



Strategic Goal Chapters

Strategic Goal 1: Regional Stability

Avert and Resolve Local and Regional Conflicts to Preserve Peace and Minimize Harm to the National Interests of the United States

I. Public Benefit

The United States Government seeks to provide security for our citizens and interests at home and abroad through international treaties, alliances, and the active promotion of freedom, democracy, and prosperity abroad. Employing diplomacy and development assistance, the U.S. builds and strengthens relations with neighbors and allies worldwide to promote our shared values and prevent, manage, and mitigate conflicts and human suffering. The Department and USAID work together and with international partners to alleviate regional instability by promoting good governance, sustainable civil institutions, and the development of professional, responsible, and accountable police and military forces. In company with our allies and coalition partners, we help failing, failed, and recovering states ("fragile states") to nurture democracy, enhance stability, improve security, make key reforms and develop capable institutions. Our programs and policies enable partnerships to fight terrorism, the proliferation of dangerous weapons, trafficking in people and narcotics, and other criminal activities that undermine legitimate governments and threaten regional stability around the globe. We help build the capacity of foreign partners through military and development assistance to enhance regional security and reduce demands on U.S. forces. Engagement of like-minded foreign partners contributes and provides legitimacy to our stabilization and reconstruction efforts. Our success can be seen in the expansion of NATO missions into Afghanistan, our strong and growing security relationships with Japan, South Korea, India and Australia, and our steady progress in improving the capability of the African Union to respond to crises on the African continent. These and related efforts reduce threats created by and high costs of regional instability, and thereby protect the security of American citizens and our interests at home and abroad.

II. Resource Summary (\$ in Thousands)

	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request	Change from FY 2006	
				Amount	%
Staff ¹	1,245	1,222	1,233	11	0.9%
Funds ²	\$6,766,629	\$6,327,839	\$6,584,234	\$256,394	4.1%

Note (1): Department of State direct-funded positions.

Note (2): Funds include both Department of State Appropriations Act Resources and Foreign Operations Resources, where applicable.



III. Strategic Goal Context

Shown below are the performance goals, initiatives/programs, and the resources, bureaus and partners that contribute to accomplishment of the Regional Stability strategic goal. Acronyms are defined in the glossary at the back of this publication.

Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Major Resources	Lead Bureau(s)	Partners
Regional Stability	Close Ties with Allies and Friends	Security Assistance	FMF, IMET, PKO	PM, AF, EAP, EUR, NEA, SA, WHA	DoD
		Transatlantic Relationship	D&CP, FMF, IMET, ESF	EUR, PM	NATO
		Maintenance of Alliances	D&CP	EAP	DoD
	Resolution of Regional Conflicts	Conflict Management and Mitigation	D&CP, PKO, IMET, FMF, DA, ESF, TI, SEED, FSA, NADR	S/CRS, AF, EUR, AFR, DCHA/CMM	AU, DoD, EU, UNDPKO, ECOWAS, Nigeria, Senegal, Ghana, Kenya, Benin, Mali
		Security Cooperation and Arms Control	D&CP	ISN, EUR, EAP	VCI, L, PM, DoD, NSC, Intelligence Community, NATO, OSCE
		Implementation of the Road Map	D&CP, ESF	NEA, EB, PPC/DCO	NSC, CIA
		Security Assistance Programs to Sub-Saharan Africa	D&CP, PKO, IMET, FMF	PM, AF	AU, DoD, EU, ECOWAS, UNDPKO, Netherlands, Belgium, France, UK, Nigeria, Senegal, Ghana, Kenya, South Africa, Benin, Mali, Ethiopia, Djibouti



IV. Performance Summary

For each initiative/program that supports accomplishment of this strategic goal, the most critical FY 2007 performance indicators and targets are shown below.

Annual Performance Goal #1		
RS.01 CLOSE, STRONG, AND EFFECTIVE U.S. TIES WITH ALLIES, FRIENDS, PARTNERS, AND REGIONAL ORGANIZATIONS.		
I/P #1: Security Assistance		
Security assistance strengthens the military capabilities of allies, friends, partners, and international organizations and increases interoperability, both in doctrine and in equipment, with U.S. and NATO forces, as well as with regional coalitions.		
 Output Indicator		
Indicator #1: Number of Individuals Receiving Training under International Military Education and Training Programs		
TARGETS	FY 2007	8,894 individuals.
	FY 2006	7,898 individuals.
RESULTS	2005	8,622 individuals.
	2004	11,832 individuals.
	2003	10,736 individuals.
	2002	10,417 individuals.
DATA QUALITY	Indicator Validation	The number of foreign military personnel participating in International Military Education and Training (IMET) programs is an indication of foreign receptivity to U.S. strategic approach and likely success in gaining foreign support on specific policy issues. The greater the number of IMET students, the greater the likelihood that foreign forces will be able to provide security in their respective region(s). A systematic evaluation of measures of effectiveness for IMET is in progress.
	Data Source	Data are based on Political-Military Affairs bureau and regional bureau assessments of participation by foreign countries.



