MILITARY ASSISTANCE

International Military Education and Training
Foreign Military Financing
Peacekeeping Operations

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International Military Education and Training

($ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
IMET	79,480	91,159	89,730

The International Military Education and Training (IMET) program is an instrument of U.S. national security and foreign policy and a key component of U.S. security assistance that provides training on a grant basis to students from allied and friendly nations. In addition to improving defense capabilities, IMET facilitates the development of important professional and personal relationships which have proven to provide U.S. access and influence in a critical sector of society that often plays a pivotal role in supporting, or transitioning to, democratic governments.

The objectives of the IMET program are to:

- Further the goal of regional stability through effective, mutually beneficial military-to-military relations that culminate in increased understanding and defense cooperation between the U.S. and foreign countries.

- Provide training that augments the capabilities of participant nations' military forces to support combined operations and interoperability with U.S. forces.

- Expose foreign military and civilian personnel to the important roles democratic values and internationally recognized human rights can play in governance and military operations.

Training provided under the IMET program is professional and non-political, exposing foreign students to U.S. professional military organizations and procedures and the manner in which military organizations function under civilian control. IMET's mandatory English language proficiency requirement establishes an essential baseline of communication skills necessary for students to attend courses. The IMET program also exposes students to military justice systems and procedures and promotes the development of strong civil-military relations by showing key military and civilian leaders how to overcome barriers that can exist between armed forces, civilian officials and legislators. In addition, IMET has a positive effect on participants and recipient countries beyond actual training. Exposure to American values, quality instruction and the professionalism of the U.S. military play an important role in the IMET program. Finally, military cooperation is strengthened as foreign militaries improve their knowledge of U.S. military doctrine, strategic planning processes and operational procedures. This cooperation leads to opportunities for military-to-military interaction, information sharing, joint planning and combined force exercises that facilitate interoperability with U.S. forces.

The IMET program supports regional stability and promotes democracy in the following ways:

- In Africa, enhancing military relationships and educating future leaders are vital elements of our overall strategy to help build and sustain African institutions on the path to development. IMET programs in the region promote democratization and increase African will to provide support in the war on terrorism, engage in peacekeeping operations and perform civic action.

- IMET in the Asia-Pacific region contributes to overall regional stability, strengthens military-to-military ties and exposes civilian and military participants to our doctrine, military capabilities and democratic way of life. IMET objectives for the region are to encourage effective, positive defense relationships, support the development of more professional militaries, contribute to improved civil-

military relations, enhance regional stability and promote human rights. Malaysia, the Philippines and Thailand, the three largest IMET recipients in the region, are all key partners in the war on terrorism.

- In Europe and Eurasia, IMET is a key tool for promoting U.S. regional strategy, emphasizing activities such as English language training, military professionalism, force interoperability and preparation of peacekeeping units for operation in the global arena. The benefits of IMET training with countries working closely in the war on terrorism already have been evident, reflected in smooth collaboration with a growing number of countries. IMET training, particularly in areas that emphasize rule of law and civil-military relations, is particularly important for countries with which we seek to expand our cooperation, such as Kazakhstan, Uzbekistan, the Kyrgyz Republic, Tajikistan and Turkmenistan, where advancing reform in the area of human rights is a key U.S. objective.

- In the Near East region, increased levels of funding reflect the requirements of individual countries and their capacity to absorb additional training as part of their efforts to help support our global counter-terrorism efforts. Military-to-military contacts afforded by the IMET program are particularly important in this region, paying dividends far into the future as students rise up the military and political ranks of their respective countries.

- For South Asia, the IMET program enables officers to attend specialized training in U.S. military schools, increases understanding of civil-military relations and respect for human rights and improves interoperability with U.S. units. Increased funding in this region reflects the importance of the IMET program to the long-term Afghan National Army (ANA) training program, will enable continued support from and increased interoperability with Pakistan's military and is a component of our broader military engagement strategy with India.

- In the Western Hemisphere region, the largest programs belong to Colombia, El Salvador and Mexico. The primary audience in these and other programs in the region remains the junior and mid-grade ranks, whose development can be positively influenced by exposure to the United States. IMET particularly enhances regional security by consolidating gains Latin American militaries have made in subordinating themselves to civilian control.

Program Assessment Rating Tool (PART)/Performance Evaluation

During 2003, the Administration conducted the first Program Assessment Rating Tool (PART) review of Security Assistance to the Western Hemisphere. The Foreign Military Financing (FMF) and the International Military and Education Training (IMET) funds were combined into the Security Assistance PART review, receiving a rating of moderately effective. The purpose of the program was found to be clear: to reduce instability caused by illicit drug production and terrorism and to increase contributions by Western Hemisphere nations to peacekeeping and counter-terror operations. The assessment noted that the program is well managed but cited that the Department's planning and accountability require improvements. There are some deficiencies in strategic planning as a result of the redesign of certain programs to address specific problems, such as combining anti-terror and anti-drug efforts in Colombia. Annual and long-term goals still need to be strengthened and clarified. The Department will reevaluate and refine its performance goals and coordinate with the Defense Department to develop more specific long-term goals to support funding requirements. The findings in the PART evaluation were considered in the overall decision-making process for resources allocation.

Corresponding performance information (key goals and targets) for Security to the Western Hemisphere can be found in the Performance Summary volume of the integrated performance budget presentation on pages 18, 40 and 65.

Key Indicators: (1) Number of terrorist attacks against the Cano Limon pipeline, (2) Percentage of WHA countries that volunteer for coalition operations when requested, and (3) Percentage of FMF and IMET recipient countries that have civilians in senior defense leadership positions.

