateral Institutions

Similar to last year, the Administration's FY27 request cuts U.S. investments in international and multilateral institutions while China continues to expand its strategic influence worldwide.

International Financial Institutions (IFIs): Major Cuts. The request includes \$1.3 billion for the Treasury Department's International Programs, a \$319 million (-20%) cut from the FY26 enacted level. According to the Administration, this level provides the "requisite resources to maintain leadership at the IFIs as we continue to negotiate the additional major reforms that are necessary to return them to their core missions and increase the value they provide to the American people." The request also eliminates U.S. contributions to the Global Environment Facility and reduces funding for the World Bank's International Development Association (IDA).

Contributions to International Organizations: Severe Cuts. The Administration's request includes just \$292 million for assessed Contributions to International Organizations (CIO) – the account that supports U.S. treaty and convention obligations to 44 international organizations. This represents a \$1.1 billion (-79%) cut from the FY26 enacted level. Instead, the Administration "prioritizes funding for seven international organizations that directly advance U.S. national security, economic interests, and global stability" – including the International Atomic Energy Agency (IAEA), NATO, and the International Civil Aviation Organization (ICAO).

The request does not provide funding for the UN regular budget and most UN specialized agencies. However, it does offer “flexibility for the Department to pay any assessments for the UN regular budget, peacekeeping, or other international organizations should the Trump Administration determine they are in the national interest” through transfers from the America First Opportunity Fund (AIOF). Given the discretionary nature of this account and the extremely broad range of projects it could potentially be used to support, the AIOF would not be a sufficient replacement for the Administration’s \$1.1 billion cut to CIO.

International Organizations and Programs (IO&P): Eliminated. The FY27 request eliminates funding for International Organizations and Programs (IO&P), which supports U.S. voluntary contributions to a wide range of international organizations, such as the UN Children’s Fund (UNICEF). Congress rejected a similar request last year, restoring much of the account’s funding in the final FY26 spending deal.

Select Other Agencies and Programs

Agency for Global Media: Eliminated. The FY27 request eliminates funding for the Agency for Global Media, which received \$653 million in FY26, and replaces its functions with a new International Communications Activities (ICA) account administered by the State Department. The ICA would be funded at \$238 million, a reduction of \$415 million (-64%) from the Agency’s FY26 enacted level. The Administration states that this lower funding level is sufficient to support priority areas, including the Office of Cuba Broadcasting and Voice of America.

Educational and Cultural Exchanges (ECE): Deep Cuts. Under the FY27 budget request, Educational and Cultural Exchanges (ECE) is cut by \$451 million (-68%) compared to the FY26 enacted level. According to the Administration, the remaining \$216 million would be used to “consolidate programs that yield direct and tangible benefits for American citizens, national security, and the U.S. economy.” Among the areas cut most sharply is the Fulbright Program, which would suffer a \$214 million (-78%) reduction.

Independent Agencies and Other Organizations: Eliminated. Repeating a number of proposals rejected by Congress in the final FY26 spending deal, the Administration’s FY27 request seeks to eliminate several independent agencies and organizations that have long received bipartisan support – including the National Endowment for Democracy, the U.S. Institute of Peace, and the Inter-American Foundation – which are dedicated to strengthening economic development and democratic institutions and governance around the world.

Global Workforce, Infrastructure, and Operations

Over the past year, the Administration implemented a significant restricting and downsizing of America’s foreign policy workforce – significantly reducing State Department personnel, terminating USAID’s workforce, and carrying out a major reorganization of U.S. diplomatic and international assistance agencies and programs. The FY27 request continues to support this effort.

Diplomatic Programs (DP): Slight Boost. The FY27 request includes \$9.37 billion for the State Department’s Diplomatic Programs (DP) account – which funds personnel, infrastructure support, and operational costs – a \$10 million (+0.1%) increase compared to the FY26 enacted level. According to the Administration, this account would support the equivalent of 17,290 full-time employees (including Foreign Service Officers and Civil Servants). This represents a decline of roughly 2,800 positions (-14%) since the end of FY24. These reductions are in addition to the approximately 10,000 USAID personnel terminated in the last year.

Embassy Security Construction and Maintenance (ESCM): Slight Reduction. The FY27 request includes \$1.97 billion for the State Department’s Embassy Security Construction and Maintenance (ESCM) account, a \$43 million (-2%) decrease from the FY26 enacted level, even as U.S. diplomatic facilities in the Middle East face direct threats.

Crosscutting Issues

Critical Minerals. The FY27 budget includes “nearly \$13 billion in financing and dedicated resources to rebuild and secure” critical mineral supply chains across multiple departments and agencies. While no detailed funding breakdown is provided, in addition to State Department activities, the DFC, Export-Import Bank, and USTDA are expected to play key roles in advancing these efforts.

Other Food Security. The Administration’s FY27 request eliminates the Department of Agriculture-funded McGovern-Dole Food for Education and Child Nutrition Program, which Congress sustained at \$240 million in FY26 with strong bipartisan support.

Women and Girls. Like last year’s request, the FY27 request and supporting State Department justification materials make no mention of programs or activities related to empowering women and girls worldwide, long a bipartisan priority.

Democracy and Governance. Although Congress largely sustained funding for democracy programs in FY26, the FY27 budget once again proposes deep cuts – including the elimination of the Democracy Fund and National Endowment for Democracy (NED).

Climate and Environment. As it did last year, the Administration proposes to eliminate all funding for climate-related programs and activities – which in the past have been funded through international financial institutions, as well as State Department and USAID development and economic assistance accounts.

II. What’s Ahead: Key Issues to Watch

With the submission of the Administration’s budget, House Appropriations Chairman Tom Cole (R-OK) has outlined an ambitious schedule to consider and approve FY27 appropriations bills – with the goal of completing committee consideration of all 12 subcommittee bills before the House adjourns for the July 4th recess. The Senate Appropriations Committee’s FY27 appropriations process is also underway, but Chair Susan Collins (R-ME) has yet to announce a markup schedule.

In addition to narrow majorities in both chambers, heightened partisanship and political tensions in a midterm 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 or possibly into early 2027.

III. Additional Information and Resources

OMB Budget Charts and Materials

- [Appendix](#)

State Department Budget Materials

- [FY27 Congressional Budget Justification](#)
- [Appendix](#)

IV. Account-By-Account Details

Download the account-by-account details of the Administration’s FY27 budget request [here](#).