I/P #2: Transatlantic Relationship		
An enhanced and expanded Euro-Atlantic Partnership promotes stability, security, democracy, and prosperity within the region and builds support for U.S. strategic goals beyond Europe.		
Outcome Indicator		
Indicator #1: Status of Transatlantic Security Relationships: NATO-led and U.S.-led Coalition Operations		
TARGETS	FY 2007	EUR Multinational Force (MNF-I) and Operation Enduring Freedom (OEF) force levels are maintained as required. U.S. troop contribution decreases as a percentage of the total force in Afghanistan. NATO Training Mission in Iraq (NTM-I) begins to hand over responsibility for Stages 1 and 2 training to the Iraqi government. NATO adjusts KFOR mission to help maintain security in Kosovo in accordance with the terms of a settlement of Kosovo's future status.
	FY 2006	EUR MNF-I and OEF force levels are maintained as required. NATO-led International Security Assistance Force completes expansion of Provincial Reconstruction Teams (PRTs) to the south and initiates expansion to the east. NATO increases the size and scope of its training mission inside Iraq (NTM-I). NATO completes Kosovo Force (KFOR) transition from a Multinational Brigade Force to a Multinational Task Force structure, creating leaner administrative and support elements with more flexible maneuver elements.
RESULTS	2005	<ol style="list-style-type: none"> Improvements made in NATO Response Force but not yet at full operating capability. Increased European military capabilities through engagement in the Interim Security Assistance Force and NATO's Training Mission in Iraq (NTM-I). NATO's Stabilization Force completed its mission in Bosnia & Herzegovina. NATO-EU handover went smoothly. NATO headquarters in Sarajevo established. NATO completed Stage 2 (West) and initiated Stage 3 (South) of the Interim Security Assistance Force expansion. NATO established the Training, Education and Doctrine Center, which will significantly increase size and scope of training mission in Iraq. NATO began Kosovo Force transition to a Multinational Task Force structure to eliminate redundant administrative and support forces while enhancing overall effectiveness of maneuver forces.
	2004	<ol style="list-style-type: none"> NRF unit approved to deploy to Afghanistan for election security support. As Stabilization Force in Bosnia and Herzegovina concluded its mission in Bosnia, EU follow-on force approved to commence operations. NATO inducted 7 new members; continued Membership Action Plan for aspirants. Georgia, Azerbaijan, Uzbekistan agreed to develop Individual Partnership Action Plans.
	2003	<ol style="list-style-type: none"> Agreement reached with Allies to reform NATO's command structure. European partners committed themselves to boosting European capabilities. NATO Response Force in process of development. Seven new members invited to join Alliance. Ratifications on track for May 2004. Progress made on NATO-Russia projects, including military-to-military cooperation. Retooled Partnership for Peace to better meet the needs of the Central Asia/Caucasus partners. NATO-Ukraine Action Plan launched.
	2002	<ol style="list-style-type: none"> Europeans made pledges to improve their capabilities. Seven new members invited to join the Alliance. Berlin Plus would have allowed the EU to borrow NATO assets and capabilities for European-led operations, but this was not agreed upon. Allied heads of state committed to enhance military capabilities by filling key shortfalls through the New Capabilities Initiative, which will encourage pooling and specialization, introduce the NRF and reform NATO's Command Structure. U.S. export controls streamlined to promote transatlantic defense industrial integration. NATO-Russia Council and 2002 work plan established in May 2002.
DATA QUALITY	Indicator Validation	NATO is the United States' foremost security relationship. Strong and effective ties with our European allies within NATO are essential to promote stability and protect U.S. interests in Europe and the world.
	Data Source	Reports from NATO. Report to Congress on NATO enlargement. 2004 Partnership for Peace Report to Congress.