The Administration also reevaluated the Department's Military Assistance to new NATO and NATO Aspirant Countries using the Program Assessment Rating Tool (PART) in preparing the FY 2005 budget. The PART rated the program as moderately effective. The program purpose was found to be very clear: to promote U.S. security by strengthening military and political reform, to promote ties between U.S. military forces and those of receiving nations, and to encourage these nations' support for U.S. security goals and activities. The assessment noted that there were no regularly scheduled evaluations of the program's effectiveness by independent parties and that the State and Defense Departments occasionally differ on priorities and recommendations for the program. This is being addressed. The assessment noted that many positive program results were demonstrated, including adoption or plans to develop military force objectives, and support for Balkan deployments, the war on terrorism, and operations in Afghanistan and Iraq. Assessment recommendations included pressing nations that are lagging in their reform efforts and continued development of an e-government management tool to assist managers in determining program deficiencies. These are being implemented as resources are made available. All of these PART findings have been a factor in determining resources allocations.

Corresponding performance information (key goals and targets) for Military Assistance to new NATO and NATO Aspirant Nations can be found in Volume I of the integrated performance budget presentation on pages 15, 40, 42, and 280-281.

Key Indicators: (1) Percentage of Aspirants Making Progress Achieving NATO-Defined and Measured Country-Specific Membership Action Plans; and (2) Number of Countries Reaching Sustainable State of Niche Capacities.

In addition, the Administration reevaluated the Department's Program on Security Assistance to Sub-Saharan Africa using the Program Assessment Rating Tool (PART) in preparing the FY 2005 budget. The program was rated as moderately effective. The program makes a unique contribution to promoting peace and stability and developing indigenous African peacekeeping and humanitarian response capabilities, professional African militaries, and relationships between U.S. and African militaries. The FY 2005 PART review noted that significant improvements had been achieved since the FY 2004 review in the areas of strategic planning and program results. As recommended in the FY 2004 assessment, the program performance plan was restructured to include separate annual and long-term goals, targets and baseline information; and a report on actual progress related to achieving performance goals. Also, program goals were narrowed to focus on outcomes that can be reasonably measured. However, the program was assessed as continuing to lack evidence that federal managers and program partners are held accountable for program performance; lacked an efficiency measure; and did not tie budget requests to accomplishment of the annual and long-term performance goals. This information from the PART review was considered in the overall decision-making process for resources allocations. The Department will continue to evaluate and refine the performance goals for the program to ensure that they provide useful information to inform management, budget and policy decisions for the FY 2006 budget.

Corresponding performance information (key goals and targets) for the Security Assistance to Sub-Saharan Africa Program can be found in the Performance Summary volume of the integrated performance budget presentation on pages 14, 50, 52 and 282.

Key Indicators: (1) African militaries are capable of sustained peacekeeping and humanitarian operations, (2) Number of U.S.-trained African units deployed to peace support/humanitarian response operations, and (3) Number of African armed conflicts resolved and peace support missions concluded.

International Military Education and Training
($ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Africa			
Angola	152	100	300
Benin	382	500	250
Botswana	716	700	700
Burkina Faso	-	50	50
Burundi	-	100	50
Cameroon	306	200	225
Cape Verde	143	120	120
Central African Republic	13	150	110
Chad	253	150	225
Comoros	-	-	50
Cote d'Ivoire	-	50	50
Democratic Republic of Congo	-	100	50
Djibouti	154	325	325
Equatorial Guinea	-	50	50
Eritrea	181	450	450
Ethiopia	210	570	600
Gabon	233	160	210
Gambia	68	100	75
Ghana	522	500	575
Guinea	210	350	350
Guinea-Bissau	77	100	100
Kenya	596	600	650
Lesotho	52	125	50
Madagascar	209	200	200
Malawi	312	360	360
Mali	309	350	175
Mauritania	131	125	130
Mauritius	110	125	125
Mozambique	196	225	215
Namibia	175	225	100
Niger	103	200	100
Nigeria	96	850	800
Republic of the Congo	108	110	110
Rwanda	162	175	225
Sao Tome and Principe	180	100	200
Senegal	1,062	1,000	1,100
Seychelles	53	100	100
Sierra Leone	318	300	300
South Africa	1,258	1,600	50
Swaziland	97	135	100

International Military Education and Training
($ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Tanzania	210	230	100
Togo	116	125	120
Uganda	170	200	225
Zambia	225	225	225
ECOWAS	-	100	100
Subtotal - Africa	**9,868**	**12,610**	**10,775**
East Asia and the Pacific			
Cambodia	-	-	50
East Timor	119	150	300
Fiji	-	200	250
Indonesia	276	459	600
Laos	-	100	100
Malaysia	831	1,200	1,100
Mongolia	767	850	850
Papua New Guinea	256	300	300
Philippines	2,400	2,700	3,000
Samoa	76	150	50
Solomon Islands	151	50	150
Thailand	1,768	2,450	2,500
Tonga	127	125	135
Vanuatu	106	100	110
Vietnam	-	100	50
Subtotal - East Asia and the Pacific	**6,877**	**8,934**	**9,545**
Europe and Eurasia			
Albania	957	975	900
Armenia	659	900	750
Azerbaijan	878	900	750
Bosnia and Herzegovina	796	900	900
Bulgaria	1,324	1,350	1,395
Croatia	700	800	50
Czech Republic	1,929	1,900	1,900
Estonia	1,099	1,200	1,200
Georgia	1,184	1,300	1,200
Greece	594	600	600
Hungary	1,888	1,900	1,900
Kazakhstan	872	1,200	1,000
Kyrgyz Republic	1,068	1,200	1,100
Latvia	1,091	1,200	1,200
Lithuania	1,087	1,200	1,200

