



State, Foreign Operations, and Related Programs: FY2013 Budget and Appropriations

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Summary

The 112th Congress is considering FY2013 international affairs funding within the context of the Budget Control Act (P.L. 112-25) that established discretionary spending limits for FY2012-FY2021 and contains automatic budget reductions (sequestration) on discretionary spending to begin on January 2, 2013.

International affairs expenditures typically amount to about 1.5% of the total federal budget. While some foreign policy and defense experts view that share as a small price to pay for a robust foreign affairs budget that they believe is essential to meeting national security and foreign policy objectives, others see international affairs spending, particularly foreign aid, as an attractive target for significant spending cuts in order to reduce deficit spending. Many expect a delay in passing the FY2013 foreign affairs budget and most of the other appropriations bills until after the November 2012 elections (two months into the new fiscal year), which may have more to do with election year politics, however, than lawmakers' differing views on foreign affairs spending.

On February 13, 2012, the Obama Administration submitted its FY2013 budget proposal. The FY2013 request totals \$54.87 billion for the State-Foreign Operations appropriations, including a core budget proposal of \$46.63 billion plus \$8.24 billion for extraordinary and temporary war-related Overseas Contingency Operations (OCO) in frontline states. The total request represents an increase of 2.6% over the estimated FY2012 funding level for the foreign affairs accounts, including \$18.8 billion (a 4.5% increase) for State Department and Related Agencies and \$36.1 billion (a 0.1% increase) for Foreign Operations. Within the budget process, the Administration is requesting authority in addition to appropriations (\$770 million) for a new account—the Middle East and North Africa Incentive Fund (MENA IF)—to provide flexible and transparent support for Arab Spring countries in transition toward democracy. The request includes \$8.2 billion for the front line states of Iraq, Afghanistan, and Pakistan (including \$800 million for the Pakistan Counterinsurgency Capability Fund (PCCF), even though most previously enacted PCCF funding has not been disbursed and many lawmakers are voicing concern about U.S. relations with, and aid to, Pakistan. For other key accounts, the Administration is seeking \$7.9 billion for the Global Health Programs (GHP) account, \$770 million for global climate change activities, and \$643 million for family planning and reproductive health activities, including \$39 million for the controversial U.N. Population Fund (UNFPA).

Early action by the House and Senate appropriators demonstrates differing priorities and funding levels. The House Appropriations Committee-approved State-Foreign Operations FY2013 funding bill (H.R. 5857/H.Rept. 112-494) provides a total of \$48.5 billion (including \$8.3 billion in OCO and \$160 million in rescissions), while the Senate Committee bill (S. 3241/S.Rept. 112-172) provides a total of \$52.3 billion (including \$2.3 billion in OCO). Both House and Senate Committees provide more than requested for GHP, but differ significantly on funding MENA IF—the House committee provides no funding for it, and the Senate committee recommends \$1 billion. The House bill provides \$461 million for international family planning and reproductive health activities, prohibits funding for UNFPA, and includes a “Mexico City Policy” provision prohibiting funding for organizations that perform or promote abortions. In contrast, the Senate bill includes \$700 million for international family planning, including \$44.5 million for UNFPA, and does not include “Mexico City Policy” language.

Last year was the first time the Department of State requested and Congress appropriated OCO funds. Congress attempted to rein in FY2012 spending but still meet war-related costs in the front

line states of Iraq, Afghanistan, and Pakistan. As a result, Congress appropriated \$11.2 billion in OCO funds, nearly 30% more than the \$8.7 billion requested by the Administration. The estimated overall FY2012 total funding level of \$53.5 billion was about 10% less than the Administration's FY2012 request, but 10% more than the FY2011 total.

The State Department, Foreign Operations, and Related Agencies appropriations legislation, in addition to funding U.S. diplomatic and foreign aid activities, has been the primary legislative vehicle through which Congress reviews the U.S. international affairs budget and influences executive branch foreign policy making in recent years. (Congress has not addressed foreign policy issues through a complete authorization process for State Department diplomatic activities since 2003 and since 1985 for foreign aid programs.) After a period of reductions in the late 1980s and 1990s, funding for State Department operations, international broadcasting, and foreign aid rose steadily from FY2002 to FY2010, largely because of ongoing assistance to Iraq and Afghanistan, new global health programs, and increasing assistance to Pakistan. Funding declined by 11.6% in FY2011 when Congress passed a continuing resolution (P.L. 112-10) significantly reducing U.S. government-wide expenditures, including foreign affairs. The FY2012 funding represents a 2.3% increase from the previous year, largely reflecting OCO support for frontline states.

This report analyzes the FY2013 request and congressional action related to FY2013 State-Foreign Operations legislation. Updates will occur to reflect congressional actions.

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Introduction

Facing significant pressure to reduce the federal budget deficit, some in the 112th Congress view international affairs spending, particularly for foreign aid programs, as expenditures of limited benefit to U.S. taxpayers and eligible for cuts.¹ Others favor a more robust foreign affairs budget for various reasons. In particular, some Members of Congress in both political parties, as well as the previous and current Secretaries of Defense, view a solid foreign affairs budget as essential to assisting the Defense Department in promoting U.S. national security and foreign policy interests, perhaps even saving long-term spending by preventing the much costlier use of troops overseas.² To address budget costs, Congress is considering the FY2013 Department of State, Foreign Operations, and Related Agencies appropriations in the context of the Budget Control Act of 2011. (See **text box** below.)

This year, many political observers believe Congress will delay passing most appropriations bills, including State-Foreign Operations, until after the start of the new fiscal year and the fall elections. Budget experts anticipate one or more continuing resolutions to continue funding government programs until the “lame duck” Congress can act on the budget. Attempts to adjust or reverse the Budget Control Act’s triggering of automatic spending reductions in January 2013 could be revisited in a post-election Congress as well.

The State-Foreign Operations appropriation, typically about 1.5% of the total federal budget in recent years, supports most programs and activities within the international affairs budget account, known as Function 150, including foreign economic and security assistance, contributions to international organizations and multilateral financial institutions, State Department and U.S. Agency for International Development (USAID) operations, public diplomacy, and international broadcasting programs. The bill does not align perfectly with the international affairs budget, however. Food aid, which is appropriated through the Agriculture appropriations bill, and the International Trade Commission and Foreign Claims Settlement Commission, both funded through the Commerce-Science-Justice appropriation, are international affairs (Function 150) programs not funded through the State-Foreign Operations appropriations

The Budget Control Act and the Foreign Affairs Budget

FY2013 discretionary appropriations are being considered in the context of the Budget Control Act of 2011 (BCA, P.L. 112-25) that established discretionary spending limits for FY2012-FY2021 to achieve \$1.2 trillion in savings over ten years. The BCA also tasked a Joint Select Committee on Deficit Reduction to develop a federal deficit reduction plan for Congress and the President to enact by January 15, 2012. The failure of Congress and the President to enact deficit reduction legislation by that date triggered an automatic spending reduction process established by the BCA, consisting of a combination of sequestration (across-the-board cuts) and lower discretionary spending caps, to begin on January 2, 2013. The sequestration process for FY2013 requires across-the-board spending cuts at the account and program level to achieve equal budget reductions from both defense and nondefense funding at a percentage to be announced by the Office of Management and Budget. As a result, the FY2013 State-Foreign Operations appropriation will be considered by Congress with the understanding that enacted funding levels will likely be subject to significant cuts in the nondefense category under the sequestration process unless legislation specifically repealing the sequestration provisions of the BCA is enacted by Congress before next January.

¹ This was reflected by the House passage of its Budget Resolution (H.Con.Res. 112) that recommended reducing the foreign affairs budget in FY2013 by 10% as compared with FY2012 funding levels.

² Woodrow Wilson Center for Scholars, NewSecurityBeat, *Panetta: Diplomacy and Development Part of Wider Strategy to Achieve Security; Will they Survive Budget Environment?*, by Schuyler Null, Oct 13, 2011. See <http://www.newsecuritybeat.org/2011/10/from-wilson-center-leon-panetta-support.html>.

bill. Furthermore, a number of international commissions that are not part of Function 150, such as the International Boundary and Water Commission, are funded through the State-Foreign Operations bill.

A chart illustrating the organizational structure of the State-Foreign Operations appropriations bill is provided in **Appendix A**. Abbreviations of terms used throughout this report are in **Appendix B**. The report focuses on the accounts funded through the State-Foreign Operations appropriations bill (see **Appendix C** for data), and it also provides appropriations figures for the entire international affairs (Function 150) budget in **Appendix D**.

Most Recent Developments and Legislative Status

In order of the most recent events, congressional activity related to the State-Foreign Operations appropriations include the following as summarized in **Table 1** below:

- On May 24, 2012, the Senate Appropriations Committee approved by a vote of 29-1 its FY2013 State-Foreign Operations appropriations bill (S. 3241/S.Rept. 112-172). The bill provides a total of \$52.3 billion, including \$2.3 billion in Overseas Contingency Operations (OCO) funds. This is 5% below the \$54.9 billion requested and 2% below the FY2012 estimated level. For the State Department and Related Agencies, the Senate sets FY2013 funding at \$16.3 billion, including \$1.6 billion for OCO. It funds Foreign Operations at \$36.0 billion, including \$709.8 million in OCO funds.
- On May 17, 2012, the House Appropriations Committee approved by voice vote its FY2013 State-Foreign Operations appropriations bill (H.R. 5857/H.Rept. 112-494) totaling \$40.3 billion for regular funding and \$8.2 billion for OCO. In total, the bill's \$48.5 billion is 12% less than requested and 9% below the FY2012 estimated levels. Within the total, the bill provides \$15.8 billion for the Department of State and Related Agencies accounts, including \$2.9 billion in OCO funding and \$32.9 billion for Foreign Operations accounts, including \$5.4 billion in OCO funding
- On April 25, using the caps in the March 29, 2012, House-passed budget resolution (H.Con.Res. 112) for guidance, the House Appropriations Committee approved its initial subcommittee allocations. The House allocation for the State-Foreign Operations subcommittee is \$48.38 billion, including \$8.2 billion in OCO funds, or almost 12% below the Administration's request and nearly 9% below the Senate allocation. The allocation gap could create a significant challenge in reconciling any FY2013 legislation drafted by the House and Senate subcommittees.
- On April 19, using the FY2013 budget authority caps in the Budget Control Act of 2011 (P.L. 112-25) as guidance, the Senate Appropriations Committee adopted its initial FY2013 subcommittee allocations. The Senate allocated \$53.02 billion for the State-Foreign Operations subcommittee, or 3% less than the Administration's request. This includes \$3.2 billion in OCO funds.
- On February 13, 2012, the Obama Administration submitted its FY2013 budget request to Congress, seeking an increase of 2.6% above the estimated FY2012 level for the Department of State-Foreign Operations and Related Agencies.