I/P #3: Maintenance of Alliances		
Strengthen alliances to foster stability in strategic regions.		
 Outcome Indicator		
Indicator #1: Strength of Treaty Relationships - Japan and Korea		
TARGETS	FY 2007	<ol style="list-style-type: none"> 1. Japan - Policy coordination for the Kitty Hawk replacement has been completed. Coordination with GOJ on Defense Policy Review Initiative (DPRI) implementation plans has advanced and GOJ has begun allocating funding for GOJ-sponsored items. 2. Korea - Continue specified relocation activities.
	FY 2006	<ol style="list-style-type: none"> 1. Japan - Implementation plans for specific DPRI items have been completed and agreement on implementation plans has been reached with the Government of Japan. New Special Measures Agreement (SMA) maintaining high level of GOJ host-nation support has been negotiated and signed. 2. Korea - Continue specified relocation activities. Conclude new round of SMA negotiations.
RESULTS	2005	<ol style="list-style-type: none"> 1. Japan: Discussions relating to the carrier air-wing incorporated into ongoing Defense Policy Review Initiative talks addressing realignment and transformation. Signed agreement in April 2005 clarifying roles and responsibilities in the event of an accident. Agreed to common strategic objectives at February 2005 "2+2". 2. Korea: The Special Measures Agreement negotiations were successfully concluded. The purchase of the land for the new facilities was completed. The Security Policy Initiative meeting schedule is on track.
	2004	<ol style="list-style-type: none"> 1. Japan: United States and Japan reach agreement on assurances for U.S. military members in Japanese custody. U.S. Forces complete removal of all Polychlorinated Biphenyl, a toxic chemical, in storage on U.S. bases. Bilateral talks on replacement of U.S.S. Kitty Hawk begin. U.S. and Japan discuss concrete proposals on the remaining elements for the Futenma replacement facility under the Defense Policy Review Initiative. 2. Korea: ROK National Assembly approved the Future of the Alliance agreement on the reconfiguration of U.S. Forces Korea including relocation from Yongsan and other facilities. The two governments agreed to continue high-level security consultation by establishing the U.S.-ROK Security Policy Initiative.
	2003	Talks between the U.S. and Republic of Korea on Future of the Alliance produced a timetable and division of costs for reconfiguration of U.S. Forces in Korea during 2004-08.
	2002	Began U.S. and South Korea negotiations on the Future of the Alliance.
DATA QUALITY	Indicator Validation	Strengthened alliances will foster long-term stability in East Asia and the Pacific. Implementation of the measures approved by the Future of the Alliance and DPRI will strengthen the security alliance and bilateral relations with both Japan and Korea.
	Data Source	Cable reports and memoranda of communication from U.S. overseas reports. Public announcements and documents at the conclusion of negotiations and agreements.



Annual Performance Goal #2
 RS.02 EXISTING AND EMERGENT REGIONAL CONFLICTS ARE CONTAINED OR RESOLVED.

I/P #4: Conflict Management and Mitigation
 Use a variety of diplomatic and foreign assistance tools to end conflict.



Outcome Indicator

Indicator #1: Free, Democratic, and Whole Iraq at Peace with Itself and Its Neighbors

TARGETS	FY 2007	<p>Civil liberties provisions remain intact and receive strong support from legal and executive institutions. New permanent government encourages policies delineating national versus local responsibilities. The legislature provides real oversight of key government functions, including budgeting and security policies. Iraqi NGOs begin to lobby the legislative and executive branches as well as local governments.</p> <p>Iraq able to defend itself without being a threat to its neighbors.</p>
	FY 2006	<p>The draft permanent constitution is successfully adopted in October 2005 referendum. Law enforcement institutions begin to enforce and the judiciary begins to uphold civil liberties protections in the new constitution. Political parties announce coalitions and register for December elections, offering voters real choices. Parties and coalitions campaign peacefully. December 2005 elections successfully held. Results of elections receive broad public support. Newly elected government takes power peacefully in early 2006 with broad domestic and international legitimacy and support.</p> <p>Iraq assumes primary responsibility for its own security, able to defend itself without being a threat to its neighbors.</p>
RESULTS	2005	<p>Credible elections for Transitional National Assembly (TNA) and local governments were held on time; the change of government to the Iraq Transitional Government occurred in an orderly fashion and ahead of schedule; preparations are on track for constitutional referendum and December election; the rule of law and civil society are being established more firmly as time goes on; free media has been a responsible watchdog on governmental power; Iraq has progressively assumed increasing responsibility for own security.</p>
	2004	<ol style="list-style-type: none"> 1. Iraqi Governing Council assumes additional responsibilities. 2. Transitional Administrative Law drafted and approved. 3. Iraqi Interim Government assumes full sovereignty; continued political, legal and economic reform. National Conference held. 4. Iraqi Interim National Council selected and begins operating. 5. Democratic institutions, rule of law, civil society, free media started. 6. Accountability and anti-corruption efforts began to take hold. 7. UNSCR 1546 recognized the Iraqi Interim Government and spelled out the UN's role in the transition to democratic rule. 8. Independent Electoral Commission of Iraq established and begins preparations for January 2005 elections, assisted by the UN.
	2003	<ol style="list-style-type: none"> 1. Saddam Hussein's regime overthrown. The Department worked closely with the Department of Defense and the Coalition Provisional Authority to stabilize and rebuild Iraq. The Department continues to support the development of strategies to move Iraq towards democracy, rule of law, build free market economy, including non-oil sector; build Iraqi security forces, subordinate to constitutional authority, capable of relieving U.S. and Coalition forces. 2. The Department's engagement at the UN is consistent with the responsibilities outlined in UN Security Council Resolution (UNSCR) 1483. UNSCR 1500 reaffirms the UN's support for the Governing Council and fortifies the important role for the UN in Iraq by establishing a UN Assistance Mission to support the work of the UN Special Representative in Iraq. UN agencies have been making critical contributions in humanitarian assistance and economic reform in Iraq.



	2002	Saddam Hussein was in power; UN sanctions were in effect.
DATA QUALITY	Indicator Validation	A free and democratic Iraq would contribute to economic and political stability in the region.
	Data Source	U.S. Mission post reports. While subject to inherent limits of subjective and qualitative analysis, U.S. mission reporting is informed by broad and deep access to the Iraqi government, political figures, community leaders and others. Confidence in data quality is high.

