

III. SUPPORTING INFORMATION

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Arms Control and Nonproliferation Considerations

Arms transfers continue to be an indispensable U.S. policy instrument for advancing international security and stability in the post-Cold War era and for promoting the aims of the Global War on Terrorism. Judiciously used, arms transfers can deter aggression, foster internal and regional stability, strengthen and revitalize mutual security relationships, and demonstrate support for the security of friends and allies. With the new challenges posed by the rise of global terrorism and the spread of weapons of mass destruction, our military assistance programs play a critical role in bolstering the security capabilities of the United States and its allies.

The U.S. military assistance program complements the U.S. foreign policy goal of promoting international security through negotiation and support for bilateral, regional and multilateral agreements and arrangements, and assuring compliance with existing arms control agreements. It also enhances the U.S. ability to limit the proliferation of weapons of mass destruction, especially in regions of conflict, by giving countries conventional means for ensuring their security. As the President's arms transfer policy states, the United States will actively seek greater transparency and responsibility in the area of arms transfers to regions of instability.

There are other new and creative forms of security assistance in the NADR account that complement our arms control and nonproliferation goals and contribute to regional and global stability. The program to destroy small arms and reduce international stockpiles helps control the proliferation of relatively cheap, accessible weapons that exacerbate regional and civil conflicts. The worldwide Nonproliferation and Disarmament Fund and export control cooperation programs promote bilateral and multilateral efforts to control the spread of missiles, nuclear, chemical and biological weapons, and destabilizing arms transfers.

Carefully structured security assistance programs support U.S. conventional arms transfer policy goals, particularly to preserve regional balances and help allies deter and defend against aggression, and the U.S. nonproliferation objectives of curbing the spread of weapons of mass destruction and their delivery systems.

The U.S. arms transfer policy requires a careful, case-by-case evaluation of each request for arms. Each transfer is specifically reviewed for its contribution to U.S. security interests and arms control and nonproliferation objectives. Such a review considers, inter alia:

- Whether a proposed transfer is consistent with U.S. interests in maintaining or enhancing stability within the region;
- Whether the proposed transfer can be absorbed without overburdening the recipient's military support system or financial resources;
- The impact of the proposed transfer on our arms control and nonproliferation goals; and
- Whether possible adverse effects of the transfer are offset by positive contributions to U.S. regional security interests and objectives.

Whenever appropriate, these issues are referred to senior Administration officials, beginning with those in the Department of State, to ensure that decisions on arms transfers complement and support U.S. national security policies.

Estimating Foreign Military Sales

Foreign Military Sales (FMS) policies derive from U.S. statutes, Presidential directives, and policies of the Departments of State and Defense. The U.S. offers to sell defense articles and services (including training) under FMS procedures only in response to specific requests from authorized representatives from foreign governments or eligible international organizations.

The following table is in two parts. The first part shows the total dollar value by country of government-to-government FMS Letters of Offer and Acceptance (LOA's) signed in FY 2005, regardless of when the articles and services were or will be delivered.

The second part shows the estimated dollar values projected for FY 2006 and FY 2007. These estimates were derived through:

- a. An analysis of each country's historical FMS sales record (past 10 years).
- b. Development of an adjusted mean plus or minus one standard deviation -based range of likely sales for each country.
- c. In-depth, multi-tiered evaluation of each item contained on individual country lists of potential sales (developed by DSCA Regional Directorates). Each entry is evaluated for:
 - (i) Likelihood of sale, in and of itself, to be made in the year listed.
 - (ii) Likelihood that the sale will go FMS and not Direct Commercial Sales (DCS).
 - (iii) Release considerations, if any, associated with the item and likelihood for approval and a FMS sale after completion of the accompanying thorough, and often lengthy, U.S. Government review process.
 - (iv) A judgment of how essential the listed military equipment of defense service is to the country's defense needs.
 - (v) Whether the country's foreign procurement budget, as a whole, is adequate to fund the listed item in its entirety or possibly, at a lesser amount of quantity and dollars.
 - (vi) Whether the funding required to make the purchase will in fact be approved by the purchasing country's budget process.
- d. Consideration of potential economic and political/military factors over the time frame concerned.

Each phase of the FMS LOA request / offer / acceptance process has many variables that make it difficult to determine exactly when--or even if --a particular sale may occur. Variance of one day in a purchasing country's acceptance of a single significant sales agreement could shift the recording of the transaction from one fiscal year to the next.

Foreign Military Sales & Construction Sales Agreements
(\$ in thousands)

	FY 2005 ACTUAL			ESTIMATED	
	DEFENSE ART/SERV	CONSTR/DESIGN	TOTAL	FY 2006	FY 2007
Africa:					
African Union	105	0	105	0	0
Angola	150	0	150	200	0
Botswana	1.723	0	1.723	500	300
Cameroon	150	0	150	150	0
Cape Verde	68	0	68	0	0
Chad	0	0	0	2.000	0
Congo (Kinshasa)	0	0	0	2.400	0
Djibouti	10.877	0	10.877	9.500	2.000
Eritrea	200	0	200	240	0
Ethiopia	250	0	250	8.000	5.000
Gabon	8	0	8	0	0
Gambia	183	0	183	0	0
Ghana	1.145	0	1.145	1.300	500
Guinea	201	0	201	0	0
Kenya	304	0	304	7.080	0
Liberia	0	0	0	1.700	2.000
Madagascar	0	0	0	1.100	0
Malawi	3	107	110	0	0
Mozambique	40	0	40	325	0
Niger	0	0	0	800	0
Nigeria	2.318	0	2.318	1.500	0
Rwanda	500	0	500	0	0
Sao Tome & Principe	0	0	0	185	0
Senegal	707	0	707	2.000	500
Sevchelles	0	0	0	300	0
Sierra Leone	40	0	40	300	0
South Africa	137	0	137	0	0
Swaziland	0	0	0	3	0
Togo	184	0	184	0	0
Uganda	2.106	0	2.106	300	0
Zambia	600	0	600	0	0
Regional Total	21.999	107	22.108	39.883	10.300
Western Hemisphere:					
Antigua-Barbuda	0	0	0	474	490
Argentina	15.000	0	15.000	4.000	0
Bahamas	0	0	0	400	100
Belize	272	0	272	700	300
Brazil	141.463	0	141.463	112.200	0
Canada	287.411	0	287.411	193.577	148.696
Chile	17.365	0	17.365	0	0
Colombia	202.584	0	202.584	112.462	67.370
Dominica	473	0	473	194	190
Dominican Republic	602	0	602	0	0
Ecuador	5.597	0	5.597	22.140	6.780
El Salvador	6.816	832	7.648	28.000	15.000
Grenada	505	0	505	194	190
Guatemala	2.460	0	2.460	0	0
Guvana	456	0	456	250	125
Haiti	734	0	734	700	1.619
Honduras	1.916	0	1.916	1.500	1.345
Jamaica	1.289	0	1.289	2.057	550
Mexico	4.009	0	4.009	10.080	8.830
Nicaragua	309	0	309	0	0
Panama	1.815	0	1.815	2.800	2.000

	FY 2005 ACTUAL			ESTIMATED	
	DEFENSE ART/SERV	CONSTR/DESIGN	TOTAL	FY 2006	FY 2007
Peru	778	0	778	0	0
St. Kitts and Nevis	225	0	225	194	190
St. Lucia	161	0	161	194	190
Suriname	0	0	0	250	0
Trinidad & Tobago	87	0	87	0	0

	FY 2005 ACTUAL			ESTIMATED	
	DEFENSE ART/SERV	CONSTR/DESIGN	TOTAL	2006	2007
Uruguay	385	0	385	0	0
Regional Total	692.712	832	693.545	492.366	253.965
East Asia & Pacific:					
Australia	379.984	0	379.984	800.000	930.000
Cambodia	208	0	208	0	0
Fiji	523	0	523	0	0
Japan	892.465	0	892.465	604.800	398.600
Korea (Seoul)	402.466	0	402.466	671.000	1,201.000
Malaysia	30.430	0	30.430	20.450	250.000
Mongolia	66	0	66	11.640	0
New Zealand	15.733	0	15.733	15.700	0
Rep of Philippines	46.993	0	46.993	20.000	53.000
Singapore	90.179	0	90.179	656.015	250.000
Taiwan	244	0	244	0	0
Thailand	16.159	0	16.159	462.500	309.000
UNTAET (East Timor)	2.051	0	2.051	0	0
Regional Total	1,877.501	0	1,877.501	3,262.105	3,391.600
Europe & NIS:					
Albania	3.940	0	3.940	6.300	3.200
Armenia		0		3.205	0
Austria	4.421	0	4.421	1.500	0
Azerbaijan	5.092	0	5.092	6.360	7.080
Belgium	128.839	0	128.839	5.746	5.868
Bosnia-Herzegovina	5.714	0	5.714	11.500	17.000
Bulgaria	7.795	0	7.795	21.300	21.500
Croatia	0	0	0	640	0
Czech Republic	37.396	0	37.396	4.800	5.000
Denmark	83.296	0	83.296	40.000	30.000
Estonia	389	0	389	14.500	4.700
Finland	7.887	0	7.887	98.975	17.075
France	23.400	0	23.400	27.630	57.000
Georgia	35.990	0	35.990	14.850	16.800
Germany	96.654	0	96.654	264.018	97.248
Greece	83.961	0	83.961	488.780	75.000
Hungary	29.623	0	29.623	20.951	3.194
Ireland	138	0	138	132	14
Italy	93.805	0	93.805	242.000	130.000
Kazakhstan	6.049	0	6.049	8.000	6.000
Kyrgyzstan	0	0	0	1.000	5.000
Latvia	7.437	0	7.437	12.900	6.500
Lithuania	9.653	0	9.653	15.430	4.300
Luxembourg	752	0	752	0	500
Macedonia (FYROM)	1.906	0	1.906	5.500	4.800
Moldova	633	0	633	1.250	1.450
Netherlands	243.414	0	243.414	396.100	153.350
Norway	78.359	0	78.359	61.000	63.000
Poland	6.876	0	6.876	118.380	27.500
Portugal	87.645	0	87.645	167.400	26.000
Romania	14.643	0	14.643	29.000	25.000
Slovakia	4.670	0	4.670	4.800	5.700
Slovenia	5.039	0	5.039	1.500	2.150
Spain	135.685	0	135.685	613.400	18.503
Sweden	102.434	0	102.434	18.350	13.000
Switzerland	21.076	0	21.076	7.900	6.700

	FY 2005 ACTUAL			ESTIMATED	
	DEFENSE ART/SERV	CONSTR/DESIG	TOTAL	2006	2007
Turkey	1,330,601	0	1,330,601	524,000	200,000
Turkmenistan	233	0	233	2,200	0
Ukraine	280	0	280	10,000	3,000
United Kingdom	361,864	0	361,864	224,426	163,420
Uzbekistan	0	0	0	2,757	0
Regional Total	3,067,586	0	3,067,586	3,498,480	1,226,552
Near East & South Asia					
Afghanistan	253,108	201,577	454,685	995,000	1,172,000
Bahrain	26,547	0	26,547	82,926	626,000
Bangladesh	571	0	571	0	0
Egypt	1,107,753	46,961	1,154,714	406,475	2,383,900
India	85,592	0	85,592	264,000	1,028,000
Iraq	108,910	0	108,910	0	0
Israel	507,536	79,493	587,029	581,000	600,000
Jordan	123,471	0	123,471	225,030	276,200
Kuwait	101,811	0	101,811	476,600	639,000
Lebanon	1,250	0	1,250	2,500	0
Morocco	16,016	0	16,016	10,000	17,700
Nepal	4,553	0	4,553	1,500	1,500
Oman	47,062	0	47,062	41,000	0
Pakistan	491,922	0	491,922	406,000	200,000
Qatar	51	0	51	20,000	0
Saudi Arabia	747,929	0	747,929	1,816,700	2,455,500
Taiikistan	0	0	0	275	0
Tunisia	1,137	0	1,137	9,930	9,930
United Arab Emirates	26,637	0	26,637	285,500	88,000
Yemen	13,620	0	13,620	4,582	0
Regional Total	3,665,476	328,031	3,993,505	5,629,018	9,497,730
Non-Regional:					
Classified Totals (A)	136,923	0	136,923	0	0
International Org.	56,224	0	56,224	50,000	50,000
Non-Regional Total	193,147	0	193,147	50,000	50,000
Worldwide Total	9,518,421	328,970	9,847,391	12,971,852	14,430,147

Note: Totals May Not Add Due To Rounding.

(A) For Further Information, Please See Classified Annex To This Document.

Foreign Military Sales Administrative Costs

The Foreign Military Sales (FMS) program is implemented, for the most part, by the same Department of Defense personnel who work in the military departments and defense agency procurement, logistics support and administrative organizations established to carry out DoD's requirements for procurement and support of weapons, equipment, supplies and services needed by our Army, Navy, Air Force and Marines. A small number of fully dedicated security assistance organizations and personnel are also employed by the military departments and defense agencies in accomplishing the FMS mission. This integration of FMS provides organizational efficiencies and procurement cost economies to both the U.S. and the FMS customer countries.

The Arms Export Control Act (AECA) requires that the costs of implementing FMS be paid by FMS customer countries. To satisfy this requirement, an "administrative surcharge" of two and one-half percent (2.5%) is applied to most FMS cases written on or after June 1, 1999. For cases written before that time, a three percent (3%) rate is applied. A five percent (5%) rate is applied to non-standard articles and services and supply support arrangements. In addition, a "logistics support charge" of three-point-one percent (3.1%) is applied on certain deliveries of spare parts, equipment modifications, secondary support equipment and supplies. These administrative funds collected from the FMS customer are made available to the military departments and defense agencies to pay for their FMS administrative costs related to such functions as FMS case preparation (including preparation of price and availability estimates/information), sales negotiations, case implementation, procurement, program control, ADP operations, accounting, budgeting and other financial program management. About one-half of the operating costs of overseas Security Assistance Organizations (SAOs) are also financed from FMS administrative funds. DSCA administers an annual budget process to develop estimated funding requirements and establish approved administrative funding levels.

The ceiling request to be included in Foreign Operations, Export Financing and Related Programs Appropriations Act of 2006, is \$373 million on obligations of FMS administrative funds. All FMS administrative budget obligations and expenditures are from FMS customers' funds that have been collected into the U.S. Treasury in the Foreign Military Sales Trust Fund account. There is no net outlay impact on the U.S. budget from the operations of the FMS administrative budget.

In FY 2007, \$359 million is required. DoD's FMS workload is level as indicated by actual sales between FY's 2001-2004 in the \$12-13 billion range, FY 2005 sales was in the \$10.5 billion range and anticipated sales for FY 2006 is in the \$13 billion range.

The following table shows FMS administrative budget amounts for FY's 2005-2007.

Foreign Military Sales Administrative Costs/Workyears
(\$ in millions)

	FY 2005 Actual		FY 2006 Estimate		FY 2007 Request	
	Workyrs	Dollars	Workyrs	Dollars	Workyrs	Dollars
Military Departments	2,563	231.479	2,411	226.771	2,395	225.536
Other Defense Activities	639	102.361	628	110.573	615	97.951
Overseas (Net)	327	33.160	366	35.656	366	35.513
Total	3,529	367.000	3,405	373.000	3,376	359.000

Overseas Military Program Management

United States military personnel are assigned to Security Assistance Organizations (SAOs) overseas to ensure effective planning and management of host country security assistance programs. These individuals, along with U.S. civilians and local national civilians serve under the direction and supervision of the Chiefs of U.S. Diplomatic Missions. The SAO provides liaison among the Mission, the Department of Defense, and the host country defense establishment in security assistance matters.

SAO personnel work closely with members of the host country defense establishment to develop and execute training programs and to accomplish realistic and effective procurement actions. These efforts are key to the development of a defense infrastructure capable of integrating weapons and support systems into the existing force structure. Professional exchanges and cooperative planning contribute to effective and efficient country security assistance programs.

The Department of Defense reviews staffing authorizations in coordination with the Department of State, the Chiefs of U.S. Diplomatic Missions, and the Combatant Commands to ensure that SAOs are properly staffed to conduct their missions efficiently

In FY 2006, separate SAOs will be assigned to ninety-nine countries. In seventeen additional countries, programs will be administered by augmentation personnel assigned to carry out security assistance management functions under the supervision of the Defense Attaché or other Mission staff. In other countries with which the U.S. maintains a security assistance relationship, Defense Attaches and other Mission personnel manage the programs without augmentation personnel.

The following tables identify the security assistance authorized staffing levels and associated costs at the conclusion of FY 2005 and the estimated levels for FY 2006 and FY 2007. Actual assigned strengths for FY 2005 and FY 2006 may be less than the authorized levels shown. Staffing requirements may change as individual country programs develop.

The following is a glossary of Organizations assigned to U.S. Diplomatic Missions overseas that manage host country security assistance programs:

U.S. SECURITY ASSISTANCE ORGANIZATIONS

DAO	Defense Attaché Office
JUSMAG	Joint U.S. Military Assistance Group
JUSMAG-K	Joint U.S. Military Affairs Group - Korea
KUSLO	Kenya U.S. Liaison Office
MAP	Military Assistance Program
MDAO	Mutual Defense Assistance Office
NLO	Navy Liaison Office
ODC	Office of Defense Cooperation
ODR	Office of Defense Representative
ODRP	Office of Defense Representative - Pakistan
OMC	Office of Military Cooperation
OMC-K	Office of Military Cooperation - Kuwait
SAO	Security Assistance Office
USLO	U.S. Liaison Office
USMAAG	U.S. Military Assistance Advisory Group
USMILGP	U.S. Military Group
USMLO	U.S. Military Liaison Office
USMTM	U.S. Military Training Mission

Overseas Military Program Management – Costs
(\$ in thousands)

ORG.	FY 2005 Actual			FY 2006 Estimate			FY 2007 Request			
	FMF	FMS	Total	FMF	FMS	Total	FMF	FMS	TOTAL	
<u>Africa:</u>										
Angola	DAO	57	0	57	15	0	15	16	0	16
Benin	EMBASSY	94	0	94	71	0	71	77	0	77
Botswana	ODC	405	45	450	333	37	370	442	37	479
Cameroon	DAO	13	0	13	19	0	19	20	0	20
Cape Verde	EMBASSY	12	0	12	22	0	22	23	0	23
Chad	DAO	74	0	74	55	0	55	81	0	81
Cote d'Ivoire	DAO	19	0	19	25	0	25	27	0	27
Congo (Kinshasa)	DAO	0	0	0	31	0	31	0	0	0
Djibouti	USLO	348	180	528	485	185	670	528	185	713
Eritrea	USLO	365	14	379	409	18	427	445	15	460
Ethiopia	SAO	248	62	310	213	63	276	271	63	334
Gabon	EMBASSY	26	0	26	33	0	33	35	0	35
Ghana	ODC	303	0	303	343	0	343	373	0	373
Guinea	DAO	21	0	21	27	0	27	29	0	29
Guinea-Bissau	EMBASSY	3	0	3	2	0	2	2	0	2
Kenya	KUSLO	801	349	1,150	863	370	1,232	940	370	1,310
Lesotho	EMBASSY	1	0	1	23	0	23	25	0	25
Madagascar	DAO	95	0	95	126	0	126	137	0	137
Malawi	EMBASSY	36	19	55	46	21	67	50	20	70
Mali	DAO	29	0	29	34	0	34	32	0	32
Mauritania	EMBASSY	21	0	21	19	0	19	36	0	36
Mozambique	DAO	19	0	19	25	0	25	21	0	21
Namibia	DAO	59	25	84	66	29	95	64	15	79
Niger	DAO	30	0	30	39	0	39	33	0	33
Nigeria	ODC	478	205	683	412	206	618	521	206	727
Rwanda	DAO	40	0	40	48	0	48	52	0	52
Sao Tome & Principe	EMBASSY	11	0	11	18	0	18	19	0	19
Senegal	ODC	340	85	425	313	86	399	371	86	457
Seychelles	EMBASSY	113	0	113	91	0	91	124	0	124
South Africa	ODC	331	110	442	337	112	449	367	112	479
Tanzania	DAO	10	0	10	19	0	19	20	0	20
Togo	EMBASSY	8	0	8	18	0	18	19	0	19
Uganda	DAO	17	0	17	25	0	25	27	0	27
Zambia	DAO	13	0	13	22	0	22	23	0	23
Zimbabwe	DAO	12	0	12	15	0	15	16	0	16
Regional Total		4,451	1,094	5,546	4,641	1,127	5,768	5,266	1,109	6,375
<u>Western Hemisphere:</u>										
Argentina	MILGP	315	89	404	335	91	426	365	91	456
Bahamas	USNLO	22	0	22	23	0	23	25	0	25
Belize	MLO	160	59	219	260	62	322	283	62	345
Bolivia	MILGP	693	183	876	697	186	883	759	186	945
Brazil	MLO	291	125	416	265	126	391	317	126	443
Canada	DAO	0	184	184	0	156	156	0	156	156
Chile	MILGP	245	245	491	191	191	381	267	267	534
Colombia	MILGP	547	642	1,188	464	645	1,109	596	645	1,241
Costa Rica	ODR	350	117	467	359	120	479	391	120	511
Dominican Republic	MAAG	360	120	481	357	124	476	393	124	517
Eastern Caribbean	MLO	253	103	356	319	114	433	347	112	459
Ecuador	MILGP	490	210	700	483	212	695	535	212	747
El Salvador	MILGP	524	180	704	490	174	664	572	174	746