International Military Education and Training
($ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Macedonia	676	700	650
Malta	292	250	125
Moldova	988	1,000	900
Poland	2,172	2,000	2,000
Portugal	850	850	850
Romania	1,651	1,500	1,500
Russia	777	800	800
Serbia and Montenegro	-	250	250
Slovakia	920	950	950
Slovenia	935	950	950
Tajikistan	339	400	350
Turkey	2,800	5,000	4,000
Turkmenistan	216	450	450
Ukraine	1,698	1,700	1,700
Uzbekistan	1,104	1,350	1,200
Subtotal - Europe and Eurasia	**31,544**	**35,675**	**32,720**
Near East			
Algeria	612	550	850
Bahrain	448	600	650
Egypt	1,232	1,200	1,200
Jordan	2,400	2,900	3,000
Lebanon	700	700	700
Morocco	1,575	1,750	1,875
Oman	567	1,000	1,100
Saudi Arabia	22	25	25
Tunisia	1,500	1,750	1,875
Yemen	638	1,000	1,100
Subtotal - Near East	**9,694**	**11,475**	**12,375**
South Asia			
Afghanistan	387	600	800
Bangladesh	772	800	900
India	1,000	1,250	1,400
Maldives	139	175	175
Nepal	500	600	650
Pakistan	990	1,250	2,000
Sri Lanka	307	500	500
Subtotal - South Asia	**4,095**	**5,175**	**6,425**

International Military Education and Training
($ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Western Hemisphere			
Argentina	1,000	1,100	1,100
Bahamas	146	165	240
Belize	173	200	100
Bolivia	800	900	800
Brazil	483	-	50
Chile	559	600	600
Colombia	1,165	1,800	1,700
Costa Rica	336	-	50
Dominican Republic	570	800	1,100
Ecuador	645	650	300
El Salvador	1,165	1,200	1,600
Guatemala	350	350	300
Guyana	316	375	300
Haiti	51	200	150
Honduras	724	1,000	1,100
Jamaica	646	700	700
Mexico	1,250	1,275	1,250
Nicaragua	600	600	600
Panama	209	400	600
Paraguay	297	300	250
Peru	592	700	300
Suriname	156	150	150
Trinidad and Tobago	150	-	50
Uruguay	450	450	150
Venezuela	683	-	50
Eastern Caribbean	686	875	800
Subtotal - Western Hemisphere	**14,202**	**14,790**	**14,390**
Global			
E-IMET Schools	3,000	2,000	3,000
General Costs	200	500	500
Subtotal - Global	**3,200**	**2,500**	**3,500**
Total	**79,480**	**91,159**	**89,730**

Summary of Students Trained Under IMET

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Africa			
Angola	5	3	10
Benin	44	58	29
Botswana	40	39	39
Burkina Faso	-	2	2
Burundi	-	4	5
Cameroon	14	9	10
Cape Verde	6	5	5
Central African Republic	-	6	4
Chad	16	9	14
Comoros	-	2	2
Cote d'Ivoire	-	-	2
Democratic Republic of Congo	-	4	5
Djibouti	39	57	82
Equatorial Guinea	-	-	2
Eritrea	78	194	194
Ethiopia	8	22	23
Gabon	10	7	31
Gambia	5	7	7
Ghana	27	26	30
Guinea	28	47	47
Guinea-Bissau	2	3	3
Kenya	59	59	64
Lesotho	5	12	5
Madagascar	7	7	7
Malawi	79	91	91
Mali	12	14	7
Mauritania	5	5	5
Mauritius	35	40	40
Mozambique	69	79	76
Namibia	68	87	39
Niger	32	62	31
Nigeria	6	53	50
Republic of the Congo	33	34	34
Rwanda	49	53	68
Sao Tome and Principe	5	3	6
Senegal	124	117	128
Seychelles	27	51	51
Sierra Leone	244	230	230
South Africa	333	424	13
Swaziland	15	21	15

Summary of Students Trained Under IMET

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Tanzania	40	44	19
Togo	15	16	16
Uganda	6	7	8
Zambia	120	120	120
Subtotal - Africa	**1,710**	**2,133**	**1,669**
East Asia and the Pacific			
Cambodia	-	8	2
East Timor	111	140	280
Fiji	-	8	10
Indonesia	41	43	43
Laos	-	4	4
Malaysia	47	68	62
Mongolia	142	157	157
Papua New Guinea	56	66	66
Philippines	185	208	231
Samoa	12	24	8
Solomon Islands	39	13	39
Thailand	140	194	198
Tonga	5	5	5
Vanuatu	13	12	13
Vietnam	-	4	2
Subtotal - East Asia and the Pacific	**791**	**954**	**1,120**
Europe and Eurasia			
Albania	148	151	139
Armenia	33	60	50
Azerbaijan	88	90	75
Bosnia and Herzegovina	158	179	179
Bulgaria	144	147	152
Croatia	62	71	4
Czech Republic	191	188	188
Estonia	251	274	274
Georgia	233	256	236
Greece	95	86	86
Hungary	170	171	171
Kazakhstan	27	37	31
Kyrgyz Republic	59	66	61
Latvia	100	110	110
Lithuania	119	131	131
Macedonia	101	105	97

Summary of Students Trained Under IMET

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Malta	88	75	38
Moldova	148	150	135
Poland	192	177	177
Portugal	136	136	136
Romania	147	134	134
Russia	61	32	32
Serbia and Montenegro	-	20	10
Slovakia	79	82	82
Slovenia	303	308	308
Tajikistan	100	118	103
Turkey	203	363	290
Turkmenistan	4	8	8
Ukraine	204	204	204
Uzbekistan	75	109	82
Subtotal - Europe and Eurasia	**3,719**	**4,038**	**3,723**
Near East			
Algeria	71	64	99
Bahrain	115	154	167
Egypt	52	51	51
Jordan	208	251	260
Lebanon	188	188	188
Morocco	109	121	130
Oman	43	76	83
Saudi Arabia	2	2	2
Tunisia	62	72	78
Yemen	16	25	28
Subtotal - Near East	**866**	**1,004**	**1,086**
South Asia			
Afghanistan	8	12	17
Bangladesh	113	117	132
India	36	45	50
Maldives	8	10	10
Nepal	73	88	95
Pakistan	101	128	204
Sri Lanka	12	20	20
Subtotal - South Asia	**351**	**420**	**528**

