

III. SUPPORTING INFORMATION

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Arms Control And Nonproliferation Considerations

Arms transfers continue to be an indispensable U.S. policy instrument for exerting constructive leadership in advancing international peace and security in the post-Cold War era. Military assistance also serves to increase the number of states with democratic political institutions and free market economies. Judiciously used, arms transfers can deter aggression, foster internal and regional stability, strengthen and revitalize mutual security relationships, and demonstrate enduring interest in the security of friends and allies.

The U.S. military assistance program complements U.S. arms control policy of promoting international security through negotiation and support for bilateral, regional, and multilateral agreements and arrangements, and assuring compliance with existing agreements. It also enhances the U.S. ability to limit the proliferation of potentially destabilizing weapons, especially in regions of tension and conflict, by giving countries other 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 act synergistically with our military assistance program to support 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 which exacerbate regional and civil conflicts. The worldwide Nonproliferation and Disarmament Fund and the export control cooperation programs promote bilateral and multilateral efforts to control the spread of missiles, nuclear and chemical/biological weapons, and destabilizing conventional arms transfers.

Carefully structured security assistance programs support U.S. conventional arms transfer policy goals, particularly to preserve regional balances and help allies and friends deter and defend against aggression, and U.S. nonproliferation objectives of curbing the spread of weapons of mass destruction, their delivery systems, and destabilizing conventional arms. By enhancing stability, security assistance programs also help improve prospects for meaningful bilateral and multilateral arms control measures.

The U.S. arms transfer policy requires the careful, case-by-case evaluation of each request for arms in terms of its contributions to foreign policy and national security. The implications on U.S. arms control and nonproliferation objectives of each transfer are essential elements of this evaluation, and each transfer is specifically reviewed for its impact on these 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.

When necessary, the reviews draw on the expertise of the Department of State's Arms Control and Nonproliferation Bureaus to assess the impact on arms control and non-proliferation policies and negotiations in these areas. 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 and objectives.

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 2001, regardless of when the articles and services were or will be delivered.

The second part shows the estimated dollar values projected for FY 2002 and FY 2003. 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 judgement 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 2001 ACTUAL			ESTIMATED	
	DEFENSE ART/SERV	CONSTR/DESIGN	TOTAL	FY 2002	FY 2003
<u>Africa:</u>					
Benin	145	0	145	300	0
Botswana	1,050	0	1,050	650	844
Central African Rep	4	125	129	0	0
Ethiopia	0	0	0	0	750
Gabon	70	0	70	0	0
Ghana	676	0	676	200	0
Guinea	512	0	512	3,000	0
Kenya	5,964	0	5,964	700	700
Madagascar	0	0	0	0	100
Malawi	0	0	0	50	100
Mali	2,900	0	2,900	50	0
Mozambique	3	135	138	150	0
Namibia	0	0	0	0	50
Nigeria	6,953	0	6,953	3,000	4,500
Senegal	1,880	0	1,880	200	200
South Africa	136	0	136	350	500
Zimbabwe	858	0	858	0	0
Regional Total	21,151	260	21,411	8,650	7,744
<u>Western Hemisphere:</u>					
Antigua-Barbuda*	450	0	450	50	50
Argentina	8,998	415	9,413	5,000	6,000
Bahamas, The	0	0	0	50	150
Barbados*	35	0	35	25	25
Belize	186	0	186	80	100
Bolivia	997	0	997	1,750	2,000
Bolivia – Intl. Narc.	1,259	0	1,259	680	100
Brazil	8,794	0	8,794	8,000	8,000
Canada	99,257	0	99,257	124,900	107,900
Chile	2,608	0	2,608	541,000	2,000
Colombia	16,588	0	16,588	26,700	10,000
Colombia – Intl. Narc.	2,311	0	2,311	0	0
Costa Rica	0	0	0	30	50
Dominica*	120	0	120	60	60
Dominican Republic	515	0	515	400	400
Ecuador	360	0	360	2,610	3,600
Ecuador – Intl. Narc.	135	0	135	150	100
El Salvador	1,643	0	1,643	2,010	1,860
Grenada*	145	0	145	25	25
Guyana	415	0	415	200	200
Honduras	754	0	754	350	750
Jamaica	499	0	499	500	500
Mexico	21,421	0	21,421	10,300	5,500
Panama	82	73	155	500	100
Paraguay	26	0	26	169	50
Peru	3,125	0	3,125	1,125	800
Peru – Intl. Narc.	392	0	392	50	50
St. Kitts and Nevis*	105	0	105	25	25
St. Lucia*	145	0	145	25	25
St. Vincent & Gren.*	105	0	105	25	25
Trinidad & Tobago	244	0	244	150	150
Uruguay	3,528	0	3,528	1,250	1,700
Venezuela	35,624	0	35,624	19,600	20,000
Regional Total	210,866	488	211,354	747,789	172,295

	FY 2001 ACTUAL			ESTIMATED	
	DEFENSE ART/SERV	CONSTR/DESIGN	TOTAL	FY 2002	FY 2003
<u>East Asia & Pacific:</u>					
Australia	162,484	0	162,484	28,600	195,500
Cambodia	325	0	325	150	150
Japan	364,952	0	364,952	256,654	224,690
Laos	254		254	100	100
Malaysia	3,002	0	3,002	7,500	7,500
Mongolia	2,100	0	2,100	2,000	2,200
New Zealand	57,262	0	57,262	5,511	7,336
Philippines	7,131	0	7,131	23,700	16,000
Singapore	656,303	0	656,303	370,000	190,000
South Korea	774,389	0	774,389	3,009,885	1,485,000
Taiwan	270,012	0	270,012	605,000	602,000
Thailand	87,389	0	87,389	84,900	10,250
Regional Total	2,385,602	0	2,385,602	4,394,000	2,740,726
<u>Europe & NIS:</u>					
Albania	2,883	0	2,883	4,650	8,000
Austria	14,287	0	14,287	15,000	16,000
Belgium	85,653	0	85,653	57,000	59,000
Bosnia-Herzegovina	2,510	0	2,510	4,040	4,500
Bulgaria	21,119	0	21,119	10,000	12,000
Croatia	304	0	304	6,200	11,500
Czech Republic	6,839	0	6,839	11,700	12,000
Denmark	47,361	0	47,361	91,500	49,500
Estonia	3,162	0	3,162	6,073	6,500
Finland	89,215	0	89,215	94,048	90,000
France	342,251	0	342,251	3,500	83,000
Georgia	3,929	0	3,929	6,600	9,000
Germany	95,848	0	95,848	173,000	206,000
Greece	811,701	0	811,701	337,000	137,000
Hungary	3,289	0	3,289	9,620	14,250
Ireland	4	0	4	25,000	0
Italy	814,943	0	814,943	126,500	84,500
Kazakhstan	200	0	200	2,750	3,300
Kyrgyzstan	0	0	0	2,000	3,200
Latvia	2,007	0	2,007	4,950	7,000
Lithuania	5,729	0	5,729	17,450	7,500
Luxembourg	391	0	391	675	3,650
Macedonia (FYROM)	16,503	0	16,503	10,000	12,000
Malta	5,922	0	5,922	0	750
Moldova	681	0	681	3,750	2,500
Netherlands	265,596	0	265,596	503,500	307,500
Norway	92,984	0	92,984	149,800	69,500
Poland	26,348	0	26,348	43,931	2,132,000
Portugal	23,596	0	23,596	82,350	51,600
Romania	2,313	0	2,313	32,850	14,000
Slovakia	2,895	0	2,895	8,500	11,000
Slovenia	1,322	0	1,322	4,500	6,000
Spain	63,568	0	63,568	113,200	68,500
Sweden	3,199	0	3,199	6,500	7,500
Switzerland	16,857	0	16,857	17,000	18,000
Turkey	144,486	0	144,486	336,700	281,900
Turkmenistan	0	0	0	700	1,000
Ukraine	3,043	0	3,043	10,990	3,800
United Kingdom	679,826	0	679,826	506,967	180,500
Uzbekistan	1,754	0	1,754	3,200	4,200
Regional Total	3,704,518	0	3,704,518	2,843,694	3,999,650

	FY 2001 ACTUAL			ESTIMATED	
	DEFENSE ART/SERV	CONSTR/DESIGN	TOTAL	FY 2002	FY 2003
<u>Near East & South Asia:</u>					
Algeria	50	0	50	2,800	3,500
Bahrain	129,536	0	129,536	50,000	55,000
Bangladesh	886	0	886	0	0
Egypt	1,720,482	57,587	1,778,069	325,396	850,000
Israel	2,882,074	64,390	2,946,464	549,000	503,000
Jordan	122,331	0	122,331	75,000	75,000
Kuwait	283,540	0	283,540	58,000	71,000
Lebanon	5,457	0	5,457	4,000	4,000
Morocco	8,957	0	8,957	9,000	7,500
Oman	4,160	0	4,160	1,050,000	560
Qatar	32	0	32	3,000	3,000
Saudi Arabia	587,761	0	587,761	781,200	1,693,100
Tajikistan	0	0	0	0	250
Tunisia	1,583	0	1,583	22,200	17,400
United Arab Emirates	147,536	0	147,536	367,364	1,236,700
Yemen	852	0	852	0	0
Regional Total	5,895,237	121,977	6,017,214	3,296,960	4,520,010
<u>Non-Regional:</u>					
Classified Totals (A)	873,745	0	873,745	511,000	764,000
International Org.	43,600	0	43,600	32,310	40,540
Non-Regional Total	917,345	0	917,345	543,310	804,540
Worldwide Total	13,134,720	122,725	13,257,444	11,834,403	12,244,965

Note: Totals May Not Add Due To Rounding.