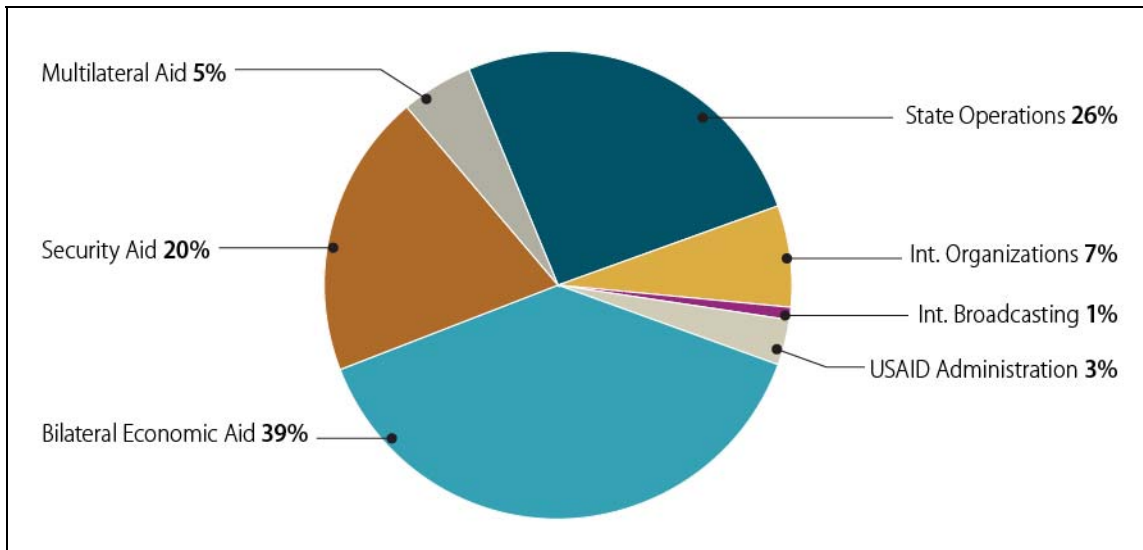
Table I. Status of State-Foreign Operations Appropriations, FY2013

302(b) Allocation		Subcommittee Action		Committee Action		Floor Passage		Conference Agreement Approved		Signed Into Law
House	Senate	House	Senate	House	Senate	House	Senate	House	Senate	
4/25	4/19	5/9	5/22	5/17	5/24					
\$48.38	\$53.02	n/a	n/a	\$48.54	\$52.39					

The FY2013 Request and Congressional Action

On February 13, 2012, the Obama Administration submitted its FY2013 budget proposal. The Administration’s priorities on foreign affairs funding for FY2013 do not differ significantly from the congressional priorities indicated by the enacted FY2012 funding levels. The FY2013 request totals \$54.9 billion for the State-Foreign Operations appropriations, including a core budget proposal of \$46.6 billion plus \$8.2 billion for extraordinary and temporary war-related Overseas Contingency Operations (OCO) in frontline states. The total request represents an increase of 2.6% over the estimated FY2012 funding level for State-Foreign Operations, including a 4.5% increase in State Department and Related Agencies accounts and a 0.1% increase in Foreign Operations accounts. Within the budget, the Administration is requesting authority and \$770 million in funds for a new bilateral economic aid account—the Middle East and North Africa Incentive Fund (MENA IF)—to provide flexible and transparent support for Arab Spring countries in transition toward democracy. Within the security aid category, the Administration is seeking \$800 million for the Pakistan Counterinsurgency Capability Fund (PCCF), even though most past PCCF funding has not been disbursed and many lawmakers are voicing concern about U.S.-Pakistan relations, in general, and aid to Pakistan, specifically. **Figure 1** provides a breakout of the FY2013 request by funding category.

Figure I. Composition of the State-Foreign Operations Budget Request, FY2013



Source: Fiscal Year 2013 Budget of the United States Government and CRS calculations. **Note:** Numbers total 101% due to rounding.

The FY2013 request seeks a slight increase of State Department Administration of Foreign Affairs funding as a share of the total request, from 25% in FY2012 to 26% requested for FY2013, a slight decrease from 40% in FY2012 to 39% requested for FY2013 for bilateral economic aid, and a small increase from 19% in FY2012 to 19.5% in the FY2013 request for security assistance funding. These three categories make up more than 85% of the total State-Foreign Operations funding requested. For a full listing of funds requested for State, Foreign Operations and Related Agency accounts, by account, see **Appendix C**. (For a description of all the accounts, see CRS Report R40482, *State, Foreign Operations Appropriations: A Guide to Component Accounts*, by Curt Tarnoff and Alex Tiersky.)

State Department FY2013 Budget Request—Key Issues

The State Department and Related Agencies portion of the international affairs budget request includes funding for State Department operations, International Organizations (including U.S. assessed dues to the U.N. system) and International Peacekeeping activities, International Broadcasting, and entities such as the National Endowment for Democracy (NED) and the U.S. Institute of Peace (USIP).

The State Department and Related Agencies accounts would, under the Administration request, see a 4.5% boost in FY2013 to a total of \$18.8 billion. This amount includes \$14.1 billion for Administration of Foreign Affairs, which provides for the personnel, operations and programs of the Department as well as the construction and maintenance of its facilities around the world. The FY2013 request is focused on supporting several key efforts, including the unprecedented military-to-civilian transition in Iraq and ongoing State Department-led efforts in the other “frontline states” of Afghanistan and Pakistan; internal reorganizations under the Quadrennial Diplomacy and Development Review (QDDR); and ongoing efforts addressing personnel issues. These issues are highlighted below.

Iraq Operations: From “Transition” to Normalized Relations

In what U.S. officials have called the largest military-to-civilian transition since the Marshall Plan,³ the Department of State has become the lead agency for all U.S. programs in Iraq, after the departure of U.S. military forces in late 2011. The State Department is pursuing a wide-ranging policy agenda while also seeking to execute the unprecedented scope of responsibilities it took over from the U.S. military forces that were withdrawn, ranging from air transport, to environmental cleanup, to medical support.

For FY2013, the first post-transition fiscal year, the Administration is requesting 23% less funding than the estimated FY2012 level for State Operations in Iraq: \$2.7 billion, including \$2.3 billion in OCO.⁴ Officials have suggested that this lower funding level reflects the Administration’s intent to ‘normalize’ the U.S. presence in Iraq. Its original plans in the FY2012 request for \$3.7 billion included funds for an embassy branch office in Diyala that is not included

³ Special Briefing, Thomas Nides, Deputy Secretary for Management and Resources, and Rajiv Shah, USAID Administrator, Washington, DC, February 13, 2012, available at <http://www.state.gov/s/dmr/remarks/2012/183842.htm>.

⁴ The Administration’s FY2013 request totals a combined \$4.78 billion for State Department operations and bilateral aid in Iraq.

in the FY2013 request, as well as funding for another office in Mosul that is now postponed. Factors cited by the State Department as cost-saving include a planned 25% reduction in the State Department presence in Iraq by the fall of 2012, reductions in security and sustainment contracts, and anticipated completion of construction that was funded in FY2012.

The *House* appropriations bill includes a total of \$2.8 billion for State Department operations in the three front-line states (Iraq, Afghanistan, and Pakistan); funding for increased security for staff in these states is provided, but funding for increased staff is not. The *Senate* Appropriations Committee bill states that new funding, in addition to carryover balances, provide a total of \$2.1 billion for Department of State operations in Iraq in FY2013, a level it deems adequate under State's revised operational assumptions.

QDDR Implementation

The FY2013 budget request is the first that reflects reforms outlined in the QDDR. The QDDR, completed in the fall of 2010 and modeled on the Defense Department's Quadrennial Defense Reviews, identified several reforms intended to shift diplomatic resources towards the highest priority countries and programs. Among the reforms spelled out in the QDDR were the establishment of a new Bureau of Energy Resources and elevation of the Office of the Coordinator for Counterterrorism to a Bureau. Both occurred in 2011 without any specific authorization or additional funding from Congress. Additionally, activities of the Office of the Coordinator for Reconstruction and Stabilization were subsumed in the renamed Bureau of Conflict and Stabilization Operations.

Funding for the State Department's operations in support of the Counterterrorism mission has increased from \$3.2 million in FY2011, when the Office of Counterterrorism was an element of the Office of the Secretary of State, to \$19 million for the new Bureau of Counterterrorism in the FY2013 request (an increase of \$2.4 million over the FY2012 levels). The Administration is requesting funds for an additional 12 new positions within the Bureau, in addition to the 70 U.S. direct-hires and 30 contract staff already in place. Neither the *House* or *Senate* bill mentions the Bureau of Counterterrorism, but could still provide funding for new hires within the Diplomatic and Consular Programs (D&CP) account.

Bureau of Energy Resources

The Bureau of Energy Resources (ENR) is similarly seeking 22 additional direct-hire positions in the FY2013 budget request, at a cost of \$5.4 million (out of a total \$16.9 million budget request for ENR). The Bureau, announced in late 2011, seeks the additional funding to grow its capacity "to strengthen market incentives to transform the future of energy supplies, deepening the Department's human resource expertise on energy matters, and institutionalizing improved capabilities to engage more broadly and deeply on U.S. global energy priorities."⁵ The Administration's funding request also includes plans for the Bureau to establish four regional hubs in Istanbul, Singapore, Johannesburg, and Rio de Janeiro, to engage regional partners and promote energy-issue involvement at posts and in State's regional bureaus. The *House* Appropriations Committee recommendation does not include the additional \$5.4 million and 22 new positions specifically for the Bureau of Energy Resources. The *Senate* Appropriations

⁵ State Department FY2013 Congressional Budget Justification, Vol. 1: Department of State Operations, p 141.

Committee report does not mention this Bureau. Funding within the D&CP could support these new hires, however.

Bureau of Conflict and Stabilization Operations

The Administration's FY2013 request for the Bureau of Conflict and Stabilization Operations (CSO) totals \$56.5 million, an 86% increase over FY2012 levels. Staffing levels will drop by 64 positions as part of a restructuring that seeks to make the Bureau more agile and expeditionary, with a greater emphasis on creating a flexible response capacity with a smaller staff. The proposed change is intended to produce greater deployment capacity, but with significantly less overhead. In addition, the Civilian Response Corps (CRC) model has been modified from a standing group of experts who deployed less than half the time, to a structure that funds experts only when they are deployed; as part of this reorganization, the FY2012 high of 144 CRC members will be reduced by 76 members.⁶

The *House* Appropriations Committee's FY2013 proposal replicates its FY2012 action for Conflict and Stabilization Operations, continuing to provide authority for the Secretary of State to transfer up to \$35 million of the funds appropriated under the D&CP heading to CSO. It also provides \$8.5 million in OCO funding, as it did in FY2012. The *Senate* Appropriations Committee proposal includes no funding for Conflict and Stabilization Operations, but does authorize up to \$56.5 million (the amount requested) to be transferred from Diplomatic & Consular Program funding to this account, as well as an additional \$10 million from the Complex Crisis Fund, as requested by the Administration.

Human Resource Issues

The Administration's FY2013 request for additional human resources D&CP is a total of \$2.5 billion, or \$71.2 million above its FY2012 request. Of the FY2013 request, \$24.9 million is requested to bolster State's staffing by 121 new positions (including those mentioned in the above sections) in a continuation of State's multi-year hiring efforts to fill human resources gaps and bolster new programs and organizations under the 'Diplomacy 3.0' initiative. Secretary Clinton originally sought to increase the number of Foreign Service Officers (FSO) by 25% from 2008-2014. With the proposed FY2013 funding, State would reach 18% growth since 2008, through the hiring of an additional 82 FSOs. The proposed funding would also permit State to hire an additional 39 civil servants. In the context of constrained budgeting, the Department postponed its goal of 25% growth in the Foreign Service to future years beyond 2014.⁷

The Administration also seeks \$81.4 million for the third and final phase of implementing its Overseas Comparability Pay (OCP) for FSOs. According to the Department of State, prior to 2009 Foreign Service employees transferring abroad experienced a 23.1% cut in basic pay from

⁶ For background information, see CRS Report RL32862, *Peacekeeping/Stabilization and Conflict Transitions: Background and Congressional Action on the Civilian Response/Reserve Corps and other Civilian Stabilization and Reconstruction Capabilities*, by Nina M. Serafino.

