

Fiscal Year 1998 Security Assistance Funding Allocations

By

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On 5 February 1998, the Department of State notified the Senate and the House of Representatives of the allocation of funds which the Executive Branch intends to make available for security assistance programs in Fiscal Year 1998. The funding allocations are based on the funding levels established in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (P.L. 1205-118, dated 26 November 1998). DISAM's analysis of this legislation appeared in the Winter 1997-1998 issue of *The DISAM Journal* (pp. 1-43) prior to the announcement of the FY1998 funding allocations; the funding tables presented herein, covering FMFP, IMET, ESF, and PKO, update the previous article.

Table 1

**SECURITY ASSISTANCE PROGRAM APPROPRIATIONS
 FISCAL YEARS 1997 AND 1998 FUNDING LEVELS
 (Dollars In Millions)**

	P.L. 104-208 30 Sep 96 FY1997 Funding	FY1998 Budget Request 12 Feb 1997	S.955 Senate Proposal 17 Jul 97	H.R. 2159 House Proposal 4 Sep 1997	P.L. 105-118 26 Nov 97 FY1998 Funding
FMFP	\$3,764.000	3,973.750	\$4,068.450	\$3,916.250	\$3,953.550
[Grants]	[3,224.000]	[3,274.250]	[3,308.950]	[3,259.250]	[3,296.550]
[Loans]	[540.000]	[699.500][2]	[759.500]	[657.000]	[657.000] [1]
(Subsidy)	(60.000)	(66.000)	(74.000)	(60.000)	(60.000)
IMET	43.475	50.000	47.000	50.000	50.000
ESF	2,362.500	2,497.600	2,541.150	2,400.000	2,400.000
PKO	65.000	90.000	75.000	77.500	77.500
TOTALS	\$6,234.975	\$6,611.350	\$6,731.600	\$6,443.750	\$6,481.050

[1] The FY 1998 FMFP loan program provided \$60M in loan subsidy funding designed to support a maximum of \$657M in direct loans issued at current average treasury rates of interest. Congress placed ceilings for these loans at no more than \$150M for Turkey, and no more than \$105M for Greece. However, the Administration chose to provide grant funds rather than loans to the two countries. These grants were drawn from the FMFP loan subsidy (\$60M), with Turkey receiving \$20.8M and Greece, \$14.42M. See Table 2, Notes 3 and 4, for further information on the FY1998 FMFP loan account.

Table 2

PART I - FOREIGN MILITARY FINANCING PROGRAM GRANT FUNDING
(Dollars in Millions) (E - Earmark; C - Ceiling)

<u>Country/Program by Geographical Region</u>	<u>FY1997 FMFP Grant Funding</u>	<u>FY1998 Budget Request</u>	<u>FY1998 FMFP Grant Funding</u>
<u>NEAR EAST</u>			
Egypt	\$1,300.000 [E]	\$1,300.000	\$1,300.000 [E]
Israel	1,800.000 [E]	1,800.000	1,800.000 [E]
Jordan	30.000	45.000	50.000 [E] [1]
Subtotals	3,130.000	3,145.000	3,150.000
<u>EUROPE & THE NIS</u>			
Partnership for Peace (PFP)	60.000 [E][2]	70.000	94.350
Greece	0	0	14.420 [3]
Turkey	0	0	20.580 [3]
FYROM	(0.148)	0	2.900 [4]
Baltic Battalion	0	0	2.100 [4]
Subtotals	60.000	70.000	134.350
<u>LATIN AMERICA</u>			
Caribbean Regional	2.000	3.000	3.000
Subtotals	2.000	3.000	3.000
<u>AFRICA</u>			
Africa Crisis Response Force	3.000	5.000	10.000
East Africa Regional (Sudan "Front Line States")	4.750	5.000	5.000
Subtotals	7.750	10.000	15.000
<u>EAST ASIA & PACIFIC</u>			
Cambodia	1.000	1.000	0
Subtotals	1.000	1.000	0

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Table 2, Continued

PART I - FOREIGN MILITARY FINANCING PROGRAM GRANT FUNDING
(Dollars in Millions) (E - Earmark; C - Ceiling)

Country/Program by Geographical Region	FY1997 FMFP Grant Funding	FY1998 Budget Request	FY1998 FMFP Grant Funding
<u>MISCELLANEOUS</u>			
Landmine Clearing & Training	(7.000) [5]	15.000	(15.000) [6]
Defense Admin Expenses	23.250 [C]	23.250	23.250 (C)
Defense Admin Expenses (ICASS)	(0)	(0)	(6.490) [7]
Enhanced International PKO Reserve	0	7.000	7.000
	0	0	3.950
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Subtotals	23.250	45.250	34.200
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<u>TOTAL GRANT PROGRAM</u>	<u>\$3,224.000</u>	<u>\$3,274.250</u>	<u>\$3,336.55</u>