ORG.	FY 2005 Actual			FY 2006 Estimate			FY 2007 Request			
	FMF	FMS	Total	FMF	FMS	Total	FMF	FMS	TOTAL	
Western Hemisphere:										
Con't:										
Guatemala	MILGP	363	0	363	295	0	295	396	0	396
Guyana	MLO	14	11	25	20	11	31	22	11	33
Haiti	MLO	753	0	753	767	0	767	836	0	836
Honduras	MILGP	557	239	796	513	238	751	607	238	845
Jamaica	MLO	348	71	419	375	73	448	408	73	481
Mexico	ODC	455	207	662	483	233	716	526	225	751
Nicaragua	MLO	160	79	239	185	91	276	202	86	288
Panama	ODC	130	28	158	174	31	205	190	30	220
Paraguay	ODC	224	12	235	233	11	244	254	11	265
Peru	MAAG	452	87	539	569	87	656	620	87	707
Suriname	DAO	16	0	16	23	0	23	25	0	25
Trinidad & Tobago	MLO	37	14	51	43	11	53	47	11	58
Uruguay	ODC	152	85	237	230	91	321	251	91	343
Venezuela	MILGP	284	139	423	309	164	473	337	151	488
Regional Total		8,195	3,228	11,329	8,462	3,242	11,699	9,571	3,289	12,860
East Asia & Pacific:										
Australia	ODC	87	350	437	100	375	475	109	375	484
Cambodia	DAO	111	37	149	144	62	206	156	40	196
East Timor	SAO	115	49	164	139	74	213	151	53	204
Fiji	SAO	230	26	255	265	54	319	288	28	316
Indonesia	ODC	329	102	431	354	127	481	385	111	496
Japan	MDAO	231	1,431	1,662	213	1,616	1,829	252	1,559	1,811
Malaysia	ODC	265	265	530	290	290	580	316	316	632
Mauritius	EMBASSY	76	0	76	101	0	101	110	0	110
Mongolia	DAO	165	0	165	208	0	208	227	0	227
New Zealand	DAO	0	120	120	0	187	187	0	130	130
Philippines	JUSMAG	367	448	815	395	482	877	431	482	913
Singapore	ODC	129	723	852	135	775	910	147	775	922
South Korea	JUSMAG	266	1,575	1,841	291	1,597	1,888	317	1,449	1,766
Thailand	JUSMAG	536	685	1,221	550	712	1,262	600	712	1,312
Vietnam	DAO	27	0	27	60	0	60	65	0	65
Regional Total		2,934	5,811	8,745	3,244	6,352	9,595	3,554	6,030	9,584
Europe & Eurasia:										
Albania	ODC	222	74	296	252	92	344	275	76	351
Armenia	ODC	124	67	191	144	89	233	157	73	230
Austria	ODC	16	302	318	40	319	359	44	319	363
Azerbaijan	ODC	179	77	255	197	99	296	215	83	298
Belgium	ODC	26	514	514	54	550	604	59	550	609
Bosnia	ODC	223	95	318	242	107	349	264	103	367
Bulgaria	ODC	212	212	424	192	192	384	231	231	462
Croatia	ODC	240	103	343	276	118	395	301	112	413
Czech Republic	ODC	193	289	482	152	273	425	210	273	483
Denmark	ODC	78	442	520	69	413	482	85	413	498
Estonia	ODC	292	157	449	256	148	394	318	148	466
Finland	DAO	1	13	14	1	14	15	1	14	15
France	ODC	52	515	567	49	489	538	57	489	546
Georgia	ODC	213	71	284	191	74	265	232	74	306
Germany	ODC	73	655	727	75	675	750	82	675	757
Greece	ODC	783	1,454	2,237	499	1,473	1,972	853	1,470	2,323
Hungary	ODC	235	235	470	215	215	431	256	224	480
Italy	ODC	138	791	929	127	795	922	150	731	881
Kazakhstan	SAO	404	173	577	357	178	535	390	178	568
Kyrgyzstan	SAO	190	81	271	278	136	414	304	88	392

	ORG.	FY 2005 Actual			FY 2006 Estimate			FY 2007 Request		
		FMF	FMS	Total	FMF	FMS	Total	FMF	FMS	TOTAL
<u>Europe & Eurasia:</u>										
<u>Con't:</u>										
Latvia	ODC	176	95	271	132	114	246	144	103	247
Lithuania	ODC	248	106	354	255	127	364	278	115	393
Luxembourg	EMBASSY	7	16	23	5	19	24	6	17	23
Macedonia	ODC	205	98	303	223	117	340	244	106	350
Malta	EMBASSY	44	0	44	39	0	39	43	0	43
Moldova	ODC	207	41	248	149	49	198	163	22	185
Netherlands	ODC	90	512	603	77	564	641	84	450	534
Norway	ODC	77	240	317	74	288	362	81	217	298
Poland	ODC	361	670	1,031	383	754	1,137	418	702	1,120
Portugal	ODC	456	456	911	489	547	1,036	533	497	1,030
Romania	ODC	168	168	335	186	201	387	203	183	386
Russia	DAO	286	15	301	305	18	323	333	16	349
Slovakia	ODC	173	115	288	191	127	318	208	125	333
Slovenia	ODC	169	112	281	139	102	241	152	94	246
Spain	ODC	164	307	471	166	318	484	181	304	485
Sweden	ODC	0	12	12	0	17	17	0	13	13
Switzerland	DAO	0	36	36	0	42	42	0	39	39
Tajikistan	SAO	197	197	394	206	206	413	225	225	450
Turkey	ODC	1,411	1,496	1,411	1,528	1,323	2,851	1,666	1,078	2,744
Turkmenistan	DAO	161	0	161	147	0	147	161	0	161
Ukraine	ODC	207	102	309	219	104	323	239	102	341
United Kingdom	ODC	30	170	200	30	167	197	33	167	200
Uzbekistan	SAO	318	106	423	302	111	413	330	111	441
Regional Total		9,045	11,390	20,422	8,911	11,766	18,994	10,209	11,043	21,252
<u>Near East & South Asia:</u>										
Afghanistan	OMC	90	275	365	124	330	454	145	300	445
Algeria	DAO	72	54	126	90	54	139	101	53	154
Bahrain	OMC	313	469	782	312	468	780	356	468	824
Bangladesh	ODC	187	62	250	229	74	306	250	67	317
Egypt	OMC	1,872	2,929	4,801	1,868	2,902	4,770	2,030	2,752	4,782
India	ODC	273	399	672	332	445	738	362	411	773
Iraq	OMC	0	0	0	0	0	0	0	0	0
Israel	DAO	12	124	125	16	148	161	18	131	149
Jordan	MAP	744	520	1,264	828	552	1,381	903	466	1,369
Kuwait	OMC	195	379	574	224	455	658	265	413	678
Lebanon	DAO	480	216	696	546	259	780	606	230	836
Morocco	ODC	568	199	767	509	195	704	619	174	793
Nepal	SAO	141	173	314	159	194	352	184	188	372
Oman	OMC	400	400	801	441	441	882	415	415	830
Pakistan	ODRP	363	297	661	470	354	824	515	323	838
Qatar	USLO	370	260	630	399	312	666	435	283	718
Saudi Arabia	USMTM	0	1,202	1,202	0	1,302	1,302	0	1,132	1,132
Sri Lanka	DAO	100	25	126	126	31	157	138	21	159
Tunisia	ODC	447	164	611	498	176	674	543	171	714
United Arab Emirates	USLO	210	838	1,048	239	957	1,197	261	881	1,142
Yemen	OMC	191	103	293	159	105	264	174	66	240
Regional Total		7,030	9,089	16,107	7,569	9,755	17,324	8,320	8,944	17,264
WORLDWIDE TOTAL		31,656	30,613	62,269	32,826	32,241	65,067	36,920	30,415	67,335

Overseas Military Program Management - Personnel Strengths

	ORG.	FY 2005				FY 2006 ESTIMATE				FY 2007 REQUEST			
		MIL	CIV	LOCAL	TOTAL	MIL	CIV	LOCAL	TOTAL	MIL	CIV	LOCAL	TOTAL
<u>Africa:</u>													
Botswana	ODC	2	0	1	3	2	0	1	3	2	0	1	3
Chad	DAO a/	0	0	1	1	0	0	1	1	0	0	1	1
Djibouti	USLO	1	0	1	2	1	0	1	2	1	0	1	2
Eritrea	USLO	1	0	0	1	1	0	0	1	1	0	0	1
Ethiopia	SAO	2	0	0	2	2	0	0	2	2	0	0	2
Ghana	ODC	1	0	0	1	1	0	0	1	1	0	0	1
Kenya	KUSLO	4	2	1	7	4	2	1	7	4	2	1	7
Liberia	ODC	1	0	0	1	3	1	0	4	3	1	0	4
Namibia	EMB /b	0	0	0	0	0	0	0	0	0	0	0	0
Niger	DAO a/	0	0	1	1	0	0	1	1	0	0	1	1
Nigeria	ODC	3	0	0	3	3	0	0	3	3	0	0	3
Rwanda	DAO a/	0	0	1	1	0	0	1	1	0	0	1	1
Senegal	ODC	2	0	2	4	2	0	2	4	2	0	2	4
South Africa	ODC	2	0	0	2	2	0	0	2	2	0	0	2
Regional total		19	2	8	29	21	3	8	32	21	3	8	32
<u>Western Hemisphere:</u>													
Argentina	USMILGP	3	0	3	6	3	0	3	6	3	0	3	6
Barbados	USMLO c/	3	0	0	3	3	0	0	3	3	0	0	3
Belize	USMLO	2	0	0	2	2	0	0	2	2	0	0	2
Bolivia	USMILGP	4	1	2	7	4	1	2	7	4	1	2	7
Brazil	USMLO	4	0	0	4	4	0	0	4	4	0	0	4
Canada	DAO a/	1	0	1	2	1	0	1	2	1	0	1	2
Chile	USMILGP	2	0	2	4	2	1	2	5	2	1	2	5
Colombia	USMILGP	6	1	3	10	6	2	3	11	6	2	3	11
Costa Rica	ODR	1	0	2	3	1	0	2	3	1	0	2	3
Dominican Republic	USMAAG	2	0	0	2	2	0	0	2	2	0	0	2
Ecuador	USMILGP	5	1	2	8	5	1	2	8	5	1	2	8
El Salvador	USMILGP	3	0	2	5	3	0	2	5	3	0	2	5
Guatemala	USMILGP	1	0	1	2	1	0	1	2	1	0	1	2
Guyana	USMLO	0	0	0	0	0	0	0	0	0	0	0	0
Haiti	USMLO	2	0	0	2	2	0	0	2	2	0	0	2
Honduras	USMILGP	4	1	2	7	4	1	2	7	4	1	2	7
Jamaica	USMLO	2	0	0	2	2	0	0	2	2	0	0	2
Mexico	ODC	3	1	4	8	3	1	4	8	3	1	4	8
Panama	ODC	2	0	1	3	2	0	1	3	2	0	1	3
Nicaragua	MLO	2	1	1	4	2	1	1	4	2	1	1	4
Paraguay	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Peru	USMAAG	1	1	3	5	1	0	3	4	1	0	3	4
Suriname	DAO a/	1	0	0	1	1	0	0	1	1	0	0	1
Trinidad and Tobago	USMLO	0	0	0	0	0	0	0	0	0	0	0	0
Uruguay	USODC	2	0	2	4	2	0	2	4	2	0	2	4
Venezuela	USMILGP	2	1	3	6	2	0	3	5	2	0	3	5
Regional Total		59	8	35	102	59	8	35	102	59	8	35	102
<u>East Asia & Pacific:</u>													
Australia	ODC	4	0	1	5	5	0	1	6	5	0	1	6
Cambodia	ODC	1	0	2	3	1	0	2	3	1	0	2	3
East Timor	ODC	0	0	0	0	1	0	0	1	1	0	0	1
Fiji	DAO a/	1	0	1	2	1	0	1	2	1	0	1	2
Indonesia	ODC	4	0	5	9	3	0	5	8	4	0	5	9
Japan	MDAO	5	3	6	14	5	3	6	14	5	3	6	14
Malaysia	ODC	2	0	5	7	2	0	5	7	2	0	5	7
Mongolia	DAO a/	0	0	1	1	0	0	1	1	0	0	1	1
New Zealand	DAO a/	0	0	1	1	0	0	1	1	0	0	1	1
Papua New Guinea	ODC	0	0	0	0	0	0	0	0	0	0	0	0
Philippines	JUSMAG	11	2	4	17	11	2	4	17	11	2	4	17
Singapore	ODC	5	0	3	8	5	0	3	8	5	0	3	8
South Korea	JUSMAG-K	11	1	12	24	11	1	12	24	11	1	12	24
Thailand	JUSMAG	11	1	11	23	11	1	11	23	11	1	11	23
Vietnam	DAO a/	0	0	1	1	0	0	1	1	0	0	1	1
Regional Total		55	7	53	115	56	7	53	117	57	7	53	117

	ORG.	FY 2005				FY 2006 ESTIMATE				FY 2007 REQUEST			
		MIL	CIV	LOCAL	TOTAL	MIL	CIV	LOCAL	TOTAL	MIL	CIV	LOCAL	TOTAL
Europe:													
Albania	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Armenia	ODC	1	0	0	1	1	0	0	1	1	0	0	1
Austria	ODC	2	0	0	2	2	0	0	2	2	0	0	2
Azerbaijan	ODC	1	0	0	1	1	0	0	1	1	0	0	1
Belgium	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Bosnia	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Bulgaria	ODC	2	0	1	3	2	0	1	3	2	0	1	3
Croatia	ODC	1	1	1	3	1	1	1	3	1	1	1	3
Czech Republic	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Denmark	ODC	1	1	2	4	1	1	2	4	1	1	2	4
Estonia	ODC	1	0	0	1	1	0	0	1	1	0	0	1
France	ODC	1	1	2	4	1	1	2	4	1	1	2	4
Georgia	ODC	2	0	1	3	2	0	1	3	2	0	1	3
Germany	ODC	5	2	3	10	5	2	3	10	5	2	3	10
Greece	ODC	7	3	8	18	6	3	8	17	6	3	8	17
Hungary	ODC	1	1	1	3	1	1	1	3	1	1	1	3
Italy	ODC	5	0	4	9	5	0	4	9	5	0	4	9
Kazakhstan	SAO	2	0	1	3	2	0	1	3	2	0	1	3
Kyrgyzstan	SAO	2	0	1	3	2	0	1	3	2	0	1	3
Latvia	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Lithuania	ODC	2	0	1	3	2	0	1	3	2	0	1	3
Macedonia (FYROM)	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Moldova	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Netherlands	ODC	2	1	2	5	2	1	2	5	2	1	2	5
Norway	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Poland	ODC	5	0	3	8	6	0	3	9	6	0	3	9
Portugal	ODC	5	1	3	9	4	1	3	8	4	1	3	8
Romania	ODC	2	0	1	3	2	0	1	3	2	0	1	3
Russia	DAO a/	2	0	0	2	2	0	0	2	2	0	0	2
Serbia	ODC	0	0	0	0	0	0	0	0	1	0	0	1
Slovakia	ODC	2	0	0	2	1	0	0	1	1	0	0	1
Slovenia	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Spain	ODC	3	5	2	10	2	5	2	9	2	5	2	9
Sweden	DAO a/	0	0	1	1	0	0	1	1	0	0	1	1
Tajikistan	DAO a/	1	0	0	1	1	0	0	1	1	0	0	1
Turkey	ODC	18	2	5	25	17	2	5	24	17	2	5	24
Turkmenistan	DAO a/	1	0	0	1	1	0	0	1	1	0	0	1
Ukraine	ODC	1	0	1	2	1	0	1	2	1	0	1	2
United Kingdom	ODC	1	1	1	3	1	1	1	3	1	1	1	3
Uzbekistan	SAO	3	0	1	4	3	0	1	4	3	0	1	4
Regional Total		91	19	60	170	87	19	60	166	88	19	60	167
Near East/South Asia:													
Afghanistan	OMC	6	0	3	9	6	0	3	9	6	0	3	9
Algeria	ODC	2	0	0	2	2	0	0	2	2	0	0	2
Bahrain	OMC	6	1	0	7	6	1	0	7	6	1	0	7
Bangladesh	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Egypt	OMC	28	8	12	48	28	8	12	48	28	8	12	48
India	ODC	4	1	3	8	5	0	3	8	5	0	3	8
Iraq	OMC	0	0	0	0	0	0	0	0	10	0	0	10
Israel	DAO a/	1	0	0	1	1	0	0	1	3	0	0	3
Jordan	MAP	9	1	4	14	9	1	4	14	9	1	4	14
Kuwait	OMC	10	1	1	12	10	1	1	12	10	1	1	12
Lebanon	DAO a/	1	0	3	4	1	0	3	4	1	0	3	4
Madagascar	DAO a/	0	0	1	1	0	0	1	1	0	0	1	1
Morocco	ODC	3	1	4	8	3	1	4	8	3	1	4	8
Nepal	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Oman	OMC	6	1	1	8	6	1	1	8	6	1	1	8
Pakistan	ODRP	4	1	3	8	4	1	3	8	4	1	3	8
Qatar	USLO	3	0	0	3	3	0	0	3	3	0	0	3
Saudi Arabia	USMTM	63	0	8	71	63	0	8	71	63	0	8	71
Sri Lanka	ODC	0	0	1	1	1	0	1	2	1	0	1	2
Tunisia	ODC	4	1	1	6	4	1	1	6	4	1	1	6
United Arab Emirates	USLO	6	1	1	8	6	1	1	8	6	1	1	8
Yemen	OMC	2	0	1	3	1	0	1	2	1	0	1	2
Regional Total		160	17	49	226	160	16	49	226	173	16	49	238

ORG.	FY2005				FY 2006 ESTIMATE				FY 2007 REQUEST			
	MIL	CIV	LOCAL	TOTAL	MIL	CIV	LOCAL	TOTAL	MIL	CIV	LOCAL	TOTAL
WORLDWIDE TOTAL	384	53	205	642	383	53	205	643	398	53	205	656

a/ Personnel authorized to assist the DAO with security assistance management functions.

b/ Personnel authorized to assist the Embassy with security assistance management functions.

c/ Manages programs for Eastern Caribbean countries.

Excess Defense Articles

The Excess Defense Articles (EDA) program enables the United States to meet foreign policy objectives while simultaneously supporting our friends and allies in improving their defense capabilities. EDA may be sold to any country eligible to purchase defense articles or provided on a grant basis to countries justified in the country papers to receive grant EDA. Providing EDA on a grant basis turns U.S. defense items that are in excess of our Approved Force Acquisition Objective and Approved Force Retention Stock into instruments that meet a number of our national security interests. Some of the objectives met by EDA are: strengthening coalitions, cementing bilateral foreign military relationships, enhancing interoperability, furthering legitimate modernization efforts of our allies, aiding in multilateral peacekeeping efforts, combating illegal narcotics production and narco-trafficking, and aiding in demining assistance programs.