Summary of Students Trained Under IMET

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Western Hemisphere			
Argentina	536	366	366
Bahamas	34	33	56
Belize	41	47	24
Bolivia	51	57	51
Brazil	80	83	8
Chile	198	213	213
Colombia	529	727	772
Costa Rica	46	55	7
Dominican Republic	47	41	92
Eastern Caribbean	75	79	91
Ecuador	85	86	40
El Salvador	274	212	376
Guatemala	89	89	76
Guyana	23	20	20
Haiti	47	100	138
Honduras	222	199	337
Jamaica	114	106	124
Mexico	171	174	171
Nicaragua	104	69	104
Panama	31	30	89
Paraguay	31	31	26
Peru	172	203	87
Suriname	16	15	15
Trinidad and Tobago	8	8	3
Uruguay	202	202	67
Venezuela	73	75	5
Subtotal - Western Hemisphere	**3,299**	**3,320**	**3,358**
Total	**10,736**	**11,869**	**11,484**

Foreign Military Financing

($ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
FMF	3,952,532	4,268,665	4,957,500
FMF-ERF	-	77,000	-
FMF-SUP	2,039,100	287,000	-

Foreign Military Financing (FMF) is a critical foreign policy tool for promoting U.S. interests around the world by ensuring that coalition partners and friendly foreign governments are equipped and trained to work toward common security goals and share burdens in joint missions. In particular, FMF is a key assistance tool for supporting U.S. coalition partners in the war on terrorism. FMF provides grants for the acquisition of U.S. defense equipment, services, and training, which promotes U.S. national security by contributing to regional and global stability, strengthening military support for democratically-elected governments and containing transnational threats including terrorism and trafficking in narcotics, weapons and persons. These grants enable key allies and friends to improve their defense capabilities and foster closer military relationships between the U.S. and recipient nations. Increased military capabilities build and strengthen multilateral coalitions with the U.S. and enable friends and allies to be increasingly interoperable with regional, U.S. and NATO forces. By increasing demand for U.S. systems, FMF also contributes to a strong U.S. defense industrial base, an important element of U.S. national defense strategy that reduces costs for Department of Defense acquisitions and secures more jobs for American workers.

The objectives of the U.S. Foreign Military Financing program are to:

- Assist the militaries of friendly countries and allies to procure U.S. defense articles and services that strengthen legitimate self-defense capabilities and security needs.
- Promote bilateral, regional and multilateral coalition efforts, notably in the global war on terrorism.
- Improve the military capabilities of key friendly countries to contribute to international crisis response operations, including peacekeeping and humanitarian crises.
- Contribute to the professionalism of military forces of friendly countries and allies to include their understanding of the rule of law and military subordination to civilian control.
- Enhance rationalization, standardization and interoperability of military forces of friendly countries and allies.
- Maintain support for democratically-elected governments that share values similar to the U.S. for democracy, human rights and regional stability.
- Support the U.S. industrial base by promoting the export of U.S. defense-related goods and services.

Uses of FY 2005 FMF grant funding:

- The majority of funds – approximately 77% – provides continued assistance for the Near East. These funds help to promote regional stability and ensure the influence of moderate governments friendly to U.S. interests. With FMF, we seek to boost the legitimate defense needs of countries such as Israel, Egypt and Jordan, who, through their efforts, have demonstrated their desire to seek a comprehensive

Middle East peace. FMF for other friends and allies in the region, such as Bahrain, Morocco, Oman, Tunisia and Yemen will help to strengthen their self-defense capabilities, safeguard their borders and territorial waters, meet their legitimate indigenous security needs and support coalition efforts in the war on terrorism.

- Support continues for ongoing efforts in Europe and Eurasia to incorporate the most recent NATO members into the Alliance as well as to assist prospective NATO members preparing for accession while simultaneously having forces deployed in Iraq and elsewhere. Funds will also support Partnership for Peace (PfP) countries in the Balkans, the Caucasus and Central Asia to pursue defense reform and the continued implementation of membership, partnership and individual Country Action Plan goals. Major program elements include promoting Turkish Armed Forces modernization and the interoperability of its equipment and procedures with NATO. In Bosnia-Herzegovina, FMF will promote defense reform implementation, PfP participation and further integration of the Bosnia Federation (VF) and Bosnia Serb (BRS) militaries. Funds used in Poland, Georgia, the Ukraine and Albania will increase military modernization, professionalism and interoperability with Western forces. Lastly, funds will be used to advance the NATO objective of encouraging critical niche capabilities, such as search and rescue, Nuclear, Biological and Chemical defense and lift support. Establishing this capability is increasingly important as we continue to rely on support from Coalition partners in Operation Enduring Freedom (OEF) and Operation Iraqi Freedom.

- FMF in the Western Hemisphere focuses on key U.S. foreign policy and national security objectives for the region by ensuring that militaries are equipped and professionally trained to exert effective authority over their national territory, control approaches to the U.S. and participate in coalition and peacekeeping operations. The majority of assistance will go to supporting Colombia, its neighbors, and Bolivia in their efforts to establish and strengthen national authority over remote areas that shelter terrorists and support the illegal narcotics trade. While Colombia is increasing defense spending, it still requires significant support. The provision of FMF also plays a critical role in U.S. homeland defense by improving the military and professional capabilities of countries that control the land approaches into the U.S. as well as the island states that form our "third border." By improving the ability of these countries to control their sovereign territory and provide for a robust maritime interdiction program, much can be done to combat transnational crime and counter terrorism. Finally, FMF will be used to provide equipment and training to those countries in the region that are willing to work closely with the U.S. and its allies around the globe in support of coalition and/or peacekeeping operations.