 Output Indicator		
Indicator #2: Progress Made in Advancement of a Peace Process (Worldwide)		
TARGETS	FY 2007	<ol style="list-style-type: none"> 1355 events in support of peace processes (i.e., peace conferences, dialogues, training course, workshops, and seminars), a 7% increase. 5858 officials, human rights monitors, and journalists trained in peace building/conflict resolution/mitigation skills, a 5% increase. 199 USAID-sponsored justice centers, a 6% increase.
	FY 2006	<ol style="list-style-type: none"> 1266 events in support of peace processes (i.e., peace conferences, dialogues, training course, workshops, and seminars), a 5% increase. 5579 officials, human rights monitors, and journalists trained in peace building/conflict resolution/mitigation skills, a 5% increase. 164 USAID-sponsored justice centers, a 5% increase.
RESULTS	2005	<ol style="list-style-type: none"> 1206 USAID sponsored events in support of peace process. In Burundi, Senegal, Ethiopia, Guatemala, Uganda, Nigeria and Democratic Republic of Congo, support for peace processes facilitated the implementation of significant accords/political dialogues; in Burundi, Colombia, Liberia, and Sri Lanka, such support facilitated the reconciliation of former combatants; in DRC, Ethiopia, Somalia, and Uganda, such support facilitated grass-roots peace initiatives. USAID sponsored 156 justice centers that provide legal aid, resolve outstanding legal cases, conduct educational programs, and bring together actors in the justice and civil society sectors at the community level.
	2004	<p><u>Baselines:</u></p> <ol style="list-style-type: none"> Number and types of events in support of peace processes: 1,126 (peace conferences, dialogues, training course, workshops, seminars). Number of officials and key decision-makers trained in peace building/conflict resolution/mitigation skills: 3,301 Number of people trained in conflict mitigation/resolution (disaggregated by country): 17,581 Number of USAID-sponsored justice centers (data forthcoming): 33 Number of people reached by conflict prevention/mitigation media campaigns: 7,295,860
	2003	N/A
	2002	N/A
DATA QUALITY	Indicator Validation	A high-level, outcome measure of progress toward world peace that incorporates a balanced mix of coordinated outputs.
	Data Source	Aggregation of USAID mission responses worldwide.



 Outcome Indicator		
Indicator #3: Implementation of Sudan Peace Process		
TARGETS	FY 2007	Continue implementation of the comprehensive peace agreement in accordance with the agreed upon schedule. Strengthening of internal Sudanese dialogue. Eighty percent of Internally Displaced Persons (IDPs) and refugees return home. Government of Sudan (GOS) military forces withdrawn from the south.
	FY 2006	Regional democratic elections are held, non-violent transitions to appropriate new government in Sudan or at a minimum, preparation activities toward a program of democratic election are put in place. Military reform continues with additional assistance provided to southern Army. Disarmament, Demobilization, and Reintegration (DDR) on both sides results in force reduction of 40 percent globally. Forty percent of refugees and IDPs return home. Darfur IDPs and refugees return home.
RESULTS	2005	The Comprehensive Peace Agreement was concluded in January 2005. The donors conference in April succeeded in obtaining pledges to support the Comprehensive Peace Agreement above request. The UN Mission in Sudan is deploying. Despite the untimely death of former Vice President John Garang in late July, the process continues to move forward under new leadership. Violence in Darfur and disruption of humanitarian assistance continue, despite some improvements. In spite of some difficulty, Darfur peace talks in Abuja continue.
	2004	Power and wealth sharing agreements signed. Comprehensive agreement being negotiated. Crisis in Darfur eclipses Government of Sudan - Sudan People's Liberation Movement (SPLM) peacemaking efforts. GOS not yet able to rein in Jinjaweed militia as humanitarian crisis worsens. African Union deploys ceasefire monitors with U.S. assistance.
	2003	<u>Baseline:</u> Both the GOS and the SPLM/Army began a peace process, resolving two of the most contentious issues: the role of religion and the right of self-determination. Nuba Mountains ceasefire agreement concluded, international monitoring operations begun, and humanitarian support provided. Civilian Protection Monitoring Team preparing to stand up. Zones of Tranquility and Slavery Commission work conducted.
	2002	N/A
DATA QUALITY	Indicator Validation	A peaceful Sudan with an inclusive government based on the rule of law could be a hedge against regional instability and an important partner in the global war on terrorism. Ending conflict will also alleviate one of the world's worst humanitarian situations and propel regional economic prospects.
	Data Source	Government of Sudan announcements. Embassy Khartoum reporting.