Providing EDA on a grant basis has contributed to our foreign policy successes. This excess equipment has helped our Latin American and Caribbean friends combat the threat of illegal narco-trafficking and has permitted many South American and African nations to participate in support of U.S. and UN peacekeeping operations. Grant EDA contributes to regional stability by supporting the ongoing military reform efforts of democratic governments in central and eastern Europe and the Baltics. Additionally, grant EDA has a positive global impact – furthering U.S. national security interests and supporting the growth and strengthening of democracies, promoting military reform and fighting the spread of illicit narcotics.

EDA articles are transferred in an “as is, where is” condition to the recipient and are only offered in response to a demonstrated requirement. The grant EDA program operates at essentially no cost to the United States, with the recipient responsible for any required refurbishment and repair of the items as well as any associated transportation costs. The vast majority of EDA items are of low to medium technologies that do not present proliferation concerns.

Each grant eligible country has a justification statement providing the objective and proposed use of potential EDA within each country paper. Eligibility simply permits a nation to be considered for grant EDA and does not guarantee the transfer of any EDA, nor does it circumvent or bypass in any way the comprehensive case-by-case review each potential EDA offer receives. Furthermore, all potential EDA transfers are subject to the same Conventional Arms Transfer Policy interagency review as any other government-to-government transfer.

Grants of Excess Defense Articles
Under the Provisions of the Foreign Assistance Act
(\$ in thousands)

	OFFERED IN FY 2005		DELIVERED IN FY 2005	
	ACQ. VALUE	CURRENT VALUE	ACQ. VALUE	CURRENT VALUE
<u>AFRICA:</u>				
SAO TOME & PRINCIPE	457	139	0	0
SENEGAL	0	0	4,020	759
REGIONAL TOTAL	457	139	4020	759
<u>EAST ASIA & PACIFIC:</u>				
PHILIPPINES	1,476	235	0	0
REGIONAL TOTAL	1,476	235	0	0
<u>EUROPE & EURASIA:</u>				
GEORGIA	6,617	905	4,177	417
GREECE	0	0	2	0
HUNGARY	2,711	1,085	0	0
KAZAKHSTAN	1,845	185	0	0
MOLDOVA	0	0	287	91
PORTUGAL	139,403	27,281	0	0
REGIONAL TOTAL	150,576	29,456	4466	508
<u>NEAR EAST & SOUTH ASIA:</u>				
AFGHANISTAN	47,205	9,441	20,272	4,055
BAHRAIN	54,683	5,677	26,882	3,828
EGYPT	20,857	4,238	18,517	3,682
IRAQ	0	0	11,806	7,031
ISRAEL	23,280	4,842	76,348	16,112
JORDAN	58,134	9,317	4,077	815
MOROCCO	72,588	14,336	45,191	8,346
NEPAL	5,110	1,533	2,772	1,121
PAKISTAN	1,662	665	0	0
YEMEN	0	0	0	0
REGIONAL TOTAL	283,519	50,049	205,865	44,990
<u>WESTERN HEMISPHERE:</u>				
BELIZE			288	47
BOLIVIA	0	0	164	76
COLOMBIA	915	275	0	0
DOMINICAN REPUBLIC	0	0	2,222	518
ECUADOR	0	0	541	142
GAUTEMALA	929	279	1,108	166
SURINAME	0	0	1	0
REGIONAL TOTAL	1,844	554	4,324	949
WORLDWIDE TOTAL	437,872	80,433	218,675	47,206

NOTE: Totals may not add due to rounding.

**Sales of Excess Defense Articles
Under Foreign Military Sales Provisions**
(\$ in thousands)

	OFFERED IN FY 2005		DELIVERED IN FY 2005	
	ACQ.	CURRENT	ACQ.	CURRENT
	VALUE	VALUE	VALUE	VALUE
<u>EAST ASIA & PACIFIC:</u>				
AUSTRALIA	6,275	314	304	137
REGIONAL TOTAL	6,275	314	304	137
<u>EUROPE & EURASIA:</u>				
DENMARK	175	70	0	0
LUXEMBOURG	42	4	42	4
SPAIN	4,104	552	0	0
TURKEY	17,597	7,038	422	169
REGIONAL TOTAL	21,918	7,664	464	173
<u>WESTERN HEMISPHERE:</u>				
BRAZIL	98	30	0	0
REGIONAL TOTAL	98	30	0	0
<u>NEAR EAST & SOUTH ASIA:</u>				
ISRAEL	0	0	115	46
NEW ZEALAND	150	75	0	0
TAIWAN	0	0	547,083	27,354
REGIONAL TOTAL	150	75	547,198	27,400
<u>OTHER DAO:</u>				
CANADA	14,098	1,304	0	0
REGIONAL TOTAL	14,098	1,304	0	0
WORLDWIDE TOTAL	42,539	9,387	547,966	27,710

NOTE: Totals may not add due to rounding

Leased Defense Articles

The lease of defense articles can be authorized under the Arms Export Control Act (AECA), Chapter 6, if there are compelling U.S. foreign policy and national security reasons for providing defense articles on a lease rather than a sales basis. Defense articles cannot be leased if they are needed for public use during the period of the lease.

Except for leases entered into for the purposes of cooperative research or development, military exercises or communications or electronics interface projects, the country leasing the defense article(s) must agree to pay, in U.S. dollars, all costs incurred by the United States Government in leasing the article(s). These costs include reimbursement for depreciation of the article(s) while leased. In addition, the country must also pay the cost of restoration or replacement if the article(s) are damaged while leased. If the article(s) is lost or destroyed while leased, the U.S. requires funds to cover the replacement cost (less depreciation, if any) or an amount equal to the actual value (less depreciation) when the article(s) will not be replaced in the U.S. inventory.

The President may waive reimbursement of depreciation for any defense article which has passed three-quarters of its normal service life if the President determines that to do so is important to the national security interests of the United States. In some cases, the President may waive the reimbursement of all lease charges with respect to a lease that is made in exchange with the lessee for a lease on substantially reciprocal terms of defense articles for the Department of Defense. Waivers for depreciation or reciprocity are made before the implementation of the lease agreement.

Leases are conducted for a fixed duration of time not to exceed five years and provide that, at any time during the lease, the U.S. may terminate the lease and require the immediate return of the defense article(s).

Leases Under the Arms Export Control Act Implemented FY 2005
(\$ in thousands)

	REPLACEMENT VALUE	TOTAL RENTAL VALUE
<u>Europe and Eurasia:</u>		
Spain	16,752	0
Regional Total	16,752	
 WORLDWIDE TOTAL	 16,752	 0

Stockpiling of Defense Articles for Foreign Countries

Section 514(b) of the Foreign Assistance Act of 1961 (FAA), as amended, establishes annual ceilings on the value of additions of defense articles located abroad that may be set aside, reserved, or otherwise earmarked from U.S. military inventories for use as War Reserves Stocks by Allies (WRSA) or other foreign countries (other than NATO). Most defense articles added to stockpiles under this ceiling will come from existing stocks.

In FY 2007, it is anticipated that no defense articles will be added to existing stockpiles as items are in sufficient supply to provide the necessary support.

Value of Annual Ceiling for Stockpiling
(\$ in thousands)

Fiscal Year	Amount Stockpiled
1976	96,750
1977	125,000
1978	270,000
1979	90,000
1980	95,000
1981	85,000
1982	130,000
1983	125,000
1984	125,000
1985	248,000
1986	360,000
1987	125,000
1988	116,000
1989	77,000
1990	165,000
1991	378,000
1992	378,000
1993	389,000
1994	292,000
1995	250,000
1996	50,000
1997	50,000
1998	60,000
1999	340,000
2000	60,000
2001	50,000
2002	0
2003	100,000
2004	0
2005	0
2006	0
2007	0

Countries and International Organizations Eligible for Purchasing Defense Articles and
Services from the United States Government
Country Date of Determination

Africa	Date	Determination No.
Angola	28-Jul-95	95-32
Benin	2-Jan-73	73-10
Botswana	6-Feb-79	79-05
Burkina Faso	2-Jan-73	73-10
Burundi	24-Aug-91	91-50
Cameroon	2-Jan-73	73-10
Cape Verde	10-Jun-86	86-11
Central African Republic	2-Feb-87	
Chad	1-Sep-77	77-20
Comoros	26-May-92	92-28
Cote D'Ivoire	2-Jan-73	73-10
Democratic Republic of Congo	24-Aug-91	91-49
Djibouti	17-May-82	82-15
Equatorial Guinea	28-Nov-83	84-02
Eritrea	18-Feb-94	94-15
Ethiopia	2-Jan-73	73-10
Gabon	2-Jan-73	73-10
Gambia	2-Feb-87	
Ghana	2-Jan-73	73-10
Guinea	2-Jan-73	73-10
Guinea-Bissau	10-Jun-86	86-11
Kenya	29-Oct-74	75-02
Lesotho	25-Oct-90	91-05
Liberia	2-Jan-73	73-10
Madagascar	10-Jun-86	86-11
Malawi	11-Feb-85	85-04
Mali	2-Jan-73	73-10
Mauritania	10-Jun-86	86-11
Mauritius	29-Oct-74	75-02
Mozambique	11-Feb-85	85-07
Namibia	25-Oct-90	91-04
Niger	2-Jan-73	73-10
Nigeria	2-Jan-73	73-10
Republic of the Congo	2-Jan-73	73-10

Africa, Cont'd	Date	Determination No.
Rwanda	27-Feb-81	81-03
Sao Tome & Principe	27-May-88	88-17
Senegal	2-Jan-73	73-10
Seychelles	20-Jul-89	89-18
Sierra Leone	5-Feb-85	85-05
Somalia	3-Mar-80	80-12
South Africa	27-Jun-94	94-29
Sudan	5-Nov-76	77-05
Tanzania	20-Jul-89	89-20
Togo	11-Feb-85	85-06
Uganda	20-Jul-89	89-21
Zambia	11-Aug-92	92-38
Zimbabwe	26-Oct-82	83-03
East Asia & Pacific		
Australia	2-Jan-73	73-10
Brunei	2-Jan-73	73-10
Burma	2-Jan-73	73-10
Cambodia	2-Jan-73	73-10
China	12-Jun-84	84-11
Cook Islands	6-Jan-93	93-10
East Timor	27-May-02	02-19
Fiji	5-Aug-75	76-01
Indonesia	2-Jan-73	73-10
Japan	2-Jan-73	73-10
Korea	2-Jan-73	73-10
Kiribati	12-Mar-02	02-09
Laos	2-Jan-73	73-10
Malaysia	2-Jan-73	73-10
Marshall Islands	6-Jan-93	93-19
Micronesia	6-Jan-93	93-08
Mongolia	22-Aug-95	95-38
New Zealand	2-Jan-73	73-10
Palau	12-Mar-02	02-09
Papua New Guinea	4-Dec-80	80-29
Philippines	2-Jan-73	73-10
Samoa	6-Jan-93	93-13
Singapore	2-Jan-73	73-10

East Asia & Pacific, Cont'd	Date	Determination No.
Solomon Islands	6-Jan-93	93-11
Taiwan	2-Jan-73	73-10
Thailand	2-Jan-73	73-10
Tonga	5-Nov-87	88-03
Tuvalu	12-Mar-02	02-09
Vanuatu	6-Jan-93	93-12
Vietnam	2-Jan-73	73-10
Europe & Eurasia		
Albania	22-Mar-94	94-18
Armenia	18-Apr-02	02-15
Austria	2-Jan-73	73-10
Azerbaijan	18-Apr-02	02-15
Belgium	2-Jan-73	73-10
Bosnia and Herzegovina	23-Feb-96	96-10
Bulgaria	22-Mar-94	94-18
Croatia	8-Apr-99	99-21
Czech Republic	5-Jan-94	94-09
Denmark	2-Jan-73	73-10
Estonia	22-Mar-94	94-18
Finland	2-Jan-73	73-10
France	2-Jan-73	73-10
Georgia	11-Mar-97	97-19
Germany	2-Jan-73	73-10
Greece	2-Jan-73	73-10
Hungary	6-Dec-91	92-07
Iceland	2-Jan-73	73-10
Ireland	2-Jan-73	73-10
Italy	2-Jan-73	73-10
Kazakhstan	11-Mar-97	97-19
Kyrgyzstan	11-Mar-97	97-19
Latvia	22-Mar-94	94-18
Lithuania	22-Mar-94	94-18
Luxembourg	2-Jan-73	73-10
Macedonia	8-Mar-96	96-18
Malta	2-Jan-73	73-10
Moldova	11-Mar-97	97-19
Netherlands	2-Jan-73	73-10

Europe & Eurasia, Cont'd	Date	Determination No.
Norway	2-Jan-73	73-10
Poland	6-Dec-91	92-08
Portugal	2-Jan-73	73-10
Romania	22-Mar-94	94-18
Russia	11-Mar-97	97-19
Serbia and Montenegro	6-May-03	03-22
Slovakia	5-Jan-94	94-10
Slovenia	8-Mar-96	96-18
Spain	2-Jan-73	73-10
Sweden	2-Jan-73	73-10
Switzerland	2-Jan-73	73-10
Tajikistan	18-Apr-02	02-15
Turkey	2-Jan-73	73-10
Turkmenistan	11-Mar-97	97-19
Ukraine	11-Mar-97	97-19
United Kingdom	2-Jan-73	73-10
Uzbekistan	11-Mar-97	97-19
Near East		
Algeria	10-Apr-85	85-12
Bahrain	2-Jan-73	73-10
Egypt	1-Aug-77	77-17
Iran	2-Jan-73	73-10
Iraq	21-Jul-04	04-40
Israel	2-Jan-73	73-10
Jordan	2-Jan-73	73-10
Kuwait	2-Jan-73	73-10
Lebanon	2-Jan-73	73-10
Libya	2-Jan-73	73-10
Morocco	2-Jan-73	73-10
Oman	2-Jan-73	73-10
Qatar	2-Jan-73	73-10
Saudi Arabia	2-Jan-73	73-10
Tunisia	2-Jan-73	73-10
United Arab Emirates	2-Jan-73	73-10
Yemen	2-Jan-73	73-10

South Asia	Date	Determination No.
Afghanistan	2-Jan-73	73-10
Bangladesh	31-Dec-80	81-01
India	2-Jan-73	73-10
Nepal	2-Jan-73	73-10
Pakistan	2-Jan-73	73-10
Sri Lanka	2-Jan-73	73-10
Western Hemisphere		
Antigua & Barbuda	8-Apr-82	82-12
Argentina	2-Jan-73	73-10
Bahamas	13-Dec-78	79-09
Barbados	21-Jun-79	79-11
Belize	23-Nov-81	82-02
Bolivia	2-Jan-73	73-10
Brazil	2-Jan-73	73-10
Canada	2-Jan-73	73-10
Chile	2-Jan-73	73-10
Colombia	2-Jan-73	73-10
Costa Rica	2-Jan-73	73-10
Dominica	13-Mar-80	80-14
Dominican Republic	2-Jan-73	73-10
Ecuador	2-Jan-73	73-10
El Salvador	2-Jan-73	73-10
Grenada	3-Apr-84	84-06
Guatemala	2-Jan-73	73-10
Guyana	30-Aug-93	93-35
Haiti	2-Jan-73	73-10
Honduras	2-Jan-73	73-10
Jamaica	2-Jan-73	73-10
Mexico	2-Jan-73	73-10
Nicaragua	2-Jan-73	73-10
Panama	2-Jan-73	73-10
Paraguay	2-Jan-73	73-10
Peru	2-Jan-73	73-10
St. Kitts-Nevis	9-Apr-84	84-07
St. Lucia	13-Mar-80	80-14
St. Vincent & Grenadines	13-Mar-80	80-14
Suriname	14-Apr-76	76-12

Western Hemisphere, Cont'd	Date	Determination No.
Trinidad & Tobago	2-Jan-73	73-10
Uruguay	2-Jan-73	73-10
Venezuela	2-Jan-73	73-10
International Organization		
Economic Community of West African States (ECOWAS)	17-Feb-00	00-13
NATO and its Agencies	2-Jan-73	73-10
African Union	24-Sep-04	04-50
Organization of African Unity (Succeeded by the African Union)	25-Aug-92	92-44
Organization of American States	2-Jan-73	73-10
Organization for Security and Cooperation in Europe	30-Jun-99	99-31
Regional Security Systems	4-Jan-04	04-20
United Nations and its Agencies	2-Jan-73	73-10

Pursuant to Section 25(a)(8) of the Arms Export Control Act (AECA) and Section 503 of the Foreign Assistance act, as amended (FAA), the above is a listing of the countries and international organizations that the President has determined to be eligible under Section 3(a)(1) of the AECA to purchase defense articles and services. A determination of record under Section 3(a)(1) exists does not signify in itself that sales will be made.

End-Use Monitoring of Defense Articles and Services Government-to-Government Services

Introduction

In 1996, Congress amended [Public Law 104-164] Section 40A [22 U.S.C. 2785] of the Arms Export Control Act to require "...to the extent practicable, such program shall be designed to provide reasonable assurances that the recipient is complying with the requirements imposed by the United States Government with respect to the use, transfers, and security of defense articles and monitoring of U.S. arms transfers, and security of defense articles and services." Section 40A also requires an annual report to Congress on the actions taken to implement the end-use monitoring program, to include detailed accounting of costs and number of personnel associated with the monitoring program. This report describes the actions the Department of Defense is taking to comply with its end-use monitoring requirements in accordance with the Arms Export Control Act (AECA).

Department of Defense (DoD) End-Use Monitoring (EUM) - Golden Sentry

The Department of Defense Golden Sentry program is responsible for compliance with Section 40A of the AECA. Golden Sentry monitors government-to-government transfers to ensure that the defense articles and services get to the right purchasers and that defense articles and services provided by the United States Government (USG) are utilized and safeguarded in accordance with the terms and conditions for the transfers. Primarily, Golden Sentry's objectives are to minimize security risks to the U.S., its friends and allies, and to ensure compliance with the technology control requirements that are associated with U.S.-origin arms transfers via government-to-government programs.

EUM compliance of the AECA within DoD is a multi-phased process:

DoD Processes *Prior* to Any Transfer- Pre-checks and Vetting

There is no more thorough debate during a sensitive arms transfer than that which takes place within the Department of Defense and at State Department before we come to consensus in support of a sensitive arms transfer. In view of the serious consequences of the proliferation of dangerous weapons and technologies, we believe by 'front-loading' this array of processes and procedures we mitigate these risks.

Each proposed transfer is thoroughly vetted by many different organizations and offices to ensure releasability, disclosure, and other concerns are addressed. The most important restrictions placed on these exports, indeed the fundamental elements of the U.S. export control regime involve establishing the trustworthiness of the end-user and the actual "end-use" *before* approval of any defense article's transfer. Foreign customers' requests for significant military equipment are coordinated closely with the combatant commanders and the U.S. country team. The U.S. country team must assess several aspects of the transfer to include political impacts in the region as well as the ability of the host nation and the security assistance organization in country to properly perform their end-use monitoring responsibilities. The endorsement of the combatant commander and consistency with Theater Security Cooperation strategy and implementation plans are critical. During this "pre-sale" process, determinations are made as to whether a country has the will and the capability to secure, account for, and operate these systems within the requirements established by the United States. For some systems, approval must be obtained from the National Disclosure Policy Committee for release to each specific country. Finally, formal Congressional Notification is required prior to any offer being made and these notifications clearly identify the customer and the capability being proposed for transfer and provide an opportunity for further discussion or rejection of a proposed transfer.