* These Countries Comprise The Eastern Caribbean. See Eastern Caribbean Programs.

(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 is applied to most FMS cases written on or after June 1, 1999. For cases written before that time, a three percent rate is applied. A five percent rate is applied to non-standard articles and services and supply support arrangements. In addition, a "logistics support charge" of 3.1 percent 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 Foreign Operations, Export Financing and Related Programs Appropriations Act of 2002, P.L. 107-115, included, for FY 2002 only, a ceiling of \$348 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 2003, \$356 million is required. About the same number of work years will be financed in FY 2003 as in FY 2002. DoD's FMS workload is level as indicated by actual sales between FY's 1999-2001 in the \$12-13 billion range, and anticipated sales for FY 2002-2003 also in the \$12 billion range.

The table that follows shows FMS administrative budget amounts for FY's 2001-2003.

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

	FY 2001 Actual		FY 2002 Estimate		FY 2003 Request	
	Workyrs	Dollars	Workyrs	Dollars	Workyrs	Dollars
Military Departments	2,653	212.530	2,708	217.436	2,689	219.522
Other Defense Activities	662	103.431	616	106.705	603	112.348
Overseas (Net)	356	24.039	347	23.859	329	24.130
Total	3,671	340.000	3,671	348.000	3,621	356.000

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 regional area military Commanders-in-Chief to ensure that SAOs are properly staffed to conduct their missions efficiently. These reviews have resulted in realigning SAO personnel to meet new mission requirements while reducing the total SAO personnel authorizations from 640 (Actual for FY 2000) to 625 (Actual for FY 2001).

In FY 2002, separate SAOs will be assigned to seventy-three countries. In thirty-seven 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 2001 and the estimated levels for FY 2002 and FY 2003. Actual assigned strengths for FY 2002 and FY 2003 may be less than the authorized levels shown. Staffing requirements may change as individual country programs develop.

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 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

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

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

ORG.	FY 2001 Actual			FY 2002 Estimate			FY 2003 Request			
	FMF	FMS	TOTAL	FMF	FMS	TOTAL	FMF	FMS	TOTAL	
<u>Africa:</u>										
Angola	DAO	9	0	9	12	0	12	11	2	13
Benin	EMBASSY	64	0	64	83	0	83	90	0	90
Botswana	ODC	277	69	346	253	63	317	267	67	334
Cameroon	DAO	5	1	5	5	1	5	7	1	7
Cape Verde	EMBASSY	9	0	9	11	0	11	18	0	18
Chad	DAO	37	9	47	36	9	46	44	11	55
Cote d'Ivoire	DAO	9	1	10	10	1	12	13	1	14
Djibouti	USLO	360	0	360	361	0	361	382	0	382
Eritrea	USLO	237	0	237	228	0	228	267	0	267
Ethiopia	DAO	73	49	122	34	23	56	59	39	98
Gabon	EMBASSY	6	0	6	7	0	7	16	0	16
Ghana	EMBASSY	47	5	52	46	5	51	69	8	77
Guinea	DAO	5	1	6	7	1	7	14	2	16
Kenya	KUSLO	287	287	575	353	353	706	440	293	734
Lesotho	EMBASSY	9	0	9	11	0	11	13	0	13
Madagascar	EMBASSY	10	0	10	33	0	33	33	0	33
Malawi	DAO	41	10	52	44	11	55	75	19	94
Mali	DAO	9	0	9	11	0	11	14	0	14
Mozambique	DAO	9	0	9	9	1	11	17	3	20
Namibia	EMBASSY	44	11	55	30	7	37	65	16	82
Niger	EMBASSY	51	0	51	43	0	43	47	0	47
Nigeria	USLO	308	132	440	359	154	512	405	135	539
Rwanda	DAO	35	4	39	37	4	41	57	6	64
Sao Tome & Principe	EMBASSY	6	0	6	6	0	6	15	0	15
Senegal	DAO	261	51	311	300	58	358	305	59	365
Seychelles	EMBASSY	11	0	11	20	0	20	25	0	25
South Africa	ODC	270	30	300	324	36	360	334	37	371
Tanzania	EMBASSY	21	0	21	10	1	12	19	2	21
Uganda	EMBASSY	16	0	16	12	0	12	14	0	14
Zambia	EMBASSY	15	0	15	12	0	12	15	0	15
Zimbabwe	DAO	13	2	15	10	1	12	12	1	13
Regional Total		2,555	662	3,218	2,716	729	3,445	3,161	703	3,863
<u>Western Hemisphere:</u>										
Argentina	USMILGP	334	111	445	339	113	452	347	116	463
Bahamas	USNLO	19	2	21	37	4	41	46	5	51
Belize	USMLO	271	146	417	193	104	296	211	89	299
Bolivia	USMILGP	478	205	683	487	209	696	521	223	744
Brazil	USMLO	268	151	419	236	133	369	238	128	367
Canada	DAO	0	66	66	0	66	66	0	67	67
Chile	USMILGP	192	82	274	203	87	291	214	92	306
Colombia	USMILGP	494	165	658	469	156	625	534	178	712
Costa Rica	ODR	183	61	243	186	62	248	181	60	241
Dominican Republic	MAAG	194	104	298	202	109	310	240	80	321
Eastern Caribbean	USMLO	364	91	455	371	93	464	355	89	444
Ecuador	USMILGP	260	112	372	293	126	419	295	126	421
El Salvador	USMILGP	525	131	656	543	136	679	545	136	681
Guatemala	USMILGP	196	0	196	195	0	195	209	0	209
Guyana	USMLO	29	2	30	39	2	41	40	2	42
Haiti	USMLO	602	0	602	566	0	566	523	0	523

	ORG.	FY 2001 Actual			FY 2002 Estimate			FY 2003 Request		
		FMF	FMS	TOTAL	FMF	FMS	TOTAL	FMF	FMS	TOTAL
<u>Western Hemisphere Con't:</u>										
Honduras	USMILGP	231	124	355	270	145	415	314	135	449
Jamaica	USMLO	201	164	365	208	170	378	233	155	389
Mexico	DAO	265	217	482	295	241	536	368	246	614
Nicaragua	DAO	0	0	0	7	0	7	10	1	11
Panama	ODC	102	44	146	111	47	158	128	43	170
Paraguay	ODC	156	16	172	153	16	169	183	20	204
Peru	MAAG	466	25	490	474	25	499	466	25	491
Suriname	DAO	8	0	8	19	0	19	11	0	11
Trinidad & Tobago	USMLO	31	0	31	53	0	53	59	0	59
Uruguay	ODC	186	100	286	187	100	287	195	105	300
Venezuela	USMILGP	336	112	448	587	196	783	541	180	722
Regional Total		6,389	2,231	8,619	6,722	2,340	9,062	7,009	2,301	9,310
<u>East Asia & Pacific:</u>										
Australia	ODC	146	119	265	167	137	304	164	151	315
Cambodia	DAO	30	20	50	37	25	62	42	28	69
Fiji	DAO	25	6	31	27	7	34	24	6	30
Indonesia	DAO	263	66	329	281	121	402	307	132	439
Japan	MDAO	133	972	1,105	173	979	1,152	204	931	1,135
Malaysia	DAO	241	130	370	285	140	425	346	148	494
Mauritius	EMBASSY	8	0	8	18	0	18	18	0	18
Mongolia	DAO	92	0	92	198	0	198	183	0	183
New Zealand	DAO	0	30	30	0	63	63	0	70	70
Philippines	JUSMAG	216	439	655	253	513	766	256	519	775
Singapore	ODC	200	514	714	231	538	769	268	571	839
South Korea	JUSMAG	558	1,186	1,744	634	1,079	1,713	743	1,115	1,858
Thailand	JUSMAG	639	544	1,182	689	459	1,148	729	428	1,157
Vietnam	DAO	38	0	38	53	0	53	45	0	45
Regional Total		2,587	4,027	6,614	3,046	4,061	7,107	3,330	4,098	7,428
<u>Europe & Eurasia:</u>										
Albania	ODC	119	30	149	117	29	146	118	30	148
Armenia	DAO	0	0	0	37	0	37	204	0	204
Austria	ODC	61	184	246	62	186	248	90	168	258
Azerbaijan	DAO	0	0	0	37	0	37	204	0	204
Belarus	DAO	0	0	0	0	0	0	43	0	43
Belgium	ODC	134	248	382	142	264	406	161	242	403
Bosnia	ODC	163	70	233	137	59	196	142	61	203
Bulgaria	ODC	171	73	244	166	89	255	157	85	242
Croatia	ODC	182	61	243	152	65	216	166	71	237
Czech Republic	ODC	213	62	275	267	77	344	246	71	317
Denmark	ODC	44	356	400	76	304	380	103	308	411
Estonia	ODC	97	118	215	78	96	174	79	105	184
Finland	DAO	0	14	14	0	16	16	0	18	18
France	ODC	0	470	470	24	457	481	24	451	475
Georgia	ODC	100	25	125	95	24	119	92	23	115
Germany	ODC	178	533	711	220	513	732	224	523	748
Greece	ODC	786	593	1,380	875	584	1,459	927	699	1,626
Hungary	ODC	162	234	396	190	273	462	219	219	438
Italy	ODC	178	482	660	224	523	747	235	549	784
Kazakhstan	DAO	156	190	346	198	162	360	225	225	450
Kyrgyzstan	DAO	114	140	254	27	33	60	60	73	133
Latvia	DAO	142	70	211	144	56	200	142	70	212
Lithuania	ODC	114	76	191	137	91	228	118	96	214