		Outcome Indicator
Indicator #4: Regional Security in the Mano River Countries of Liberia, Guinea, and Sierra Leone		
TARGETS	FY 2007	<ol style="list-style-type: none"> 1. Liberia holds acceptable elections with nonviolent aftermath. 2. Security sector reform continues in Liberia with newly trained police and military units deployed. 3. The countries remain at peace, posting Gross Domestic Product (GDP) growth twice that of population growth and boosting their rankings in Freedom House's index. 4. Seventy-five percent or more of internally displaced persons (IDPs) and refugees return home. 5. International/regional forces downsize in Liberia.
	FY 2006	<ol style="list-style-type: none"> 1. Liberia holds acceptable elections with nonviolent aftermath. 2. Security sector reform begins in Liberia in earnest with newly trained police and military units deployed. 3. The countries remain at peace, posting GDP growth twice that of population growth and boosting their rankings in Freedom House's index. 4. Fifty percent or more of internally displaced persons and refugees return home. 5. International/regional forces withdraw from Sierra Leone.
RESULTS	2005	Liberia's transitional government held elections in October 2005, and Sierra Leone continues post-conflict recovery. UN Mission in Sierra Leone (UNAMSIL) withdrew at the end of the year. Disarmament, demobilization and reintegration (DDR) and security sector reform activities have been incomplete and greatly delayed respectively.
	2004	The Liberian peace agreement held. UN forces were deployed throughout most of the country. IDPs and refugees returned home.
	2003	The International Contact Group on Liberia persuaded Liberia to talk directly with insurgents, but fighting continued to disrupt the country. UN sanctions did not contain Liberians from fighting and looting in Côte d'Ivoire, while elements in Côte d'Ivoire, Sierra Leone and Guinea continued to support Liberian insurgents. IDPs flooded Monrovia and more Liberian refugees streamed into Guinea and Sierra Leone. 259,000 refugees and 425,000 IDPs in the region.
	2002	UNAMSIL planned withdrawal of forces as training of RSLAF continues. 259,000 refugees and 425,000 IDPs in the region.
DATA QUALITY	Indicator Validation	Liberia, Guinea and Sierra Leone have been the site of war and other instability for at least the past 15 years, at untold humanitarian and economic cost to the countries and the region. Realizing a just peace will ensure that human resources and markets can better prosper and thereby decrease the region's potential as the site for potential terrorist or other illicit activities (including environmental degradation).
	Data Source	UN Mission in Sierra Leone reports. Freedom House.



I/P #5: Security Cooperation and Arms Control		
A variety of arms control agreements exist in the area dealt with by the 55-nation Organization for Security and Cooperation in Europe (OSCE) that contribute to regional stability and reinforce U.S. influence in European security. Ensuring full implementation of these agreements promotes confidence, transparency, and predictability in this Eurasian area.		
 Output Indicator		
Indicator #1: Status of Adapted Conventional Armed Forces in Europe Treaty		
TARGETS	FY 2007	<p>If Russia fully implements its Istanbul commitments, the ultimate target will be full and effective implementation of the Adapted Conventional Armed Forces (ACFE) Treaty. Major milestones would include:</p> <ol style="list-style-type: none"> 1. Istanbul commitments fulfilled (ACFE Treaty cannot enter into force until this happens) 2. Ratification of ACFE Treaty 3. Entry Into Force of ACFE Treaty 4. Implementation 5. Accession <p><i>Note:</i> Given the need for 30 countries to complete the ratification and entry into force process, this could extend beyond 2007.</p>
	FY 2006	<p>Russia fulfills remaining Istanbul commitments, and the May 2006 Conventional Forces in Europe (CFE) Review Conference marks Russian progress. U.S. and NATO Allies agree that Russia has fulfilled all Istanbul commitments, allowing for U.S. ratification and, after all other CFE states ratify, entry into force of the Adapted CFE Treaty. If no progress achieved on Russian fulfillment of remaining Istanbul commitments, NATO Allies maintain solidarity on the position that the Adapted CFE Treaty will only be ratified when Russian's Istanbul commitments are fulfilled.</p>
RESULTS	2005	<p>On May 30, 2005, Russia and Georgia agreed on a timeline for Russia to withdraw from two of its bases in Georgia and identified an initial step toward resolving the status of the Russian presence at a third base. NATO allies agreed that while this constitutes important progress toward meeting the Istanbul commitments on Georgia, follow-up steps are needed. No progress to report this fiscal year regarding the Russian commitment to withdraw from Moldova.</p>
	2004	<p>Russia did not fulfill all Istanbul Commitments. Russia still needed to reach agreement with Georgia on remaining issues regarding the Gudauta base and its future use, and the duration of Russian presence in Batumi and Alkhalkalai. Russia also needed to complete the withdrawal of its forces from Moldova. The U.S. and NATO continued to press Russia to fulfill these commitments, but there has been no progress to report in FY 2004. Russia and the new Georgian Government had been meeting, but progress on a Russian withdrawal from remaining bases fell victim to broader Russian-Georgian problems.</p>
	2003	<ol style="list-style-type: none"> 1. Major progress was made in calendar year 2003 on withdrawal of Russian forces from Moldova; some 20,000 tons of Russian munitions stored in depots in the Transdnister region was withdrawn by the end of the year. 2. Russia did not meet the Organization for Security and Cooperation in Europe's extended December 31 deadline to withdraw forces from Moldova. 3. Progress on withdrawal of Russian bases from Georgia stalled for most of 2003, despite limited progress on technical issues. 4. Russian equipment levels in the CFE Flank region remained below Adapted CFE Treaty Flank Limits.
	2002	<ol style="list-style-type: none"> 1. Russia fulfilled its Istanbul commitment on the flank issue, reduced its flank equipment to Adapted Treaty levels, and discharged its Istanbul commitments for CFE equipment in Georgia and Moldova. 2. Russia needs to reach agreement with Georgia on remaining issues regarding Gudauta base and its future use, and the duration of Russian presence in Batumi and Alkhalkalai. Russia also needs to complete the removal and destruction of munitions and small arms in Moldova. 3. Conditions for U.S. ratification of Adapted CFE Treaty were not met.



