

International Affairs Budget Update

June 23, 2022

1. House State-Foreign Operations Bill Boost Funding by 15%

As part of a two-week sprint to complete committee action on all twelve FY23 appropriations bills, yesterday the House State-Foreign Operations (SFOPS) Appropriations Subcommittee approved its FY23 SFOPS bill by voice vote.

In total, the bill provides \$64.6 billion for America's diplomatic and development agencies and programs – a 15% (\$8.5 billion) increase compared to the FY22 non-emergency enacted level but 1.8% (\$1.2 billion) below the Administration's FY23 request. For the second year in a row, and consistent with the Administration's request, the bill provides all funding through the base budget.

FY22 Enacted*	FY23 Request	FY23 House
\$56.1 billion	\$65.8 billion	\$64.6 billion

State-Foreign Operations Budget Snapshot

*Excludes \$29.3 billion in primarily Ukraine and Afghanistan-related emergency funding

USGLC released a <u>statement</u> applauding the proposal as a step in the right direction to advance American interests at a time when global threats are spiraling. As the FY23 appropriations process moves forward, USGLC urges Congress to use this funding level as the floor in negotiations.

Select Highlights

We will share additional details when the House Appropriations Committee releases its report accompanying the SFOPS bill ahead of next week's full committee markup. In the interim, the bill text and <u>committee summary</u> provide important insights on funding priorities.

Unless otherwise noted, all comparisons are to FY22 non-emergency enacted levels.

- Development and Economic Assistance: The House bill increases funding across all development and economic assistance accounts, with a 70% (\$350 million) increase for Assistance to Europe, Eurasia, and Central Asia (AEECA), 15% (\$629 million) increase for Development Assistance (DA), and 5% (\$20 million) boost for the Peace Corps, as well as smaller increases for the Economic Support Fund (ESF), the Millennium Challenge Corporation, and the Democracy Fund.
- Global Health: The bill increases overall funding for Global Health Programs by 12% (\$1.15 billion). Consistent with the Administration's FY23 request, this includes a 43% (\$300 million) boost for Global Health Security to help prevent future pandemics, as well as a 28% (\$440 million) increase for the Global Fund as the U.S. prepares to host the Seventh Replenishment Conference.
- Humanitarian Assistance: The House bill provides \$8.1 billion for humanitarian assistance, a 19% (\$1.28 billion) increase compared to the FY22 enacted level, but \$616 million below the Administration's FY23 request.
- Peacekeeping: The House increases funding for UN Peacekeeping by 20% (\$299 million) to \$1.8 billion, while providing a 1% (\$6 million) boost for non-UN peacekeeping programs.
- UN and Other International Organizations: Consistent with the Administration's FY23 request, the House bill holds funding for U.S. assessed contributions to the UN and other international organizations essentially flat. However, it boosts funding for the International Organization and Programs (IO&P) account, which covers voluntary contributions, by 40% (\$169 million) – \$135 million above the Administration's request.
- Climate Change and the Environment: The House bill provides over \$3.6 billion to address climate change and other environmental programs, including – as requested by the Administration – \$1.6 billion for the Green Climate Fund (GCF).
- U.S. International Development Finance Corporation (DFC): The House bill provides \$818 million for the DFC, including \$813 million for administrative and program costs, and \$5 million for the Inspector General. This marks a 17% (\$117 million) increase compared to the FY22 enacted level but is \$187 million below the Administration's FY23 request.

 International Financial Institutions (IFIs): In line with the Administration's request, funding for U.S. contributions to the World Bank and other IFIs sees a 109% (\$2.1 billion) increase – with most of this growth focused on the GCF.

2. House Appropriations Committee Approves FY23 Agriculture Bill

This week, the House Appropriations Committee approved its FY23 Agriculture Appropriations bill, which funds two international food assistance programs. The bill passed on a party-line vote of 31-26 following approval at the subcommittee level last week.

As the world faces a spiraling global food crisis, the bill increases funding to combat hunger and malnutrition around the world. Specifically, it provides:

- **\$1.8 billion for Food for Peace**, a 3% (\$60 million) increase compared to the FY22 enacted level.
- \$265 million for the McGovern-Dole International Food for Education and Child Nutrition Program, an increase of 12% (\$28 million) compared to the FY22 enacted level.

	FY22 Enacted	FY23 Request	FY23 House
Food for Peace/PL 480 Title II	\$1.74 billion	\$1.74 billion	\$1.8 billion
McGovern-Dole	\$237 million	\$230 million	\$265 million
Total	\$1.98 billion	\$1.97 billion	\$2.07 billion

Agriculture Appropriations International Programs Snapshot

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