- Much of the FMF to the East Asia and Pacific region will go to the Philippines, a steadfast ally in the war on terrorism. These funds will be used to sustain logistical and support functions, help enhance counterterrorism activities and continue a multi-year effort to reform the Armed Forces of the Philippines. Funds for East Timor will be used to promote stability and provide non-lethal basic soldier equipment for the East Timor Defense Forces. Mongolia will continue to use FMF to fund sustainment of its successful border communications project representing part of a multi-year effort to improve its defense capabilities. And lastly, Thailand will use FMF to support its counterterrorism units, thereby enhancing its ability to combat terrorism, operate together with U.S. forces and participate in regional and coalition operations outside of Thailand.

- Conflict and strife in Africa remain concerns for the U.S. FMF for this region will support counterterrorism capabilities, improve peacekeeping capacity and enhance border and maritime controls, thereby strengthening regional stability. Funds will be used to help Kenya thwart the terrorist threat from Somalia and bolster its substantial commitment to regional security and international peacekeeping through provision of equipment and support for air base operations. FY 2005 will represent the first full year of funding for the African Coastal and Border Security program. This

program will seek to provide new and follow-on assistance to several important African partners to develop means to control Africa's vast borders and territorial waters, significant elements of counterterrorism efforts in the region. Key countries such as Ethiopia, Kenya and Djibouti will receive the bulk of the FMF for the region.

- FMF in the South Asia region continues to focus on sustaining OEF, countering regional and international terrorism and enhancing counter-insurgency and peace support capabilities. The majority of FMF for the South Asia region will go to Afghanistan and Pakistan. FMF for Afghanistan will continue to provide training, infrastructure and equipment to help strengthen the Afghan National Army. In Pakistan, FMF will fund equipment essential to Pakistan's participation in support of OEF and support a multi-year funding strategy to bolster the efforts of a key ally in the war on terrorism.

- Support will continue for the Enhanced International Peacekeeping Initiative. This program helps selected foreign countries to develop institutional capability to train more efficient and effective peacekeeping units, thereby augmenting available peacekeeping forces and reducing dependence on U.S. personnel.

- FMF will also support Department of Defense costs for the administration of global grant military assistance programs.

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Key Indicators: (1) Number of terrorist attacks against the Cano Limon pipeline, (2) Percentage of WHA countries that volunteer for coalition operations when requested, and (3) Percentage of FMF and IMET recipient countries that have civilians in senior defense leadership positions.

The Administration also reevaluated the Department's Military Assistance to new NATO and NATO Aspirant Countries using the Program Assessment Rating Tool (PART) in preparing the FY 2005 budget. The PART rated the program as moderately effective. The program purpose was found to be very clear: to promote U.S. security by strengthening military and political reform, to promote ties between U.S. military forces and those of receiving nations, and to encourage these nations' support for U.S. security goals and activities. The assessment noted that there were no regularly scheduled

evaluations of the program's effectiveness by independent parties and that the State and Defense Departments occasionally differ on priorities and recommendations for the program. This is being addressed. The assessment noted that many positive program results were demonstrated, including adoption or plans to develop military force objectives, and support for Balkan deployments, the war on terrorism, and operations in Afghanistan and Iraq. Assessment recommendations included pressing nations that are lagging in their reform efforts and continued development of an e-government management tool to assist managers in determining program deficiencies. These are being implemented as resources are made available. All of these PART findings have been a factor in determining resources allocations.

Corresponding performance information (key goals and targets) for Military Assistance to new NATO and NATO Aspirant Nations can be found in Volume I of the integrated performance budget presentation on pages 14, 28, 32, 34, and 262.

Key Indicators: (1) Percentage of Aspirants Making Progress Achieving NATO-Defined and Measured Country-Specific Membership Action Plans; and (2) Number of Countries Reaching Sustainable State of Niche Capacities.

In addition, the Administration reevaluated the Department's Program on Security Assistance to Sub-Saharan Africa using the Program Assessment Rating Tool (PART) in preparing the FY 2005 budget. The program was rated as moderately effective. The program makes a unique contribution to promoting peace and stability and developing indigenous African peacekeeping and humanitarian response capabilities, professional African militaries, and relationships between U.S. and African militaries. The FY 2005 PART review noted that significant improvements had been achieved since the FY 2004 review in the areas of strategic planning and program results. As recommended in the FY 2004 assessment, the program performance plan was restructured to include separate annual and long-term goals, targets and baseline information and a report on actual progress related to achieving performance goals. Also, program goals were narrowed to focus on outcomes that can be reasonably measured. However, the program was assessed as continuing to lack evidence that federal managers and program partners are held accountable for program performance; lacked an efficiency measure; and did not tie budget requests to accomplishment of the annual and long-term performance goals. This information from the PART review was considered in the overall decision-making process for resources allocations. The Department will continue to evaluate and refine the performance goals for the program to ensure that they provide useful information to inform management, budget and policy decisions for the FY 2006 budget.

Corresponding performance information (key goals and targets) for the Security Assistance to Sub-Saharan Africa Program can be found in Volume I of the integrated performance budget presentation on pages 13, 35 and 43.

Key Indicators: (1) African militaries are capable of sustained peacekeeping and humanitarian operations, (2) Number of U.S.-trained African units deployed to peace support/humanitarian response operations, and (3) Number of African armed conflicts resolved and peace support missions concluded.