⁷ The 2014 goal of a 25% increase in the Foreign Service was originally postponed in the FY 2012 budget request, which nonetheless included funding for 197 new State Department positions at a cost of \$66.7 million, including 130 (86 overseas, 44 domestic) Foreign Service and 67 Civil Service positions. The Administration had requested funds to support 500-600 new positions in the three years prior to FY2012.

what they had been receiving as locality pay for serving in Washington, DC.⁸ This situation was compounded by lowered employer contributions by the Department to the Federal Thrift Savings Plan. Entry and mid-level Foreign Service employees were particularly affected, according to State officials, who have suggested that this issue could affect diplomatic readiness by increased attrition and recruitment challenges, and is “critical for the Department’s Foreign Service competitiveness in the workplace.”⁹

Congress has approved two prior OCP adjustments since 2009, reducing the pay differential by nearly 70%. The FY2013 request would provide for a third and final tranche of funds to bring the comparability pay level to the Washington, DC locality pay rate.

On the above human resources issues, the *House* Appropriations Committee recommendation includes no funding for hiring above attrition in FY2013. The Committee also rejected the Department’s requested extension of authority for overseas comparability pay, stating that “the authority to grant overseas comparability pay is a matter within the jurisdiction of the authorization committee and should be considered in the context of legislation addressing the authorities and compensation rules governing the Foreign Service.” The *Senate* Appropriations Committee also did not include the overseas comparability pay authority or funding in its FY2013 proposal.

Palestinian Statehood and the United Nations

In October 2011, the United Nations Educational, Scientific and Cultural Organization (UNESCO) voted to admit Palestine as a full member, prolonging a U.S. policy debate that is being played out, in part, in the State-Foreign Operations appropriations process. The United States has long opposed any path to Palestinian statehood outside of a negotiated agreement with Israel, and U.S. law prohibits American funding, which is assessed at 22% of the UNESCO budget, to any U.N. agency that accepts the Palestinians as a full member. U.S. assessed contributions to UNESCO within the State Department’s Contributions to International Organizations (CIO) account have been withheld since the vote. The Administration, which supports U.S. participation in UNESCO, is seeking in its FY2013 request almost \$80 million for UNESCO to pay U.S. assessed contributions for calendar year 2012, explaining that it would work with Congress to get authority to waive the restriction.

The *House* committee report states that the House specifically is withholding U.S. contributions to UNESCO within the CIO account. The report also includes language prohibiting the disbursement of Economic Support Funds (ESF) assistance to the Palestinian Authority if, after enactment of the legislation, the Palestinians gain full membership in the United Nations or any U.N. entity outside of a negotiated Israeli-Palestinian agreement. The *Senate* legislation does not recommend funding for UNESCO within the CIO account, which it says is prohibited by law, and also includes the same ESF restriction, as well as an explicit prohibition on U.S. funding to UNESCO and other U.N. entities that grant full membership status to the Palestinian Authority. Both proposals include less funding than requested for the International Organizations and

⁸ Locality pay is provided to most civilian Federal employees in the United States based on the location in which they serve. The Federal Employees Pay Comparability Act of 1990, which took effect in 1994, sought to achieve pay comparability between federal and non-federal jobs. It adds to the base pay of almost all federal employees a “locality” adjustment that reflects the costs of attracting talent in a given geographical area.

⁹ State Department FY2013 Congressional Budget Justification, Vol. 1: Department of State Operations, p. 54.

Programs (IO&P) account through which a small (\$880,000) amount is requested for U.S. voluntary contributions to UNESCO for International Contributions for Scientific, Educational, and Cultural Activities (UNESCO/ICSECA) for FY2013.

Foreign Operations FY2013 Budget Request—Key Issues

The Foreign Operations budget comprises the majority of both bilateral and multilateral U.S. foreign assistance programs. The main exception is food assistance, which is appropriated through the Agriculture Appropriations bill. Foreign Operations accounts are managed primarily by USAID and the State Department, together with several smaller independent foreign assistance agencies such as the Millennium Challenge Corporation, the Peace Corps, as well as the Inter-American and African Development Foundations, the Overseas Private Investment Corporation (OPIC), and the Trade and Development Agency (TDA). The Foreign Operations budget also encompasses U.S. contributions to major multilateral financial institutions, such as the World Bank and U.N. entities, and includes funds for the Export-Import Bank whose activities are regarded more as trade promotion than foreign aid. On occasion, the budget replenishes U.S. financial commitments to international financial institutions, such as the World Bank and the International Monetary Fund.

The Foreign Operations budget request for FY2013 totals \$36.1 billion, representing a 0.1% increase from the enacted FY2012 level of \$35.5 billion.

For FY2013, the Foreign Operations budget request continues to emphasize the Administration's ongoing foreign assistance initiatives—the Global Health Initiative, Food Security Initiative, and the Global Climate Change Initiative—as well as funding for the “front line” war-related states of Iraq, Afghanistan and Pakistan. In addition, the request calls for a new regional funding account to respond to political transitions in the Middle East and North Africa. House and Senate committee action to date indicate that these priorities may not be shared by all in Congress. In addition to funding levels, policy issues such as restrictions on funding for international family planning programs and conditions on aid to certain countries and entities are expected to be a focus of the congressional foreign aid funding debate. These key issues are highlighted below.

Middle East and North Africa Incentive Fund

With recent popular uprisings leading to the fall of governments in the Middle East and North Africa, the use of foreign assistance as a democracy promotion tool has received significant scrutiny. In particular, the fall of the Mubarak regime in Egypt, long a top U.S. aid recipient, and the U.S. role in ousting Muammar Gaddafi in Libya, have raised a number of policy questions about the appropriate U.S. role in foreign political transitions. Members of the 112th Congress have expressed interest in supporting popular uprisings against undemocratic regimes, yet are concerned about accountability and potential unintended consequences of providing assistance to entities that may pursue actions counter to U.S. policy interests.

To support effective U.S. engagement in the evolving situation in the Middle East, the Administration is proposing in its FY2013 budget request the creation of a \$770 million Middle East and North Africa Incentive Fund (MENA IF). Of the requested funds, some would support existing programs: \$65 million would be base funding for the Middle East Partnership Initiative (MEPI) and \$5 million would be for the Office of Middle East Programs (OMEPI) regional activities. These programs are currently funded through regional Economic Support Funds. The

remaining \$700 million would be unallocated funds intended to provide incentives for beneficiary countries to move toward democracy, while allowing for State Department flexibility and transparency in supporting Arab Spring countries in transition, eliminating the need to transfer funds from other programs and accounts to meet evolving circumstances. The Administration has stated that the funds would be allocated in close consultation with Congress, but has suggested that the funds could be used for humanitarian relief, contributions to U.N. peacekeeping activities, or bilateral loan forgiveness, among other possibilities, depending on the circumstances.

Some Members of Congress have expressed concerns about the proposed MENA IF, which some believe would give the Administration too much discretion and Congress too little opportunity for oversight. The *House* committee bill provides no funding for a new account, but would allocate \$175 million within the Economic Support Fund (ESF) account and \$25 million in the Foreign Military Finance account for “Middle East Response,” including the funding of MEPI and OMEP and no less than \$50 million for Jordan, leaving \$75 million unallocated and “flexible.” In sharp contrast, the *Senate* Committee report includes \$1 billion for MENA IF – about 30% more than the \$770 million requested. The bill would increase MEPI funding to \$70.0 million.

Frontline States

As a result of their strategic significance in the so-called Global War on Terror, Afghanistan, Iraq and Pakistan, referred to by the Administration as the “frontline states,” have consistently been top U.S. aid recipients over the past decade. For FY2013, the Administration is requesting \$6.8 billion (including OCO), or about 19% of the foreign operations budget, for aid to these three countries.¹⁰

Iraq

For FY2013, the Administration is seeking \$2.1 billion in foreign operations funds for Iraq, of which the great majority, \$1.8 billion, is designated as OCO. This is 22% more than the FY2012 enacted level. The Department’s FY2013 request for Iraq includes \$1 billion for the Police Development Program (PDP), the State Department’s largest single program in Iraq. The Administration states that the funding reflects the transition to full State Department authority of the PDP, which is described in State’s budget justification as the cornerstone of U.S. security engagement and assistance in Iraq. In the spring of 2012, the PDP came under scrutiny when news reports suggested that the program was being reduced significantly and might be abandoned altogether.¹¹ The U.S. Embassy in Baghdad forcefully rejected this notion in a statement calling the program a “vital part of the U.S.-Iraqi relationship and an effective means of standing by our Iraqi friends.”¹² Still, doubts remain among some foreign policy observers regarding the program’s ultimate efficacy in the face of numerous obstacles including security challenges and Iraqi indifference.

¹⁰ For information on U.S. spending in Iraq, Afghanistan and Pakistan over the last decade, see CRS Report RL33110, *The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11*, by Amy Belasco.

¹¹ Tim Arango, “U.S. May Scrap Costly Efforts to Train Iraqi Police,” *The New York Times*, May 13, 2012.

¹² U.S. Embassy: “Police Development Program is a Vital Part of the U.S.-Iraqi Relationship”, Press Release, U.S. Embassy Baghdad, May 13, 2012, <http://iraq.usembassy.gov/may1312poldevelop.html>.

The *House* legislation does not provide specific funds for Iraq, but expresses support for the PDP while requiring the Administration to report on revised personnel, scope, and costs of the program to reflect a review conducted earlier this year. The House report (H.Rept. 112-494) states that appropriations provided within the International Narcotics Control and Law Enforcement (INCLE) program will continue funding the PDP program. The *Senate* Appropriations Committee provides \$635 million¹³ in foreign operations funds for Iraq, but does not include funding for the PDP, citing its largely unsuccessful implementation due to Iraqi disinterest and inadequate planning by the Department of State.

Afghanistan

For FY2013, the Administration is requesting \$2.5 billion in foreign operations funds for Afghanistan, of which almost half, or \$1.2 billion, is designated as OCO. This is 7.6% more than the FY2012 enacted level. According to the Administration, the increase reflects a surge in infrastructure programs and other investments in economic growth, as well as the ramping up of justice sector programs in anticipation of the transition of these programs from the Department of Defense to civilian management. The *House* legislation does not specify total funding for Afghanistan and specifies that assistance to Afghanistan will be withheld until certification that adequate security is in place for civilian aid workers. The *Senate* bill includes \$1.8 billion¹⁴ in foreign operations funds for Afghanistan, asserting that less funding than requested is needed as the Afghan government is taking control of more programs.

Pakistan

The Administration's FY2013 budget requests \$2.2 billion in foreign operations funds for Pakistan, including \$800 million for the Pakistan Counterinsurgency Capability Fund (PCCF) designated as OCO. This is about 6% more than the FY2012 enacted level. According to the Administration, the request reflects a modest increase in civilian assistance focused on energy, economic growth, stabilization, education and health, but remains well below the levels authorized in the Enhance Partnership With Pakistan Act of 2009. The *House* legislation does not specify an aid level for Pakistan, and prohibits all economic and security assistance if Pakistan is uncooperative in anti-terrorism and other efforts. The *Senate* bill includes \$842.3 million¹⁵ in foreign operations funds for Pakistan, including \$50 million for the PCCF (reflecting the significant unobligated funds still in the pipeline, rather than lack of support for the activities funded) and continues existing aid restrictions. The *Senate* bill also includes new conditions on aid to Pakistan, including withholding \$33 million in Foreign Military Financing (FMF) to Pakistan until the Secretary of State certifies that Dr. Shakil Afridi has been released from prison and cleared of all charges related to providing assistance to the United States in locating Osama bin Laden.¹⁶

¹³ Includes OCO and USAID Operating Expenses.

¹⁴ Including OCO and USAID Operating Expenses.

¹⁵ Including OCO and USAID Operating Expenses.

¹⁶ For more detail on U.S. aid to Pakistan, see CRS Report R41856, *Pakistan: U.S. Foreign Assistance*; for more information about U.S. conditions/restrictions on aid to Pakistan, see CRS Report R42116, *Pakistan: U.S. Foreign Aid Conditions, Restrictions, and Reporting Requirements*; both are updated regularly.