DoD Processes *During* Transfer- Government-to-Government Agreements

When materiel, services, or training are provided under Foreign Military Sales, there is a government-to-government agreement (known in our terminology as a Letter of Offer and Acceptance or “LOA”) between the United States and the foreign government or international organization. This agreement spells out the type and quantities of items to be sold, as well as any unique end-use monitoring requirements that might be necessary based on the complexity or sensitivity of the actual equipment or technologies being provided. These notes or LOA conditions may require the country to secure, account for, and operate the systems in accordance with provisos that equal the requirements of the U.S. Military Departments. The conditions of the LOA may also inform the country that the USG may travel in country to physically inventory or otherwise monitor the use of specific types of equipment---either as part of routine visits or to verify reports of unauthorized use---and by signing the document they agree to these conditions. While we must be sensitive to issues of sovereignty with our foreign friends and allies, they must understand that our law mandates the need for the USG to monitor and ensure compliance with the provided articles and services. DSCA processed approximately 3,762 LOAs in FY05 for a total value of \$10.6B.

DoD Processes *After* Transfer - End-Use Monitoring and Compliance

The purpose of the “Golden Sentry” program is to scrutinize the foreign purchaser’s use of defense articles and services (to include training) to ensure their use is in compliance with the agreements under which they were provided. The “Golden Sentry” program is relatively new program. Implemented in 2001, we are still in the process of implementing procedures throughout the security assistance/cooperation community. The program levies monitoring and compliance requirements not only on the host nation, but also on our security assistance organizations as well as our military departments. It also provides for compliance visits where EUM “Tiger Teams” travel to countries to ensure proper end-use and accountability procedures are being used by our foreign partners and security assistance personnel.

DSCA’s priority is the Enhanced EUM program that monitors: man portable air defense systems (MANPADS), such as Stinger Missiles and grip stocks; long range, highly capable man portable land attack missiles (such as JAVELIN and Tube-Launched, Optically-Tracked, Wire-Guided missile (TOW-2B)); and beyond visual range air-to-air missiles (such as the AIM-120 AMRAAM). Other items on the Enhanced EUM list include Night Vision Devices, Communications Security (COMSEC) Equipment, and Grant Assistance defense articles and services provided under the provision of Section 505 of the FAA, e.g., Military Assistance Program (MAP), Foreign Military Financing, et al. Additional Enhanced EUM items that were added in 2004 were the AIM-9X Sidewinder, the Harpoon Block II missiles and the entire family of precision guided munitions, i.e., the Joint Stand-Off Weapon (JSOW) and the Joint Direct Attack Munitions (JDAM). During recent EUM “Tiger Team” visits, DSCA have also assessed and inventoried the AGM-84 Harpoon and AGM-114 Hellfire missiles.

EUM Guidance

DSCA has published four policy memoranda to promulgate clearly the direction of the EUM Golden Sentry program; and the first four policy memoranda are incorporated into the Security Assistance Management Manual (SAMM). .

1. The first memorandum published was “End-Use Monitoring (EUM) Responsibilities in Support of the Department of Defense Golden Sentry EUM Program (DSCA Policy Memo 02-43),” dated 4 December 2002. This policy delineated the responsibilities of the security assistance/cooperation community in support of the Golden Sentry program.
2. The second policy memorandum was titled “Revised Guidance for Stinger/Man Portable Air

Defense Systems (MANPADS) (DSCA Policy Memo 03-10),” dated 4 June 2003. This memorandum increased the U.S. inventory requirement by the security assistance organizations from 5% to 100% annually of foreign Stinger missiles, grip stocks and essential components.

3. A third policy memorandum is titled “Golden Sentry End-Use Monitoring (EUM) Visits Policy (DSCA Policy memo 04-11) dated 2 April 2004. This memorandum provides defined guidance for the conduct of three types of EUM visits: Familiarization, Tiger Team and Investigative.
4. The fourth policy memorandum was titled Golden Sentry End-Use Monitoring (EUM) STINGER Missile and Grip stock Inventory Standardized Procedures (DSCA Policy Memo 05-10) dated 29 March 2005. This policy promulgates a more refined procedure for Stinger Missile and grip stock inspection requirements. Additionally, it mandates all USG representatives adhere to the standards within the checklist in the conduct of Stinger missiles and grip stock inventories.

Two additional policy memoranda are currently in staffing.

5. The fifth policy memorandum currently in staffing is titled End-Use Monitoring (EUM) Policy Guidance for Funding (DSCA Policy Memorandum 05-XX). Since resources are currently managed at HQ DSCA for unfunded EUM requirements, this policy will disseminate to the Security Assistance Community the proper procedures for obtaining resources for Program Element 27 (PE#27 EUM). PE#27 accounts for the resources needed to implement the Department of Defense’s Golden Sentry EUM program throughout the security cooperation community).
6. The sixth policy memorandum also in staffing is titled End-Use Monitoring (EUM) Policy Guidance for Shipment/Delivery/Inventory Reporting (DSCA Policy Memorandum 05-XX). This memorandum fulfills the requirement, IAW Section 40A of AECA, to report to Congress on the actions taken to implement the end-use monitoring program to include detailed accounting of costs via a Manpower/Resource utilization report.

In 2006, DSCA will refine its guidance for implementation of DoD responsibilities in support of the Golden Sentry End-Use Monitoring program by publishing the two latter policy memorandums currently in staffing. Once staffing is completed, policy guidance that addresses how the EUM community shall budget funding for new Enhanced EUM requirements, and end of year data reporting formats to more accurately meet future congressional reporting requirements for the Congressional Budget Justification will be promulgated.

Security Assistance Organization (SAO) EUM Workload Surveys: EUM activity was added to the annual SAO tasking as a separate workload measure in 2003. A detailed explanation was developed to clarify which tasks performed by SAOs should be included in the EUM category, thereby capturing the resource expenditures associated with the performance of “Routine” and “Enhanced” EUM by the SAO.

EUM Workload Survey:

Actual for FY05

(\$ in thousands)

	EUM WORKLOAD SURVEY	TOTAL SAO FUNDING
CENTCOM	250.2	16,027.3
EUCOM	898.5	23,043.3
NORTHCOM	12.6	741.9
PACOM	430	8,477.3
SOUTHCOM	776.9	9,675.6
AIT	121.5	2,537.0
TOTAL	2489.7	60,502.4

Estimated for FY06

(\$ in thousands)

	EUM WORKLOAD SURVEY	TOTAL SAO FUNDING
CENTCOM	300.7	15,032.7
EUCOM	921.1	22,479.1
NORTHCOM	12.9	736.9
PACOM	431.7	8,875.7
SOUTHCOM	803.8	9,288.0
AIT	163.6	3,415.0
TOTAL	2633.8	59,827.4

Projected for FY07

(\$ in thousands)

	PROJECTED EUM WORKLOAD SURVEY	TOTAL SAO FUNDING
CENTCOM	304.4	15,217.5
EUCOM	943.1	23,028
NORTHCOM	14.5	3479.0
PACOM	394.5	9,859
SOUTHCOM	850.6	9,451
AIT	166.6	3,200.0
TOTAL	2673.7	64,234.5

The Way Ahead

Resources: For FY06, DSCA has budgeted and manages the \$1.4M for Enhanced EUM at its headquarters. In addition to the Program Manager hired in 2002, DSCA added four full-time civilian employees, one each in FY04, FY05 and FY06. Additionally, funding was provided for three additional contractors to expedite full deployment of the Security Cooperation Information Portal (SCIP) EUM Automation Support, e.g. SCIP SAO Toolbox/EUM.

EUM Automation Support: Begun in FY04, in 2005 DSCA increased funding for the completion of the SCIP SAO Toolbox/EUM. SCIP SAO Toolbox/EUM is an automation tool that incorporates end-use monitoring functions for the entire security assistance/cooperation community. The implementing agencies, the combatant commanders, the SAO and host nations are now able to input and read in a real-time secure” compartmentalized” environment their Enhanced EUM programs via the web. The EUM function also notifies users when: items are shipped, items are received, inventories are delinquent, inventories are performed, and provide a variety of other standard reports. The EUM application also allows authorized users to establish, update, dispose, delete and perform transfers of the Enhanced EUM items. DSCA will complete full deployment of the SCIP SAO Toolbox/EUM in 2006.

EUM Tiger Team visits: A cornerstone of the Golden Sentry EUM program is the Tiger Team visits. EUM Tiger Team visits: 1) to assess USG representatives and host nations’ compliance with transfer provisos and other conditions of sales, and/or 2) visits to follow-up potential violations of the AECA, FAA, or other transfer agreements, e.g., compliance visits. The visit objectives are to:

1. Assess a specific country team or regional command’s overall EUM compliance program.
2. Assess a country’s compliance with specific physical security and accountability agreements through facility visits, records review, and review of local security policies and procedures.
3. Conduct routine or special inventories of U.S.-origin defense articles and/or services.
4. Appraise possible violations of the AECA, FAA, and/or other transfer instruments, e.g., Bi/Multi-Lateral Memoranda of Agreement or Understanding and other Implementing Agreements.

Three EUM Tiger Team assessment visits were conducted in FY2005, one each to: CENTCOM, EUCOM and PACOM.

DSCA and the Defense Threat Reduction Agency (DTRA) On-Site Inspection Directorate Partnership: In 2004, DSCA and DTRA established a joint long-term support relationship, which will improve the DoD End-Use Monitoring program. DSCA will maintain overall operational authority and management responsibility for DoD’s EUM program. DTRA will assist DSCA with supplemental manpower support in the conduct of Enhanced EUM missions worldwide to the degree possible with its ongoing missions.

Outreach Programs: Golden Sentry continues its outreach program via attendance at conferences hosted by the Combatant Commands, hosting EUM “worldwide” and Regional AOR meetings, engaging in bi-lateral and other stakeholders’ meetings in various venues worldwide. This outreach has tremendously contributed to a greater understanding of the “Golden Sentry” program, thereby strengthening awareness of U.S. export controls. Additionally, outreach has proven to be a useful instrument in support of broader U.S. policy goals related to being a responsible arms provider.

Conclusion:

We recognize that more EUM work is yet to be done. However, you can see that there have been many achievements. The momentum is positive and the EUM Golden Sentry program direction is headed in the right direction. We look forward to further accomplishments in FY07.

End-Use Monitoring of Defense Articles and Defense Services Commercial Exports FY 2005

This report describes actions taken by the Department of State during the past fiscal year to implement the “Blue Lantern” end-use monitoring program. The Blue Lantern program is established under Section 40A of the Arms Export Control Act (AECA) to monitor the end-use of commercially exported defense articles, services, and related technical data subject to licensing under Section 38 of the AECA. The Directorate of Defense Trade Controls, in the Bureau of Political-Military Affairs (PM/DDTC), Department of State, is responsible for administering the International Traffic in Arms Regulations (ITAR) that implement the AECA. DDTC’s functions include registration of manufacturers, brokers, and exporters, licensing of commercial defense trade, overseeing compliance with U.S. export regulations, supporting U.S. law enforcement agencies in criminal investigations and prosecutions of AECA violations, as well as the end-use monitoring of licensed transactions. The Blue Lantern program is managed within PM/DDTC by the Office of Defense Trade Controls Compliance’s (DTCC) Research and Analysis Division (RAD). Blue Lantern end-use monitoring entails pre-license or post-shipment checks undertaken to verify the legitimacy of a transaction and to provide “reasonable assurance that –

- i) the recipient is complying with the requirements imposed by the United States Government with respect to use, transfers, and security of the defense articles and defense services; and
- ii) such articles and services are being used for the purposes for which they are provided.”

DDTC is currently authorized a full-time complement of 76 State Department personnel, which is supplemented by 8 military officers, about 40 contract personnel, and a DHS/Immigration and Customs Enforcement Special Agent working on defense trade licensing and compliance (including end-use monitoring) efforts. DDTC’s operational budget for FY 2005, in addition to American salaries, was approximately \$8.7 million.

Overseas Monitoring: The Blue Lantern Program

Initiated in September 1990 and written into law under Section 40A of the AECA in 1996 as the USG’s first systematic end-use monitoring program, the Blue Lantern program has strengthened the effectiveness of U.S. export controls and has proven to be a useful instrument in: 1) deterring diversions to unauthorized end-users, 2) aiding the disruption of illicit supply networks used by governments under U.S. or international restrictions and sanctions and international criminal organizations, and 3) helping the Department to make informed licensing decisions and to ensure compliance with the AECA and the ITAR. End-use checks performed under the Blue Lantern program have significantly encouraged compliance with legal and regulatory requirements and have proven particularly effective in combating the global “gray arms” trade. “Gray arms” refers to the use of fraudulent export documentation to acquire defense articles through legitimate channels for re-transfer to unauthorized end-users. U.S. embassy personnel, or, in some instances, DDTC personnel, conduct Blue Lantern end-use checks overseas to verify the *bona fides* of unfamiliar foreign companies, to ensure delivery of licensed United States Munitions List (USML)

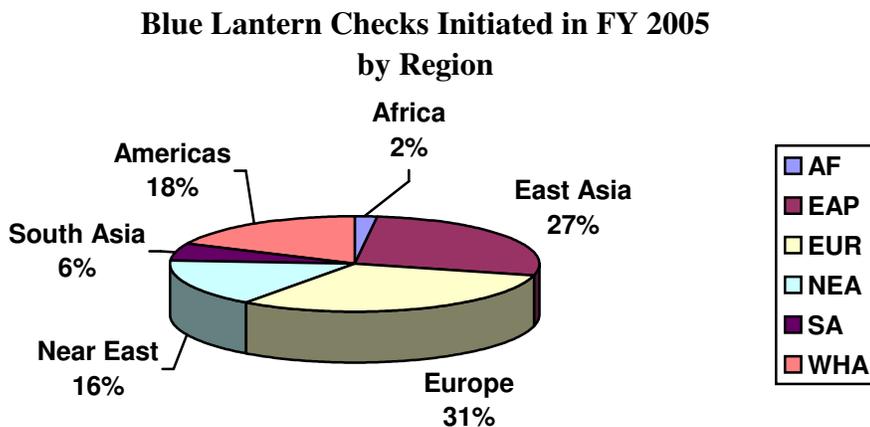
commodities to proper end-users, and to determine compliance with DDTC licensed agreements such as Technical Assistance Agreements and Distribution Agreements.

Each year, DDTC receives and reviews over 60,000 license applications and other export requests, most of them routine and legitimate. A small percentage of cases, however, may be subject to unauthorized or illicit activity. Blue Lantern checks are not conducted randomly, but are rather the result of a careful selection process to identify transactions that appear most at risk for diversion or misuse. License applications and other requests undergo review by licensing and compliance officers, who check case details against established criteria for determining potential risks: unfamiliar foreign parties, unusual routing, overseas destinations with a history of illicit activity or weak export/customs controls, commodities not known to be in the inventory of the host country's armed forces and other indicators of concern. The information derived from Blue Lantern checks help DDTC licensing officers and compliance specialists to assess risks associated with the export of certain defense articles to various countries and regions, and provides significant insight into the reliability of companies and individuals involved in defense procurement overseas.¹

Blue Lantern End-Use Checks in FY 2005

In FY 2005, DDTC initiated 562 end-use checks, a record number in the history of the program. Five hundred and five Blue Lantern cases were closed in FY 2005, with 80 designated as “unfavorable.” A regional breakdown of the 562 checks initiated in 2005 follows in Figure 1. Compared to FY 2004, numbers of checks in Europe, the Near East and East Asia increased slightly, and Africa, the Americas, and South Asia declined. The Americas declined most significantly, from 23% in FY 2004 to 18% in FY 2005.

Figure 1:



¹ Because Blue Lantern checks are selected based on potential risk and not a random sampling across all DDTC licenses, data on unfavorable checks should not be regarded as basis for statistically rigorous quantitative analysis.

Analysis of Unfavorable Checks by Region

Several significant changes were observed in the global distribution of unfavorable checks closed in FY 2005. Europe, which had declined as a locale of unfavorable checks in FY 2004, shot up from 9% to 34% in FY 2005. East Asia again led all regions for the highest percentage of unfavorable checks at 36%, but actually declined (from 45% in FY 2004). A major drop in unfavorable cases was registered in the Americas (from 34% in FY 2004 to 12.5% in FY 2005).

Figure 2:

Unfavorable Blue Lanterns by Region (Total numbers 2004-2005)

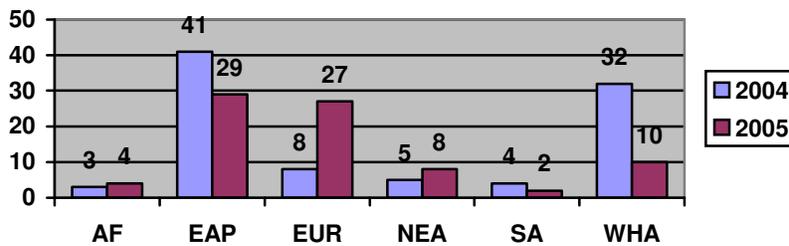
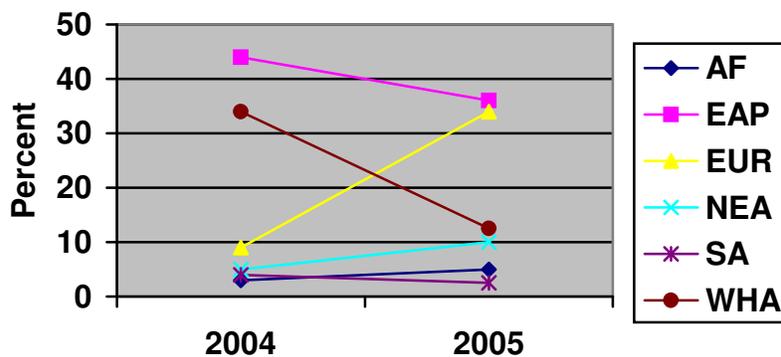


Figure 3:

Unfavorable Blue Lanterns By Region (Percentage of Total 2004-2005)



Analysis of Unfavorable Checks by Commodity

The top six commodity groups for Blue Lantern checks were: Aircraft spare parts; helicopters/spare parts; electronics and communications; firearms/ammunition; night vision devices; and missile spare parts. Overall, unfavorable cases were more evenly distributed across different commodities than last year, and numbers of unfavorable cases for aviation spares, electronics/communications and firearms/ammunition all dropped significantly compared to FY 2004. Other commodities that were the subject of unfavorable Blue Lantern checks included satellite spare parts, inertial navigations systems, oscillators, military computer

components, tank components/spares, riot control chemicals, and parachutes.

- The commodity group with the highest number of unfavorable checks was electronics and communications (12 unfavorables out of 72 total checks).
- The commodity group with the highest percentage of unfavorable checks was missile spare parts (4 out of 14; see Figure 5).
- By comparison, 100 firearms and ammunition cases were closed in FY05 but only 8 were found unfavorable.

A chart comparing Blue Lantern cases closed favorably versus unfavorably by commodity group can be found in Figure 4.