Foreign Military Financing
($ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Africa			
Botswana	490	980	500
Djibouti	8,150	5,990	4,000
Djibouti SUP	5,000	-	-
Eritrea	-	480	500
Ethiopia	4,000	2,480	2,000
Ghana	490	480	500
Kenya	1,000	6,250	7,000
Nigeria	-	385	1,000
Sao Tome and Principe	500	-	-
Senegal	480	480	500
South Africa	5,950	-	-
Uganda	-	1,990	-
Africa Coastal/Border Security Program	-	-	4,000
Military Health Affairs	1,990	1,490	2,000
Subtotal - Africa	**28,050**	**21,005**	**22,000**
East Asia and the Pacific			
East Timor	1,990	1,988	1,000
Mongolia	990	995	500
Philippines	19,870	19,880	30,000
Philippines SUP	30,000	-	-
Thailand	1,990	995	500
Subtotal - East Asia and the Pacific	**54,840**	**23,858**	**32,000**
Europe and Eurasia			
Albania	4,900	3,975	3,000
Albania SUP	3,000	-	-
Armenia	5,000	2,485	2,000
Azerbaijan	5,000	2,485	8,000
Bosnia and Herzegovina	2,400	14,900	2,500
Bulgaria	9,000	8,450	7,000
Bulgaria SUP	10,000	-	-
Croatia	5,500	-	-
Czech Republic	10,900	7,950	6,000
Czech Republic SUP	15,000	-	-
Estonia	6,500	6,200	5,000
Estonia SUP	2,750	-	-
Georgia	6,900	8,000	12,000
Hungary	10,900	7,955	6,000
Hungary SUP	8,000	-	-

Foreign Military Financing
($ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Kazakhstan	2,900	2,980	6,000
Kyrgyz Republic	3,900	4,075	3,000
Latvia	6,500	6,610	5,000
Latvia SUP	2,750	-	-
Lithuania	6,500	6,950	5,500
Lithuania SUP	4,000	-	-
Macedonia	10,900	7,950	6,500
Macedonia SUP	1,000	-	-
Malta	5,000	990	-
Moldova	1,000	990	800
Poland	12,900	20,000	66,000
Poland SUP	15,000	-	-
Romania	9,900	8,950	11,000
Romania SUP	15,000	-	-
Slovakia	8,000	7,950	6,000
Slovakia SUP	6,500	-	-
Slovenia	4,000	2,485	2,000
Tajikistan	-	695	700
Turkey	17,350	40,000	34,000
Turkmenistan	690	695	700
Ukraine	3,000	2,985	6,500
Ukraine SUP	1,500	-	-
Uzbekistan	8,600	8,000	12,000
Subtotal - Europe and Eurasia	**252,640**	**184,705**	**217,200**
Near East			
Bahrain	-	24,850	20,000
Bahrain SUP	90,000	-	-
Egypt	1,291,550	1,292,330	1,300,000
Israel	2,086,350	2,147,255	2,220,000
Israel SUP	1,000,000	-	-
Jordan	198,000	204,785	206,000
Jordan SUP	406,000	-	-
Morocco	4,900	9,940	20,000
Oman	19,500	24,850	25,000
Oman SUP	61,500	-	-
Tunisia	4,900	9,940	10,000
Yemen	1,900	14,910	15,000
Subtotal - Near East	**5,164,600**	**3,728,860**	**3,816,000**

Foreign Military Financing
($ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
South Asia			
Afghanistan	21,000	49,705	400,000
Afghanistan ERF	-	77,000	-
Afghanistan SUP	170,000	287,000	-
Nepal	2,950	3,975	1,000
Pakistan	49,500	74,560	300,000
Pakistan SUP	175,000	-	-
Sri Lanka	-	995	500
Subtotal - South Asia	**418,450**	**493,235**	**701,500**
Western Hemisphere			
Argentina	1,990	1,000	1,000
Bahamas	90	99	100
Belize	290	199	200
Bolivia	1,990	3,977	3,000
Chile	990	495	500
Colombia	-	109,350	108,000
Colombia SUP	17,100	-	-
Dominican Republic	300	2,000	1,500
Ecuador	990	6,955	2,000
El Salvador	2,480	3,000	2,750
Guyana	390	95	100
Haiti	390	295	300
Honduras	168	2,000	1,500
Jamaica	690	597	600
Nicaragua	1,000	495	500
Panama	990	2,000	1,500
Peru	990	1,730	1,000
Suriname	240	145	100
Trinidad and Tobago	390	-	-
Uruguay	990	990	500
Eastern Caribbean	782	3,330	1,350
Subtotal - Western Hemisphere	**33,240**	**138,752**	**126,500**
Global			
Enhanced International Peacekeeping Capabilities	3,050	1,990	1,800
FMF Administrative Costs	36,762	40,260	40,500
Subtotal - Global	**39,812**	**42,250**	**42,300**
Total	**5,991,632**	**4,632,665**	**4,957,500**

Enhanced International Peacekeeping Capabilities

($ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
FMF	3,050	1,990	1,800

The primary goal of the EIPC initiative is to assist selected foreign countries in developing their institutional capacities to field more efficient and well-led peacekeeping units. Peacekeeping is a global responsibility; many countries are willing to play a role but lack the skills and resources to become effective peacekeepers. The EIPC program makes a significant contribution that has proven to have an impact on whether a country participates in international peacekeeping operations.

The objectives of the EIPC program are to:

- Help create more professionally competent, properly equipped, and better-led peacekeeping units in selected foreign countries, thereby reducing reliance on U.S. forces.
- Increase interoperability between foreign peacekeeping units and the U.S. military and its key allies.
- Encourage other countries to establish peacekeeping training centers or dedicated training programs, develop national policies on peacekeeping and encourage nations to increase their own involvement in peacekeeping operations.
- Expose international military forces to democratic ideals and principles of internationally recognized human rights and to prepare foreign militaries for peace support operations, including the capacity to contribute humanitarian assistance when called upon to do so.

The FY 2005 request for the EIPC initiative will allow the U.S. to continue to build upon the solid foundation of the existing program. Program support will make it possible to continue implementing common peacekeeping doctrine in recipient training programs and enhancing command and control interoperability at the battalion and higher levels. We will look to regionalize peacekeeping training to enable non-EIPC countries to participate in quality training and to encourage recipient countries to host and participate in regional multinational peacekeeping exercises.