Administration Initiatives

Global Health Initiative

The budget request includes roughly \$7.9 billion for the Administration's Global Health Initiative (GHI) through State-Foreign Operations appropriations, compared to the FY2012 enacted level of \$8.2 billion. The proposed cut of approximately \$300.0 million is the largest foreign operations account reduction requested, in dollar terms, and would represent the end of a decade-long growth trend in global health funding.¹⁷ Compared to the FY2012-enacted amount, the request includes decreases for each global health activity area, except for a 1.2% increase in funding for international family planning and reproductive health and a 57% increase in funding (\$1.7 billion) for the Global Fund to Fight HIV, Tuberculosis and Malaria (Global Fund). The most significant proposed reductions are for bilateral HIV/AIDS activities. The Administration asserts that current goals can be attained at the lower funding level as a result of program efficiencies and reduced drug costs.

Both House and Senate would provide more than the request. The *House* legislation provides \$8 billion for global health, slightly more than the request, which includes \$1.3 billion for a U.S. contribution to the Global Fund. The *Senate* proposes \$8.5 billion for the GHI, 8% more than was requested, including \$1.7 billion for the Global Fund, and 4% more than the FY2012 level.

Food Security

Feed the Future (FtF), the Obama Administration's food security initiative announced in 2010, continues to be a priority for the Administration. The FY2013 request is for \$1.1 billion in Foreign Operations funds for related programs. FtF is the outgrowth of a pledge made by the President at a G-8 summit in 2009 to provide at least \$3.5 billion over three years (FY2010-FY2012) to address root causes of global hunger.¹⁸ The initiative also emphasizes the benefits of working multilaterally and in partnership with other stakeholders to leverage resources.¹⁹ The FY2013 request includes \$134 million for the multi-donor Global Agriculture and Food Security Program (GAFSP), managed by the World Bank.

The *House* proposal for FY2013 includes language supporting the goals of FtF, but does not specify a funding level, with the exception of \$99.8 million allocated for GAFSP. The *Senate* proposal recommends that \$1.2 billion in assistance from all accounts in the act be made available for agricultural and food security, including \$200 million specifically appropriated for GAFSP.

Climate Change

The FY2013 request for programs supporting the Global Climate Change Initiative (GCCCI) is \$770 million, a 1% increase from the \$760.9 million enacted estimate for FY2012. Funds for GCCCI activities flow through a number of appropriations accounts, including ESF, DA, IO&P and

¹⁷ For more on the GHI and its history, see CRS Report R41851, *U.S. Global Health Assistance: Background and Issues for the 112th Congress*, by Tiaji Salaam-Blyther.

¹⁸ For more information on this initiative, see CRS Report R41612, *The Obama Administration's Feed the Future Initiative*, by Charles E. Hanrahan.

¹⁹ An additional \$18 billion was pledged by other donors at the summit.

several multilateral funds. The initiative supports activities relating to climate change with an emphasis on adaptation, deployment of clean energy technologies, and reduction of greenhouse gas emissions through sustainable landscapes. A significant portion of this climate change funding would be channeled through World Bank Trust Funds, which the Administration promotes as a cost effective approach, claiming that every dollar of U.S. contribution to these funds leverages four to five dollars from other donor countries and 6 to 10 times that amount from other sources.²⁰

The House and Senate have taken notably different positions on GCCCI in their FY2013 proposals. The *House* legislation does not mention the GCCCI and recommends zero funding for the Clean Technology Fund and Strategic Climate Fund, while providing just half of the requested funds for the Global Environment Facility (GEF). The *Senate* Committee chose not to provide a minimum funding level for climate change programs as a whole, but recommends that \$111 million be spent on Sustainable Landscapes, a pillar of the GCCCI. The *Senate* also indicates strong support for the multilateral climate change funds, providing \$139.4 million for the GEF, \$100.0 million for the Strategic Climate Fund and \$300.0 million for the Clean Technology Fund – exceeding the Administration’s request for each account.

International Family Planning and Abortion-Related Issues²¹

The Administration requested \$643 million for family planning and reproductive health activities in FY2013. These activities have generated contentious debate in Congress for over three decades, primarily over policy rather than funding concerns, resulting in frequent clarification and modification of family planning laws and policies. Recent congressional debate centers around two key issues: (1) implementation of the “Mexico City policy” and (2) U.S. funding of the U.N. Population Fund (UNFPA). The Mexico City policy, issued by President Reagan in 1984, required foreign NGOs receiving USAID family planning assistance to certify that they would not perform or actively promote abortion as a method of family planning, even if such activities were undertaken with non-U.S. funds. The policy has been rescinded and reissued by past and current Administrations. It was most recently rescinded by President Obama in January 2009. The proposed FY2013 House legislation includes language that would codify the Mexico City Policy. The Senate bill does not include such language.

Previous Administrations have also suspended grants to UNFPA due to evidence of coercive family planning practices in China, citing violations of the “Kemp-Kasten” amendment, which bans U.S. assistance to organizations that support or participate in the management of coercive family planning programs. Past and current Administrations have disagreed as to whether UNFPA engages in such activities. The George W. Bush Administration suspended U.S. contributions to UNFPA from FY2002 to FY2008 following a State Department investigation of family planning programs in China. President Obama resumed U.S. contributions to the organization in 2009, and has requested \$39 million for UNFPA for FY2013. The proposed FY2013 *House* legislation includes \$461 million for family planning and reproductive health activities and prohibits funding for UNFPA, while the *Senate* legislation includes \$700 million for family planning and

²⁰ FY2013 Budget Request, U.S. Department of the Treasury International Programs, p. 6.

²¹ Luisa Blanchfield contributed this section. For more information on international planning issues, see CRS Report R41360, *Abortion and Family Planning-Related Provisions in U.S. Foreign Assistance Law and Policy*, by Luisa Blanchfield.

reproductive health, including \$44.5 million for UNFPA. Both the House and Senate bills include the Kemp-Kasten amendment.

Assistance for Europe, Eurasia and Central Asia (AEECA)

The Administration proposes that the AEECA account, a remnant of the Support for Eastern European Democracy (SEED) Act of 1989 and the Freedom Support Act of 1992, be dissolved in FY2013 to reflect the end of an era of special focus on former Soviet and Eastern bloc states transitioning to democracy and free market economies. While the request includes \$420.9 million in funding for programs currently funded through AEECA, an 18% cut from FY2012 funding of \$513.9 million, funding for the programs that had been under AEECA would come from ESF, GHP, and INCLE accounts in FY2013 and beyond. The *House* legislation adopts this approach, merging AEECA funds with ESF, GHP and INCLE, while stating that the change is not intended to signal diminished support for the region or for the role of the Coordinator of U.S. Assistance to Europe and Eurasia. The *Senate* proposal also includes a provision that funds from ESF and other accounts may be used to provide assistance to countries that are eligible for AEECA assistance. Neither House or Senate proposals provide a minimum funding level for AEECA-eligible countries.

State-Foreign Operations Background and Trends

U.S. national security, trade promotion, and humanitarian interests are rationales for most international affairs activities. During the Cold War, foreign aid and diplomatic programs had a primarily anti-communist focus, while concurrently pursuing other U.S. policy interests, such as promoting economic development, advancing U.S. trade, expanding access to basic education and health care, promoting human rights, and protecting the environment. After the early 1990s, with the Cold War ended, distinct policy objectives—including stopping nuclear weapons proliferation, curbing the production and trafficking of illegal drugs, expanding peace efforts in the Middle East, achieving regional stability, protecting religious freedom, and countering trafficking in persons—replaced the Cold War-influenced foreign policy objectives.

A defining change in focus came following the 9/11 terrorist attacks in the United States. Since then, many U.S. foreign aid and diplomatic programs have emphasized national security objectives, frequently cast in terms of contributing to efforts to counter terrorism. In 2002, President Bush released a National Security Strategy that for the first time established global development as the third pillar of U.S. national security, along with defense and diplomacy. Development was again underscored in the Administration's 2006 and 2010 National Security Strategy.

Also in 2002, foreign assistance budget justifications began to highlight the war on terrorism as the top foreign aid priority, emphasizing U.S. assistance to 28 “front-line” states—countries that cooperated with the United States in the war on terrorism or faced terrorist threats themselves.²² Large reconstruction programs in Afghanistan and Iraq began to dominate the foreign aid budget

²² According to the State Department, these “frontline” states in 2002 included Afghanistan, Algeria, Armenia, Azerbaijan, Bangladesh, Colombia, Djibouti, Egypt, Ethiopia, Georgia, Hungary, India, Indonesia, Jordan, Kazakhstan, Kenya, Oman, Pakistan, Philippines, Poland, Russia, Saudi Arabia, Tajikistan, Tunisia, Turkey, Turkmenistan, Uzbekistan, and Yemen. Today, the term generally refers only to Iraq, Afghanistan and Pakistan.

and exemplified the emphasis on using foreign aid as a tool of national security. State Department efforts focused extensively on diplomatic security and finding more effective ways of presenting American views and culture through public diplomacy, particularly in Muslim communities. At the same time, the Bush Administration vastly increased aid to combat HIV/AIDS globally, with the creation of the President's Emergency Plan for AIDS Relief (PEPFAR), and explored a new approach to development assistance with creation of the Millennium Challenge Corporation (MCC), which supports the development strategies of countries that have demonstrated good governance.²³

The Obama Administration has carried forward many Bush foreign aid initiatives, including the MCC, massive global health funding (though the Obama Administration's Global Health Initiative is broader in scope than PEPFAR), and robust assistance to the frontline states of Iraq, Afghanistan, and Pakistan. Funding for these, rather than being in supplemental appropriations requests, however, have been requested within Overseas Contingency Operations (OCO) in regular appropriations bills.

The Obama Administration completed the first ever Quadrennial Diplomacy and Development Review (QDDR) in the fall of 2010. Within that context, the U.S. Agency for International Development (USAID) was named the leading government agency for development assistance. The QDDR also identified several reforms for the Department of State that have been implemented, including establishment of the Bureau of Energy and elevating the Office of the Coordinator for Stabilization and Reconstruction to the Bureau of Conflict and Stabilization Operations.

Overseas Contingency Operations

In its FY2012 budget proposals, the Department of State proposed a significant change in how funding for the "front line states" of Iraq, Afghanistan, and Pakistan are viewed in budgetary terms. It requested that the use of OCO funds, through which war-related Defense appropriations had flowed for years, be extended to include "extraordinary, but temporary, costs of the Department of State and USAID in the front line states of Iraq, Afghanistan and Pakistan."²⁴ Congress not only adopted the OCO designation in the FY2012 State-Foreign Operations appropriations legislation, but expanded it to include funding for additional accounts and countries.

The OCO designation gained increased significance in August 2011 with enactment of the Budget Control Act of 2011 (BCA), as previously discussed, specifying that funds designated as OCO do not count toward the budget caps established by the act. OCO designation makes it possible to keep war-related funding from crowding out core international affairs activities within the budget allocation. The Office of Management and Budget (OMB) recently determined, however, that OCO funds are not exempt from the BCA automatic across-the-board reductions that are to occur January 2, 2013.