DATA QUALITY	Indicator Validation	The 1990 CFE Treaty has long been considered one of the cornerstones of European security. The 1999 Adapted CFE Treaty revised the CFE Treaty to meet the new security environment in post-Cold War Europe, while retaining the benefits of transparency, predictability, and U.S. force deployment flexibility. Entry into force of the Adapted CFE Treaty and its smooth implementation will contribute to a stable and secure Europe. A precondition for U.S. and NATO ratification of the Adapted Treaty, and thus its entry into force is Russian fulfillment of its Istanbul commitments relating to Russian withdrawal from Georgia and Moldova. The U.S. works closely with its NATO Allies in coordinating positions regarding CFE issues, reinforcing the U.S. role in European security.
	Data Source	OSCE, NATO, and U.S. Mission/Embassy reporting. OSCE and NATO statements. Statements by U.S., Russia, Georgia, Moldova, and other OSCE states.

Outcome Indicator		
Indicator #2: Status of Chinese Cooperation on Regional Stability		
TARGETS	FY 2007	Six-Party partners, including China, coordinate on energy/economic assistance to North Korea in return for an end to the Democratic People's Republic of Korea (DPRK) nuclear program.
	FY 2006	China continues to host and participates in Six-Party settlement of North Korea nuclear issue.
RESULTS	2005	China's active diplomacy continues to result in forward progress in Six-Party talks. China-ASEAN enhanced confidence-building measures on trade and maritime ties. China, Association of Southeast Asian Nations (ASEAN) and UN promoted Burma political opening.
	2004	China played a constructive role in, and hosted, the Six-Party talks with North Korea, and has continued to improve ties and play a constructive role in South Asia. China generally was supportive of U.S. Middle East policies and provided modest assistance with reconstruction in Afghanistan and Iraq.
	2003	China discussed its bilateral border disputes with South Asian officials. China played a crucial role in facilitating multilateral talks with North Korea on maintaining a nuclear weapons-free Korean peninsula.
	2002	China continued to urge Pakistan and India to avoid conflict and reduce tensions. There was a continuing impasse on Cross-Strait dialogue. China encouraged North Korean openness and multilateral dialogue to end its nuclear weapons program. China's public statements at APEC ministerial were helpful in maintaining a nuclear weapons-free Korean Peninsula.
DATA QUALITY	Indicator Validation	China is capable of playing a significant role in reducing tension in the region and this indicator measures China's influence on stability in the East Asia and the Pacific region.
	Data Source	Cable reports and memoranda of communications from U.S. overseas posts, intelligence reporting, regional allies (Japan, ROK, Australia, Thailand, and the Philippines), and Non-Governmental Organizations (NGOs) provide documentation and evidence of China's actions with regard to reducing regional tensions.