	ORG.	FY 2001 Actual			FY 2002 Estimate			FY 2003 Request		
		FMF	FMS	TOTAL	FMF	FMS	TOTAL	FMF	FMS	TOTAL
Europe & Eurasia Con't:										
Luxembourg	EMBASSY	1	8	9	1	11	13	1	13	15
Macedonia (FYROM)	ODC	190	81	271	206	88	294	194	83	277
Moldova	ODC	100	11	111	98	42	141	77	51	128
Netherlands	ODC	91	274	366	130	303	433	126	293	418
Norway	ODC	155	104	259	186	124	310	153	102	255
Poland	ODC	363	242	605	388	259	647	365	298	663
Portugal	ODC	494	212	706	525	225	750	532	262	794
Romania	ODC	93	217	310	105	213	318	120	180	299
Russia	DAO	302	0	302	265	0	265	308	0	308
Slovakia	ODC	80	97	177	88	108	196	76	93	169
Slovenia	ODC	132	56	188	135	88	223	112	92	204
Spain	ODC	88	351	439	99	397	497	153	357	510
Sweden	DAO	0	32	32	0	11	11	0	62	62
Switzerland	DAO	0	89	89	0	64	64	0	73	73
Tajikistan	EMBASSY	0	0	0	164	0	164	121	0	121
Turkey	ODC	1,559	1,984	3,543	1,723	2,293	4,016	1,815	2,218	4,032
Turkmenistan	DAO	0	0	0	57	6	63	95	11	105
Ukraine	ODC	219	24	243	251	28	279	248	28	276
United Kingdom	ODC	126	62	187	134	66	200	123	61	184
Uzbekistan	DAO	96	64	160	57	38	96	49	32	81
Regional Total		7,203	7,938	15,141	8,017	8,265	16,282	8,646	8,396	17,042
Near East & South Asia:										
Algeria	DAO	17	0	17	20	0	20	22	0	22
Bahrain	OMC	115	407	521	120	424	544	152	355	507
Bangladesh	DAO	133	57	190	108	46	154	112	48	160
Egypt	OMC	1,487	3,019	4,505	1,467	2,608	4,075	1,726	2,817	4,543
India	DAO	187	10	197	185	33	218	212	53	266
Israel	DAO	0	105	105	0	87	87	0	93	93
Jordan	MAP	246	737	983	279	793	1,072	314	733	1,047
Kuwait	OMC	293	33	326	325	36	361	265	29	294
Lebanon	DAO	400	216	616	439	237	676	485	208	693
Morocco	ODC	602	67	669	621	69	690	627	111	738
Nepal	SAO	169	0	169	144	0	144	100	0	100
Oman	OMC	245	312	557	245	312	558	195	362	556
Pakistan	ODRP	365	41	406	341	38	379	412	46	458
Qatar	USLO	0	465	465	46	418	464	91	363	453
Saudi Arabia	USMTM	0	871	871	0	1,065	1,065	0	1,020	1,020
Sri Lanka	DAO	53	9	63	62	11	72	54	10	63
Tunisia	ODC	399	266	664	373	201	574	388	209	597
United Arab Emirates	USLO	41	779	821	99	722	821	136	770	906
Yemen	DAO	20	17	37	28	23	51	37	16	53
Regional Total		4,773	7,408	12,181	4,902	7,124	12,026	5,330	7,241	12,571
WORLDWIDE TOTAL		23,507	22,266	45,773	25,403	22,519	47,922	27,475	22,738	50,213

NOTE: Totals may not add due to rounding.

Overseas Military Program Management - Personnel Strengths

ORG.	FY 2001 Actual				FY 2002 Estimate				FY 2003 Request				
	MIL	CIV	LOCAL	TOT	MIL	CIV	LOCAL	TOT	MIL	CIV	LOCAL	TOT	
<u>Africa:</u>													
Botswana	ODC	3	0	1	4	3	0	1	4	3	0	1	4
Chad	DAOa/	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	DAOa/	1	0	0	1	1	0	0	1	1	0	0	1
Ghana	EMBASSYb/	0	1	0	1	0	1	0	1	0	1	0	1
Kenya	KUSLO	4	2	1	7	4	2	1	7	4	2	1	7
Namibia	EMBASSYb/	0	1	0	1	0	1	0	1	0	1	0	1
Niger	ODC	0	0	1	1	0	0	1	1	0	0	1	1
Nigeria	DAOa/	0	0	0	0	2	0	0	2	2	0	0	2
Rwanda	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Senegal	ODC	1	0	2	3	1	0	2	3	1	0	2	3
South Africa	ODC	2	0	0	2	2	0	0	2	2	0	0	2
Regional Total		13	4	8	25	15	4	8	27	15	4	8	27
<u>Western Hemisphere:</u>													
Argentina	USMILGP	3	0	2	5	3	0	2	5	3	0	2	5
Barbados	USMLOc/	2	0	0	2	2	0	0	2	2	0	0	2
Belize	USMLO	2	0	0	2	2	0	0	2	2	0	0	2
Bolivia	USMILGP	5	2	2	9	5	2	2	9	5	2	2	9
Brazil	USMLO	4	0	0	4	4	0	0	4	4	0	0	4
Canada	DAOa/	1	0	1	2	1	0	1	2	1	0	1	2
Chile	USMILGP	2	0	2	4	2	0	2	4	2	0	2	4
Colombia	USMILGP	5	0	3	8	5	0	3	8	5	0	3	8
Costa Rica	ODR	1	0	1	2	1	0	1	2	1	0	1	2
Dominican Republic	USMAAG	2	0	0	2	2	0	0	2	2	0	0	2
Ecuador	USMILGP	4	1	3	8	4	1	3	8	4	1	3	8
El Salvador	USMILGP	4	1	2	7	4	1	2	7	4	1	2	7
Guatemala	USMILGP	1	0	1	2	1	0	1	2	1	0	1	2
Guyana	MLO	0	0	0	0	0	0	0	0	0	0	0	0
Haiti	USMLO	3	0	1	4	3	0	1	4	3	0	1	4
Honduras	USMILGP	5	1	4	10	5	1	4	10	5	1	4	10
Jamaica	USMLO	2	0	0	2	2	0	0	2	2	0	0	2
Mexico	DAOa/	3	1	4	8	3	1	4	8	3	1	4	8
Panama	DAOa/	2	0	1	3	2	0	1	3	2	0	1	3
Paraguay	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Peru	MAAG	3	1	5	9	3	1	5	9	3	1	5	9
Trinidad and Tobago	USMLO	0	0	0	0	0	0	0	0	0	0	0	0
Uruguay	ODC	1	0	3	4	1	0	3	4	1	0	3	4
Venezuela	USMILGP	2	1	2	5	2	1	2	5	2	1	2	5
Regional Total		58	8	38	104	58	8	38	104	58	8	38	104
<u>East Asia & Pacific:</u>													
Australia	ODC a/	4	1	1	6	4	1	1	6	4	1	1	6
Bangladesh	DAOa/	1	0	1	2	1	0	1	2	1	0	1	2
Cambodia	DAOa/	1	0	1	2	1	0	1	2	1	0	1	2
Fiji	DAOa/	1	0	1	2	1	0	1	2	1	0	1	2
Indonesia	DAOa/	2	0	4	6	1	0	4	5	1	0	4	5
Japan	MDAO	5	3	6	14	5	3	6	14	5	3	6	14
Malaysia	DAOa/	3	0	5	8	3	0	5	8	3	0	5	8
Mongolia	DAOa/	1	0	1	2	1	0	1	2	1	0	1	2
New Zealand	DAOa/	0	0	0	0	0	0	1	1	0	0	1	1
Philippines	JUSMAG	5	1	4	10	5	1	4	10	5	1	4	10
Singapore	SAO	6	1	3	10	7	0	3	10	7	0	3	10
Sri Lanka	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
South Korea	JUSMAG-K	17	0	10	27	17	0	10	27	17	0	10	27
Thailand	JUSMAG	16	1	11	28	14	1	11	26	14	1	11	26
Vietnam	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Regional Total		62	7	50	119	60	6	51	117	60	6	51	117
<u>Europe and Eurasia:</u>													
Albania	ODC	1	0	0	1	1	0	2	3	1	0	2	3
Armenia	DAOa/	0	0	0	0	0	0	0	0	1	0	0	1
Austria	DAOa/	2	0	0	2	2	0	0	2	2	0	0	2