An important component of the program is to support the UN's establishment of English as the "language of peacekeeping." EIPC funds also help procure non-lethal defense-related peacekeeping training equipment and provide training that emphasizes the concept of "training the trainer" in order to maximize the benefits of the expenditures. Program funds support workshops tailored to a country's peacekeeping training needs and provide for visits to U.S. peacekeeping training centers and installations for senior officers and trainers directly involved in national peacekeeping training programs. EIPC funds help to procure peacekeeping training and doctrine-related manuals and enable countries to obtain and employ peacekeeping software training simulations that help avoid more costly field exercises. The EIPC program complements both other FMF and non-FMF resources, including International Military Education and Training, Excess Defense Articles programs and Combatant Commanders' peacekeeping exercises.

The core of the EIPC training program is the peacekeeping training and education program established by the Center for Civil-Military Relations (CCMR) located in Monterey, California. CCMR serves as the training executive agent for EIPC and has developed a common core curriculum that supports both in-resident instructor courses as well as Mobile Training Teams to assist in the establishment of peacekeeping programs in recipient countries. The benefits of this approach using CCMR are already evident, as

graduates from a range of countries are using the EIPC common core curriculum to improve their own peacekeeping training programs.

Since its inception, EIPC funds have been allocated to: Argentina, Bangladesh, Bolivia, Botswana, Bulgaria, Chile, Czech Republic, Fiji, Ghana, Hungary, India, Jordan, Kenya, Lithuania, Malaysia, Moldova, Mongolia, Morocco, Nepal, Paraguay, Philippines, Poland, Romania, Slovakia, South Africa, Thailand, Tunisia, Ukraine and Uruguay.

FY 2005 EIPC funding will build on a record of achievement in assisting selected countries to improve their peacekeeping capabilities. Most of the countries that have received EIPC funds have taken decisive steps to increase their international peacekeeping operations role. To cite a few examples:

- Mongolia was one of the first countries to offer troops to assist the U.S. in securing Iraq. Mongolia has made peacekeeping the priority mission for its military forces.

- South Africa has developed a comprehensive Military Observer training course, using EIPC assistance. Over 100 officers were trained in 2003 and 28 South African military observers are being sent to fill positions in UN and African Union peacekeeping missions throughout Africa.

- Despite large commitments of forces to other peacekeeping missions, Bangladesh committed forces to the new mission in Liberia, responding to the U.S. call for contributors.

FMF Administrative Costs

($ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
FMF	36,762	40,260	40,500

The requested funding provides for the cost of administrative activities related to non-Foreign Military Sales (FMS) security assistance programs implemented by the Combatant Commands, Military Departments and Defense Security Cooperation Agency (DSCA).

The proposed program level represents the projected costs required to accomplish the managerial and administrative actions necessary to manage and implement the non-FMS segments of security assistance programs, as authorized under the AECA and the FAA. These functions include staffing headquarters, personnel management, budgeting and accounting, office services and facilities and support for non-FMS functions of the overseas Security Assistance Organizations (SAOs).

The FMF Administrative Costs account implements such non-FMS activities as administration of the IMET program; management of drawdowns of military equipment and services; grant transfers of excess defense articles and naval vessels; fulfilling responsibility for monitoring military items previously transferred under the former Military Assistance Program (MAP); reviewing FMF-financed Direct Commercial Contracts (DCC); and management of the FMF program. The initiation and expansion of security assistance relationships with many new democracies around the world require the establishment of SAOs in an increasing number of locations.

Security costs for all SAOs have increased dramatically. The sustained increases in IMET funding levels from the FY 1995 level of $26 million have also increased administrative workload and funding requirements. Departmental and headquarters management and oversight for FMF programs, not connected to FMS, have grown significantly.

Peacekeeping Operations

($ in thousands)

Account	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
PKO	114,252	74,458	104,000
PKO-SUP	100,000	50,000	-

The U.S. has a strong interest in supporting, on a voluntary basis, peacekeeping activities that are not UN mandated and/or not funded by UN assessments. U.S. Peacekeeping Operations (PKO) funds support multilateral peacekeeping and regional stability operations that are not funded through the UN mechanism. This funding helps to support regional peace support operations for which neighboring countries take primary responsibility, while maintaining the foreign policy flexibility to determine which cases require that U.S. forces be placed in harm's way. Similarly, the U.S. has a substantial interest in enhancing the ability of other nations to participate in voluntary peacekeeping and humanitarian operations in order to reduce the burden on U.S. personnel and resources.

Assistance for peacekeeping and peace support operations is a cornerstone of regional security. Historically, these operations help separate adversaries, promote and maintain cease-fires, facilitate delivery of humanitarian relief, allow repatriation of refugees and displaced persons, demobilize combatants and create conditions under which political reconciliation and democratic elections may occur. Successful peacekeeping operations can reduce the likelihood of interventions by regional powers and the need for more expensive UN operations, prevent the proliferation and expansion of smaller-scale conflicts, facilitate the establishment and growth of open societies and economies, contain the cost of humanitarian emergencies, limit the flow of refugees and restrict illegal activities both within and across national borders. PKO assistance promotes the establishment, development and sustainment of peacekeeping battalions or missions that have additional benefits to U.S. objectives, such as providing "hands-on" opportunities that enhance interoperability of forces.

The objectives of peacekeeping funds are to:

- Promote peace and security by supporting multilateral peacekeeping initiatives around the world.
- Encourage fair share contributions to peacekeeping efforts from those countries with greater potential to pay, while facilitating increasing participation of poorer countries when resource constraints would otherwise prevent their taking part.
- Encourage greater participation of foreign forces in international peacekeeping activities.

Through the use of the PKO account, the U.S. is better able to assist countries in creating an environment of security and stability essential to their social, economic, and political progress. The account provides the flexibility to support multilateral peace operations, conflict resolution, sanctions enforcement and similar efforts outside the context of assessed UN peacekeeping operations. It can strengthen involvement of regional organizations in conflict resolution, often resulting in more politically or cost-effective operations.