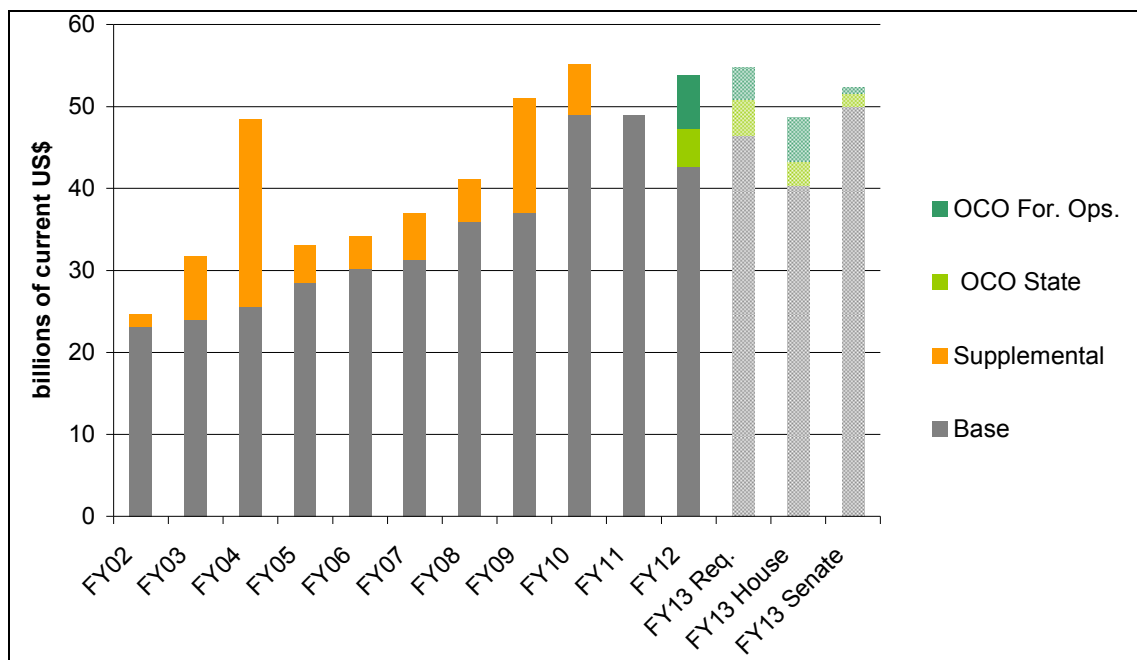
The OCO approach is reminiscent of the use of supplemental international affairs appropriations for much of the past decade. Significant emergency supplemental funds for foreign operations

²³ For more on MCC, see CRS Report RL32427, *Millennium Challenge Corporation*, by Curt Tarnoff.

²⁴ The Department of State, Executive Budget Summary Function 150 & Other International Programs, FY2012, p. 2.

were appropriated in FY2002-FY2010 for activities in Iraq, Afghanistan, and elsewhere, and were not counted toward subcommittee budget allocations. (See **Figure 2** below.) The Obama Administration criticized this practice, asserting that after several years such activities should no longer be considered emergencies, and pledged to request funds for these activities through the regular budget process starting in FY2010. This resulted in a sharp increase in base funding in FY2010, yet supplemental international affairs funds were still requested and enacted for that year, largely in response to the earthquake in Haiti, but also for activities in Afghanistan, Iraq and Pakistan. The FY2011 funding cycle was the only one in the last decade in which all international affairs funding was appropriated as part of the base budget, before the OCO approach was adopted for FY2012. Unlike supplementals that often have been submitted to Congress separate from regular funding requests, OCO allows all the funding to be considered simultaneously in the regular appropriations process.

Figure 2. Base + Supplemental/OCO Funding, FY2002- Pending FY2013 Proposals



Source: CRS appropriations reports; S. 3241; H.R. 5857; FY2013 International Affairs Congressional Budget Justification; CRS calculations.

For FY2013, the Administration has again used this approach, requesting that \$8.24 billion, or about 15% of the international affairs request, be designated as OCO. This amount is 5% less than was requested for OCO in FY2012, and about 26% less than the \$11.2 billion that Congress enacted for that year. The House legislation designates \$8.3 billion as OCO, similar to the Administration request, but designates proportionately more of the funds within foreign operations accounts and less within State operations accounts. The Senate bill designates \$2.3 billion as OCO, or 72% less than requested, largely because it provides no funding for the Iraq Police Development program, as mentioned above, and would fund disaster assistance and migration and refugee assistance accounts entirely through the base budget.

10-Year Funding Trends

Over the last decade, State Department-Foreign Operations funding has generally trended upward until 2011, with the exception of a spike in FY2004 that reflected large reconstruction funds for Iraq and Afghanistan. This changed in FY2011 when Congress significantly reduced foreign affairs spending to help meet deficit reduction goals. The FY2012 estimate and FY2013 request in current dollars level off largely due to congressional efforts to reduce deficit spending, and after adjusting for inflation, both in constant dollars are below the FY2009 overall funding level. **Table 2** and **Figure 3** below show State-Foreign Operations appropriations for the past decade in both current and constant dollars.

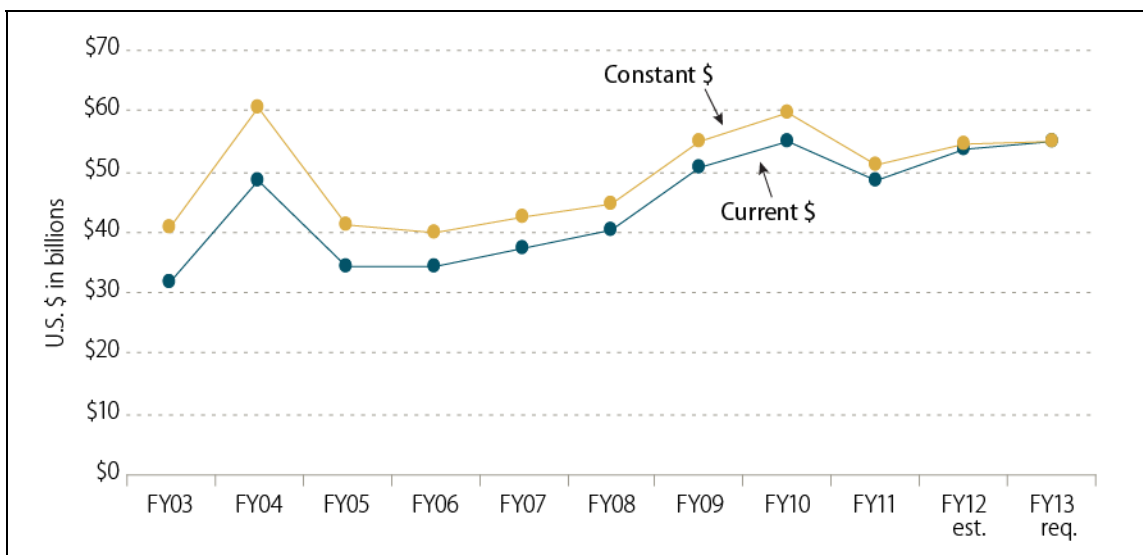
Table 2. State-Foreign Operations Appropriations, FY2003-FY2013
(in billions of current and 2013 constant dollars)

	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12 est.	FY13 req.
Current \$	31.72	48.34	34.23	34.25	37.28	40.47	50.50	55.11	48.72	53.50	54.87
Constant 2013 \$	40.60	60.43	41.42	40.07	42.50	44.52	55.05	59.52	51.16	54.57	54.87

Source: The Department of State, Summary and Highlights, International Affairs Function 150, FY2004-FY2013 and CRS calculations.

Notes: Figures include all enacted appropriations: regular, OCO, supplementals, and rescissions. Constant dollars are adjusted for inflation using FY2013 total non-defense deflators, Fiscal Year 2013 Historical Tables, Budget of the U.S. Government, Office of Management and Budget, p. 212.

Figure 3. State-Foreign Operations Appropriations, FY2003-FY2013



Source: Summary and Highlights, International Affairs Function 150, FY2004-FY2013, and CRS calculations.

Table 3 and **Figure 4** show appropriations for the State Department and related agencies over the past decade in both current and constant dollars. Note that while there was a spike in foreign aid

in 2004, there was only a slight increase in State Department funding that year as diplomacy funding lagged. In recent years, however, the State Department and related agencies funding trends upward at a steeper rate than the overall foreign affairs spending, reflecting an interest by both the George W. Bush and Obama Administrations to increase human resource capacity at the Department of State.

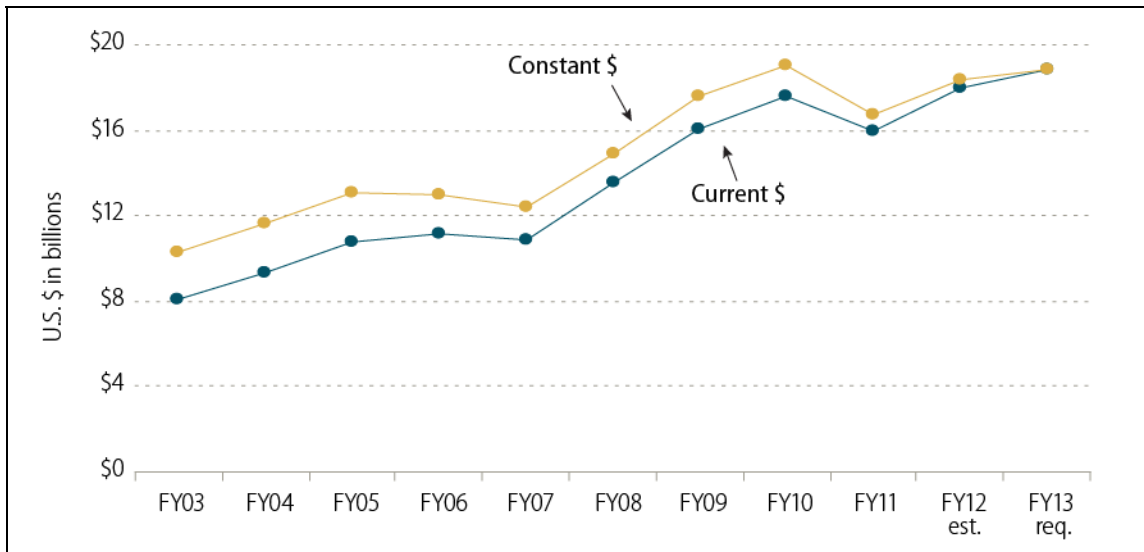
Table 3. State Department and Related Agencies Appropriations, FY2003-FY2013
(discretionary budget authority in billions of current and 2013 constant dollars)

	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12 est.	FY13 req.
Current \$	8.05	9.29	10.78	11.12	10.90	13.57	16.1	17.62	15.93	17.99	18.80
Constant 2013 \$	10.3	11.61	13.04	13.01	12.43	14.93	17.55	19.03	16.73	18.35	18.80

Source: The Department of State Congressional Budget Justifications, FY2004-FY2013, and CRS calculations.

Notes: Figures include all enacted appropriations: regular, OCO, supplementals, and rescissions. Constant dollars are adjusted for inflation using FY2013 total non-defense deflators, Fiscal Year 2013 Historical Tables, Budget of the U.S. Government, Office of Management and Budget, p. 212.

Figure 4. State Department and Related Agencies Appropriations, FY2003-FY2013



Source: The Department of State Congressional Budget Justifications, FY2004-FY2013, and CRS calculations.

Table 4 and **Figure 5** show appropriations for the Foreign Operations (foreign aid) portion of the foreign affairs budget over the past decade in both current and constant dollars. Because Foreign Operations typically makes up about two-thirds of the State-Foreign Operations appropriations, it shows a similar trend as the overall State-Foreign Operations budget. Unlike the State Department trend line which continues upward in FY2012 and FY2013, foreign aid funding levels off in those years.