PART II - FOREIGN MILITARY FINANCING PROGRAM LOAN FUNDING
(Dollars in Millions)

Country/Program by Geographical Region	FY1997 FMFP Loan Funding	FY1998 Budget Request	FY1998 FMFP Loan Funding
<u>EUROPE & THE NIS/FSU</u>			
Turkey [Loan]	\$175.000 [C]	175.000	0 [3]
Greece [Loan]	122.500 [C]	122.500	0 [3]
Central Europe Defense Loans	242.500	402.000	200.000 [4]
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<u>TOTAL LOAN PROGRAM</u>	<u>\$540.000</u>	<u>\$699.500</u>	<u>\$200.000</u>
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<u>TOTAL GRANT PROGRAM</u>	<u>\$3,224.000</u>	<u>\$3,274.250</u>	<u>\$3,336.550</u>
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<u>PROGRAM TOTALS [8]</u>	<u>\$3,764.000</u>	<u>\$3,973.750</u>	<u>\$3,536.550</u>

[1] For FY1998, Congress authorized Jordan be provided a direct grant drawdown of DoD defense articles, services, and military education and training valued at not less than \$25M. The value of this drawdown is to be added to \$50M of appropriated grant FMFP funds, thereby representing an overall \$75M program earmarked for Jordan.

[2] In addition to the \$60M in FY1997 FMFP grant funding for the PFP, another \$6.9M (not included above) was transferred to the FMFP account from two economic assistance accounts: *Assistance for Eastern Europe and the Baltic States* and *Assistance for the New Independent States (NIS) of the Former Soviet Union (FSU)*.

[3] In lieu of FMFP loans for Greece and Turkey as originally planned for FY1998, the Administration drew \$35M from the \$60M FY1998 FMFP loan subsidy and allocated it to the two countries in the form of FMFP grants in accordance with the Congressionally-stipulated 7-10 ratio.

[4] The total \$5M grant funding for FY1998 for the FYROM (Former Yugoslav Republic of Macedonia) and the Baltic Battalion was drawn from the \$60M FY1998 loan subsidy. Together with the \$35M of the subsidy used for Greece and Turkey, the remaining \$20M of the subsidy supports the \$200M FMFP loan program for Central Europe.

[5] \$7M in landmine clearing and training funding was appropriated for FY1997 in a new appropriations account, *Nonproliferation, Anti-Terrorism, Demining, and Related Programs (NADR)*. These funds were designated for use in demining operations under the FMFP authority provided by §23, AECA.

[6] \$15M in demining funding was included in the Administration's FY1998 budget request. These funds were again appropriated in the separate FY1998 NADR account.

[7] An additional \$6.49M will be available to finance ICASS (International Cooperative Administrative Support Services) in FY1998; these funds were provided in the Commerce, Justice, State, and Justice Appropriations Act, 1998, P.L. 105-119, 26 November 1997.

[8] These program totals reflect the sum of all direct *grant* appropriations plus the actual value of the *loan* program. Funds to be transferred from other accounts as shown within parentheses (e.g., Landmine clearing and ICASS funding) are not included in the program totals.

Table 3

International Military Education and Training (IMET)

**FY 1997 and FY1998 Funding
(Dollars in Thousands)**

<u>Country/Program by Geographical Region</u>	<u>FY1997 IMET Allocations</u>	<u>FY1998 Funding Request</u>	<u>FY1998 Allocated Funding</u>
<u>AFRICA</u>			
Angola	174	200	200
Benin	350	350	350
Botswana	391	500	500
Cameroon	104	125	125
Cape Verde	208	100	100
Central African Republic	158	150	150
Chad	27	50	100
Comoros	76	75	75
Congo (Brazzaville)	147	175	0
Cote d'Ivoire	170	150	150
Djibouti	94	100	100
Eritrea	413	400	425
Ethiopia	313	450	475
Ghana	243	285	340
Guinea	55	150	150
Guinea-Bissau	119	125	125
Kenya	304	400	400
Lesotho	76	75	75
Madagascar	113	100	100
Malawi	228	225	275
Mali	152	175	275
Mauritius	22	50	50
Mozambique	204	175	175
Namibia	188	200	200
Rwanda	359	300	300
Sao Tome & Principe	72	75	75
Senegal	697	675	735
Seychelles	50	75	75
Sierra Leone	3	115	0
South Africa	656	800	800
Swaziland	85	75	75
Tanzania	5	225	225
Togo	25	40	40
Uganda	342	350	400
Zambia	172	150	150
Zimbabwe	298	350	350
Regional Totals	7,093	8,015	8,140