ORG.	FY 2001 Actual				FY 2002 Estimate				FY 2003 Request				
	MIL	CIV	LOCAL	TOT	MIL	CIV	LOCAL	TOT	MIL	CIV	LOCAL	TOT	
Europe and Eurasia Con't:													
Azerbaijan	DAOa/	0	0	0	0	0	0	0	0	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	0	2	2	0	0	2	2	0	2	4
Croatia	ODC	1	1	0	2	1	1	0	2	1	1	1	3
Czech Republic	ODC	2	0	2	4	2	0	2	4	3	0	2	5
Denmark	ODC	1	1	2	4	1	1	2	4	1	1	2	4
Estonia	ODC	1	0	0	1	1	0	0	1	2	0	0	2
France	ODC	1	1	3	5	1	1	3	5	1	1	2	4
Georgia	DAOa/	1	0	1	2	1	0	1	2	1	0	2	3
Germany	ODC	5	2	3	10	5	2	3	10	5	1	3	9
Greece	ODC	7	3	8	18	7	3	8	18	7	1	8	16
Hungary	ODC	2	0	1	3	2	0	1	3	2	1	1	4
Italy	ODC	3	1	5	9	3	1	5	9	3	1	4	8
Kazakhstan	DAOa/	2	0	1	3	2	0	1	3	2	0	1	3
Kyrgyzstan	DAOa/	1	1	1	3	1	1	1	3	1	1	1	3
Latvia	ODC	1	0	1	2	1	0	1	2	2	0	2	4
Lithuania	ODC	1	0	1	2	1	0	1	2	2	0	2	4
Macedonia (FYROM)	ODC	2	0	2	4	2	0	2	4	2	0	2	4
Moldova	DAOa/	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	2	0	1	3	2	0	1	3	1	0	1	2
Poland	ODC	3	0	3	6	3	0	3	6	4	0	3	7
Portugal	ODC	5	1	3	9	5	1	3	9	5	0	3	8
Romania	ODC	1	0	1	2	1	0	1	2	1	0	2	3
Russia	DAOa/	2	0	0	2	2	0	0	2	2	0	0	2
Serbia	DAOa/	0	0	0	0	0	0	0	0	1	0	1	2
Slovakia	ODC	1	0	0	1	1	0	0	1	1	0	2	3
Slovenia	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Spain	ODC	4	2	1	7	4	2	1	7	4	2	1	7
Turkey	ODC	22	4	9	35	22	4	9	35	18	4	5	27
Turkmenistan	DAOa/	1	0	0	1	1	0	0	1	1	0	0	1
Ukraine	ODC	1	0	1	2	1	0	1	2	1	0	2	3
United Kingdom	ODC	2	1	0	3	2	1	0	3	2	1	0	3
Uzbekistan	DAOa/	1	1	1	3	1	1	1	3	1	1	1	3
Regional Total		87	20	58	165	87	20	60	167	90	17	65	172
Near East/South Asia:													
Afghanistan	DAOa/	0	0	0	0	0	0	0	0	1	0	0	1
Bahrain	OMC	6	1	0	7	6	1	0	7	6	1	0	7
Bangladesh	DAOa/	0	0	1	1	1	0	1	2	1	0	1	2
Egypt	OMC	28	8	12	48	28	8	12	48	28	8	12	48
India	DAOa/	1	1	2	4	1	1	2	4	1	1	2	4
Israel	DAOa/	0	1	0	1	0	1	0	1	0	0	1	1
Jordan	MAP	8	2	4	14	8	2	4	14	8	1	4	13
Kuwait	OMC-K	10	2	1	13	10	2	1	13	10	1	1	12
Lebanon	DAOa/	1	0	3	4	1	0	3	4	1	0	3	4
Madagascar	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Morocco	ODC	3	1	4	8	3	1	4	8	3	1	3	7
Nepal	SAO	1	0	1	2	1	0	1	2	1	0	1	2
Oman	OMC	5	1	1	7	5	1	1	7	5	1	1	7
Pakistan	ODRP	2	1	3	6	2	1	3	6	2	1	3	6
Qatar	USLO	2	1	0	3	2	1	0	3	2	1	0	3
Saudi Arabia	USMTM	64	2	9	75	63	2	9	74	63	0	8	71
Sri Lanka	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Tunisia	ODC	6	1	1	8	6	1	1	8	6	1	1	8
United Arab Emirates	USLO	6	1	1	8	6	1	1	8	6	1	1	8
Yemen	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Regional Total		143	23	46	212	143	23	46	212	144	18	45	207
WORLDWIDE TOTAL		363	62	200	625	363	61	203	627	367	53	207	627

- 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.

Grant Excess Defense Articles

Grant excess defense articles (EDA) enable the United States to meet foreign policy objectives while simultaneously supporting our friends and allies in improving their defense capabilities. Providing EDA on a grant basis turns U.S. defense items which are in excess of our Approved Force Acquisition Objective and Approved Force Retention Stock into instruments which meet a number of our national security interests. Some of the objectives met by grant 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.

Grant EDA has contributed to our foreign policy successes. Our Partnership for Peace (PfP) initiatives are greatly augmented by providing grant materiel which meets NATO standards and fulfills valid modernization and standardization needs of eligible PfP partners. 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 U.N. peacekeeping operations. Grant EDA supports the militaries of the newly democratic nations of Central Europe and contributes to regional stability by supporting the ongoing military reform efforts of the democratic Central Europe and Baltic governments. Grant EDA has been instrumental in aiding demining activities in Southeast Asia and northern Africa. Finally, 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 U.S. 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 2001		DELIVERED IN FY 2001	
	ACQ. VALUE	CURRENT VALUE	ACQ. VALUE	CURRENT VALUE
<u>AFRICA:</u>				
MADAGASCAR	720	288	0	0
NIGERIA	22,789	4,244	0	0
SENEGAL	3,209	160	0	0
REGIONAL TOTAL	26,718	4,692	0	0
<u>EAST ASIA & PACIFIC:</u>				
PHILIPPINES	2,100	2,343 *	2,100	2,343*
THAILAND	67,308	4,862	0	0
REGIONAL TOTAL	69,408	7,205	2,100	2,343*
<u>EUROPE & EURASIA:</u>				
ESTONIA	365	18	0	0
GEORGIA	575	230	0	0
GREECE	58,598	7,442	50,065	5,007
LATVIA	272	27	0	0
LITHUANIA	1,550	468	17	4
POLAND	4,470	447	0	0
PORTUGAL	579	119	0	0
TURKEY	32,272	4,969	2,726	136
REGIONAL TOTAL	98,681	13,720	52,808	5,147
<u>NEAR EAST & SOUTH ASIA:</u>				
BAHRAIN	112,550	5,922	275	27
EGYPT	10,382	1,038	4,070	407
ISRAEL	313,307	38,268	99,539	5,361
LEBANON	1,247	157	0	0
MOROCCO	39,932	5,204	15,694	1,903
TUNISIA	28,586	2,268	0	0
REGIONAL TOTAL	506,004	52,857	119,578	7,698
<u>WESTERN HEMISPHERE:</u>				
ARGENTINA	15,576	1,558	0	0
BRAZIL	275,984	21,577	237,984	17,777
CHILE	7,905	1,150	2,369	594
COLOMBIA	3,795	1,025	1,150	460
COSTA RICA	1,150	460	1,150	460
ECUADOR	1,350	526	241	12
EL SALVADOR	40,618	8,896	1,069	426
GUYANA	480	192	480	192
HONDURAS	5,536	556	0	0
MEXICO	959	177	860	172
NICARAGUA	720	288	0	0
PANAMA	15,000	6,000	0	0
TRINIDAD & TOBAGO	575	230	575	230
URUGUAY	6,155	661	0	0
REGIONAL TOTAL	375,803	43,296	245,878	20,323
WORLDWIDE TOTAL	1,076,613	121,773	420,364	35,511

*Current Value exceeds Acquisition Value due to the inclusion of Refurbishment costs.