Highlights of the use of PKO funds in FY 2005 include:

- Continued support for the Afghanistan National Army (ANA), whose development is critical to the survival of the Karzai government and the future of the country. PKO will help cover the costs of paying and training the ANA, including related institutional and sustainment costs.

- Support Africa Regional Peacekeeping Operations efforts to maintain cease-fire and peace agreements, including ongoing activities in the Mano River region (Liberia, Sierra Leone and Guinea), Cote d'Ivoire, Burundi, the Democratic Republic of Congo and Sudan. Monies will be used to place African forces in the field to guard against violence and uphold peace agreements, disarm and demobilize regional combatants under international peace agreements, assist in the integration and reform of military forces and maintain successful capacity-building efforts for regional organizations.

- Fund the African Contingency Operations Training and Assistance (ACOTA) program, which will enhance the existing capabilities of select African states to respond quickly to regional crises and humanitarian missions through the provision of equipment and peace support operations training.

- Provide for the Multinational Force and Observers (MFO) in the Sinai, which is an important part of the peace between Israel and its neighbors. In addition to an established system to monitor compliance of the Egyptian-Israeli Peace Treaty, the MFO offers an effective liaison system between the Egyptian and Israeli defense forces. The U.S. has a firm political commitment to finance one-third of the annual MFO budget, with the other two thirds provided by Israel and Egypt.

- Support modest contributions to high priority peacekeeping-related activities of the Organization for Security and Cooperation in Europe (OSCE). Beginning in FY 2005, the Support for East European Democracy (SEED) and FREEDOM Support Act (FSA) accounts will fund the bulk of costs for OSCE missions within the respective SEED and FSA regional allocations. OSCE missions undertake responsibilities in conflict prevention and post-conflict democratization more appropriately funded through SEED and FSA accounts.

- Fund continuation of peace support efforts in Sri Lanka, including the activities of the monitoring mission which is charged with on-site monitoring and verification of the terms of the cease-fire agreement.

Program Assessment Rating Tool (PART)/Performance Evaluation

For preparation of the FY 2005 budget, the Administration reevaluated the Department's Program on Security Assistance to Sub-Saharan Africa using the Program Assessment Rating Tool (PART). The program was rated as moderately effective. The program makes a unique contribution to promoting peace and stability and developing indigenous African peacekeeping and humanitarian response capabilities, professional African militaries, and relationships between U.S. and African militaries. The FY 2005 PART review noted that significant improvements had been achieved since the FY 2004 review in the areas of strategic planning and program results. As recommended in the FY 2004 assessment, the program performance plan was restructured to include separate annual and long-term goals, targets and baseline information; and a report on actual progress related to achieving performance goals. Also, program goals were narrowed to focus on outcomes that can be reasonably measured. However, the program was assessed as continuing to lack evidence that federal managers and program partners are held accountable for program performance; lacked an efficiency measure; and did not tie budget requests to accomplishment of the annual and long-term performance goals. This information from the PART review was considered in the overall decision-making process for resources allocations. The Department will continue to evaluate and refine the performance goals for the program to ensure that they provide useful information to inform management, budget and policy decisions for the FY 2006 budget.

Corresponding performance information (key goals and targets) for the Security Assistance to Sub-Saharan Africa Program can be found in the Performance Summary volume of the integrated performance budget presentation on pages 14, 49, 52 and 284.

Key Indicators: (1) African militaries are capable of sustained peacekeeping and humanitarian operations, (2) Number of U.S.-trained African units deployed to peace support/humanitarian response operations, and (3) Number of African armed conflicts resolved and peace support missions concluded.

The Administration also reevaluated the Department's OSCE Peacekeeping Operations using the Program Assessment Rating Tool (PART) in preparing the FY 2005 budget. In its second PART review, the program showed significant improvement from a rating of results not demonstrated to moderately effective. The program purpose was found to be very clear: to support stability in the independent states of the former Soviet Union and the countries of southern Europe. The assessment acknowledged significant improvements in the areas of strategic planning and program results. Assessment recommendations included institution of measures to hold federal managers and program partners accountable for achieving key program results, development of efficiency goals, continued evaluation and refinement of the performance goals, and linkage of budget request to accomplishment of performance goals. These findings from the PART process were a factor in the overall decision-making process for resources allocation. The efficiency indicators are currently in development, and other recommendations are being addressed.

Corresponding performance information (key goals and targets) for OSCE Peacekeeping Operations can be found in Volume I of the integrated performance budget presentation on pages 14, 49, 52, and 281.

Key Indicators: (1) Implementation of New Policy Training Programs in Former Soviet States, (2) Withdrawal of Russian Forces from Moldova and Georgia; Voluntary Fund Status, and (3) Per Unit Cost of USG OSCE Election Observers.

Peacekeeping Operations
($ in thousands)

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Request
Africa			
Africa Regional SUP	11,000	-	-
Africa Regional Peacekeeping	59,134	8,947	45,000
African Contingency Operations Training and Assistance	8,000	14,912	15,000
Subtotal - Africa	**78,134**	**23,859**	**60,000**
East Asia and the Pacific			
East Timor	3,250	1,988	-
Subtotal - East Asia and the Pacific	**3,250**	**1,988**	**-**
Europe and Eurasia			
OSCE Bosnia	9,900	11,730	-
OSCE Croatia	-	895	-
OSCE Kosovo	-	9,444	-
OSCE Regional	7,858	9,245	2,500
Subtotal - Europe and Eurasia	**17,758**	**31,314**	**2,500**
Near East			
Iraq SUP	50,000	-	-
Multinational Force and Observers	16,212	16,303	16,500
Subtotal - Near East	**66,212**	**16,303**	**16,500**
South Asia			
Afghanistan	9,898	-	24,000
Sri Lanka	-	994	1,000
Subtotal - South Asia	**9,898**	**994**	**25,000**
Global			
Other Programs SUP	39,000	50,000	-
Subtotal - Global	**39,000**	**50,000**	**-**
Total	**214,252**	**124,458**	**104,000**