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IMET, Table 3, Continued

<u>Country/Program by Geographical Region</u>	<u>FY1997 IMET Allocations</u>	<u>FY1998 Funding Request</u>	<u>FY1998 Allocated Funding</u>
<u>EAST ASIA AND PACIFIC</u>			
Cambodia	463	600	0
Indonesia	105	800	400
Malaysia	631	700	700
Mongolia	365	325	425
Papua New Guinea	111	200	200
Philippines	1,295	1,350	1,350
Solomon Islands	146	150	150
Thailand	1,600	1,600	1,900
Tonga	105	100	100
Vanuatu	99	100	100
Western Samoa	95	100	100
Regional Totals	5,015	6,025	5,425
<u>EUROPE & THE NIS</u>			
Albania	666	600	600
Belarus	273	300	100
Bosnia and Herzegovina	500	600	600
Bulgaria	903	900	950
Croatia	427	425	425
Czech Republic	737	1,300	1,350
Estonia	572	650	650
Georgia	312	375	375
Greece	28	25	25
Hungary	1,014	1,500	1,500
Kazakhstan	389	550	550
Kyrgyzstan	257	325	325
Latvia	535	650	650
Lithuania	523	650	650
Malta	104	100	100
Moldova	268	350	450
Poland	1,000	1,500	1,600
Portugal	551	800	800
Romania	922	900	1,025
Russia	842	850	900
Slovakia	621	600	600
Slovenia	400	600	650
The FYRO Macedonia	319	400	450
Turkey	1,454	1,500	1,500

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IMET, Table 3, Continued

<u>Country/Program by Geographical Region</u>	<u>FY1997 IMET Allocations</u>	<u>FY1998 Funding Request</u>	<u>FY1998 Allocated Funding</u>
<u>EUROPE, Cont'd</u>			
Turkmenistan	262	300	300
Ukraine	1,015	1,200	1,250
Uzbekistan	286	350	400
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Regional Totals	15,180	18,300	18,775
<u>LATIN AMERICA & CARIBBEAN</u>			
Argentina	603	600	600
Bahamas	107	100	100
Belize	208	250	250
Bolivia	509	550	550
Brazil	222	225	225
Chile	395	450	450
Colombia	0	900	900
Costa Rica	200	200	200
Dominican Republic	622	500	500
Eastern Caribbean	420	450	450
Ecuador	425	500	500
El Salvador	455	500	500
Guatemala	205	225	225
Guyana	178	175	175
Haiti	275	300	300
Honduras	425	500	500
Jamaica	487	500	500
Mexico	1,008	1,000	1,000
Nicaragua	57	200	200
Panama Canal Area			
Military School (PACAMS)	520	550	550
Paraguay	284	200	200
Peru	483	450	450
Suriname	149	100	100
Trinidad & Tobago	95	125	125
Uruguay	332	300	300
Venezuela	388	400	400
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Regional Totals	9,052	10,250	10,250

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IMET, Table 3, Continued

<u>Country/Program by Geographical Region</u>	<u>FY1997 IMET Allocations</u>	<u>FY1998 Funding Request</u>	<u>FY1998 Allocated Funding</u>
<u>NEAR EAST</u>			
Algeria	61	75	125
Bahrain	149	175	250
Egypt	1,000	1,050	1,000
Jordan	1,655	1,700	1,600
Lebanon	547	600	550
Morocco	812	900	900
Oman	117	200	225
Tunisia	837	900	900
Yemen	52	75	125
Regional Totals	5,230	5,675	5,675
<u>SOUTH ASIA</u>			
Bangladesh	342	375	375
India	404	475	475
Maldives, Republic of	85	100	100
Nepal	196	225	225
Sri Lanka	200	225	225
Regional Totals	1,227	1,400	1,400
<u>NON-REGIONAL</u>			
Defense Administrative Costs	678	335	335
Non-Regional Totals	678	335	335
<u>PROGRAM TOTALS</u>	<u>\$43,475</u>	<u>\$50,000</u>	<u>\$50,000</u>

Table 4
Economic Support Fund (ESF)
FY 1997 and FY1998 Funding
(Dollars in Thousands) (E=Earmark) (C = Ceiling)