NOTE: Totals may not add due to rounding.

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

	OFFERED IN FY 2001		DELIVERED IN FY 2001	
	ACQ. VALUE	CURRENT VALUE	ACQ. VALUE	CURRENT VALUE
<u>EAST ASIA & PACIFIC:</u>				
AUSTRALIA	11,113	1,050	1,017	51
KOREA	635	317	635	317
NEW ZEALAND	5,191	415	0	0
REGIONAL TOTAL	16,939	1,782	1,652	368
<u>EUROPE & EURASIA:</u>				
FRANCE	400	41	0	0
GREECE	257	129	257	129
SPAIN	26,965	5,032	0	0
TURKEY	113,482	22,676	6,151	1,230
REGIONAL TOTAL	141,104	27,878	6,408	1,359
<u>NEAR EAST & SOUTH ASIA:</u>				
BAHRAIN	4,299	215	4,299	215
EGYPT	1,035	103	0	0
ISRAEL	390	195	0	0
SAUDI ARABIA	5,399	270	0	0
REGIONAL TOTAL	11,123	783	4,299	215
<u>NON-REGIONAL:</u>				
NAMSA	52	26	43	19
NON-REGIONAL TOTAL	52	26	43	19
WORLDWIDE TOTAL	169,218	30,471	12,402	1,961

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 concluded 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 2001
(\$ in thousands)

	REPLACEMENT VALUE	TOTAL RENTAL VALUE
<u>East Asia & Pacific:</u>		
Singapore	7,353	184
Regional Total	7,353	184
<u>Europe and Eurasia:</u>		
Italy	93,758	32,601
Netherlands	1,062	74
Spain	7,075	836
United Kingdom	2,059	164
Regional Total	103,954	33,675
WORLDWIDE TOTAL	111,307	33,859

Stockpiling of Defense Articles for Foreign Countries

Section 541(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 2003, 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 & 1977	95,750
1977	152,000
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	300,000
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	0

**Countries and International Organizations Eligible for Purchasing Defense Articles and Services
from the United States Government**

Country	Date of Determination
Africa	
Benin	January 02, 1973
Botswana	February 06, 1979
Burkina Faso	January 02, 1973
Burundi	August 24, 1991
Cameroon	January 02, 1973
Cape Verde	June 10, 1985
Central African Republic	February 02, 1987
Chad	September 01, 1977
Comoros	May 26, 1992
Cote D'Ivoire	January 02, 1973
Democratic Republic of Congo	August 24, 1991
Djibouti	May 17, 1982
Eritrea	February 18, 1994
Ethiopia	January 02, 1973
Gabon	January 02, 1973
Gambia	February 02, 1987
Ghana	January 02, 1973
Guinea	January 02, 1973
Guinea-Bissau	June 10, 1985
Kenya	October 29, 1974
Lesotho	October 25, 1990
Liberia	January 02, 1973
Madagascar	February 04, 1985
Malawi	January 02, 1973
Mali	June 10, 1985
Mauritania	October 29, 1974
Mauritius	August 22, 1995
Mozambique	April 10, 1985
Namibia	October 25, 1990
Niger	January 02, 1973
Nigeria	January 02, 1973
Republic of the Congo	January 02, 1973
Rwanda	February 27, 1981
Senegal	January 02, 1973
Seychelles	July 20, 1989
Sierra Leone	February 05, 1985
Somalia	November 05, 1976
South Africa	June 27, 1994
Sudan	November 05, 1976
Tanzania	July 20, 1989
Togo	February 11, 1985
Uganda	July 20, 1989
Zambia	August 11, 1992
Zimbabwe	October 26, 1982

Country	Date of Determination
East Asia & Pacific	
Brunei	January 02, 1973
Burma	January 02, 1973
Cambodia	January 02, 1973
China	June 12, 1984
Fiji	August 05, 1975
Indonesia	January 02, 1973
Japan	January 02, 1973
Korea	January 02, 1973
Laos	January 02, 1973
Malaysia	January 02, 1973
Marshall Islands	January 06, 1993
Micronesia	January 06, 1993
Mongolia	August 22, 1995
New Zealand	January 02, 1973
Papua New Guinea	December 04, 1980
Philippines	January 02, 1973
Samoa	January 06, 1993
Singapore	January 02, 1973
Solomon Islands	January 06, 1993
Taiwan	January 02, 1973
Thailand	January 02, 1973
Vanuatu	January 06, 1993
Vietnam	January 02, 1973
Europe & Eurasia	
Austria	January 02, 1973
Belgium	January 02, 1973
Bosnia and Herzegovina	February 23, 1996
Bulgaria	March 22, 1994
Canada	January 02, 1973
Croatia	April 08, 1999
Czech Republic	January 05, 1994
Denmark	January 02, 1973
Estonia	March 22, 1994
Federal Republic of Yugoslavia	January 02, 1973
Finland	January 02, 1973
France	January 02, 1973
Germany	January 02, 1973
Greece	January 02, 1973
Hungary	December 06, 1991
Iceland	January 02, 1973
Ireland	January 02, 1973
Italy	January 02, 1973
Kazakhstan	March 11, 1997
Kyrgyzstan	March 11, 1997
Latvia	March 22, 1994
Lithuania	March 22, 1994
Luxembourg	January 02, 1973
Macedonia	March 08, 1996

Country	Date of Determination
Europe & Eurasia Con't	
Malta	January 02, 1973
Moldova	March 11, 1997
Netherlands	January 02, 1973
Norway	January 02, 1973
Poland	December 06, 1991
Portugal	January 02, 1973
Romania	March 22, 1994
Russia	March 11, 1997
Slovakia	January 05, 1994
Slovenia	March 08, 1996
Spain	January 02, 1973
Sweden	January 02, 1973
Switzerland	January 02, 1973
Turkey	January 02, 1973
Turkmenistan	March 11, 1997
Ukraine	March 11, 1997
United Kingdom	January 02, 1973
Uzbekistan	March 11, 1997
Near East	
Bahrain	January 02, 1973
Egypt	August 01, 1977
Israel	January 02, 1973
Jordan	January 02, 1973
Kuwait	January 02, 1973
Lebanon	January 02, 1973
Libya	January 02, 1973
Morocco	January 02, 1973
Oman	January 02, 1973
Qatar	January 02, 1973
Saudi Arabia	January 02, 1973
Tunisia	January 02, 1973
United Arab Emirates	January 02, 1973
Yemen	January 02, 1973
South Asia	
India	January 02, 1973
Nepal	January 02, 1973
Pakistan	January 02, 1973
Sri Lanka	January 02, 1973
Western Hemisphere	
Argentina	January 02, 1973
Bahamas	December 13, 1973
Barbados	June 21, 1979
Belize	November 23, 1981
Bolivia	January 02, 1973
Brazil	January 02, 1973
Chile	January 02, 1973

Country	Date of Determination
Western Hemisphere Con't	
Colombia	January 02, 1973
Costa Rica	January 02, 1973
Dominican Republic	January 02, 1973
Ecuador	January 02, 1973
El Salvador	January 02, 1973
Grenada	April 03, 1984
Guatemala	January 02, 1973
Guyana	August 30, 1993
Haiti	January 02, 1973
Honduras	January 02, 1973
Jamaica	January 02, 1973
Mexico	January 02, 1973
Nicaragua	January 02, 1973
Panama	January 02, 1973
Paraguay	January 02, 1973
Peru	January 02, 1973
Suriname	April 14, 1976
Trinidad & Tobago	January 02, 1973
Uruguay	January 02, 1973
Venezuela	January 02, 1973

Pursuant to Section 25(a)(8) of the Arms Export Control Act (AECA), 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. That 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 Defense Services Government to Government Programs

Section 40A of the AECA, as added by PL 104-164, requires that controls used for identifying high risk exports developed under Section 38 (g)(7) of the AECA and subsequently used in the Blue Lantern program also be applied for government-to-government sales and lease programs. Prior to submission of the first report under this section in 1998, the Department of Defense (DoD) reviewed its procedures for government-to-government shipments and determined that existing controls fully meet Blue Lantern program standards.

Specifically, before government-to-government shipments are made, DoD coordinates the transfer closely with the Embassy country team, appropriate regional commander-in-chief, other Government interagency offices, and with the acquiring country or international organization. Each defense item transfer must be preceded by formal agreement. Each agreement includes appropriate end-use and retransfer restrictions.