I/P #6: Implementation of the Road Map		
Implement the President's vision for a permanent, peaceful, two-state solution of the Israeli-Palestinian problem, leading to a comprehensive peace on all tracks, including Israel and its neighbors.		
Outcome Indicator		
Indicator #1: Progress Towards Implementation of the Road Map, as Measured by an Independent, Democratic Palestinian State Alongside Israel in Peace and Security		
TARGETS	FY 2007	Continued implementation of roadmap provisions. In Gaza, active public diplomacy and public affairs programming resumes with NGOs, professional associations, and academic institutions. Building on multilateral and bilateral contacts, Arab states and Israel increase contact to the level of semi-official ties (trade offices for some countries).
	FY 2006	Both sides progress through provisions in Phase I of the roadmap, including, but not limited to, on the Government of Israel (GOI) side: <ol style="list-style-type: none"> 1. As comprehensive security performance moves forward, Israeli Defense Forces (IDF) withdraws progressively from areas occupied since September 28, 2000 and the two sides revert to pre-September 28, 2000 status quo; 2. Immediate dismantlement of settlement outposts erected since March 2001 and freezing of all settlement activity; and 3. Steps to improve the humanitarian situation. Quartet convenes international conference. With Quartet, U.S. establishes a roadmap monitoring mechanism, including appointment of U.S. coordinator. Israeli, Palestinian, and regional Arab nonofficial experts resume dialogue on political, security, arms control, and other regional issues.
RESULTS	2005	Israel's Government has concluded its withdrawal from Gaza, and the focus has now shifted to Palestinian efforts to establish order. Disengagement produced coordination on a number of levels between the two sides. The Palestinian Authority has begun to take steps to restructure and reform its security forces throughout the West Bank and Gaza, with the support of U.S. Security Coordinator General William Ward and assistance from the international community. Quartet Special Envoy James Wolfensohn continues work on his agenda of issues intended to restore the viability of the Palestinian economy. Restoration of pre-Intifada Arab links with Israel continues, as indicated by the return of the Egyptian and Jordanian ambassadors to Tel Aviv.
	2004	Neither the Government of Israel nor the Palestinian Authority made efforts to begin meeting roadmap obligations or Aqaba Summit (June 2003) commitments. Sporadic terrorist attacks and Israeli countermeasures – including targeted killings, home demolitions, mobility restrictions and the construction of the West Bank security barrier – continued, further undermining trust. The Government of Israel focused on its unilateral disengagement plan, which aims to remove all Israeli settlers and most of its forces from the Gaza Strip and parts of the West Bank in 2005. The poverty rate in the West Bank and Gaza at the end of 2004, according to the World Bank, was 48%, exceeding the target. However, the World Bank also retroactively changed the 2002 poverty rate from the 60% that served as the original baseline to 51%; thus, little real progress was observed in this area from 2002 to 2004.
	2003	Roadmap publicly released and used effectively as diplomatic tool to relaunch Israeli-Palestinian peace negotiations.
	2002	Periodic, often large-scale, Palestinian terrorist attacks targeted at Israel, often followed by harsh preventive, retaliatory, or deterrent Israeli military actions. Significant civilian casualties on both sides.
DATA QUALITY	Indicator Validation	The indicator corresponds to the vision articulated by the President in his June 24, 2002 speech of two states, Israel and Palestine, existing side by side in peace and security, with goals geared to roadmap obligations. Progress is measured according to the degree to which an independent, democratic Palestinian state exists alongside Israel in peace and security.
	Data Source	Quartet announcements. Embassy and USAID Asia and the Near East (ANE) Bureau reporting.



I/P #7: Security Assistance Programs to Sub-Saharan Africa		
Enhance ability of Africans to reduce conflict on the continent.		
 Output Indicator		
Indicator #1: Percentage of U.S.-Trained African Units Deployed to Peace Support/Humanitarian Response Operations (PART)		
TARGETS	FY 2007	Of all African units deployed in Peacekeeping Operations (PKO) globally, 75% will have significant staff and unit training experience under U.S. or U.S.-trained trainers.
	FY 2006	Of all African units deployed in PKO globally, 67% will have significant staff and unit training experience under U.S. or U.S.-trained trainers.
RESULTS	2005	<p>In 2005, 14 of 23 battalions (61%) had significant staff and unit training experience under U.S. or U.S.-trained trainers. Currently, there are approximately 23 African battalion or battalion equivalents deployed in African peacekeeping operations (UN or regional):</p> <ol style="list-style-type: none"> 1. <u>Rwanda</u> (3 Total): 3 battalions deployed to the African Union Mission in Sudan. 2. <u>Senegal</u> (6 Total): 1 battalion deployed to the African Union Mission in Sudan; 2 battalions deployed to the United Nations Operation in Côte d'Ivoire; 2 battalions deployed to the United Nations Mission in the Democratic Republic of Congo; 1 battalion deployed to the United Nations Mission in Liberia. 3. <u>Ghana</u> (6 Total): 2 battalions deployed to the United Nations Mission in the Democratic Republic of Congo; 2 battalions deployed to the United Nations Operation in Côte d'Ivoire; 1 battalion deployed to the United Nations Mission in Sierra Leone; 1 battalion deployed to the United Nations Interim Force in Lebanon. 4. <u>Ethiopia</u> (4 Total): 3 battalions deployed in Liberia; 1 battalion deployed in Burundi. 5. <u>Kenya</u> (2 Total): 1 battalion deployed in Burundi; 1 deployed in Ethiopia-Eritrea. 6. <u>Benin</u>: 1 battalion deployed to the United Nations Operation in Côte d'Ivoire. 7. <u>Mozambique</u>: 1 battalion deployed in Burundi.
	2004	Of all African battalions (or their equivalent) deployed in PKO globally, approximately 65% had significant staff and unit training experience under U.S. or U.S.-trained trainers.
	2003	Seven (7) African contingents trained by the U.S. or U.S.-trained trainers engaged in peace support missions. An additional five contingents planned for Peace Support Operations (PSO) participation in Liberia and Burundi. Economic Community of West African States (ECOWAS) forces, with significant U.S. support and training, deployed to Liberia.
	2002	Five (5) U.S.-trained battalion-sized units successfully participating in peacekeeping or contingency operations.
DATA QUALITY	Indicator Validation	A U.S.-trained African unit or one trained by U.S.-trained trainers will perform better than one not provided such training or its equivalent. Also, African PKO requirements are expected to remain high and therefore improved African capability will lessen calls for the use of U.S. forces.
	Data Source	United Nations peacekeeping office. Bureau of African Affairs reports.