<u>Country/Program by Geographical Region</u>	<u>Actual FY1997 Funding</u>	<u>FY1998 Budget Request</u>	<u>FY1998 Allocated Funding</u>
<u>MIDDLE EAST</u>			
Egypt	804,223 E	815,000	815,000 E
Israel	1,200,000 E	1,200,000	1,200,000 E
Jordan	122,977	25,000	140,000 E
Lebanon	12,000	12,000	12,000
Middle East Democracy	750	5,000	5,000
Middle East Development Bank	1,000	52,500	0
Middle East Peace Process			
Multilaterals	3,250	5,000	5,000
Middle East Regional	7,000	7,000	7,000
Northern Iraq Peace Monitor Force	1,500	0	0
West Bank-Gaza [ME Peace & Stability]	75,000 [100,000]	75,000	85,000 [115,670]
Regional Totals	2,127,700	2,196,500	2,153,330
<u>EUROPE and the NIS</u>			
Cyprus	15,000 E	15,000	15,000 E
Ireland Fund	19,600 E	19,600	19,600 E
Turkey	22,000	50,000	0 C
Regional Totals	56,600	84,600	34,600
<u>SUB-SAHARAN AFRICA</u>			
Africa Regional Fund	\$4,500	\$15,000	15,000
Angola	5,500	10,000	10,000
Regional Totals	10,000	25,000	25,000
<u>SOUTH ASIA</u>			
South Asia Democracy	0	3,000	3,000
Regional Totals	0	3,000	3,000

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ESF, Table 4, Continued

<u>Country/Program by Geographical Region</u>	<u>Actual FY1997 Funding</u>	<u>FY1998 Budget Request</u>	<u>FY1998 Allocated Funding</u>
<u>LATIN AMERICA & CARIBBEAN</u>			
AOJ/ICITAP [1]	7,500	10,000	10,000
Guatemala	20,000	0	25,000
Haiti	56,888	70,000	70,000
Latin America Regional	17,812	22,700	11,000
Peru/Ecuador Peace	0	5,000	0
Regional Totals	102,200	116,000	116,000
<u>EAST ASIA AND PACIFIC</u>			
Asia Regional Fund	4,800	6,250	9,000
Cambodia	35,000	37,000	20,000
East Asia Reg. Security	0	250	0
Mongolia	7,000	7,000	12,000
So. Pacific Fisheries Treaty	14,000	14,000	14,000
Regional Totals	60,800	64,500	55,000
<u>NON-REGIONAL</u>			
Human Rights and Democracy	1,300	8,000	10,000
Reserve	0	000	22,995
Non-Regional Totals	1,300	8,000	32,995
<u>PROGRAM TOTALS</u>	<u>\$2,358,600 [2]</u>	<u>\$2,497,600</u>	<u>\$2,419,925</u>

[1] AOJ/ICITAP - Administration of Justice/International Criminal Investigation Training Assistance Program of the U.S. Department of Justice.

[2] Total includes \$19.6M for the Ireland Fund that for FY1997 and FY1998 was appropriated in separate accounts rather than directly in the IMET account. This account represents the U.S. contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 [P.L. 99-415].

Table 5

Peacekeeping Operations (PKO) (Voluntary)

**FY 1997 and FY1998 Funding
(Dollars in Thousands)**

<u>Program</u>	<u>FY1997 PKO Allocations</u>	<u>FY1998 Budget Request</u>	<u>FY1998 PKO Allocations</u>
Africa Regional	\$2,000	\$10,000	\$7,130
African Crisis Response Initiative	10,500	15,000	10,000
ARA Regional [1]	000	4,000	0
Albania	1,500	0	0
Erurope Regional	0	14,000	0
Europe Regional/OSCE [2]	18,400	11,000	25,000
Haiti	15,728	15,000	15,500
Israel-Lebanon Monitoring Group	738	2,000	870
MFO – Sinai [3]	15,434	16,000	15,500
Northern Iraq Peace Monitor Force	1,500	0	0
Organization of African Unity	3,000	3,000	2,000
UN Rapidly Deployable Mission HQ	200	0	0
UN Transitory Authority in E. Slavonia	0	0	1,500
<u>PROGRAM TOTALS</u>	<u>\$69,000</u>	<u>\$90,000</u>	<u>\$77,500</u>

[1] ARA Regional - Latin America and Caribbean Regional

[2] OSCE - Organization for Security and Cooperation in Europe

[3] MFO – Multinational Force and Observers in the Sinai