DoD applies tighter controls for more sensitive items. To help ensure proper controls are maintained, DoD manages transportation for more sensitive items to the point of physical turnover to appropriate country representatives. Physical security for transfers of arms, ammunition, and explosives are similar to those required for U.S. forces. The process for transfer of classified items include pre-release security surveys, special bilateral agreement prior to release, and follow-on surveys to verify that recipients retain appropriate item protection measures.

Notable EUM efforts since the last report include:

-- The Defense Security Cooperation Agency (DSCA) established a formal EUM program for Government to Government transfers of defense articles and services under the name Golden Sentry. The first annual Golden Sentry EUM program policy message to the Security Assistance community was sent to Security Assistance Organizations (SAOs), requiring each SAO to appoint a Golden Sentry program point of contact and advised that further amplification will be provided as the program takes shape.

-- Recruitment to fill the first dedicated EUM billet at DSCA was completed with the selectee scheduled to assume his duties in April 2002. This individual will provide the first full-time manpower to flesh out and start implementation of the enhanced EUM program under Golden Sentry.

-- DSCA continued outreach efforts to ascertain and establish relationships with those governmental agencies which can help in identifying and monitoring those defense items which incorporate sensitive technology or are particularly vulnerable to diversion or other misuse (such as reverse engineering).

-- DSCA tasked a two member in house team, on a part-time basis, to consolidate, update and expand on the EUM research conducted over the past two years, revalidate EUM enhancement plan objectives and develop an incremental action-oriented implementation plan for the new EUM employee to use when he comes on board in April 2002.

-- EUM activity was added to the annual SAO tasking as a separate workload measure. A detailed explanation was developed to clarify which tasks performed by SAOs should be included in the EUM category.

DoD continues to monitor its transfer processes to detect and minimize any opportunities for unauthorized end-use of U.S.-origin defense articles. Over the past year, the provisions of Section 40A of the AECA have been implemented within existing personnel and resource ceilings. EUM as a whole has increased in its visibility and understanding as a potentially critical tool in support of the following objectives:

- a. To impede the access of potential adversaries to military significant items and technologies, including those that contribute to the proliferation of weapons of mass destruction.
- b. Promote a capable defense industrial base to ensure global competitiveness and continued technological advantages enjoyed by U.S. military forces over potential adversaries.
- c. Encourage foreign government support for U.S. principles, laws, regulations, and practices concerning the sale, transfer, and end-use of defense articles and services.

There is much left to accomplish; however, the momentum is positive and the EUM Golden Sentry program direction is clear: to protect key technologies and maintain our edge over those entities with interests unfriendly to those of our country.

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

This report describes the actions the Department of State took in the past fiscal year under Section 40A of the Arms Export Control Act (AECA) to implement end-use monitoring of the commercial export of defense articles, services, and related technical data subject to licensing under Section 38 of the AECA. The Office of Defense Trade Controls in the Bureau of Political-Military Affairs (PM/DTC), Department of State, is responsible for administering the International Traffic in Arms Regulations (ITAR) that implement the AECA. DTC's functions include registration of manufacturers, brokers, and exporters, licensing of commercial defense trade, overseeing company compliance with U.S. export regulations, supporting U.S. law enforcement agencies in criminal investigations and prosecutions, and, finally, the end-use monitoring of licensed transactions.

Overseas Monitoring: The Blue Lantern Program

Initiated in September 1990 as the first systematic end-use check program, the Blue Lantern program has strengthened export controls and has proven to be a useful instrument in: (1) deterring diversions, (2) aiding the disruption of illicit supply networks used by rogue governments and international criminal organizations, and (3) helping the Department make informed licensing decisions and ensuring 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 addressing the growing problem of gray arms trade – the use of fraudulent export documentation to acquire defense articles through legitimate channels for end-users inimical to U.S. interests. Blue Lantern end-use checks are conducted by U.S. mission personnel abroad or DTC personnel to verify the destination and specific end-use and end-users of U.S. commercial defense exports and transfers.

The verification of the destination and end-use of U.S. defense exports supports policy goals related to restraints placed on arms sales and facilitation of legitimate defense trade. These goals include:

- Impeding access to military items and technologies by persons and organizations who do not have the best interests of the United States or our friends and allies in mind, including those which contribute to the proliferation of weapons of mass destruction.
- Preserving continued technology advantages enjoyed by U.S. military forces and U.S. friends and allies over potential adversaries.
- Encouraging foreign government support for U.S. principles, laws, regulations, and practices concerning the responsible sale, transfer, and end-use of defense equipment and services.

Results of End-use Checks in FY 2001

In FY 2001, DTC initiated 410 checks, exceeding the average of roughly 400 checks per year maintained since the inception of the program.

Blue Lantern checks in FY 2001 resulted in 71 unfavorable determinations. Twenty-six percent of these unfavorable cases involved aircraft spare parts that would have been diverted to prohibited countries (i.e., China, Iran, and Iraq) that seek these spare parts to circumvent U.S. military embargoes enforced by DTC in order to increase the operational readiness of military aircraft in their inventories. The remaining unfavorable checks involved commodities such as electronics, communications equipment, and firearms.

Overall, the program in this past fiscal year reflects improved targeting of cases based upon a comprehensive approach in selection process. Multiple indicators (i.e., commodity, end-use country, prior transaction records of end user, intelligence/enforcement information, etc.) are currently critical to the selection of Blue Lantern end-use checks as the international gray arms market becomes increasingly sophisticated.

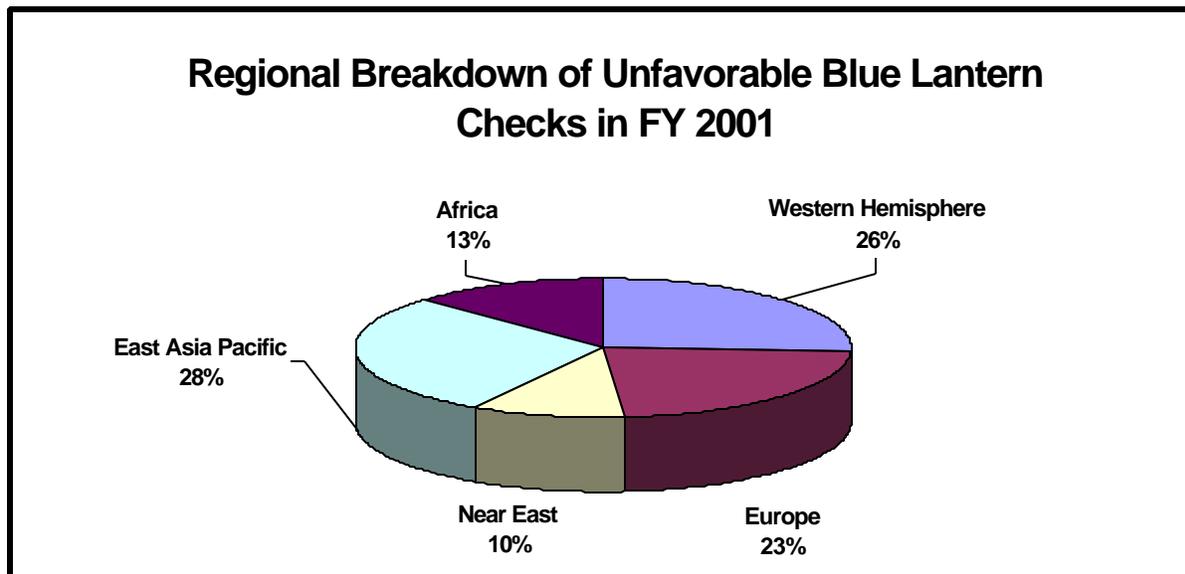
The following examples illustrate the effectiveness of the Blue Lantern Program in FY 2001:

- Possible misuse of warfare training technical data was thwarted when a Blue Lantern pre-license check found that the existence of the purported end-user in Asia could not be confirmed.
- Two companies were removed from a license for the export of technical data to a Middle Eastern country when a Blue Lantern post-license check discovered that these companies were not registered to conduct business in that country.
- Two licenses were denied involving the possible diversion of Chinook helicopter spare parts upon detection that that the government of an Asian country had no procurement relationship with the intermediary listed on the license application.
- Diversion and misuse of sensitive communications equipment to an Eastern European country was exposed when a post-license check uncovered that the government of that country had never agreed to purchase the equipment and the individual who signed the non-transfer and use certificate was not a legitimately empowered official. (The case is under criminal investigation.)
- Diversion of explosives from a Latin American country was prevented when a Blue Lantern pre-license check determined that the commodity would be re-exported to an embargoed country.