Figure 4:

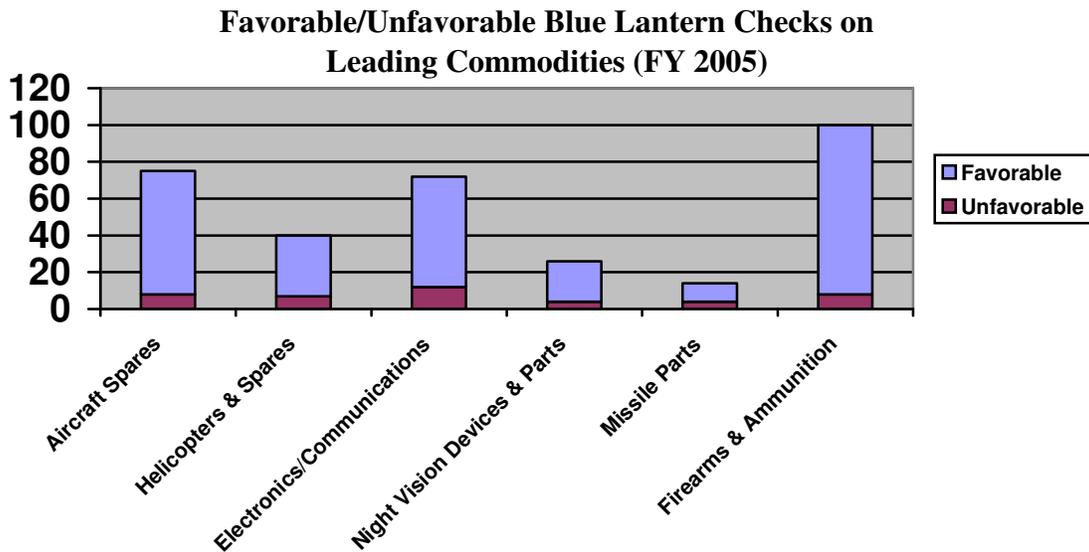
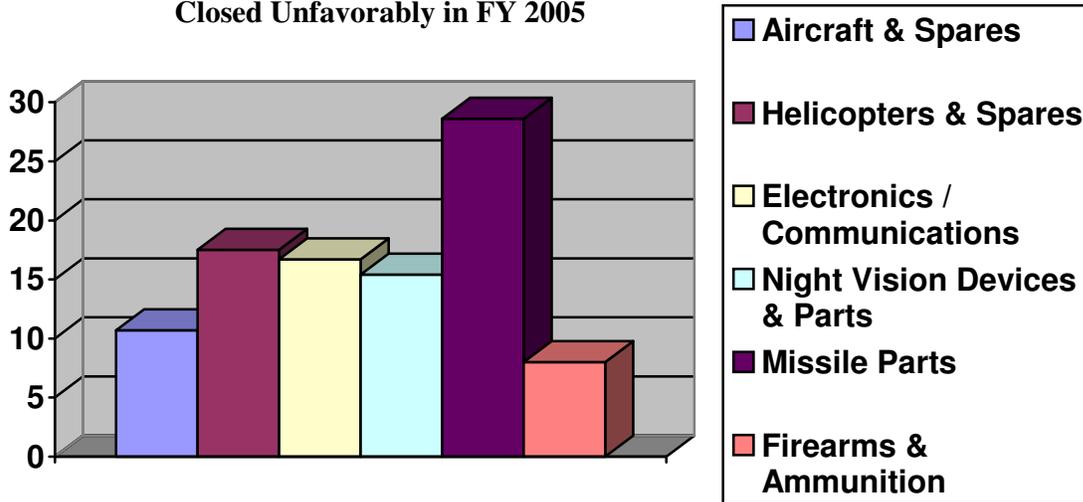


Figure 5:

**Percentage of Checks Within Leading Commodities
Closed Unfavorably in FY 2005**



Reasons for Unfavorable Checks in FY 2005

- In 45% of the unfavorable cases closed in 2005, the end-use or end-user could not be confirmed or justified during the Blue Lantern check.
- In 10% of cases, a foreign end-user reported that they had not ordered the items on the license – indicating possible intent on the part of the exporter or other parties to violate the ITAR and AECA.
- In an additional 10%, there was clear-cut evidence of illicit diversion or unauthorized re-export of the items.
- In 9% of cases, parties to the license could not be contacted or located.
- In 6%, the check revealed derogatory information about one or more parties; also in 6% of cases, the foreign end-user was judged by the Blue Lantern case officer to be an unreliable recipient of USML.
- 6% of cases were closed unfavorably because one or more parties refused to cooperate with the Blue Lantern inquiry.

Blue Lantern Case Studies FY2005

The following examples illustrate the effectiveness of the Blue Lantern Program in FY 2005. In cases where derogatory information was sufficient, investigative leads were passed on to law enforcement or intelligence authorities:

- A post-shipment check of Global Positioning Systems/Inertial Navigation Systems (GPS/INS) to a company in the Persian Gulf region revealed that some of the items had been illegally re-exported to a third country. In cooperation with the host government, the company's owner was detained, remaining GPS/INS units were seized, and the Department of Homeland Security's Bureau of Immigration and Customs Enforcement (ICE) obtained a warrant for the arrest of the company's owner for AECA violations.
- A pre-license check on satellite components sought to determine the *bona fides* of an end-user identified as a university professor in an East Asian country. The Blue Lantern check found no record of the individual on the rolls of the university's faculty, or any evidence of any other association with the university. It also determined that the university specialized in medical education and had no satellite-related programs of any kind. The license application was denied.
- A pre-license check on helicopter spare parts to the armed forces of a country in Southeast Asia revealed that the officer who signed the end-use certificate was no longer in the military and instead was working for a private foreign company. The foreign company employing the former officer was believed to be operating on behalf of another foreign company with a long record of illicit gray arms activities. The license application was denied, and all parties were placed on the DDTC watchlist.
- Another pre-license check in a Persian Gulf country revealed an end-user that had no record of ordering the commodity (oscillators) on the license application. A subsequent check by the U.S. embassy on the foreign intermediate consignee in the transaction revealed that the company had no known address and no working contact number. The license application was denied and the foreign intermediate consignee was placed on the DDTC watchlist.
- A pre-license check on an application for 300 handguns to a private company in Latin America confirmed the legitimacy of the private company. Upon review of the proposed transaction, however, the host government determined that the number of guns was excessive given the high incidence of lost and stolen firearms involved in a recent surge in violent crime. The quantity of guns on the license was subsequently reduced.
- A pre-license check on ITAR-controlled military computer components destined for a former Soviet republic determined that the components would be used in a nuclear power plant rather than for meteorological measurement – as stated on the license application. The foreign end-user was placed on the watchlist and the license was denied.
- A Blue Lantern check on a temporary export of coastal defense equipment to an East Asian country confirmed that the foreign consignee was continuing to hold the equipment (in violation of the terms of the original license) and refusing to return it to the United States.
- A post-shipment check on 305 smoke pistols (for riot control) ordered by a police department in a West African nation could not confirm delivery of the pistols to the end-user. As a result of the Blue Lantern, the foreign intermediate consignee was suspected of diversion and placed on the watchlist. Future license requests for the foreign government in question will be subjected to extra scrutiny and any approval will require post-shipment verification to the USG.

Targeting: Efforts to Continue Improvements in Blue Lantern Selection Process

Due to reports of illicit diversion of night vision devices (NVDs), DDTC has initiated an increasing number of Blue Lantern checks for NVDs and related equipment. During FY 2005, DDTC closed 26 cases

involving NVDs and related components; 4 of these cases were designated unfavorable. Significantly higher numbers of checks on NVDs are anticipated in 2006. DTCC/RAD compliance specialists continue to refine and improve a knowledge base derived from licensing data, past Blue Lantern checks, and external (both classified and unclassified) sources to better guide Blue Lantern targeting by commodity and region.

Greater Coordination with Intelligence Community

The U.S. intelligence community (IC) is a critical resource in support of an effective and secure U.S. defense trade licensing regime. DDTC requires IC support to help understand international “gray arms” trends, information about foreign corrupt practices, individuals and companies believed to be involved in illicit arms trafficking, and information about ITAR-controlled commodities sought by embargoed states, terrorist organizations and criminals. DTCC/RAD has sought to deepen contacts and increase information exchanges with the IC during the past year. DTCC/RAD will continue the effort to establish collection and analysis requirements for defense trade intelligence during 2006.

Commercial Exports Licensed or Approved Under the Arms Export Control Act

The data in the following chart on commercial arms sales are compiled on the basis of information available to the Department as of January 2006. The first column, entitled “Actual Deliveries (preliminary)” shows the preliminary dollar value totals by destination of exports during fiscal year 2005. These export totals, which in some cases do not reflect defense training and technical assistance, are compiled from data found in the Automated Export System (AES). Not all this data has yet been validated by the Department of State. In the future, reporting of technical data exports directly to the State Department will allow a more accurate portrayal of “up-to-date” export transactions.

The second and third columns in the chart show the estimated dollar value totals by destination of possible deliveries in fiscal years 2006 and 2007. These estimates are based primarily on the dollar values of licenses approved for each destination during the prior two fiscal years (the dollar values of the authorized licenses are not shown here but captured in reports to the Congress made pursuant to section 655 of the Foreign Assistance Act of 1961, as amended. The value of defense export authorizations in FY 2005 amounted to \$24.3 billion in defense articles and \$27.7 billion in defense services). Not all export approvals result in signed contracts and actual exports. Key factors that affect the final export value include the availability of the licensed item for shipping, and how quickly the license is returned to the Department. (See also the classified annex.) Other factors that cannot be quantified are economic and security considerations at the final destinations, as well as changing U.S. foreign policy and national security considerations. In exercising defense trade controls, the Department administers embargoes on commercial arms transfers to several countries in any given year as a result of U.S. law and foreign policy/national security considerations and UN Security Council decisions. A number of other countries are subject to special scrutiny due to non-proliferation, regional security (e.g., disputed territories or borders), or human rights concerns. Countries for whom there were no actual deliveries in fiscal year 2005 and which had no authorized licenses for fiscal years 2004 and 2005 do not appear in this report.

The procedures for estimating defense commercial sales for out-years (fiscal years 2006 and 2007) were revised for the 1995 CPD. Previous procedures for such estimates called for extrapolating exports for the first year at forty percent of the actual dollar value of licenses approved in the previous two fiscal years. The second out year’s exports would have been estimated at sixty percent of that two-year total.

However, based on historical data, the Department now estimates exports for the first out year (fiscal year 2006) to be ten percent of the total dollar value of approved licenses for the previous two fiscal years (fiscal years 2004 and 2005). The exports for the second out year (fiscal year 2007) are estimated to be fifty percent of those for fiscal year 2005.

Commercial Exports Licensed or Approved Under the AECA
(Dollars in Thousands)

<i>Region Name</i>	<i>Country / Destination</i>	<i>Actual Deliveries*</i>	<i>Estimated Deliveries</i>	
		<i>FY 2005</i> <i>(Preliminary)</i>	<i>FY 2006</i>	<i>FY 2007</i>
AFRICA				
	ANGOLA	6,933	2,114	10,564
	BENIN	35	4	0
	BOTSWANA	7,976	3,625	5,787
	BURKINA FASO	49	0	0
	CAMEROON	90	75	376
	CAPE VERDE	19	0	0
	CENTRAL AFRICA REPUBLIC	29	0	0
	CHAD	0	63	0
	COMOROS	0	500	2,500
	CONGO	98	0	1
	COTE D'IVOIRE	8	0	0
	DJIBOUTI	4,661	225	1,108
	ETHIOPIA	68	572	2,810
	GABON	53	8	14
	GAMBIA	2	200	50
	GHANA	1,722	288	883
	GUINEA	160	362	1,789
	KENYA	3,933	407	1,226
	LESOTHO	6	0	0
	LIBERIA	225	19	97
	MADAGASCAR	13	0	0
	MALAWI	2,210	750	3,092
	MALI	0	800	4,000
	MAURITANIA	2	0	0
	MAURITIUS	29	43	12
	MOZAMBIQUE	1	0	0
	NAMIBIA	13	62	103
	NIGER	650	3	0
	NIGERIA	2,509	223	1,041
	RWANDA	563	619	2,997

<i>Region Name</i>	<i>Country / Destination</i>	<i>Actual Deliveries* Estimated Deliveries</i>		
		<i>FY 2005 (Preliminary)</i>	<i>FY 2006</i>	<i>FY 2007</i>
<i>AFRICA</i>				
	SAO TOME & PRINCIPE	64	0	0
	SENEGAL	38	2	1
	SEYCHELLES	0	24	0
	SIERRA LEONE	8	0	0
	SOUTH AFRICA	5,909	8,536	21,938
	TANZANIA	2	1	0
	TOGO	1	0	0
	UGANDA	5,706	1,763	1,296
	ZAMBIA	21	1,002	5,004
	<i>AFRICA Totals :</i>	<i>43,806</i>	<i>22,290</i>	<i>66,689</i>
<i>EAST ASIA & PACIFIC</i>				
	AUSTRALIA	709,468	283,208	874,190
	BRUNEI	2,041	816	2,858
	BURMA	66	0	0
	CAMBODIA	195	0	92
	CHINA	0	37	0
	EAST TIMOR	525	0	0
	FIJI	0	8	41
	FRENCH POLYNESIA	2,011	22	105
	HONG KONG	2,377	728	2,677
	INDONESIA	8,522	7,099	26,560
	JAPAN	5,229,172	1,123,367	2,955,421
	KIRIBATI	0	34,148	169,955
	MACAU	10	3	16
	MALAYSIA	24,738	37,064	92,551
	MARSHALL ISLAND	0	154	0
	MONGOLIA	147	14	21
	NAURU	5	0	0
	NEW CALEDONIA	397	163	596
	NEW ZEALAND	38,031	21,325	46,412
	PALAU	64	0	0

<i>Deliveries</i>	<i>Region Name</i>	<i>Country / Destination</i>	<i>Actual Deliveries*</i>	<i>Estimated</i>	
			<i>FY 2005 (Preliminary)</i>	<i>FY 2006</i>	<i>FY 2007</i>
<i>EAST ASIA & PACIFIC</i>					
		PAPUA NEW GUINEA	1	805	25
		PHILIPPINES	24,522	9,257	22,998
		SINGAPORE	482,311	159,433	297,884
		SOLOMON ISLANDS	0	0	1
		SOUTH KOREA	1,474,645	657,772	2,535,036
		TAIWAN	19,699	200,000	200,000
		THAILAND	39,321	24,852	66,546
		TOKELAU	8,097	0	0
		TONGA	0	5	25
		VANUATU	0	1	0
		VIETNAM	10	0	0
	<i>EAST ASIA & PACIFIC Totals :</i>		<i>8,066,375</i>	<i>2,560,281</i>	<i>7,294,010</i>
<i>EUROPE & EURASIA</i>					
		ALBANIA	486	118	66
		ANDORRA	242	19	80
		ARMENIA	28	32	3
		AUSTRIA	5,129	4,795	12,665
		AZERBAIJAN	72	449	1,718
		BELGIUM	313,022	57,321	220,532
		BOSNIA HERZEGOVINA	873	42	122
		BRITISH INDIAN OCEAN	28,633	0	0
		BULGARIA	3,556	1,281	3,224
		CROATIA	6,875	488	816
		CYPRUS	4,237	22,273	109,878
		CZECH REPUBLIC	5,769	2,989	5,983
		DENMARK	75,887	31,437	73,021
		ESTONIA	421	452	734
		FINLAND	28,320	12,419	38,580
		FRANCE	393,542	417,897	1,907,712
		GEORGIA	20,462	304	1,518
		GERMANY	7,313,971	416,952	943,671

<i>Region Name</i>	<i>Country / Destination</i>	<i>Actual Deliveries* Estimated Deliveries</i>		
		<i>FY 2005 (Preliminary)</i>	<i>FY 2006</i>	<i>FY 2007</i>
<i>EUROPE & EURASIA</i>				
	GIBRALTAR	20	0	0
	GREECE	153,424	68,658	134,786
	GREENLAND	168	183	65
	HUNGARY	2,401	1,145	2,690
	ICELAND	48,565	1,837	1,987
	IRELAND	4,406	2,931	10,044
	ITALY	810,871	234,725	334,894
	KAZAKHSTAN	600	13,480	62,358
	KYRGYZSTAN	6,636	291	1,109
	LATVIA	93	289	630
	LITHUANIA	1,528	98	313
	LUXEMBOURG	42,551	52,798	173,567
	MACEDONIA	4,960	422	2,109
	MALTA	30	8	9
	MOLDOVA	235	80	344
	MONACO	260	260	1,300
	NETHERLANDS	229,711	336,257	194,835
	NORWAY	160,136	118,750	166,699
	POLAND	14,231	41,536	170,172
	PORTUGAL	12,734	9,336	26,782
	ROMANIA	12,430	4,912	11,261
	RUSSIA	68,954	4,349	4,640
	SAN MARINO	67	1,611	8,036
	SERBIA & MONTENEGRO	1,130	6,360	31,782
	SLOVAKIA	5,166	1,877	2,411
	SLOVENIA	1,776	1,604	2,222
	SPAIN	163,450	41,776	105,066
	SWEDEN	137,419	56,202	185,146
	SWITZERLAND	34,892	25,335	61,596
	TAJKISTAN	221	828	4,050
	TURKEY	219,875	239,511	714,444
	TURKMENISTAN	9	26	0
	UKRAINE	1,873	905	1,921

<i>Region Name</i>	<i>Country / Destination</i>	<i>Actual Deliveries*</i> <i>FY 2005</i> <i>(Preliminary)</i>	<i>Estimated Deliveries</i> <i>FY 2006</i>	<i>FY 2007</i>
<i>EUROPE & EURASIA</i>				
	UNITED KINGDOM	1,840,000	1,433,747	4,261,534
	UZBEKISTAN	51,439	325	1,328
	<i>EUROPE & EURASIA Totals :</i>	<i>12,233,786</i>	<i>3,671,720</i>	<i>10,000,453</i>
<i>NEAR EAST</i>				
	ALGERIA	276,063	6,191	11,056
	BAHRAIN	921,775	4,540	10,735
	EGYPT	340,532	52,746	90,544
	IRAQ	1,682,926	116,368	370,596
	ISRAEL	1,110,223	291,009	634,355
	JORDAN	88,369	14,938	50,675
	KUWAIT	586,570	132,929	83,765
	LEBANON	142	59	283
	MOROCCO	18,613	3,909	10,843
	OMAN	7,498	5,412	14,080
	QATAR	262,079	5,807	26,827
	SAUDI ARABIA	85,352	81,812	81,391
	TUNISIA	3,290	3,330	12,476
	UNITED ARAB EMIRATES	1,041,638	798,531	2,073,251
	YEMEN	2,311	1,620	3,876
	<i>NEAR EAST Totals :</i>	<i>6,427,381</i>	<i>1,519,201</i>	<i>3,474,753</i>
<i>NON-REGIONAL</i>				
	CLASSIFIED TOTALS	69,537	1,000,000	1,000,000
	<i>NON-REGIONAL Totals :</i>	<i>69,537</i>	<i>1,000,000</i>	<i>1,000,000</i>
<i>SOUTH ASIA</i>				
	AFGHANISTAN	708,793	62,461	233,461
	BANGLADESH	1,095	531	1,038
	BHUTAN	0	6	0
	INDIA	31,891	14,126	45,975
	NEPAL	188	81	10

<i>Region Name</i>	<i>Country / Destination</i>	<i>Actual Deliveries*</i>		<i>Estimated Deliveries</i>	
		<i>FY 2005 (Preliminary)</i>	<i>FY 2006</i>	<i>FY 2007</i>	
<i>SOUTH ASIA</i>					
	PAKISTAN	85,341	29,430		64,999
	SRI LANKA	466	1,743		2,904
	<i>SOUTH ASIA Totals :</i>	827,774	108,378		348,387
<i>WESTERN HEMISPHERE</i>					
	ANTIGUA-BARBUDA	133	7		24
	ARGENTINA	8,163	9,719		30,534
	ARUBA	51	13		41
	BAHAMAS	5,996	742		15
	BARBADOS	553	104		383
	BELIZE	2,671	4,260		21,211
	BERMUDA	19	13		21
	BOLIVIA	6,119	452		616
	BRAZIL	55,097	25,331		75,088
	BRITISH VIRGIN ISLANDS	8	0		2
	CANADA	1,244,822	197,393		563,670
	CAYMAN ISLANDS	23	54,556		13
	CHILE	22,149	12,065		30,943
	COLOMBIA	147,995	19,410		61,652
	COSTA RICA	1,430	1,412		5,362
	DOMINICA	41	6		23
	DOMINICAN REPUBLIC	2,514	1,350		4,760
	ECUADOR	4,594	62,786		12,943
	EL SALVADOR	209,825	598		1,318
	FALKLAND ISLANDS	2	0		0
	FRENCH GUIANA	544,327	34,628		125,029
	GRENADA	26	14		1
	GUATEMALA	1,504	323		658
	GUYANA	78	16		19
	HAITI	622	226		1,074
	HONDURAS	2,309	280		1,065
	JAMAICA	673	310		598