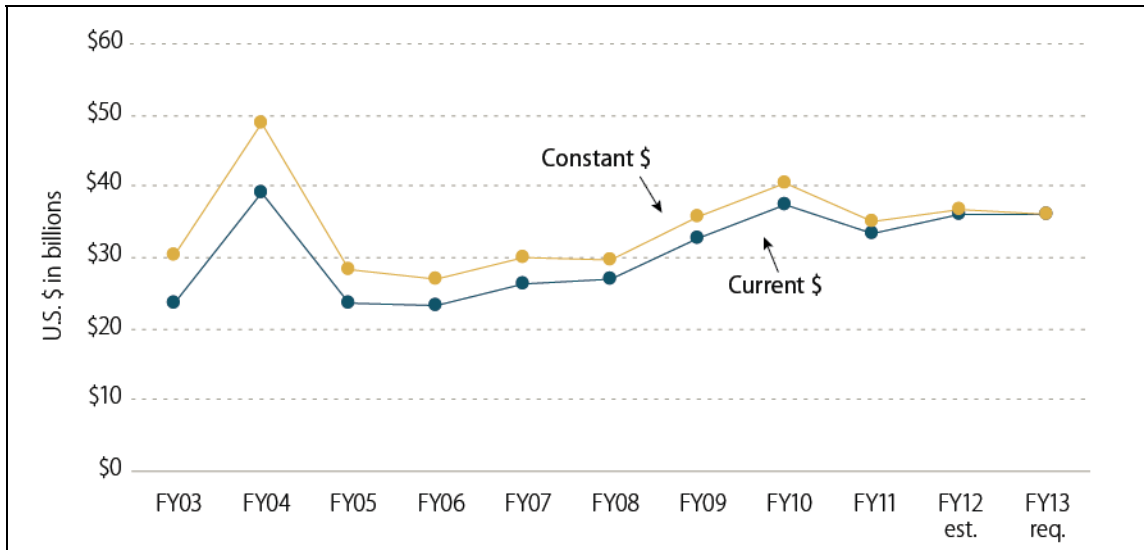
Table 4. Foreign Operations Appropriations, FY2003-FY2013
(discretionary budget authority in billions of current and constant 2013 dollars)

	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12 est.	FY13 req.
Current \$	23.67	39.05	23.45	23.13	26.38	26.89	32.82	37.49	33.3	36.03	36.07
Constant 2013 \$	30.30	48.81	28.37	27.06	30.07	29.58	35.77	40.49	34.97	36.75	36.07

Source: The Foreign Operations Congressional Budget Justifications, FY2004-FY2013, and CRS calculations.

Notes: Figures include all enacted appropriations: regular, OCO, supplementals, and rescissions. Constant dollars are adjusted for inflation using FY2013 total non-defense deflators, Fiscal Year 2013 Historical Tables, Budget of the U.S. Government, Office of Management and Budget, p. 212.

Figure 5. Foreign Operations Appropriations, FY2003-FY2013



Source: The Foreign Operations Congressional Budget Justification, FY2004-FY2013, and CRS calculations.

Top 10 U.S. Foreign Aid Recipient Countries

Prior to 9/11 and the wars in Afghanistan and Iraq, Israel and Egypt typically received the largest amounts of U.S. foreign aid every year since the Camp David Peace Accords in 1978.²⁵ The reconstruction efforts in Iraq and Afghanistan moved those countries into the top five, though assistance to Iraq has declined significantly in recent years with the completion of many reconstruction activities. Meanwhile, a combination of security assistance and economic aid designed to limit the appeal of extremist organizations has moved Pakistan up the list in recent years. Funding for Iraq, Afghanistan, and Pakistan includes temporary OCO appropriations.

²⁵ For more information on historic aid trends, see CRS Report R40213, *Foreign Aid: An Introduction to U.S. Programs and Policy*, by Curt Tarnoff and Marian Leonardo Lawson.

Table 5. Top 10 Recipients of U.S. Foreign Aid in FY2012 and the FY2013 Request
(in millions of current U.S. \$)

FY2012		FY2013 Request	
Country	Estimated Allocation	Country	Requested Allocation
Israel	\$3,075	Israel	\$3,100
Afghanistan	\$2,327	Afghanistan	\$2,505
Pakistan	\$2,102	Pakistan	\$2,228
Iraq	\$1,683	Iraq	\$2,045
Egypt	\$1,557	Egypt	\$1,563
Jordan	\$676	Jordan	\$671
Kenya	\$652	Nigeria	\$599
Nigeria	\$625	Tanzania	\$571
Ethiopia	\$580	South Africa	\$489
Tanzania	\$531	Kenya	\$460

Source: Congressional Budget Justification Summary Tables, FY2013, Country/Account Summary (spigots) FY2012 estimates and FY2013 request tables.

Notes: These lists consist of funding only from the 150 International Affairs Function. If funding from the defense budget were included, Pakistan, for example would rank second for both FY2012 and the FY2013 request. Numbers include Overseas Contingency Operations (OCO) funding.

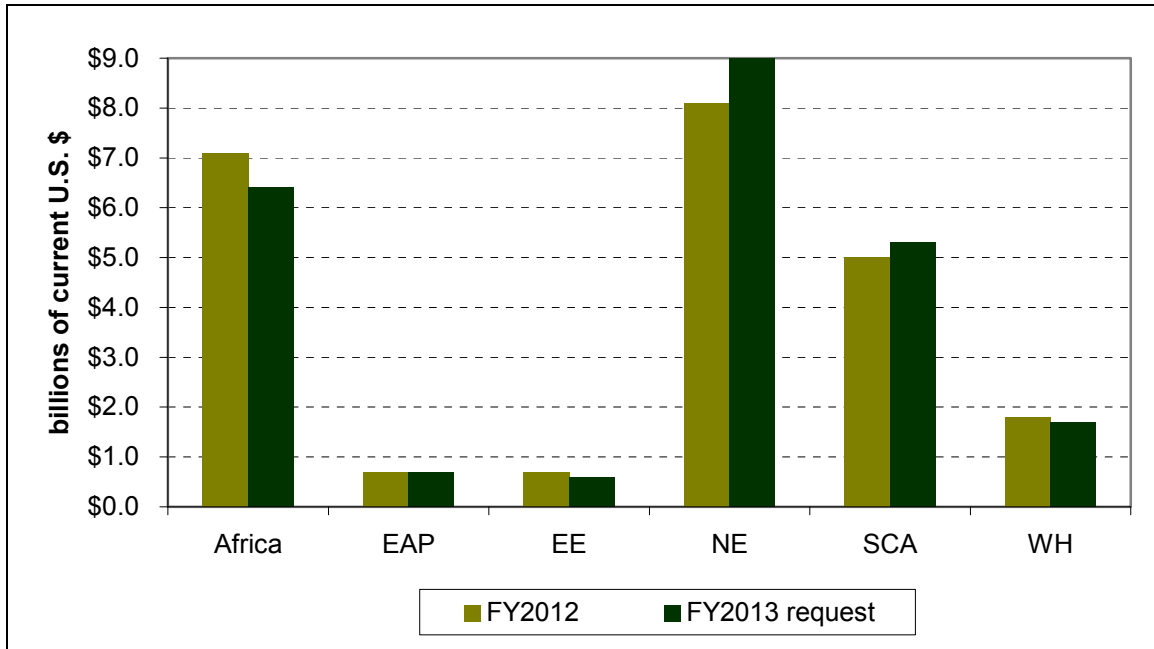
The top five recipient countries in the FY2013 request are the same as the top five aid recipients of the allocated FY2012 funds. Israel tops the list at \$3,100 million in Foreign Military Financing (FMF), Afghanistan ranks second, with \$2,505 million requested, of which \$1,237.9 million is designated as OCO funds. Nearly three-quarters of aid requested for Afghanistan is within ESF. Pakistan ranks third at \$2,228 million, including \$800 million for PCCF and \$928 million within ESF. Iraq moves up from sixth in FY2010 to fourth in FY2012 and in the FY2013 request. Of the \$2,045 million for Iraq, \$1,750 million is OCO money. (See **Table 5** above.)

Regional Distribution

As shown in **Figure 6**, under the FY2013 budget request, aid to Africa would decline by 10% from the current level to \$6.4 billion; U.S. aid to the Near East would increase by 12% to \$9.0 billion, largely due to support for the Arab Spring; and aid to South Central Asia would increase by 6% to \$5.3 billion. Aid to Africa primarily supports HIV/AIDS and other health-related programs while 88% of the aid to South Central Asia is requested, largely for war-related costs, in Afghanistan and Pakistan. The Near East region continues to be dominated by assistance to Israel (\$3.1 billion), Iraq (\$2.0 billion), Egypt (\$1.6 billion), and Jordan (\$0.7 billion). The Western Hemisphere's projected relative decline in FY2013 is attributable to a reduction in funding of ESF and INCLE for Colombia. Europe and Eurasia's 14% decline is largely due to

progress made by many countries in the region and other more pressing global priorities.²⁶ Aid to East Asia and Pacific remains relatively low and consistent with past years' levels.

Figure 6. Regional Distribution of Foreign Aid, FY2012 and FY2013 Request



Source: Foreign Operations Congressional Budget Justification, FY2013.

Note: FY2012 figures include estimated funding including Overseas Contingency Operation funds. FY2013 figures represent the Administrations request, including Overseas Contingency Operations funds. EAP=East Asia and Pacific; EE=Europe and Eurasia; NE=Near East; SCA=South and Central Asia; WH=Western Hemisphere.

Sector Distribution

Over the years, Congress has expressed interest in various discrete aid sectors, such as education, building trade capacity, maternal and child health, and biodiversity, that are funded across multiple accounts and/or agencies. Administrations have begun presenting their respective budget requests with a section showing what portion of the request would address some of these “key interest areas.” The Administration does not provide allocation data, limiting comparisons to year-to-year requested funds rather than comparing requested funds to previous enacted levels. Comparing past and present requested levels do provide an indication of the Administration’s interests and priorities, but not those of congressional appropriators.

Table 6 compares the FY2012 and FY2013 budget requests for key interest areas identified by the Administration. Out of 23 sectors listed, the Administration’s FY2013 request is less than last year’s request for all except five. Perhaps surprisingly, two of the Administration’s major initiatives—Food Security and Global Climate Change—show declines in the FY2013 request. Other sectors with reduced funding requests include Sustainable Landscapes (helping manage forests and ecosystems to reduce greenhouse effects), Neglected Tropical Diseases, Nutrition,

²⁶ Executive Budget Summary, Function 150 and Other International Programs, Fiscal Year 2012, p. 86.

Maternal and Child Health, Higher Education, Clean Energy, and Basic Education. The Administration is emphasizing increased funding for two focus areas that were new in FY2012: Gender Funding (up by 330% over last year's request) and Science, Technology, and Innovation (up 85% over last year's request).