A notable trend revealed by Blue Lantern checks over the past three years is the incidence of West European based intermediaries involved in suspicious transactions (Table 1). In FY 2001, 23 percent of unfavorable checks, mostly for the export of aircraft spare parts, involved possible transshipments through allied countries. In absolute terms, the number of unfavorable checks involving European based intermediaries increased.

Results of Blue Lantern inquiries indicate that some of the major operations for arms trafficking and companies in the gray arms market (i.e., illicit transactions whose initial stages are conducted through legitimate channels) are based in Asia, as well as Western Europe. In FY 2001, about 28 percent of the unfavorable checks involved intermediaries in Asia.

Table 1:



Sales to U.S. friends and allies, including members of NATO, who have legitimate requirements for many U.S.-origin spare parts and components, also offer the appearance of legitimacy to illicit transfers. Most rogue countries, international criminal organizations, and other entities involved in fueling conflicts in Africa and other regions of the world, depend directly upon the gray market for ready supplies of spare parts to maintain their aging inventories of U.S.-origin equipment. Foreign brokers who manipulate the international system by jumping from one country's jurisdiction to another are key players in facilitating these illicit transactions and making them difficult to detect. Because such intermediaries initially rely upon legitimate, legal channels to execute their deals, the Blue Lantern program has proven to be particularly useful in helping to prevent various gray arms transfers by uncovering bogus transactions and end-users.

Compliance/Enforcement: State-USCS Cooperation

State-U.S. Customs Service cooperation (USCS has the responsibility for investigating criminal violations of the AECA) also plays a vital role in tackling and inhibiting gray arms activity. In Fiscal Year 2001, cooperative programs between State and U.S. Customs facilitated more than 325 commercial arms seizures at U.S. ports of exit totaling more than \$13 million.

The Office of Defense Trade Controls has limited personnel (71 FTE) and resources (\$9 million budget) to perform its mission. As part of the State-Customs cooperative effort that has as its goal the verification of licensed exports and the compliance of exporters, DTC electronically provides licensing data to all Customs Officers. This information allows for accurate, real-time monitoring by U.S. Customs officials of commercial arms moving in and out of the United States. Through the U.S. Customs Service's Operation Exodus, the Office of Defense Trade Controls also provides authoritative opinions, rulings, and advice on a daily basis to U.S. Customs concerning licensing and other regulatory requirements.

Commercial Exports Licensed or Approved Under the Arms Export Control Act

The data in the following chart on commercial sales are compiled by DTC based on information as of September 2001. The chart is in two parts. The first column, entitled "Actual Deliveries (Preliminary)," shows the preliminary dollar value totals by destination of exports during fiscal year 2001. These export totals are compiled from expired or completed licenses returned to DTC by the U.S. Customs Service, unless a more comprehensive method is available. The totals are preliminary because DTC licenses are approved for four calendar years, thereby allowing shipments to span five fiscal years, and are not returned by the U.S. Customs Service until the license is completed or expired. In some instances, training and technical assistance are not included in these figures. For further information, see also the classified annex to this document.

The second and third columns in the chart show the estimated dollar value totals by destination of possible deliveries in fiscal years 2002 and 2003. These estimates are based primarily on the dollar value of licenses approved for each destination during the prior two fiscal years (the dollar values of the authorized licenses are not shown). Not all approved licenses result in signed contracts and actual exports. Factors which affect the final export value include the availability of the licensed item for shipping, and how quickly the license will be returned to DTC. (See also the classified annex.) Other factors which cannot be quantified are economic and security conditions at the destination and changing U.S. foreign policy and national security considerations. Countries for whom there were no actual deliveries in fiscal year 2001 and which had no authorized licenses for fiscal years 2000 and 2001 do not appear in this report.

The procedures for estimating defense commercial sales for out years (fiscal years 2002 and 2003) were revised for the 1995 CPD. Previous procedures for such estimates called for extrapolating exports for the first out 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 upon historical data, DTC now estimates exports for the first out year (fiscal year 2002) to be ten percent of the total dollar value of approved licenses for the previous two fiscal years (fiscal years 2000 and 2001). The exports for the second out year (fiscal year 2003) are estimated to be fifty percent of those for fiscal year 2001.

Commercial Exports Licensed or Approved Under the AECA
(\$ in thousands)

	FY 2001 Actual	FY 2002 Estimate	FY 2003 Request
Africa			
Angola	0	399	911
Botswana	429	1,208	2,349
Cameroon	0	75	375
Chad	0	4	0
Comoros	0	1	0
Djibouti	0	44	219
Ethiopia	0	57	285
Gabon	280	473	586
Ghana	0	52	95
Kenya	20	315	443
Mauritania	0	1	7
Mauritius	0	2	5
Namibia	0	39	69
Niger	0	4	0
Nigeria	58	5,812	12,595
Senegal	0	15	13
South Africa	740	5,586	19,234
Tanzania	0	76	334
Uganda	0	0	1
Zambia	696	193	356
Zimbabwe	0	37	127
Africa Totals :	2,223	14,393	38,004
East Asia & Pacific			
Australia	21,655	267,661	253,347
Brunei	2	353	1,465
French Polynesia	0	497	850
Hong Kong	783	1,208	1,142
Indonesia	63	4,214	9,698
Japan	66,715	1,579,864	5,827,550
Kiribati	0	1	3
Malaysia	1,201	75,878	330,282
Marshall Island	0	9,073	750
New Caledonia	0	26	69
New Zealand	308	16,411	61,881
Papua New Guinea	0	1	7
Philippines	53	12,930	34,354
Singapore	4,285	205,436	365,674
South Korea	15,476	205,633	522,222
Taiwan	29,127	200,000	200,000
Thailand	3,503	12,576	31,370
Tonga	0	37	153
East Asia & Pacific Totals :	143,171	2,591,799	7,640,817

	FY 2001 Actual	FY 2002 Estimate	FY 2003 Request
Europe & Eurasia			
Albania	0	229	50
Andorra	0	50	37
Austria	548	20,395	89,386
Belgium	3,683	25,927	84,162
Bosnia Herzegovina	0	258	1,009
Bulgaria	0	1,953	678
Croatia	0	9,451	3,430
Cyprus	0	2	7
Czech Republic	32,058	3,370	6,096
Denmark	585	18,530	48,962
Estonia	0	8	0
Falkland Islands	0	50	250
Faroe Islands	1	0	0
Finland	1,802	12,505	11,864
France	7,319	150,873	363,643
Georgia	0	441	1,890
Germany	8,777	336,053	955,817
Greece	1,511	80,879	200,375
Greenland	0	99	445
Hungary	0	1,518	6,324
Iceland	1	396	323
Ireland	217	1,665	7,552
Italy	10,131	129,373	362,138
Kazakhstan	0	40,389	155,363
Kyrgyzstan	0	0	146
Latvia	0	310	1,269
Liechtenstein	120	37	0
Lithuania	0	272	0
Luxembourg	293	46,619	56,000
Macedonia	120	513	2,323
Moldova	0	4	21
Monaco	0	12	0
Netherlands	5,252	89,449	262,891
Norway	1,954	19,600	53,677
Poland	358	11,554	15,708
Portugal	1,711	13,929	48,524
Romania	8	4,200	10,952
Russia	51	23,557	41,152
San Marino	0	301	0
Slovakia	47	696	983
Slovenia	0	1,085	2,233
Spain	6,040	67,066	257,499
Sweden	5,610	54,563	165,428
Switzerland	1,647	27,509	79,245
Turkey	27,196	179,824	551,835
Turkmenistan	0	70	0
Ukraine	0	26,047	208

	FY 2001 Actual	FY 2002 Estimate	FY 2003 Request
United Kingdom	27,140	1,059,780	3,123,604
Uzbekistan	0	446	2,214
Europe & Eurasia Totals :	144,180	2,461,857	6,975,713
Near East			
Algeria	368	16,961	81,499
Bahrain	342	2,344	2,378
Egypt	923	38,569	129,778
Israel	4,019	200,167	548,072
Jordan	53	3,750	6,304
Kuwait	82	5,817	14,632
Lebanon	95	45	94
Maldives	0	14	72
Morocco	556	7,997	14,321
Oman	176	2,706	4,477
Qatar	0	864	713
Saudi Arabia	1,028	82,274	154,025
Tunisia	590	1,454	2,909
United Arab Emirates	3,608	750,236	61,692
Yemen	0	854	1,027
Near East Totals :	11,840	1,114,052	1,021,993
Non-Regional			
Classified Totals	217,256	1,000,000	1,000,000
International Org.	5,372	291,607	642,231
Non-Regional Totals	222,628	1,291,607	1,642,231
South Asia			
Bangladesh	285	578	881
Nepal	0	44	141
Sri Lanka	3,467	2,923	6,308
South Asia Totals :	3,752	3,545	7,330
Western Hemisphere			
Anguilla	2	0	0
Antigua-Barbuda	0	1	5
Argentina	257,185	35,814	139,027
Aruba	0	10	24
Bahamas	0	19	19
Barbados	2	52	172
Belize	0	47	140
Bermuda	0	4	4
Boliva	414	1,452	1,515
Brazil	3,247	38,869	45,937
British Virgin Islands	0	29	0
Canada	17,489	145,945	396,005
Cayman Islands	0	10	43
Chile	1,472	9,397	9,765