<i>Region Name</i>	<i>Country / Destination</i>	<i>Actual Deliveries* Estimated Deliveries</i>		
		<i>FY 2005 (Preliminary)</i>	<i>FY 2006</i>	<i>FY 2007</i>
WESTERN HEMISPHERE				
	MEXICO	106,761	68,441	206,902
	MONTSERRAT	5	0	2
	NETHERLANDS ANTILLES	12,329	209	967
	NICARAGUA	527	149	357
	PANAMA	5,121	674	318
	PARAGUAY	156	23	113
	PERU	7,877	1,140	4,032
	ST KITTS AND NEVIS	802	1	1
	ST LUCIA	47	13	24
	ST VINCENT & GRENADINES	15	3	8
	SURINAME	44	18	38
	TRINIDAD & TOBAGO	2,614	432	1,602
	TURKS & CAICOS ISLANDS	5	53	3
	URUGUAY	3,777	370	199
	VENEZUELA	18,038	14,613	23,781
	WESTERN HEMISPHERE Totals :	<i>2,419,862</i>	<i>512,153</i>	<i>1,175,410</i>
	Grand Totals :	<i>30,088,521</i>	<i>9,394,023</i>	<i>23,359,702</i>

Foreign Military Financing Grants (11-1082)
(\$ in millions)

	Actual FY 2005	Estimated FY 2006	Proposed FY 2007
Appropriated Funds			
Egypt Grant	1,289.600	1,287.000	1,300.000
Israel Grant	2,202.240	2,257.200	2,340.000
Jordan Grant	204.352	207.900	206.000
Other Countries Grants	1,009.360	671.675	661.400
Administrative Costs	39.680	41.085	43.500
Rescission	38.268	45.100	
Total FMF Appropriation	<u>4,783.500</u>	<u>4,510.000</u>	<u>4,550.900</u>
Less: Appropriation Rescinded	-38.268	-45.100	
Plus: Supplemental Appropriation	250.000		
Plus: Resources available from recoveries prior year deobligations	1.500		
Plus: Resources available from MAP sales	0.010		
Less: Unobligated balances for administrative costs	-0.026		
Total Budgetary Resources Obligated	<u>4,996.716</u>	<u>4,464.900</u>	<u>4,550.900</u>
Total FMF Outlays (Net)	<u>4,882.781</u>	<u>4,831.000</u>	<u>4,677.000</u>

Foreign Military Financing Program Account (11-1085)
(\$ in millions)

	Actual FY 2005	Estimated FY 2006	Proposed FY 2007
Budget Authority			
Direct Loan Subsidy Appropriation	0.000	0.000	0.000
Subsidy Re-estimates	2.552	16.037	0.000
Total Budget Authority	<u>2.552</u>	<u>16.037</u>	<u>0.000</u>
Total Obligations	2.552	16.037	0.000
Outlays (Net)	2.552	16.037	0.000

Foreign Military Loan Liquidating Account (11X4121)
(\$ in millions)

	Actual FY 2005	Estimated FY 2006	Proposed FY 2007
Budget Authority for Guarantee Claims:			
Permanent Indefinite Authority	7.500	5.000	8.400
Collections of Guarantee Claims	5.758	7.358	3.040
Total Budget Authority	<u>13.258</u>	<u>12.358</u>	<u>11.440</u>
Total Obligations and Disbursements for Guaranteed Claims	13.258	12.358	11.440
Offsetting Collections			
Repayment of Direct Loans	-103.059	-99.616	-92.183
Repayment of FFB Loans	-220.486	-220.514	-187.479
Total Offsetting Collections	<u>-323.545</u>	<u>-320.130</u>	<u>-279.662</u>
Outlays (Net)	-310.287	-307.772	-268.222

Direct Loan Financing Account (11X4122)

(\$ in millions)

	Actual FY 2005	Estimated FY 2006	Proposed FY 2007
Budget Authority and Obligations			
Direct Loans	0.000	0.000	0.000
Interest on Treasury Borrowing	41.547	67.056	89.103
Downward Subsidy Re-estimate	44.389	21.746	0.000
Interest on Downward Re-estimate	13.711	11.949	0.000
Total Budget Authority and Obligations	99.647	100.751	89.103
Disbursements	310.977	572.851	556.527
Offsetting Collections:			
Collections on Upward Subsidy Re-estimate	-2.552	-16.037	0.000
Interest on Uninvested Funds - Treasury	-11.947	0.000	0.000
Loan Repayments from Country	-542.300	-198.206	-182.738
Total Offsetting Collections	-556.799	-214.243	-182.738
Outlays (Net)	-245.822	358.608	373.789

Military Debt Reduction Financing Account (11X4174)

(\$ in millions)

	Actual FY 2005	Estimated FY 2006	Proposed FY 2007
Budget Authority and Obligations			
Interest on Debt to Treasury	11.486	12.192	11.411
Downward Subsidy Re-estimate	0.021	0.090	0.000
Total Budget Authority and Obligations	11.507	12.282	11.411
Disbursements	11.507	12.282	11.411
Offsetting Collections:			
Collections from Loan Subsidy Account	-7.488	0.000	0.000
Collection on Upward Subsidy Re-estimate	-0.000	0.000	0.000
Interest on Uninvested Funds	-0.206	0.000	0.000
Loan Repayments from Country	-5.866	-25.333	-27.301
Total Offsetting Collections	-13.560	-25.333	-27.301
Outlays (Net)	-2.053	-13.051	-15.890

International Military Education & Training Program (11-1081)
(\$ in millions)

	Actual	Estimated	Proposed
	FY 2005	FY 2006	FY 2007
Appropriation	89.730	86.744	88.900
Rescission	-0.718	-0.867	0.000
Total budgetary resources available for obligation	<u>89.012</u>	<u>85.877</u>	<u>88.900</u>
Obligations from Current Year Appropriation	88.533	85.877	88.900
New Obligations in "X" Year IMET	0.491	2.000	1.000
Net Outlays	81.802	92.000	90.000

Special Defense Acquisition Fund (11X4116)
(\$ in millions)

	Actual	Estimated	Proposed
	FY 2005	FY 2006	FY 2007
Purchases of Equipment (Obligations)	0.000	0.000	0.000
Gross Budget Authority (a)	0.000	0.000	0.000
Offsetting Collections	0.000	0.000	0.000
Net Budget Authority	0.000	0.000	0.000
Financing Disbursements	0.000	0.000	0.000
Offsetting Collections	0.000	0.000	0.000
Net Outlays	0.000	0.000	0.000
Return of Unobligated Balances to the Treasury due to Program Cancellation (Excess Unobligated Balance) to Treasury account 1614, "Other Earnings from Business Operations and Revolving Funds"	10.000	6.684	0.000

(a) This represents the planned transfer of all collections "in excess of obligation authority provided in prior appropriations Acts" pursuant to P.L. 103-87, September 30, 1993, which means that all FY 1994 and later collections are first deposited into the SDAF appropriation, and later transferred to the Treasury Account, "Other Repayments of Investments and Recoveries," 2814. The return of capitalization does not affect the calculation of net outlay.

Foreign Military Financing Program/Grants
(\$ in millions)

Fiscal Year	Request		Authorized		Appropriated	
	Budget Authority	Program	Budget Authority	Program	Budget Authority	Program
1970	275.000	350.000	250.000	340.000	70.000	0.000
1971	772.500	885.000	750.000 (a)	840.000 (a)	700.000 (a)	0.000
1972	510.000	582.000	400.000	550.000	400.000	0.000
1973	527.000	629.000	400.000 (b)	550.000	400.000 (b)	0.000
1974	2,725.000	2,960.000	2,525.000 (c)	2,930.000 (c)	2,525.000 (c)	0.000
1975	555.000	872.000	405.000	872.500	300.000	0.000
1976 (d)	2,430.200	2,430.200	1,298.750	2,968.375	1,205.000	0.000
1977	2,179.600	2,179.600	740.000	2,022.100	740.000	0.000
1978	707.750	2,217.500	682.000	2,152.350	675.850	0.000
1979 (e)	1,042.500	5,767.500	1,044.300	6,155.500	1,024.500	0.000
1980	658.880 (f)	2,188.000 (f)	673.500	2,235.000	645.000 (b)	0.000
1981	734.000	2,840.000 (g)	500.000	3,116.000	500.000 (b)	3,046.187 (b)
1982	1,481.800	4,054.400	800.000	4,069.525	800.000	3,883.500
1983	950.000 (h)	5,273.300 (h)	800.000	4,169.525	1,175.000 (b)	5,106.500 (b)
1984	1,000.000	5,656.000	1,315.000	5,761.500	1,315.000 (b)	5,716.250 (b)
1985	5,100.000	5,100.000	(i)	(i)	4,939.500 (b)	4,939.500 (b)
1986	5,655.000	5,655.000	5,371.000	5,371.000	5,190.000	5,190.000 (j)
1987	5,861.000 (k)	5,661.000	(i)	(i)	4,053.441 (l)	4,053.441 (l)
1988	4,421.150	4,421.150	(m)	(m)	4,017.000 (n)	4,049.000
1989	4,460.000	4,460.000	(o)	(o)	4,272.750	4,272.750
1990	5,027.000	5,027.000	(p)	(p)	4,827.642	4,827.642 (q)
1991	5,016.900	5,016.900	(r)	(r)	4,663.421 (s)	4,663.421 (s)
1992	4,610.000	4,610.000	(t)	(t)	3,928.548 (u)	3,928.548 (u)
1993	4,099.225	4,099.225	(v)	(v)	3,245.414 (w)	3,245.414 (w)
1994	3,231.657	3,232.157	(x)	(x)	3,052.397 (x)	3,052.397 (x)
1995	3,130.858	3,130.858	(y)	(y)	3,151.279 (y)	3,151.279 (y)
1996	3,262.020	3,262.020	(z)	(z)	3,208.390 (z)	3,208.390 (z)
1996 Sup	70.000 (A)	70.000 (A)	(A)	(A)	70.000 (A)	70.000 (A)
1997	3,228.250	3,228.250	(B)	(B)	3,224.000 (B)	3,224.000 (B)
1998	3,274.250	3,274.250	(C)	(C)	3,296.550 (C)	3,296.550 (C)
1999	3,275.910	3,275.910	(D)	(D)	3,380.000 (D)	3,380.000 (D)
2000	3,430.000	3,430.000	(E)	(E)	4,819.994 (E)	4,819.994 (E)
2001	3,538.200	3,538.200	3,550.000	3,550.000	3,576.000 (F)	3,576.000 (F)
2002	3,674.000	3,674.000	3,627.000	3,627.000	3,650.000 (G)	3,695.000 (H)
2002 Sup	387.000	387.000	(I)	(I)	357.000 (I)	357.000 (I)
2003	4,107.200	4,107.200	4,107.200	4,107.200	4,072.000 (J)	4,072.000 (J)
2003 Sup	2,059.100	2,059.100	(K)	(K)	2,059.100 (K)	2,059.100 (K)
2004	4,414.000	4,414.000	(L)	(L)	4,337.182 (L)	4,337.182 (L)
2004 Sup	287.000	287.000	(M)	(M)	287.000 (M)	287.000 (M)
2005	4,957.500	4,957.500	(N)	(N)	4,783.500 (N)	4,783.500 (N)
2005 Sup	250.000	250.000	(O)	(O)	250.000 (O)	250.000 (O)
2006	4,538.600	4,538.600	(P)	(P)	4,464.900 (P)	4,464.900 (P)
2007	4,550.900	4,550.900				

NOTE: Military Assistance Program included Foreign Military Sales Financing program prior to FY 1969.

(a) Includes \$500M for Israel authorized by P.L. 91-441 and appropriated by P.L. 91-665.

(b) CRA limitation.

(c) Includes \$2,200M for Emergency Security Assistance requested, authorized and appropriated for Israel.

(d) Includes transitional quarter (FY 197T).

- (e) Includes \$2,200M supplemental program for Israel and a \$1,500M supplemental program for Egypt.
- (f) Includes a \$10M amendment for Sudan and \$15M for Oman.
- (g) Includes \$200M proposed budget amendment for Egypt.
- (h) Reflects the amended budget request but not the supplemental budget request for program increase of \$525M for guarantee loans.
 - (i) Authorization waived in Continuing Resolution Authority (P.L. 98-473 for FY 1985, and P.L. 99-500 for FY 1987).
 - (j) Reflects amounts appropriated under P.L. 99-190 (final CRA). Pursuant to P.L. 99-177 (Gramm-Rudman-Hollings), \$223.17M not available for obligation.
 - (k) Includes a supplemental request of \$200M.
 - (l) Includes \$4,040.441 authorized by P.L. 99-500 CRA limitation and \$13.000 authorized by P.L. 100-71.
 - (m) Authorization waived in Continuing Resolution (P.L. 100-202).
 - (n) P.L. 100-202 appropriated \$4,049M for FY 1988. Also included in the law was a \$32M rescission applicable to the FY 1985 and FY 1986 appropriation resulting in an adjusted appropriation of \$4,017M, as shown in the FY 1989 President's Budget.
 - (o) Authorization waived in P.L. 100-461.
 - (p) Authorization waived in P.L. 101-167.
 - (q) Congress appropriated \$4,828.403M which was reduced by .43% for use in the control of illicit drugs. In addition, \$20M was transferred into the FMF account from the DOD budget (P.L. 101-165) resulting in \$4,827.641M available to the FMF program.
 - (r) Authorization waived in P.L. 101-513.
 - (s) P.L. 101-513 appropriated \$5,066.921M for FY 1991. Section 401(a) of P.L. 102-27 subsequently reduced that amount to \$4,663.421M.
 - (t) Authorization waived in P.L. 102-109, P.L. 102-145, and P.L. 102-266.
 - (u) P.L. 102-266 appropriated \$4,100M for FY 1992, reduced the amount appropriated by \$60.602M and provided for the transfer of \$63.75M of funds appropriated to the Demobilization and Transition Fund. P.L. 102-298 rescinded an additional \$47.100 of the FY 1992 appropriation for a net appropriation of \$3,928.548M.
 - (v) Authorization waived in P.L. 102-391.
 - (w) P.L. 102-391 appropriated \$3,300M for FY 1993, rescinded \$25.586M of prior year balance, and provided for the transfer of \$29M to the Demobilization and Transition Fund for a net budget authority of \$3,245.414M.
 - (x) P.L. 103-87 appropriated \$3,149.279M, including deobligation/reobligation authority. The authorization was waived. During FY 1994, an Emergency Supplemental Appropriations Act was passed (P.L. 103-211) and it rescinded \$91.282M of FY 1993 and prior year balances. Subsequently, an additional \$5.6M was transferred to the IMET and Economic Support Fund accounts leaving a net appropriation of \$3,052.397M.
 - (y) P.L. 103-306 appropriated \$3,151.279M for FY 1995. The Authorization was waived.
 - (z) P.L. 104-107 appropriated \$3,208.390M for FY 1996. The Authorization was waived.
 - (A) Pending FY 1996 FMF supplemental request of \$140M supports Jordan F-16 program; P.L. Appropriated \$70M for FY 1996. The Authorization was waived.
 - (B) P.L. 104-208 appropriated \$3,224M for FY 1997. The Authorization was waived.
 - (C) P.L. 105-118 appropriated \$3,296.55M for FY 1998. The Authorization was waived.
 - (D) P.L. 105-277 appropriated \$3,380M for FY 1999 FMF Grants. The Authorization was waived.
 - (E) P.L. 106-113 appropriated \$4,788.994M for FY 2000 FMF Grants. The Authorization was waived.
 - (F) P.L. 106-429 appropriated \$3,576M for FY 2001 FMF Grants. P.L. 106-554 rescinded \$7.867M of the FMF appropriation.
 - (G) P.L. 107-115 appropriated \$3,650M for FY 2002 FMF Grants.
 - (H) Includes \$45M appropriated under P.L. 107-38, the Emergency Response Fund. The Authorization was waived.
 - (I) P.L. 107-206 appropriated \$357M for FY 2002 Supplemental FMF Grants. The Authorization was waived.
 - (J) P.L. 108-7 appropriated \$4,072M for FY 2003, of which \$26.468M was rescinded and \$93M was transferred to State for Colombia Andean Counter narcotics Initiative (ACI).
 - (K) P.L. 108-11 appropriated \$2,059.1M for FY 2003 Supplemental, of which \$20M was transferred to State for Colombia Andean Counter narcotics Initiative (ACI). The Authorization was waived.
 - (L) P.L. 108-199 appropriated \$4,294M for FY 2004, of which \$25,334M was rescinded and \$10.9M was transferred to State for Economic Support Fund (ESF) needs. Additionally, the account received \$.372M from USAID funds for Afghanistan and \$2.0M in deobligation/reobligation authority for Kenya and \$0.045M of funding from MAP sales. Includes \$77M appropriated under P.L. 107-38, the Emergency Response Fund, transferred to FMF in October 2003 for Afghanistan. The Authorization was waived.
 - (M) P.L. 108-106 appropriated \$287M for FY 2004 Supplemental for Afghanistan. The Authorization was waived.
 - (N) P.L. 108-447 appropriated \$4,783.5M for FY 2005, of which \$38.268M was rescinded. The Authorization was waived.
 - (O) P.L. 109-13 appropriated \$250M for FY 2005 Supplemental for Jordan and Pakistan. The Authorization was waived.
 - (P) P.L. 109-102 appropriated \$4,510M for FY 2006 of which \$45.1M was rescinded. The Authorization was waived.

Foreign Military Financing
Direct Loan Financing Account – Total Program (11X4122)
(\$ in millions)

Fiscal Year	Request	Financing Authority
1992	313.961	345.000 (a)
1993	360.000	855.000 (b)
1994	855.000	769.500 (c)
1995	770.000	619.650 (d)
1996	765.000	544.000 (e)
1997	370.028	540.000 (f)
1998	699.500	200.000 (g)
1999	167.024	117.855 (h)
2000	0.000	0.000
2001	0.000	0.000
2002	0.000	0.000
2003	3,800.000	3,800.000 (i)
2004	550.000	550.000 (j)
2005	0.000	0.000
2006	0.000	0.000
2007	0.000	0.000

- (a) Continuing Resolution Authority (P.L. 102-109 and P.L. 102-145).
- (b) P.L. 102-391 provides financing authority for direct loans of \$855M for FY 1993.
- (c) P.L. 103-87 provides financing authority for direct loans of \$769.5M for FY 1994.
- (d) P.L. 103-306 provides financing authority for direct loans of \$619.65M for FY 1995.
- (e) P.L. 104-107 provides financing authority for direct loans of \$544M for FY 1996.
- (f) P.L. 104-208 provides financing authority for direct loans of \$540M for FY 1997.
- (g) P.L. 105-118 provides financing authority for direct loans of \$200M for FY 1998.
- (h) P.L. 105-277 provides financing authority for direct loans of \$167M for FY 1999.
- (i) Continuing Resolution Authority (P.L. 107-229)
- (j) Continuing Resolution Authority (P.L. 108-84)

**Foreign Military Financing
Direct Loan Subsidy Element**
(\$ in millions)

Fiscal Year	Request	Appropriated
1992	57.490	50.148 (a)(b)
1993	63.332	149.200 (c)
1994	120.457	46.530 (d)
1995	59.598	47.917 (e)
1996	89.888	64.400 (f)
1997	40.000	60.000 (g)
1998	66.000	60.000 (h)
1999	20.000	20.000 (i)
2000	0.000	0.000
2001	0.000	0.000
2002	0.000	0.000
2003	0.000	0.000
2004	0.000	0.000
2005	0.000	0.000
2006	0.000	0.000
2007	0.000	0.000

- (a) Authorization waived under P.L. 102-109 and P.L. 102-145.
- (b) P.L. 102-266 appropriated \$50.9M for FY 1992 and reduced the appropriation by \$.752M for a net availability of \$50.148M.
- (c) P.L. 102-391 appropriated \$149.2M for FY 1993. The Authorization was waived.
- (d) P.L. 103-87 appropriated \$46.53M for FY 1994. The Authorization was waived.
- (e) P.L. 103-306 appropriated \$47.917M for FY 1995. The Authorization was waived.
- (f) P.L. 104-107 appropriated \$64.4M for FY 1996. The Authorization was waived.
- (g) P.L. 104-208 appropriated \$60M for FY 1997. The Authorization was waived.
- (h) P.L. 105-118 appropriated \$60M for FY 1998. \$40M will be transferred to the FMF Grant Account. The Authorization was waived.
- (i) P.L. 105-277 appropriated \$20M for FY 1999. The Authorization was waived.