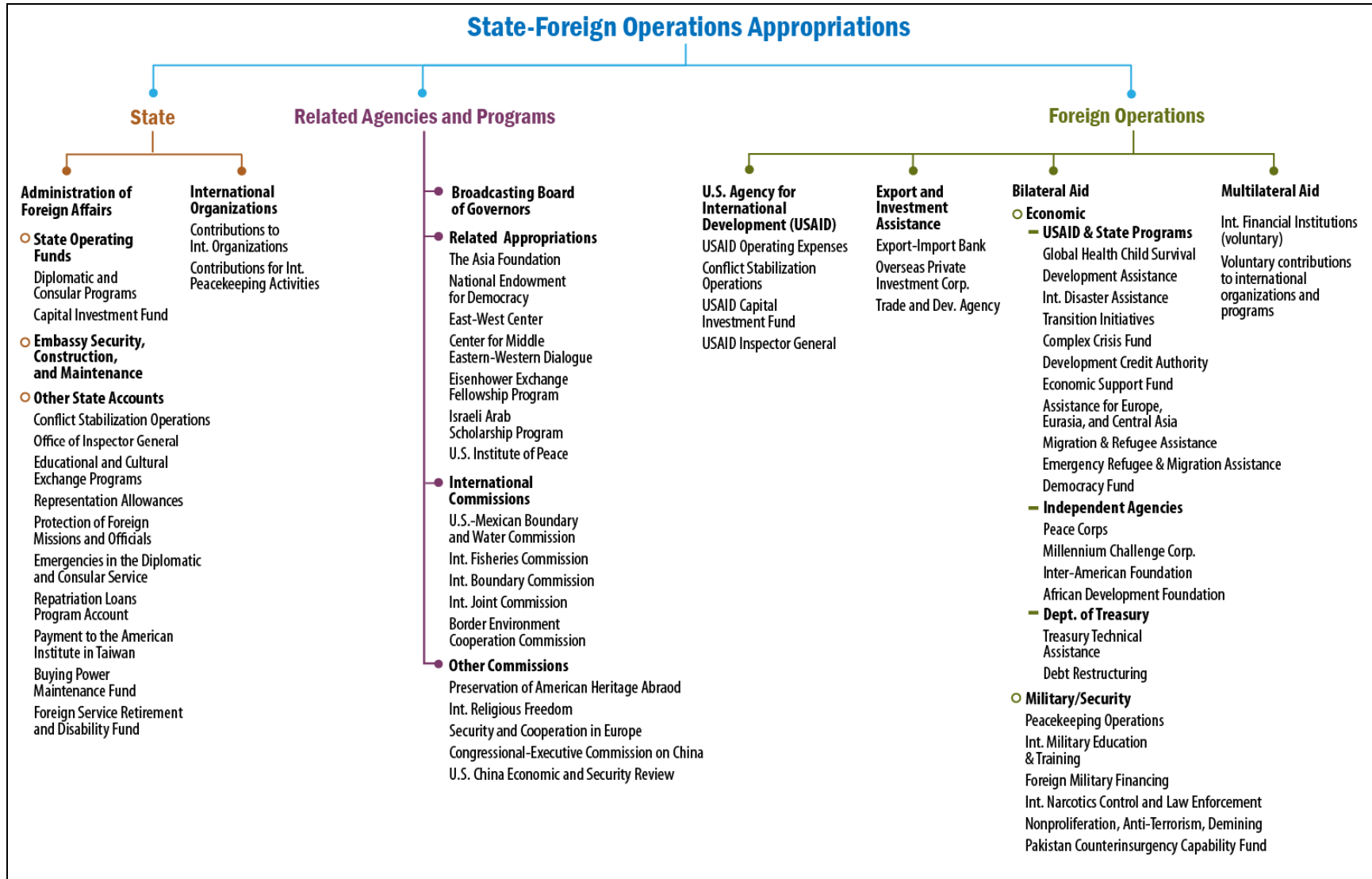
Table 6. Selected Sector Funding, FY2012 Request and FY2013 Request
(millions of current U.S. \$)

Sector	FY2012 req.	FY2013 req.	% Change
Avian/Pandemic Influenza	\$60	\$53	-12%
Basic Education	\$740	\$570	-23%
Biodiversity	\$79	\$100	+27%
Clean Energy	\$195	\$149	-24%
Family Planning/Reproductive Health	\$769	\$643	-16%
Food Security	\$1,100	\$1,091	-1%
Gender Funding	\$391	\$1,680	+330%
Global Climate Change Adaptation	\$215	\$190	-12%
Higher Education	\$233	\$175	-25%
HIV/AIDS	\$5,992	\$5,680	-5%
Malaria	\$691	\$619	-10%
Maternal and Child Health	\$1,191	\$847	-29%
Microenterprise and Microfinance	\$155	\$195	+26%
Neglected Tropical Diseases	\$163	\$104	-36%
Nutrition	\$226	\$156	-31%
Polio	\$40	\$37	-8%
Science, Tech. & Innovation	\$333	\$617	+85%
Sustainable Landscapes	\$241	\$131	-46%
Trade Capacity Building	\$216	\$201	-7%
Trafficking in Persons	\$37	\$38	+3%
Trans-Sahara Counter-Terrorism	\$53	\$44	-17%
Tuberculosis	\$254	\$232	-9%
Water	\$294	\$274	-7%

Source: U.S. Department of State Foreign Operations Congressional Budget Justification, FY2012 and FY2013, and CRS calculations.

Note: Totals for Water, Basic Education, Child & Maternal Health, and Food Security do not include related funding through the P.L. 480/Food for Peace program, which is funded through Agriculture appropriations.

Appendix A. Structure of State-Foreign Operations Appropriations



Source: The Congressional Research Service.

Appendix B. Abbreviations

Funding Accounts:

ACI	Andean Counterdrug Initiative
AEECA	Assistance for Europe, Eurasia, and Central Asia
CSH	Child Survival and Health
DA	Development Assistance
DF	Democracy Fund
ERMA	Emergency Refugee and Migration Assistance
ESF	Economic Support Fund
FMF	Foreign Military Financing
GHAI	Global HIV/AIDS Initiative
IDFA	International Disaster and Famine Assistance
IMET	International Military Education and Training
INCLE	International Narcotics Control and Law Enforcement
MCC	Millennium Challenge Corporation
MENA IF	Middle East North Africa Incentive Fund
MRA	Migration and Refugee Assistance
NADR	Non-proliferation, Anti-Terrorism, Demining, and Related Programs
PEPFAR	President's Emergency Plan For AIDS Relief
PKO	Peacekeeping Operations
PL 480	Food aid
PMI	President's Malaria Initiative
TI	Transition Initiatives
Other:	
DFA	Director of Foreign Assistance
AFR	Africa
EAP	East Asia and Pacific
EE	Europe and Eurasia
LAC	Latin America and Caribbean
NE	Near East
SCA	South and Central Asia
USAID	U.S. Agency for International Development

Appendix C. State Department, Foreign Operations and Related Agencies Appropriations

Table C-1. State Department, Foreign operations and Related Agencies Appropriations, FY2011-FY2013

(millions of current U.S. \$)

	FY2011 actual ^a	FY2012 estimate (P.L. 112-74)			FY2013 request			FY2013 House (H.R. 5857)			FY13 Senate (S. 3241)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
Title I. State Department Administration of Foreign Affairs, Subtotal	11,384.83	9,018.01	4,513.34	13,531.35	9,747.77	4,361.65	14,109.42	8,733.80	2,785.65	11,519.45	10,112.86	1,481.90	11,594.76
Diplomatic & Consular Program	8,717.07	6,529.13	4,389.06	10,918.19	7,068.62	4,311.75	11,380.37	6,276.05	2,707.73	8,983.78	7,437.47	1,426.00	8,863.47
Capital Investment Fund	59.38	59.38		59.38	83.30		83.30	59.38		59.38	90.00		90.00
Embassy Security, Construction & Maintenance	1,630.95	1,537.00	33.00	1,570.00	1,637.72		1,637.72	1,526.20	10.80	1,537.00	1,637.72		1,637.72
Conflict Stabilization Operations	35.20	21.82	8.50	30.32	56.50		56.50		8.50	8.50	0.00		0.00
Ed. & Cultural Exchanges	599.55	583.20	15.60	598.80	586.96		586.96	586.96		586.96	625.00		625.00
Office of Inspector General	104.79	61.90	67.18	129.08	65.62	49.90	115.52	60.15	58.62	118.77	67.00	55.90	122.90
Representation Allowances	7.84	7.30		7.30	7.48		7.48	7.30		7.30	7.30		7.30
Protection of Foreign Missions & Officials	27.94	27.00		27.00	28.20		28.20	27.00		27.00	35.00		35.00
Emergency-Diplomatic & Consular Services	19.35	9.30		9.30	9.50		9.50	9.30		9.30	9.50		9.50
Repatriation Loans	1.57	1.45		1.45	1.80		1.80	1.45		1.45	1.80		1.80
International Center	0.51	0.52		0.52	5.97		5.97				5.97		5.97
Payment American Institute Taiwan	21.78	21.11		21.11	37.20		37.20	21.11		21.11	37.20		37.20
Foreign Service Retirement (mandatory)	158.90	158.90		158.90	158.90		158.90	158.90		158.90	158.90		158.90
International Organizations, Subtotal	3,462.58	3,277.88	101.30	3,379.18	3,668.50	0.00	3,668.50	3,138.95	101.30	3,240.25	3,396.24	101.30	3,497.54

	FY2011 actual ^a	FY2012 estimate (P.L. 112-74)			FY2013 request			FY2013 House (H.R. 5857)			FY13 Senate (S. 3241)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
Contributions to Int'l Orgs	1,578.65	1,449.70	101.30	1,551.00	1,570.00		1,570.00	1,310.77	101.30	1,412.07	1,389.74	101.30	1,491.04
Contributions to International Peacekeeping	1,883.93	1,828.18		1,828.18	2,098.50		2,098.50	1,828.18		1,828.18	2,006.50		2,006.50
International Commissions	132.64	124.16	0.00	124.16	122.10	0.00	122.10	120.34	0.00	120.34	132.40	0.00	132.40
Int'l Boundary/U.S.-Mexico	69.66	76.17		76.17	77.10		77.10	76.18		76.18	78.20		78.20
American Sections	12.58	11.69		11.69	12.20		12.20	11.69		11.69	13.50		13.50
International Fisheries	50.40	36.30		36.30	32.80		32.80	32.47		32.47	40.70		40.70
International Broadcasting, Subtotal	738.76	747.13	4.40	751.53	720.15	0.00	720.15	747.13	0.00	747.13	733.05	0.00	733.05
Broadcasting Operations	732.31	740.10	4.40	744.50	711.56		711.56	740.10		740.10	724.20		724.20
Capital Improvements	6.45	7.03		7.03	8.59		8.59	7.03		7.03	8.85		8.85
Related Appropriations, Subtotal	198.00	183.77	8.40	192.17	169.22	0.00	169.22	177.18	0.00	177.18	309.55	0.00	309.55
Asia Foundation	17.86	17.00		17.00	15.40		15.40	15.40		15.40	17.00		17.00
U.S. Institute of Peace	39.40	30.59	8.40	38.99	37.40		37.40	37.40		37.40	38.23		38.23
Center for Middle East-West Dialogue-Trust & Program	1.30	0.84		0.84	0.80		0.80	0.80		0.80	0.80		0.80
Eisenhower Exchange Programs	0.30	0.50		0.50	0.45		0.45	0.45		0.45	0.45		0.45
Israeli Arab Scholarship Program	0.42	0.38		0.38	0.37		0.37	0.37		0.37	0.37		0.37
East-West Center	20.96	16.70		16.70	10.80		10.80	0.00		0.00	16.70		16.70
National Endowment for Democracy	117.76	117.76		117.76	104.00		104.00	122.76		122.76	236.00		236.00
Other Commissions	13.00	11.84	0.00	11.84	12.18	0.00	12.18	11.67	0.00	11.67	11.95	0.00	11.95
Preservation of America's Heritage	0.60	0.63		0.63	0.60		0.60	0.60		0.60	0.63		0.63
Int'l Religious Freedom	4.30	3.00		3.00	3.50		3.50	3.00		3.00	3.25		3.25
Security & Cooperation Europe	2.60	2.72		2.72	2.58		2.58	2.58		2.58	2.58		2.58
Cong.-Exec. on People's Republic of China	2.00	2.00		2.00	2.00		2.00	2.00		2.00	2.00		2.00