	FY 2001 Actual	FY 2002 Estimate	FY 2003 Request
Colombia	1,874	13,893	38,538
Costa Rica	143	778	1,120
Dominica	1	4	18
Dominican Republic	102	2,161	10,253
Ecuador	72	2,758	12,342
El Salvador	37	1,204	2,570
French Guiana	0	133,420	363,820
Grenada	0	24	93
Guatemala	437	901	3,185
Guyana	81	84	186
Haiti	0	5	11
Honduras	2	880	1,694
Jamaica	91	361	1,129
Martinique	0	38	188
Mexico	9,755	20,197	61,896
Netherlands Antilles	1	281	333
Nicaragua	0	215	454
Panama	0	488	366
Paraguay	0	4	0
Peru	55	3,295	11,731
St Kitts And Nevis	1	0	1
St Lucia	0	62	105
St Vincent & Grenadines	11	9	44
Suriname	0	33	157
Trinidad & Tobago	133	489	280
Turks & Caicos Islands	4	1	2
Uruguay	197	742	2,259
Venezuela	549	50,527	172,057
Western Hemisphere Totals :	293,357	464,503	1,277,488
Grand Totals	821,151	7,941,756	18,603,576

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

	Actual FY 2001	Estimated FY 2002	Proposed FY 2003
Appropriated Funds			
Egypt Grant	1,297.140	1,300.000	1,300.000
Israel Grant	1,975.644	2,040.000	2,100.000
Jordan Grant	74.835	75.000	198.000
Other Countries Grants	156.657	200.000	472.200
Southeast European Initiative Grants	30.929		
Administrative Costs	32.928	35.000	37.000
Rescission	7.867		
Total FMF Appropriation	3,576.000	3,650.000	
Other Country Grants Funded by Excess MAP Collections	0.240		
Unobligated balance carried forward from previous year - Israel Wye (\$300M), Jordan Wye River (\$100M) and Egypt supplemental (\$25M)	425.000		
Prior Year Unobligated Balance Transferred from the Economic Support Fund for Other Country FMF Grants (Nigeria)	1.000		
Prior Year Unobligated Balance Transferred from the Emergency Response Fund for Other Country FMF Grants (Turkey and Uzbekistan)		45.000	
Less Rescission	-7.867		
Total Budgetary Resources Available for Obligation	<u>3,994.373</u>	<u>3,695.000</u>	<u>4,107.200</u>
Total Budgetary Resources Available for Obligation	3,994.373	3,695.000	4,107.200
Less Unobligated balances for administrative costs expiring	-0.024	0.000	0.000
Total FMF obligations	<u>3,994.349</u>	<u>3,695.000</u>	<u>4,107.200</u>
Total FMF Outlays (Net)	<u>4,249.003</u>	<u>4,237.024</u>	<u>4,236.191</u>

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

	Actual FY 2001	Estimated FY 2002	Proposed FY 2003
Budget Authority			
Direct Loan Subsidy Appropriation	0.000	0.000	0.000
Subsidy Re-estimates	0.004	163.378	0.000
Total Budget Authority	<u>0.004</u>	<u>163.378</u>	<u>0.000</u>
Total Obligations	0.004	163.378	0.000
Outlays (Net)	59.751	208.538	6.672

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

	Actual FY 2001	Estimated FY 2002	Proposed FY 2003
Budget Authority for Guarantee Claims:			
Permanent Indefinite Authority	58.000	27.000	25.000
Collections of Guarantee Claims	10.531	11.036	19.906
Total Budget Authority	<u>68.531</u>	<u>38.036</u>	<u>44.906</u>
Total Obligations and Disbursements for Guaranteed Claims	41.531	38.036	44.906
Offsetting Collections			
Repayment of Direct Loans	-326.073	-254.895	-187.797
Repayment of FFB Loans	-233.789	-234.144	-234.075
Purchase of Loans from the Military Debt Reduction Account (11X4174)	0.000	0.000	0.000
Total Offsetting Collections	<u>-559.862</u>	<u>-489.039</u>	<u>-421.872</u>
Outlays (Net)	-518.349	-451.003	-376.966

Direct Loan Financing Account (11X4122)

(\$ in millions)

	Actual FY 2001	Estimated FY 2002	Proposed FY 2003
Budget Authority and Obligations			
Direct Loans	0.000	0.000	0.000
Interest on Treasury Borrowing	129.118	96.284	74.717
Downward Subsidy Re-estimate	209.026	16.174	0.000
Total Budget Authority and Obligations	<u>338.144</u>	<u>112.458</u>	<u>74.717</u>
Disbursements	884.622	451.958	128.787
Offsetting Collections:			
Collections from Loan Subsidy Account	-59.751	-208.538	-6.672
Interest on Uninvested Funds - Treasury	-40.232	0.000	0.000
Loan Repayments from Country	-479.019	-594.155	-584.504
Total Offsetting Collections	<u>-579.002</u>	<u>-802.693</u>	<u>-591.176</u>
Outlays (Net)	305.620	-350.735	-462.389

Military Debt Reduction Financing Account (11X4174)

(\$ in millions)

	Actual FY 2001	Estimated FY 2002	Proposed FY 2003
Budget Authority and Obligations			
Loan Purchase from Liquidating Acct	0.000	0.000	0.000
Interest on Debt to Treasury	0.122	0.836	0.000
Downward Subsidy Re-estimate	3.760	0.000	0.000
Total Budget Authority and Obligations	<u>3.882</u>	<u>0.836</u>	<u>0.000</u>
Disbursements	3.882	0.836	0.000
Offsetting Collections:			
Collections from Loan Subsidy Account	-15.727	-2.190	0.000
Interest on Uninvested Funds	-0.035	0.000	0.114
Loan Repayments from Country	-0.744	-2.014	-2.141
Total Offsetting Collections	<u>-4.959</u>	<u>-2.014</u>	<u>-2.255</u>
Outlays (Net)	-1.077	-1.178	-2.255

International Military Education & Training Program (11-1081)

(\$ in millions)

	Actual (1) FY 2001	Estimated FY 2002	Proposed FY 2003
Appropriation (1)	57.875	70.000	80.000
Recession	-.127	0.000	0.000
Unobligated funds carried forward from previous year - available for obligation	1.000	3.586	0.000
Total budgetary resources available for obligation	<u>58.748</u>	<u>73.586</u>	<u>80.000</u>
Total budgetary resources available for obligation	58.748	73.586	80.000
Current Year Obligations	55.588	73.586	80.000
Unobligated balance of new authority carried forward for new obligations:	3.160	0.000	0.000
Prior Year downward obligation adjustments carried forward and available for new obligations	.426	0.000	0.000
Total unobligated balance carried forward and available for new obligations	<u>3.586</u>	<u>0.000</u>	<u>0.000</u>
Prior year downward obligation adjustments not available for new obligations	2.733	0.000	0.000
Net Outlays	49.761	66.564	77.788

(1) Amounts include \$2.875M of supplemental appropriations in the 2001 budget for the Southeast Europe Initiative.

NOTE: \$3.22M of FY 1996 funds were returned to Treasury at the end of FY 2001.

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

	Actual FY 2001	Estimated FY 2002	Proposed FY 2003
Purchases of Equipment (Obligations)	.000	0.000	0.000
Gross Budget Authority (a)	.000	0.000	0.000
Offsetting Collections	-6.504	-3.000	0.000
Net Budget Authority	-6.504	-3.000	0.000
Financing Disbursements	.524	5.000	5.000
Offsetting Collections	-6.504	-3.000	0.000
Net Outlays	-5.980	2.000	5.000
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"	25.000	10.000	10.000

(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	3,764.000	3,674.000	3,627.000	3,627.000	3,650.000	3,695.000 (G)
2003	4,107.000	4,107.000				

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) Includes \$45M appropriated under P.L. 107-38, the Emergency Response Fund.

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

Fiscal Year	Branch 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	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.

**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

- (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	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	39.000 (M)	39.000 (M)
1997	45.000	43.475 (N)	43.475 (N)
1998	50.000	50.000	50.000 (O)
1999	50.000	49.951	49.951 (P)
2000	50.000	49.810	49.810 (Q)
2001	57.875	57.748	57.748 (R)
2002	70.000	70.000	70.000 (S)
2003	80.000		

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.
- (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. 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		

- (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.

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	25.000			25.000

(a) 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	2,290.000		

(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.

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