Military Assistance Program

(\$ in millions)

Fiscal Year	Request	Authorized	Appropriated
1950	1,400.000	1,314.000	1,314.000
1951	5,222.500	5,222.500	5,222.500
1952	6,303.000	5,997.600	5,744.000
1953	5,425.000	4,598.400	4,219.800
1954	4,274.500	3,681.500	3,230.000
1955	1,778.300	1,591.000	1,192.700
1956	1,959.200	1,450.200	1,022.200
1957	2,925.000	2,225.000	2,017.500
1958	1,900.000	1,600.000	1,340.000
1959	1,800.000	1,605.000	1,515.000
1960	1,600.000	1,400.000	1,300.000
1961	2,000.000	(a)	1,800.000
1962	1,885.000	1,700.000	1,600.000
1963	(b)	1,700.000	1,325.000
1964	1,405.000	1,000.000	1,000.000
1965 (c)	1,055.000	1,055.000	1,055.000
1966 (c)	1,170.000	1,170.000	1,170.000
1967	917.000	875.000	792.000
1968	620.100	510.000	500.000
1969	420.000	375.000	375.000
1970	425.000	350.000	350.000
1971	690.000	690.000	690.000
1972	705.000	500.000	500.000
1973	780.000	553.100 (d)	553.100 (d)
1974 (e)	685.000	512.500	450.000 (f)
1975 (g)	985.000	600.000	475.000
1976 (h)(i)	790.000	245.875	252.200
1977	279.000	235.800	264.550
1978	230.000	228.900	220.000 (j)
1979	133.500	133.500	83.375
1980 (c)	160.200 (k)	111.900 (l)	110.000 (d)
1981 (c)	104.400	106.100	110.200 (d)
1982 (c)(m)	131.400	231.400	171.412
1983 (c)	557.000 (n)	238.500 (o)	383.325 (d)
1984	747.000 (p)	639.700	711.750 (d)(q)
1985	924.500	(r)	805.100 (d)
1986 (c)	949.350	805.100	798.374 (s)(t)
1987 (c)	1,257.450 (u)	805.100	950.000
1988	1,329.800	(v)	700.750
1989	467.000	(w)	467.000 (x)
1990	40.432	(y)	(z)
1991	0.000	0.000	0.000
1992	0.000	0.000	-6.750 (D)
1993	0.000	0.000	-20.164 (E)
1994	-0.439 (F)	0.000	-0.439 (F)
1995	(L)		(L)

International Military Education & Training Program

(\$ in millions)

Fiscal Year	Request	Authorized	Appropriated
1976 (a)	37.000	33.750	28.750
1977	32.200	30.200	25.000
1978	35.000	31.000	30.000
1979	32.100	31.800	27.900
1980	32.900	31.800	25.000 (d)
1981	32.500	34.000	28.400 (d)
1982	42.000	42.000	42.000
1983	53.700 (o)	43.000	46.000
1984	56.532	56.452	51.532 (d)
1985	60.910	(r)	56.221 (d)
1986	65.650	56.221	54.490 (s)
1987	68.830	56.000	56.000
1988	56.000	(v)	47.400
1989	52.500	(w)	47.400
1990	54.500	(y)	47.196 (A)
1991	50.500	(B)	47.196
1992	52.500	(C)	47.196 (G)
1993	47.500	(H)	42.500 (I)
1994	42.500	(J)	22.250 (J)
1995	25.500	(K)	25.500 (K)
1996	39.781	(M)	39.000 (M)
1997	45.000	(N)	43.475 (N)
1998	50.000	(O)	50.000 (O)
1999	50.000	(P)	49.951 (P)
2000	50.000	(Q)	49.810 (Q)
2001	57.875	55.000	57.748 (R)
2002	70.000	65.000	70.000 (S)
2003	80.000	85.000	79.480 (T)
2004	91.700	(U)	91.159 (U)
2005	89.730	(V)	89.012 (V)
2006	86.744	(W)	85.877 (W)
2007	88.900		

NOTE:

- (1) The Military Assistance Program included International Military Education and Training Program prior to FY1976.
- (2) The Administration has not proposed Military Assistance Programs subsequent to FY 1990.
- (a) The Mutual Security Act of 1959, P.L. 86-108, approved July 24, 1959, states "There is hereby authorized to be appropriated to the President for the fiscal year 1961 and 1962 such sums as may be necessary from time to time to carry out the purpose of this chapter, which sums shall remain available until expended."
- (b) Foreign Assistance Act of 1961 authorized \$1,700M; no executive branch request for authorization was required.
- (c) Does not include MAP drawdowns of \$75M in FY 1965 and \$300M in FY 1966, or Section 506(a) drawdowns of \$1M in FY 1980; \$26M in FY 1981; \$55M in FY 1982; \$25M in FY 1983; \$40M in FY 1986; and \$25M in FY 1987.
- (d) CRA limitation.
- (e) Includes funds requested separately for proposed International Military Education and Training

Program finally authorized and appropriated as part of the Military Assistance Program. Does not include \$2,500M for Section 506 drawdown authority.

- (f) Includes \$5M transferred to AID.
- (g) Does not include \$75M for Section 506 drawdown authority.
- (h) Includes transitional quarter FY197T.
- (i) Does not include \$275M for Section 506 drawdown authority.
- (j) Includes \$40.2M subsequently rescinded.
- (k) Includes a \$50M supplemental for Turkey.
- (l) Includes a \$1.7M Senate supplemental for Sudan.
- (m) Does not include \$7.1M reimbursement for Section 506 drawdown authority.
- (n) Reflects the amended budget request but not the \$187M supplemental budget request.
- (o) Reflects initial budget request; excludes \$1M supplemental request.
- (p) Reflects initial budget request; excludes \$259.05M supplemental request for Central America.
- (q) Includes supplemental appropriation of \$201.75M for Central America.
- (r) Authorization waived in Continuing Resolution (P.L. 98-473).
- (s) Reflects amounts appropriated under P.L. 99-190 (final CRA). Pursuant to P.L. 99-177 (Gramm-Rudman-Hollings) \$33.626M of MAP and \$2.343M of IMET are not available for obligation.
- (t) Includes supplemental appropriation of \$50M for the Republic of the Philippines.
- (u) Includes a supplemental request of \$261M.
- (v) Authorization waived in Continuing Resolution (P.L. 100-202).
- (w) Authorization waived in P.L. 100-461.
- (x) P.L. 101-45 transferred \$2M to contributions for international peacekeeping activities (Budget Account 19-9-1124).
- (y) Authorization waived in P.L. 101-167.
- (z) Administrative costs formerly designated as MAP General Costs (1080 account) are included in the Foreign Military Financing Appropriation (1082 account) effective 1 October 1989.
- (A) Congress appropriated \$47.4M which was reduced by .43% for use in the control of illicit drugs, resulting in \$47.196M available to the IMET program.
- (B) Authorization waived in P.L. 101-513.
- (C) Authorization waived in P.L. 102-109 and P.L. 102-145.
- (D) P.L. 102-298 rescinded \$6.75M of prior year balances and \$5.76M of previously disbursed amounts.
- (E) P.L. 102-298 rescinded \$20.164M of prior year balances.
- (F) During FY 1994, P.L. 103-211, the FY 1994 Emergency Supplemental Appropriations Act, rescinded \$.439M of prior year appropriations.
- (G) P.L. 102-266 appropriated \$47.196M for FY 1992. P.L. 102-298 rescinded \$1.925M and P.L. 102-381 reduced it an additional \$.698M for a net availability of \$44.573M.
- (H) Authorization waived in P.L. 102-391.
- (I) P.L. 102-391 appropriated \$42.5M for FY 1993.
- (J) P.L. 103-87 appropriated \$21.25M for FY 1994. The Authorization was waived. During FY 1994, an additional \$1.M was transferred into IMET from FMF making a total of \$22.25M of appropriated funds available.
- (K) P.L. 103-306 appropriated \$25.5M for FY 1995. The Authorization was waived. Subsequent to the release of the President's FY 1996 Budget, \$.85M was transferred out of the PKO account and into the IMET account (\$.35M for Botswana and \$.5M for Senegal) to enhance PKO training.
- (L) MAP funds were cancelled in FY 1995 due to "M" year legislation. No new authorizations will be enacted for this account.
- (M) P.L. 104-107 appropriated \$39M for FY 1996. The Authorization was waived.
- (N) P.L. 104-208 appropriated \$43.475M for FY 1997. The Authorization was waived.
- (O) P.L. 105-118 appropriated \$50M for FY 1998. The Authorization was waived.
- (P) P.L. 105-277 appropriated \$50M for FY 1999. The Authorization was waived. P.L. 106-51 rescinded \$.041M. The Authorization was waived.
- (Q) P.L. 106-113 appropriated \$49.810M for FY 2000. The Authorization was waived.

- (R) P.L. 106-429 appropriated \$55M for FY 2001 and \$2.875M for an emergency supplemental in support of the Southeast Europe Initiative. P.L. 106-554 rescinded \$.127M.
- (S) P.L. 107-115 appropriated \$70M for FY 2002.
- (T) P.L. 108-7 appropriated \$80M for FY 2003, of which \$.52M was rescinded.
- (U) P.L. 108-199 appropriated \$91.7M of which \$.541 was rescinded. The Authorization was waived.
- (V) P.L. 108-447 appropriated \$89.73 of which \$.718 was rescinded. The Authorization was waived.
- (W) P.L. 109-102 appropriated \$86.744M of which 0.867M was rescinded. The Authorization was waived.

Peacekeeping Operations
(\$ in millions)

Fiscal Year	Request	Authorized	Appropriated
1979	(a)	30.900	27.400
1980	(a)	21.100	22.000 (b)
1981	25.000	25.000	25.000 (c)
1982	19.000	19.000	14.000 (d)
1983	43.474	19.000	31.100 (c)
1984	46.200	46.200	46.200 (c)
1985	49.000	(e)	44.000 (c)
1986	37.000	37.000	34.000 (f)
1987	39.000	37.000	31.689
1988	46.311	31.689	31.689
1989	41.689 (g)	41.689	41.689
1990	33.377	32.773	32.773
1991	32.800	32.800	32.800
1992	378.000 (h)	28.000	28.000 (c)
1993	27.166	27.166	27.166
1994	77.166	82.435 (i)	82.435 (i)
1995	75.000	75.000	75.000 (j)
1996	100.000	70.000	70.000
1997	70.000	65.000	65.000
1998	90.000	77.500	77.500
1999	83.000	76.500	76.500
2000	130.000	152.418	152.418 (k)
2001	134.000	127.000 (l)	126.382 (m)
2002	150.000	135.000	135.000
2003	108.250	115.000	214.252 (o)
2004	94.900	94.900	124.458 (p)
2005	104,000	179.000 (q)	547.568 (r)
2006	195.800	175.000	
2007	200.500		

- (a) Executive Branch request included ESF and PKO in one account—Security Supporting Assistance (SSA).
- (b) CRA limitation (P.L. 96-123).
- (c) CRA limitation.
- (d) In addition, \$125M appropriated under CRA (P.L. 97-51) and authorized by P.L. 97-132 for the Multinational Force and Observers.
- (e) Authorization waived in Continuing Resolution (P.L. 98-473).
- (f) Reflects amount appropriated under P.L. 99-190 (final CRA). Pursuant to P.L. 99-177 (Gramm-Rudman-Hollings), \$1.462M of this amount is not available for obligation.
- (g) Includes \$10M transfer from DOD allocated to Department of State pursuant to P.L. 101-45 used for UN mineclearing operations in Afghanistan.
- (h) Reflects an amendment to the FY 1992 budget to provide the United States' share to initiate UN Peacekeeping activities in Cambodia and El Salvador, and for other peacekeeping requirements.
- (i) Includes appropriation of \$75.623M plus \$6.812M transferred from other accounts.

- (j) The President's FY 1996 Budget shows PKO Budget Authority of \$75M in FY 1995. Subsequent to the release of the President's Budget, \$.85M was transferred out of the PKO account and into the IMET account (\$.35M for Botswana and \$.5M for Senegal) to enhance PKO training.
- (k) Includes \$2.466M transferred to IO&P account for KEDO. Does not reflect \$.582M rescission under the Consolidated Appropriations Act, 2001 (P.L. 106-554).
- (l) Authorization waived according to Section 525, Foreign Operations, Export Financing, and Related Appropriations Act 2001, (P.L. 106-429).
- (m) Reflects rescission of the Consolidated Appropriations Act, 2001 (P.L. 106-554) and includes \$2.279M UN reimbursement.
- (n) Reflects FY02 ERF and Supplemental Funds and \$620,000 UNAMSIL reimbursement.
- (o) Reflects FY03 Supplemental and 0.65% statutory reduction.
- (p) Reflects FY04 Supplemental and 0.59% statutory reduction.
- (q) Reflects \$75M in emergency funding for Sudan.
- (r) Reflects FY05 Supplemental, \$80M transfer from DoD for GPOI and 0.8% statutory reduction.

Foreign Military Loan Liquidating Account (11X4121)
(Formerly Guaranty Reserve Fund)
(\$ in millions)

Borrowing Authority – Permanent Indefinite Appropriation (a)

Fiscal Year	Request	Appropriated	Actual	Estimated
1985	274.000	109.000	0.000	
1988	0.000	532.000	0.000	
1989	0.000	0.000	452.065	
1990	0.000	0.000	731.510	
1991	0.000	0.000	127.014	
1992	0.000	0.000	0.000	
1993	0.000	0.000	62.678	
1994	0.000	0.000	49.608	
1995	0.000	0.000	39.300	
1996	0.000	0.000	23.577	
1997	10.599	0.000	16.500	
1998	28.000	0.000	28.000	
1999	31.000	0.000	37.500	
2000	35.000	0.000	38.000	
2001	31.000	0.000	58.000	
2002	27.000	0.000	27.000	
2003	25.500	0.000	25.500	
2004	40.000	0.000	40.000	
2005	8.000	0.000	7.500	
2006	5.000	0.000	5.000	
2007	8.400	0.000		8.400

Use of borrowing from U.S. Treasury under authority of P.L. 100-202 in FY 1989, P.L. 101-167 in FY 1990, and P.L. 101-513 in FY 1991. Use of permanent indefinite appropriation authority in FY 1993 through FY 2001.

Economic Support Fund
(\$ in millions)

Fiscal Year	Request	Authorized	Appropriated
1964	435.000	380.000	330.000
1965	405.000	405.000	401.000
1966	764.000	684.000	684.000
1967	750.000	715.000	690.000
1968	720.000	660.000	600.000
1969	595.000	410.000	365.000
1970	515.000	414.600	395.000
1971	600.000	414.600	414.600
1972	800.000	618.000	550.000
1973	848.800	(a)	600.000 (a)
1974	732.000	629.000	611.500
1975	1,425.300	1,377.000	1,200.000
1976	1,923.300	1,856.200	1,739.900
1977	50.200	464.100 (b)	279.700 (b)
1977	1,893.500	1,895.000	1,757.700
1978	2,232.200	2,235.000 (c)	2,219.300 (c)
1979	2,204.400 (d)(e)	2,202.000	2,282.000
1980	2,115.100 (e)(f)	1,935.000	1,946.000 (g)
1981	2,030.500	2,065.300	2,104.500 (g)
1982	2,931.500	2,973.500	2,926.000
1983	2,886.000 (h)	2,873.500	2,962.250 (g)
1984	2,949.000 (i)	3,074.000	3,254.250 (g)(j)
1985	3,438.100	(k)	6,084.000 (l)
1986	4,024.000	3,800.000	3,800.000 (m)(n)
1987	4,390.800 (o)	(p)	3,600.000 (q)
1988	3,600.000 (r)	(p)	3,200.820 (r)
1989	3,281.000 (r)	(p)	3,258.500
1990	3,849.100 (s)	(p)	3,916.510 (t)
1991	3,358.000 (u)	(p)	3,175.000 (v)
1992	3,240.000 (w)	(p)	3,216.624 (g)
1993	3,123.000 (x)	(p)	2,670.000
1994	2,582.000	(p)	2,364.562
1995	2,434.500 (y)	(p)	2,368.600
1996	2,494.300 (z)	(p)	2,359.600
1997	2,408.000	(p)	2,362.600
1998	2,497.600	(p)	2,419.600
1999	2,513.600 (aa)	(p)	2,592.831 (bb)
2000	2,543.000 (cc)	(p)	2,782.187 (dd)
2001	2,363.000	(p)	2,314.896 (ee)
2002	2,289.000	(p)	2,824.000 (ff)
2003	2,490.000	(p)	4,802.082 (gg)
2004	2,535.000	(p)	3,288.162 (hh)
2005	2,520.000	(p)	3,914.592 (ii)
2006	3,036.375	(p)	2,621.025 (jj)
2007	3,214.470		

- (a) CRA level - \$618M. There was no authorization level in FY 1973.
- (b) Section 506 of the International Security Assistance and Arms Control Act of 1976, P.L. 94-329, quarter not to exceed one-fourth of the total amount authorized in that Act for FY 1976.
- (c) Includes \$300M for Portugal; also \$20M for Lebanon, authorized as Disaster Assistance, but appropriated in the Security Support Assistance (SSA) account.
- (d) Includes a \$300M supplemental for Egypt and \$100M for Turkey.
- (e) Executive Branch request included ESF and PKO in one account—Security Supporting Assistance (SSA).
- (f) Includes an \$80M supplemental for Central America.
- (g) CRA limitation.
- (h) Reflects initial budget request. Does not include the \$294.5M supplemental budget request.
- (i) Reflects initial budget request. Does not include the \$340.5M supplemental appropriation for Central America or the \$10M for Poland.
- (j) Includes supplemental appropriation (P.L. 98-332).
- (k) Authorization waived in Continuing Resolution Authority (P.L. 98-473 for FY 1985, and P.L. 99-500 for FY 1987).
- (l) Includes FY 1985 Supplemental of \$2,258M.
- (m) Reflects amounts appropriated under P.L. 99-190 (final CRA). Pursuant to P.L. 99-177 (Gramm-Rudman-Hollings), \$159.358M not available for obligation.
- (n) Includes \$100M supplemental for the Republic of the Philippines.
- (o) Includes a supplemental request of \$297M.
- (p) Authorization waived.
- (q) Includes \$50M deobligation/reobligation reappropriation.
- (r) Includes \$12.5M deobligation/reobligation reappropriation estimate.
- (s) Includes \$18M deobligation/reobligation reappropriation estimate and a \$500M supplemental for Panama.
- (t) Includes \$20M for Ireland (less \$.145M sequestration pursuant to P.L. 99-177), minus \$50M pursuant to P.L. 101-167 and \$755M supplemental (P.L. 101-302) for Panama, Nicaragua, Namibia, and South Africa
- (u) Includes \$14M reappropriation estimate.
- (v) Includes \$14M reappropriation estimate and \$30.2M transferred to other accounts. Includes \$20M for Ireland.
- (w) Includes \$12M reappropriation estimate.
- (x) Includes \$11M reappropriation estimate.
- (y) In 1995, the President's Budget did not request Economic Support Funds *per se*, but instead requested \$2,434M in democracy and peace activities.
- (z) The FY 1996 President's Budget includes a supplemental FY 1995 request of \$82.3M.
- (aa) Includes supplemental requests of \$200M for West Bank/Gaza; \$50M for Jordan-Wye; \$105M for Kosovo.
- (bb) Net of rescission enacted by the Emergency Steel Loan Guarantee and Emergency Oil and Gas Guarantee Act of 1999 (P.L. 106-51). Net of rescission and inclusive of supplemental funding for emergency security, Kosovo, and Jordan enacted under the 1999 emergency supplemental appropriations acts.
- (cc) Includes \$150M supplemental request for Wye River Agreement.
- (dd) Net of .38% rescission of Miscellaneous Appropriations Act enacted by reference in P.L. 106-113. Also reflects rescission of \$10M pursuant to P.L. 107-20.
- (ee) Net of rescission of Consolidated Appropriations Act, 2001 (P.L. 106-554)
- (ff) Includes \$600M appropriated under P.L. 107-38, the Emergency Response Fund
- (gg) Net of 0.65% rescission of Consolidated Appropriations Resolution, 2003 (P.L. 108-7). Includes \$2.422 billion in emergency supplemental appropriations and \$100 million reimbursement from the Iraq Relief and Reconstruction Fund.