	FY2011 actual ^a	FY2012 estimate (P.L. 112-74)			FY2013 request			FY2013 House (H.R. 5857)			FY13 Senate (S. 3241)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
U.S.-China Economic and Security Review	3.50	3.49		3.49	3.50		3.50	3.49		3.49	3.49		3.49
State/Broadcasting/Related Agencies, TOTAL	15,929.81	13,362.79	4,627.44	17,990.23	14,439.92	4,361.65	18,801.57	12,929.07	2,886.95	15,816.02	14,696.05	1,583.20	16,279.25
Title II. U.S. Agency for International Development	1,528.44	1,268.50	259.50	1,528.00	1,448.45	84.00	1,532.45	1,195.91	258.41	1,454.32	1,472.10	109.80	1,581.90
USAID Operating Expenses	1,347.30	1,092.30	255.00	1,347.30	1,263.05	84.00	1,347.05	1,015.71	258.41	1,274.12	1,281.10	109.80	1,390.90
Conflict Stabilization Operations	4.99			—			—			—			—
USAID Capital Investment Fund	129.74	129.70		129.70	134.90		134.90	129.70		129.70	140.00		140.00
USAID Inspector General	46.41	46.50	4.50	51.00	50.50		50.50	50.50		50.50	51.00		51.00
Title III. Bilateral Economic Assistance, Subtotal	21,205.03	18,353.94	3,218.56	21,572.50	20,339.52	1,037.87	21,377.39	17,247.24	2,678.81	19,926.05	22,382.20	600.00	22,982.20
Global Health Programs (GHP), State + USAID	7,832.31	8,167.86		8,167.86	7,854.00		7,854.00	8,017.71		8,017.71	8,478.97		8,478.97
GHP (State Dept.)	[5,334.31]	[5,542.86]		[5,542.86]	[5,350.00]		[5,350.00]	[5,542.86]			[5550]		[5550]
GHP (USAID)	[2,498.00]	[2,625.00]		[2,625.00]	[2,504.00]		[2,504.00]	[2,474.85]			[2928.97]		[2928.97]
Development Assistance	2,519.95	2,519.95		2,519.95	2,525.50		2,525.50	2,519.95		2,519.95	3,050.00		3,050.00
International Disaster & Famine Assistance	863.27	825.00	150.00	975.00	960.00		960.00	772.60	150.00	922.60	1,250.00		1,250.00
Transition Initiatives	54.89	50.14	6.55	56.69	57.60		57.60	50.14	6.55	56.69	59.00		59.00
Complex Crises Fund	39.92	10.00	30.00	40.00	50.00		50.00	—		—	50.00		50.00
Development Credit Authority –Admin	8.28	8.30		8.30	8.20		8.20	8.20		8.20	8.20		8.20
Development Credit Authority Subsidy	[30.00]	[40.0]		[40.00]	[40.0]		[40.00]	[40.0]			[40.0]		—
Economic Support Fund	5,931.71	2,994.75	2,801.46	5,796.21	4,848.57	1,037.87	5,886.44	2,916.72	2,293.26	5,209.98	4,524.33	600.00	5,124.33
Assistance for Europe; Eurasia & Central Asia (AEECA) ^b	695.74	626.72		626.72									
Middle East and North Africa Incentive Fund					770.00		770.00				1,000.00		1,000.00

	FY2011 actual ^a	FY2012 estimate (P.L. 112-74)			FY2013 request			FY2013 House (H.R. 5857)			FY13 Senate (S. 3241)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
Democracy Fund	114.77	114.77		114.77				119.77		119.77	230.00		230.00
Migration & Refugee Assistance	1,694.60	1,646.10	229.00	1,875.10	1,625.40		1,625.40	1,454.40	229.00	1,683.40	2,300.00		2,300.00
Emergency Refugee and Migration	49.90	27.20		27.20	50.00		50.00	47.00		47.00	50.00		50.00
<i>Independent Agencies</i>													
Inter-American Foundation	22.45	22.50		22.50	18.10		18.10	18.10		18.10	23.50		23.50
African Development Foundation	29.44	30.00		30.00	24.00		24.00	24.00		24.00	31.00		31.00
Peace Corps	374.25	375.00		375.00	374.50		374.50	375.00		375.00	400.00		400.00
Millennium Challenge Corporation	898.20	898.20		898.20	898.20		898.20	898.20		898.20	898.20		898.20
<i>Department of Treasury</i>				—			—			—			—
Treasury Department Technical Assistance	25.45	25.45	1.55	27.00	25.45		25.45	25.45		25.45	29.00		29.00
Debt Restructuring	49.90	12.00		12.00	250.00		250.00	—		—			—
Title IV. Military/Security Assistance, Subtotal	8,413.96	7,269.82	3,097.27	10,367.09	7,941.23	2,761.00	10,702.23	7,308.85	2,474.35	9,783.20	8,599.23	—	8,599.23
International Narcotics Control & Law Enforcement	1,593.81	1,061.10	943.61	2,004.71	1,456.50	1,050.00	2,506.50	1,061.10	1,297.00	2,358.10	1,484.62		1,484.62
Nonproliferation, Anti-Terrorism, Demining	738.52	590.11	120.66	710.77	635.67		635.67	590.11	75.35	665.46	695.67		695.67
International Military Education & Training	105.79	105.79		105.79	102.64		102.64	102.64		102.64	103.02		103.02
Foreign Military Financing	5,374.23	5,210.00	1,102.00	6,312.00	5,472.32	911.00	6,383.32	5,210.00	1,102.00	6,312.00	5,849.82		5,849.82
Peacekeeping Operations	304.39	302.82	81.00	383.82	249.10		249.10	345.00		345.00	391.10		391.10
Pakistan Counterinsurgency Capability Fund (PCCF)	297.22		800.00	800.00		800.00	800.00			—	50.00		50.00
Global Security Fund		—	50.00	50.00	25.00		25.00	—		—	25.00		25.00
Title V. Multilateral Assistance, Subtotal	2,299.47	2,971.10		2,971.10	2,952.65		2,952.65	2,237.54	—	2,237.54	3,345.95	—	3,345.95
World Bank: Global Environment Facility	89.82	89.82		89.82	129.40		129.40	64.70		64.70	139.40		139.40

	FY2011 actual ^a	FY2012 estimate (P.L. 112-74)			FY2013 request			FY2013 House (H.R. 5857)			FY13 Senate (S. 3241)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
International Clean Technology Fund	184.63	184.63		184.63	185.00		185.00	—		—	300.00		300.00
Strategic Climate Fund	49.90	49.90		49.90	50.00		50.00	—		—	100.00		100.00
World Bank: Int'l. Development Association	1,232.53	1,325.00		1,325.00	1,358.50		1,358.50	1,325.00		1,325.00	1,358.50		1,358.50
Int. Bank Recon & Dev		117.36		117.36	186.96		186.96	58.68		58.68	186.96		186.96
Inter-Amer. Dev. Bank - capital		75.00		75.00	102.02		102.02	51.01		51.01	113.50		113.50
IADB: Enterprise for Americas MIF	24.95	25.00		25.00	—		—	—		—	25.73		25.73
IADB: Inter-American Investment Corporation	20.96	4.67		4.67			—	—		—			—
Asian Development Fund		100.00		100.00	115.25		115.25	100.00		100.00	115.25		115.25
Asian Development Bank - capital	106.37	106.59		106.59	106.80		106.80	53.29		53.29	106.80		106.80
African Development Fund	109.78	172.50		172.50	195.00		195.00	172.50		172.50	195.00		195.00
African Development Bank - capital		32.42		32.42	32.42		32.42	16.21		16.21	32.42		32.42
International Fund for Agricultural Development	29.44	30.00		30.00	30.00		30.00	19.85		19.85	32.24		32.24
Global Food Security Fund	99.80	135.00		135.00	134.00		134.00	99.80		99.80	200.00		200.00
International Organizations & Programs	351.29	348.71		348.71	327.30		327.30	276.50		276.50	375.00		375.00
Multilateral Debt Relief ^c		174.50		174.50	—		—	—		—	65.15		65.15
Title VI. Export Aid, Subtotal	(149.40)	(413.01)		(413.01)	(493.62)		(493.62)	(522.01)	—	(522.01)	(493.62)	—	(493.62)
Export-Import Bank (net) ^d	2.58	(266.00)		(266.00)	(359.10)		(359.10)	(368.10)		(368.10)	(359.10)		(359.10)
Overseas Private Investment Corporation (net) ^d	(201.88)	(197.01)		(197.01)	(192.12)		(192.12)	(203.91)		(203.91)	(192.12)		(192.12)
Trade & Development Agency	49.90	50.00		50.00	57.60		57.60	50.00		50.00	57.60		57.60
Foreign Ops TOTAL	33,297.50	29,450.35	6,575.33	36,025.68	32,188.23	3,882.87	36,071.10	27,467.53	5,411.57	32,879.10	35,305.86	709.80	36,015.66
State-Broadcasting-Related, TOTAL	15,929.81	13,362.79	4,627.44	17,990.23	14,439.92	4,361.65	18,801.57	12,929.07	2,886.95	15,816.02	14,696.05	1,583.20	16,279.25

	FY2011 actual ^a	FY2012 estimate (P.L. 112-74)			FY2013 request			FY2013 House (H.R. 5857)			FY13 Senate (S. 3241)		
	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total	Core	OCO	Total
State-Foreign Operations, TOTAL	49,227.31	42,813.14	11,202.77	54,015.91	46,628.15	8,244.52	54,872.67	40,396.60	8,298.52	48,695.12	50,001.91	2,293.00	52,294.91
Title VII. General Provisions (Rescissions)	(505.88)	(513.70)	—	(513.70)	—	—	—	(105.70)	(54.00)	(159.70)	—	—	—
State-Foreign Ops Total, Net of Rescissions	48,721.43	42,299.44	11,202.77	53,502.21	46,628.15	8,244.52	54,872.67	40,290.90	8,244.52	48,535.42	50,001.91	2,293.00	52,294.91
Title VIII. Overseas Contingency Operations	While listed in a separate title in FY2013 legislation, OCO-designated funding has been listed here in the OCO columns above, in the appropriate account lines, to allow for easier year-to-year and bill-to-bill comparison of account totals.												

Source: FY2011, FY2012, and FY2013 request data are from the FY13 CBJ; FY13 House data are from H.Rept. 112-494; Senate data are from S.Rept. 112-172.

Notes: Shaded columns indicate fiscal year totals. Figures in brackets are subsumed in the larger account above and are not counted against the total. Figures in parentheses are negative numbers.

- a. FY2011 figures reflect a 0.2% across-the-board rescission included in P.L. 112-10.
- b. Although no funding was requested through the AEECA account for FY2013, funding for many programs and activities currently supported by this account was requested in the ESF, GHP and INCLE accounts.
- c. Includes MDRI funds both for the World Bank IDA and the African Development Bank.
- d. Figures are net of offsetting receipts.

Appendix D. International Affairs (150) Budget Account

Table D-1. International Affairs (150) Budget Account, FY2011-FY2013

(in millions of current dollars)

	FY2011 Actual^a	FY2012 Estimate	FY2013 Request	FY2013 House	FY2013 Senate
State-Foreign Operations, excluding commissions^b	48,575.79	53,366.21	54,738.39	48,403.41	52,150.56
Commerce-Justice-Science					
Foreign Claim Settlement Commission	2.16	2.00	2.14	2.00	2.14
Int'l Trade Commission	81.70	80.00	82.8.0	83.00	82.8.0
Agriculture					
P.L. 480 and McGovern-Dole	1,696.10	1,650.00	1,584.00	1,330.00	1,650.00
Total International Affairs (150)	50,355.75	55,098.21	56,407.33	49,818.41	53,885.50

Source: FY2013 International Affairs Congressional Budget Justification; H.Rept. 112-494; S.Rept. 112-172; H.Rept. 112-463; S.Rept. 112-158; S.Rept. 112-163; CRS calculations.

- a. Funding levels in this column reflect the 0.2% rescission across all non-defense accounts for FY 2011 funds
- b. While funding for certain international commissions are appropriated in State-Foreign Operations bill, they are not part of the International Affairs Function 150 Account. The State-Foreign Operations totals reflect rescissions.

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