V. Illustrative Examples

Regional Stability	
Reconstruction and Stabilization	The Department of State has engaged with the international community to develop approaches to conflict prevention and coordinated international response to conflict and failing states. This has spurred similar initiatives with bilateral partners who have created their own internal management coordination mechanisms. Bilateral partners have consulted with us on early warning and prevention, integrated military-civilian planning, and civilian response capacity development. Engagement with the UN and regional multilateral organizations has focused on increasing support for a holistic approach to peace building and the development of joint planning and implementation efforts. In collaboration with G-8 partners, training and equipping troops world wide through the Global Peace Operations Initiative will play a key role in stabilizing countries emerging from conflict.
Bolivia	In March 2004, USAID launched its Bolivia program in response to the political crisis that resulted in violent protests and the forced resignation of President Gonzalo Sánchez de Lozada. The objective of the program is to reduce political tensions and support democratic processes in order to create space for democratic continuity. As of early May 2005, USAID has committed over \$5.3 million to 175 grants and activities.
Haiti	USAID moved quickly to help restore essential services to Haiti following the uprising against Aristide. The first act was to get the electricity system operating again in Port-au-Prince. USAID health programs have grown to the point where 90% of the children in project zones are now fully immunized, and a program that furnishes anti-retroviral medication to HIV/AIDS victims has begun. In addition, a microfinance program has helped more than 90,000 microentrepreneurs expand their businesses. USAID is also sponsoring a major food assistance program for children and has supplied over \$11 million in response to the devastating flood in Gonaives.
African Contingency Operations	The Department trains and equips selected African militaries to carry out peace support and humanitarian relief operations through the African Contingency Operations Training and Assistance program, a component of the Global Peace Operations Initiative. Its comprehensive approach encourages regional peace support operations for which African countries and security institutions take the primary responsibility for peacekeeping in the region. Greater regional stability created by an enhanced African peace support capacity serves U.S. interests in promoting African democracy and economic growth.
Burundi	USAID continued to provide funding in FY 2005 to program activities to address land-related conflict in Burundi. USAID supported a multi-ethnic roundtable discussion on the causes of land conflict and the impact that these conflicts have on stability, investment and sustainable use of resources. Future stages may include assistance on possible legal reform measures to address land access and tenure security, land conflict, dispute resolution, and most importantly, economic options to reduce dependence on land - an extremely scarce resource in Burundi.
Coalition Building and Maintenance	Our Iraq and Afghanistan coalition partners have been steadfast and courageous but face increasing sustainability challenges. The Department of State leads the Interagency USG Coalition engagement effort. Coalition management varies from strategic dialogue with our Coalition partners to providing financial support and facilitating acquisition of critical equipment that enable partner nations to deploy. Coalition management also involves facilitating protection forces for the UN that enable a larger presence of international community support. Together, these efforts are critical to maintaining the Coalitions and are manpower intensive. There are over 29 nations, plus NATO, with over 20,000 personnel in Iraq (in addition to the U.S.) and approximately 40 countries with over 12,000 troops in Afghanistan (in addition to the U.S.). Coalition issues are one of the pillars of the President's "National Strategy for Securing Iraq" (NSSI).



V. Resource Detail

Table 1: State Appropriations by Bureau (\$ Thousands)

Bureau (By Highest FY 2007 Request)	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
International Organization Affairs	1,590,144	1,642,887	1,707,395
European and Eurasian Affairs	49,798	49,569	48,115
Near Eastern Affairs	31,344	33,245	44,187
Intelligence and Research	19,708	20,530	21,302
Other Bureaus	175,784	102,168	106,556
Total State Appropriations	\$1,866,778	\$1,848,399	\$1,927,555

Table 2: Foreign Operations by Account (\$ Thousands)

Title/Accounts	FY 2005 Actual	FY 2006 Estimate	FY 2007 Request
Title I - Export and Investment Assistance			
Export-Import Bank	-	-	-
Overseas Private Investment Corporation	-	-	-
Trade and Development Agency	-	-	-
Title II - Bilateral Economic Assistance			
USAID	93,139	109,137	92,330
Global HIV/AIDS Initiative	-	-	-
Other Bilateral Economic Assistance	201,340	143,158	153,141
Independent Agencies	-	-	-
Department of State	-	-	-
Department of Treasury	-	-	-
Conflict Response Fund	-	-	75,000
Millennium Challenge Account	-	-	-
Title III - Military Assistance			
International Military Education & Training	68,901	65,417	66,245
Foreign Military Financing	4,180,458	4,047,978	4,139,637
Peacekeeping Operations	355,418	113,750	130,325
Title IV - Multilateral Economic Assistance			
International Development Association	-	-	-
International Financial Institutions	-	-	-
International Organizations/Programs	595	-	-
Total Foreign Operations	\$4,899,851	\$4,479,440	\$4,656,679
Grand Total	\$6,766,629	\$6,327,839	\$6,584,234