(hh) Net of 0.59% rescission of Consolidated Appropriations Act, 2004 (P.L. 108-199). Includes \$872 million in emergency supplemental appropriations, \$100 million mandatory transfer from the Iraq Relief and Reconstruction Fund, \$153 million transfer from the Emergency Response Fund, and \$24.853 million transfer from the FY 2004 IO&P account.

(ii) Net of 0.8% rescission of Consolidated Appropriations Act, 2005 (P.L. 108-447). Includes \$1,433.6 million in emergency supplemental appropriations.

(jj) Net of 1% rescission required by Title III of the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006 (P.L. 109-148).

**FY 2007 Congressional Budget Justification
P.L. 480 Title II - Dollars (Thousands)**

Region/Country	FY 2005 Final Program Levels					FY 2006 Estimate a/					FY 2007 Congressional Budget Request				
	Total	Transport	Commodity b/			Total	Transport	Commodity b/			Total	Transport	Commodity b/		
			PVO/CDO	WFP c/	IEFR d/			PVO/CDO	WFP c/	IEFR d/			PVO/CDO	WFP c/	IEFR d/
ASIA/NEAR EAST	159,866	73,572	42,049	28,014	16,231	89,136	28,650	51,153	1,395	7,938	115,000	46,000	69,000	0	0
Afghanistan*	56,950	32,934	0	24,016	0	2,093	698	0	1,395	0	0	0	0	0	0
Algeria*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bangladesh*	22,122	7,745	12,214	0	2,163	29,934	10,933	19,001	0	0	46,000	18,400	27,600	0	0
Cambodia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
East Timor*	994	589	0	405	0	0	0	0	0	0	0	0	0	0	0
Egypt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
India	35,763	9,648	26,115	0	0	44,053	11,901	32,152	0	0	45,000	18,000	27,000	0	0
Indonesia*	10,489	5,354	3,720	1,415	0	0	0	0	0	0	24,000	9,600	14,400	0	0
Iraq*	2,963	1,703	0	0	1,260	0	0	0	0	0	0	0	0	0	0
Nepal*	966	382	0	584	0	0	0	0	0	0	0	0	0	0	0
North Korea* (DPRK)	9,400	3,700	0	0	5,700	9,629	4,067	0	0	5,562	0	0	0	0	0
Pakistan*	0	0	0	0	0	3,427	1,051	0	0	2,376	0	0	0	0	0
Sri Lanka*	1,996	922	0	1,074	0	0	0	0	0	0	0	0	0	0	0
Tsunami Relief*	12,232	7,699	0	0	4,533	0	0	0	0	0	0	0	0	0	0
West Bank/Gaza*	5,991	2,896	0	520	2,575	0	0	0	0	0	0	0	0	0	0
EUROPE & EURASIA	22,483	10,483	5,137	6,166	697	8,924	4,839	0	3,188	897	13,000	5,200	7,800	0	0
Armenia	1,098	567	0	531	0	0	0	0	0	0	0	0	0	0	0
Azerbaijan*	1,545	718	0	827	0	1,939	979	0	960	0	0	0	0	0	0
Georgia*	1,594	841	0	753	0	1,406	706	0	700	0	0	0	0	0	0
Russia*	1,498	801	0	0	697	2,095	1,198	0	0	897	0	0	0	0	0
Tajikistan*	16,748	7,556	5,137	4,055	0	3,484	1,956	0	1,528	0	13,000	5,200	7,800	0	0
LATIN AMERICA	96,015	32,594	57,204	4,951	1,266	99,914	34,566	63,040	0	2,308	118,500	47,400	71,100	0	0
Bolivia	12,607	5,605	7,002	0	0	15,699	7,396	8,303	0	0	24,000	9,600	14,400	0	0
Colombia	3,419	1,827	0	1,592	0	0	0	0	0	0	0	0	0	0	0
El Salvador*	617	268	0	349	0	0	0	0	0	0	0	0	0	0	0
Guatemala*	16,807	4,091	12,027	689	0	21,613	6,162	13,766	0	1,685	18,500	7,400	11,100	0	0
Haiti*	33,024	12,013	19,745	0	1,266	31,482	11,684	19,175	0	623	34,500	13,800	20,700	0	0
Honduras*	13,538	4,497	7,562	1,479	0	10,385	3,601	6,784	0	0	16,000	6,400	9,600	0	0
Nicaragua*	9,710	3,278	5,590	842	0	11,726	4,153	7,573	0	0	12,500	5,000	7,500	0	0
Peru	6,293	1,015	5,278	0	0	9,009	1,570	7,439	0	0	13,000	5,200	7,800	0	0
AFRICA	1,234,734	766,814	186,148	202,454	79,318	272,918	144,381	78,135	44,720	5,682	217,500	92,800	124,700	0	0
Angola*	29,250	17,939	5,166	6,145	0	0	0	0	0	0	10,000	4,000	6,000	0	0
Benin	2,600	875	1,725	0	0	1,190	371	819	0	0	3,000	1,200	1,800	0	0
Burkina Faso	14,995	7,035	7,960	0	0	14,057	6,551	7,506	0	0	21,000	8,400	12,600	0	0
Burundi*	16,501	11,264	0	5,237	0	7,778	4,956	0	2,822	0	0	0	0	0	0
Cape Verde	3,650	1,807	1,843	0	0	3,679	1,799	1,880	0	0	4,500	1,800	2,700	0	0
Central African Republic (CAR)*	428	299	0	129	0	0	0	0	0	0	0	0	0	0	0
Chad*	25,678	19,825	1,425	0	4,428	11,246	7,909	999	0	2,338	3,000	1,200	1,800	0	0
Congo-Brazzaville*	1,364	801	0	563	0	0	0	0	0	0	0	0	0	0	0
Congo-Democratic Republic*	29,205	20,927	1,112	7,166	0	0	0	0	0	0	0	0	0	0	0
Cote D'Ivoire*	5,859	3,881	0	1,978	0	3,463	2,116	0	1,347	0	0	0	0	0	0
Djibouti*	1,512	842	0	427	243	0	0	0	0	0	0	0	0	0	0
Eritrea*	53,604	27,222	14,091	2,541	9,750	0	0	0	0	0	0	0	0	0	0

**FY 2007 Congressional Budget Justification
P.L. 480 Title II - Dollars (Thousands)**

	FY 2005 Final Program Levels					FY 2006 Estimate a/					FY 2007 Congressional Budget Request				
Ethiopia*	330,144	173,089	60,396	96,659	0	14,801	6,696	2,345	5,760	0	12,000	4,800	7,200	0	0
Gambia	0	0	0	0	0	2,621	608	2,013	0	0	0	0	0	0	0
Ghana	17,784	6,986	10,798	0	0	21,855	7,988	13,867	0	0	25,000	10,000	15,000	0	0
Guinea*	11,676	4,665	4,503	2,508	0	3,023	590	2,433	0	0	5,500	2,200	3,300	0	0
Kenya*	45,056	25,523	6,313	4,996	8,224	16,463	7,678	6,773	2,012	0	12,500	5,000	7,500	0	0
Lesotho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Liberia*	22,550	14,330	1,231	6,989	0	5,960	3,770	0	2,190	0	0	0	0	0	0
Madagascar*	10,528	3,983	6,545	0	0	14,063	4,165	9,898	0	0	18,000	7,200	10,800	0	0
Malawi	10,288	6,781	3,507	0	0	8,103	3,077	5,026	0	0	14,500	5,800	8,700	0	0
Mali*	667	417	0	0	250	0	0	0	0	0	0	0	0	0	0
Mauritania*	13,638	7,125	3,144	3,369	0	1,328	503	825	0	0	5,000	2,000	3,000	0	0
Mozambique	8,850	3,000	5,850	0	0	7,816	3,199	4,617	0	0	19,000	7,600	11,400	0	0
Niger*	12,368	6,414	3,420	0	2,534	2,449	1,264	1,185	0	0	6,000	2,400	3,600	0	0
Regional W. Africa	2,569	711	1,858	0	0	0	0	0	0	0	5,000	3,000	2,000	0	0
Rwanda*	14,000	7,645	4,459	1,896	0	11,758	5,033	5,278	1,447	0	15,000	6,000	9,000	0	0
Senegal	2,269	724	1,545	0	0	3,749	1,202	2,547	0	0	3,500	1,400	2,100	0	0
Sierra Leone*	13,277	6,994	4,102	2,181	0	7,051	2,732	4,319	0	0	11,000	4,400	6,600	0	0
Somalia*	26,286	18,977	4,828	2,481	0	4,997	3,565	0	1,432	0	0	0	0	0	0
Southern Africa (crisis response)*	114,412	73,889	9,653	30,870	0	57,724	33,220	0	24,504	0	0	0	0	0	0
Sudan*	306,202	240,425	10,630	1,258	53,889	25,317	21,973	0	0	3,344	0	0	0	0	0
Tanzania*	16,668	11,809	0	4,859	0	4,253	2,797	0	1,456	0	0	0	0	0	0
Uganda*	64,410	36,751	8,924	18,735	0	16,193	9,336	5,107	1,750	0	19,000	11,400	7,600	0	0
Zambia*	6,446	3,859	1,120	1,467	0	1,981	1,283	698	0	0	5,000	3,000	2,000	0	0
Prepositioned Stocks*	40,143	0	40,143	0	0	0	0	0	0	0	0	0	0	0	0
WORLDWIDE TOTAL	1,553,241	883,463	330,681	241,585	97,512	470,892	212,436	192,328	49,303	16,825	464,000	191,400	272,600	0	0
* Includes emergency program. Emergency levels are detailed in separate table (EMERGENCY PROGRAMS) below.															
EMERGENCY PROGRAMS															
ASIA/NEAR EAST	43,214	22,985	0	3,998	16,231	15,149	5,816	0	1,395	7,938	0	0	0	0	0
Afghanistan	0	0	0	0	0	2,093	698	0	1,395	0	0	0	0	0	0
Algeria	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bangladesh	4,445	2,282	0	0	2,163	0	0	0	0	0	0	0	0	0	0
East Timor	994	589	0	405	0	0	0	0	0	0	0	0	0	0	0
Indonesia	4,227	2,812	0	1,415	0	0	0	0	0	0	0	0	0	0	0
Iraq	2,963	1,703	0	0	1,260	0	0	0	0	0	0	0	0	0	0
Nepal	966	382	0	584	0	0	0	0	0	0	0	0	0	0	0
North Korea (DPRK)	9,400	3,700	0	0	5,700	9,629	4,067	0	0	5,562	0	0	0	0	0
Pakistan	0	0	0	0	0	3,427	1,051	0	0	2,376	0	0	0	0	0
Sri Lanka	1,996	922	0	1,074	0	0	0	0	0	0	0	0	0	0	0
Tsunami Relief	12,232	7,699	0	0	4,533	0	0	0	0	0	0	0	0	0	0
West Bank/Gaza	5,991	2,896	0	520	2,575	0	0	0	0	0	0	0	0	0	0
EUROPE & EURASIA	3,043	1,519	0	827	697	8,922	4,837	0	3,188	897	0	0	0	0	0
Azerbaijan	1,545	718	0	827	0	1,939	979	0	960	0	0	0	0	0	0
Georgia	0	0	0	0	0	1,406	706	0	700	0	0	0	0	0	0
Russia	1,498	801	0	0	697	2,095	1,198	0	0	897	0	0	0	0	0
Tajikistan	0	0	0	0	0	3,483	1,956	0	1,528	0	0	0	0	0	0

**FY 2007 Congressional Budget Justification
P.L. 480 Title II - Dollars (Thousands)**

	FY 2005 Final Program Levels					FY 2006 Estimate a/					FY 2007 Congressional Budget Request				
LATIN AMERICA	3,135	1,869	0	0	1,266	5,521	3,213	0	0	2,308	0	0	0	0	0
El Salvador	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Guatemala	0	0	0	0	0	4,027	2,341	0	0	1,685	0	0	0	0	0
Haiti	3,135	1,869	0	0	1,266	1,494	871	0	0	623	0	0	0	0	0
Honduras	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nicaragua	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AFRICA	1,078,490	699,217	97,501	202,454	79,318	143,237	92,835	0	44,720	5,682	0	0	0	0	0
Angola	26,683	17,111	3,427	6,145	0	0	0	0	0	0	0	0	0	0	0
Burundi	16,501	11,264	0	5,237	0	7,778	4,956	0	2,822	0	0	0	0	0	0
Central African Republic	428	299	0	129	0	0	0	0	0	0	0	0	0	0	0
Chad	22,471	18,043	0	0	4,428	8,980	6,641	0	0	2,338	0	0	0	0	0
Congo-Brazzaville	1,364	801	0	563	0	0	0	0	0	0	0	0	0	0	0
Congo-Democratic Republic	29,205	20,927	1,112	7,166	0	0	0	0	0	0	0	0	0	0	0
Cote D'Ivoire	5,859	3,881	0	1,978	0	3,463	2,116	0	1,347	0	0	0	0	0	0
Djibouti	1,512	842	0	427	243	0	0	0	0	0	0	0	0	0	0
Eritrea	52,229	26,672	13,266	2,541	9,750	0	0	0	0	0	0	0	0	0	0
Ethiopia	316,953	166,940	53,354	96,659	0	10,138	4,378	0	5,760	0	0	0	0	0	0
Guinea	6,266	3,758	0	2,508	0	0	0	0	0	0	0	0	0	0	0
Kenya	34,822	21,602	0	4,996	8,224	5,346	3,334	0	2,012	0	0	0	0	0	0
Liberia	22,550	14,330	1,231	6,989	0	5,960	3,770	0	2,190	0	0	0	0	0	0
Madagascar	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mali	667	417	0	0	250	0	0	0	0	0	0	0	0	0	0
Mauritania	8,811	5,442	0	3,369	0	0	0	0	0	0	0	0	0	0	0
Niger	5,552	3,018	0	0	2,534	0	0	0	0	0	0	0	0	0	0
Rwanda	6,187	4,291	0	1,896	0	3,118	1,671	0	1,447	0	0	0	0	0	0
Sierra Leone	5,928	3,747	0	2,181	0	0	0	0	0	0	0	0	0	0	0
Somalia	26,286	18,977	4,828	2,481	0	4,997	3,565	0	1,432	0	0	0	0	0	0
Southern Africa (crisis response)	114,412	73,889	9,653	30,870	0	57,724	33,220	0	24,504	0	0	0	0	0	0
Sudan	306,202	240,425	10,630	1,258	53,889	25,317	21,973	0	0	3,344	0	0	0	0	0
Tanzania	16,668	11,809	0	4,859	0	4,253	2,797	0	1,456	0	0	0	0	0	0
Uganda	47,498	28,763	0	18,735	0	6,164	4,414	0	1,750	0	0	0	0	0	0
Zambia	3,436	1,969	0	1,467	0	0	0	0	0	0	0	0	0	0	0
Prepositioned Stocks	40,143	0	40,143	0	0	0	0	0	0	0	0	0	0	0	0
Worldwide Emergency Total	1,168,025	725,590	137,644	207,279	97,512	172,829	106,701	0	49,303	16,825	0	0	0	0	0
WORLDWIDE	1,553,241	883,463	330,681	241,585	97,512	470,892	212,436	192,328	49,303	16,825	464,000	191,400	272,600	0	0
Regular	385,216	157,873	193,037	34,306	0	298,063	105,735	192,328	0	0	464,000	191,400	272,600	0	0
Emergency	1,168,025	725,590	137,644	207,279	97,512	172,829	106,701	0	49,303	16,825	0	0	0	0	0
ASIA/NEAR EAST	159,866	73,572	42,049	28,014	16,231	89,136	28,650	51,153	1,395	7,938	115,000	46,000	69,000	0	0
Regular	116,652	50,587	42,049	24,016	0	73,987	22,834	51,153	0	0	115,000	46,000	69,000	0	0
Emergency	43,214	22,985	0	3,998	16,231	15,149	5,816	0	1,395	7,938	0	0	0	0	0
EUROPE & EURASIA	22,483	10,483	5,137	6,166	697	8,924	4,839	0	3,188	897	13,000	5,200	7,800	0	0
Regular	19,440	8,964	5,137	5,339	0	2	2	0	0	0	13,000	5,200	7,800	0	0
Emergency	3,043	1,519	0	827	697	8,922	4,837	0	3,188	897	0	0	0	0	0

**FY 2007 Congressional Budget Justification
P.L. 480 Title II - Dollars (Thousands)**

	FY 2005 Final Program Levels					FY 2006 Estimate a/					FY 2007 Congressional Budget Request				
LATIN AMERICA	96,015	32,594	57,204	4,951	1,266	99,914	34,566	63,040	0	2,308	118,500	47,400	71,100	0	0
Regular	92,880	30,725	57,204	4,951	0	94,393	31,353	63,040	0	0	118,500	47,400	71,100	0	0
Emergency	3,135	1,869	0	0	1,266	5,521	3,213	0	0	2,308	0	0	0	0	0
AFRICA	1,234,734	766,814	186,148	202,454	79,318	272,918	144,381	78,135	44,720	5,682	217,500	92,800	124,700	0	0
Regular	156,244	67,597	88,647	0	0	129,681	51,546	78,135	0	0	217,500	92,800	124,700	0	0
Emergency	1,078,490	699,217	97,501	202,454	79,318	143,237	92,835	0	44,720	5,682	0	0	0	0	0
Prepositioned Stocks	40,143	0	40,143	0	0	0	0	0	0	0	0	0	0	0	0
UNALLOCATED BALANCE:															
Total	0					668,608					744,500				
Regular	0					52,000					343,000				
WFP Pledge	0					175,000					175,000				
Emergency & WFP PRROs e/	0					426,608					226,500				
Overall Title II	0					15,000					0				
Total Adjustments:	-127,969					-1,000					10,000				
Section 202(e) f/	81,473					80,500					80,500				
Farmer-to-Farmer (FTF) g/	10,000					10,000					10,000				
Intern. Food Relief Partn. Act	6,852					7,000					7,000				
Administrative support	6,308					6,500					6,500				
Prior Year Recoveries and other adjustments h/	(255,102)					(75,000)					(94,000)				
Carry-Out (estimated)	50,000					20,000					20,000				
Carry-In	(27,500)					(50,000)					(20,000)				
PROGRAM TOTAL i/	1,425,272					1,138,500					1,218,500				

N.B. The FY 2005 Bill Emerson Humanitarian Trust (BEHT) approved program level of \$388 million is not included in the total PL 480 Title II Horn of Africa program levels.

- a/ Individual country levels represent the approvals in the Food for Peace Information System (FFPIS) as of Dec 1, 2005; in total they correspond to the FY 2006 Budget Justification level. Country levels may be adjusted throughout the fiscal year where approved levels are increased from the unallocated balance.
- b/ Based on seasonal estimated average prices provided by USDA/FAS Sept 2005.
- c/ USAID approves World Food Program (WFP) distribution to assure compliance with all laws and provides broad financial overview to ensure proper accounting of U.S. funds. A WFP Pledge of \$200 million is included for FY 2004 and FY 2005 (includes 202(e)), to support development and protracted relief and recovery operations (PRRO) under the United States Government's annual pledge.
- d/ International Emergency Food Reserve (IEFR), implemented by WFP.
- e/ WFP PRROs may be attributed to non-emergency activities.
- f/ Includes \$6 million WFP cash grant formerly managed by the State Department's International Organization Affairs Bureau.
- g/ This figure includes the Title II portion of the Farmer-to-Farmer (FTF) P.L. 480 contribution.
- h/ Prior year recoveries also include confirmed fallout, commodity cost savings, and Maritime Administration reimbursements for cargo preference premiums, which were significant in FY 2004 because of a backlog of collections dating back to FY 1995. Adjustments include \$10 million Title II reimbursement for the Bill Emerson Humanitarian Trust in FY 2004 and FY 2005.
- i/ FY 2005 Base Appropriation of \$1,173 million was increased to include \$240 million of emergency supplemental for Sudan/Ethiopia/Eritrea. In addition, \$12.2 million was also provided as a reimbursement for the Tsunami Relief Effort.

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