STATE, FOREIGN OPERATIONS, AND RELATED PROGRAMS APPROPRIATIONS FOR 2022

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

ONE HUNDRED SEVENTEENTH CONGRESS

FIRST SESSION

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PART 3

JUSTIFICATION OF BUDGET ESTIMATES

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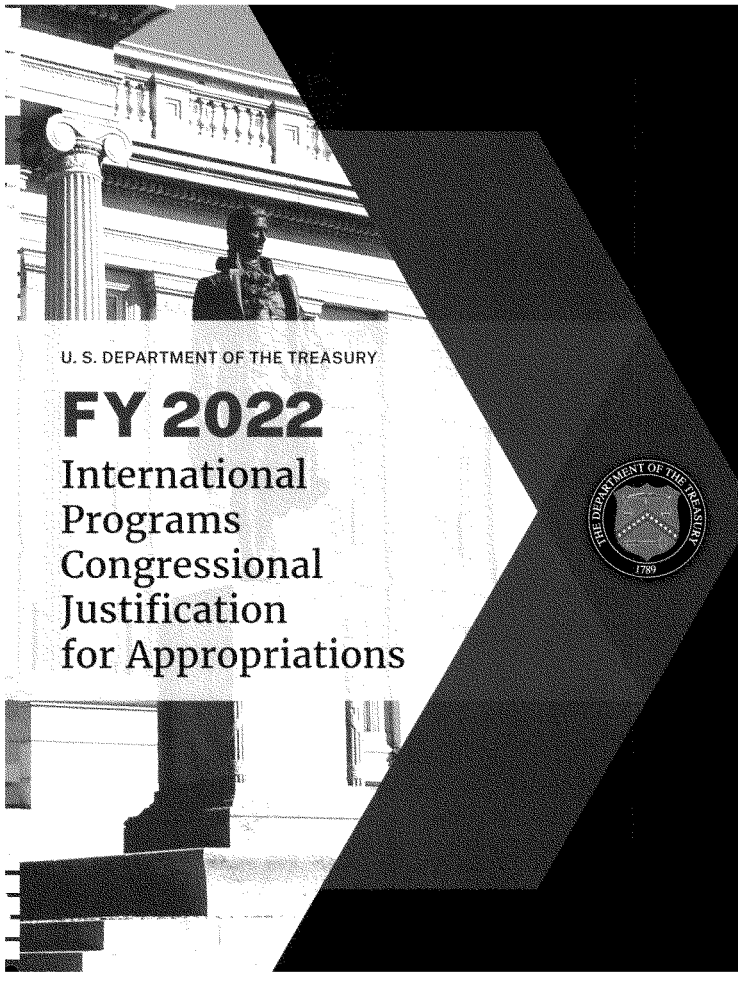
U. S. DEPARTMENT OF THE TREASURY
FY 2022
International
Programs
Congressional
Justification
for Appropriations
THE DEPARTMENT OF THE TREASURY
1789

Message from the Secretary of the Treasury

Dear Member:

On behalf of President Biden, it is my pleasure to submit the Congressional Budget Justification for the Department of Treasury's International Programs for Fiscal Year 2022. This request comes during a time of four converging crises: ending the COVID-19 pandemic, providing economic relief, tackling climate change, and advancing racial equity. The budget proposes investments that address each of these areas. Additionally, this request reflects the Biden-Harris Administration's commitment to restore U.S. leadership in the multilateral system, to offer countries high-quality finance and policy advice that serve as an alternative to unsustainable borrowing from other actors, and to tackle interconnected global challenges—recovery from the COVID-19 pandemic, the fight against climate change, and reducing global poverty and inequality. The FY 2022 request aims not just to return to life as it was before the pandemic, but to build back better by creating a more environmentally sustainable and prosperous global economy for all.

The FY 2022 Budget requests $1.95 billion for the multilateral development banks (MDBs). The MDBs are vital institutions for strengthening long-term growth, reducing poverty and inequality, fighting climate change, and fostering greater inclusion. They are also playing a leading role in responding to the health, economic, and social impacts of the COVID-19 pandemic. The FY 2022 Budget proposes $102 million for the Poverty Reduction and Growth Trust of the International Monetary Fund (IMF), the IMF's concessional lending facility for the world's poorest countries, or another IMF facility. This will enable the IMF to continue supporting critical health and social spending in poor countries as they recover from the crisis.

Across the government, the FY 2022 Budget requests $2.5 billion in U.S. climate development assistance as a strong commitment to multilateral efforts and to reestablish U.S. leadership in confronting the largest long-term threat that the world faces. Of this, 1.09 billion is for Treasury programs to combat climate change and environmental degradation, including through the Tropical Forest and Coral Reef Conservation Act. The FY22 Budget also includes funding for U.S. participation in the G20 Debt Service Suspension Initiative and Common Framework—which are providing the poorest countries with liquidity support to respond to the COVID-19 pandemic—as well as increased funding for the International Fund for Agricultural Development and Treasury's Office of Technical Assistance.

Sustained U.S. international leadership requires that we meet our commitments. The budget requests $489 million to reduce unmet commitments to international financial institutions, some of which date to the 1990s. Unmet commitments have been a persistent and growing problem that have undermined U.S. influence, credibility, and leadership. Addressing this problem has been put off for far too long, and it is time to begin addressing it.

Sincerely,

Janet L. Yellen

Janet L. Yellen

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FY 2022 Executive Summary

The Administration's FY 2022 Budget requests $3.278 billion for Treasury Department International Programs. This request is a critical component of the Biden-Harris Administration's approach for restoring American global standing and leadership and for confronting 21st century security challenges by working together in partnership with international financial institutions (IFIs) and our allies. The proposed investments in Treasury International Programs respond to three compounding global crises of unprecedented scope and scale at the same time: the COVID-19 pandemic, the resulting global economic crisis that has eroded years of progress in reducing poverty in developing countries, and the climate crisis, which is the greatest long-term threat that the world faces and puts the wellbeing of the American people at significant risk. These investments, particularly U.S. contributions to multilateral development banks (MDBs) will also contribute to enhancing equity and fostering the inclusion of disadvantaged and marginalized people in developing countries that have not adequately shared the benefits of development.

These investments in Treasury International Programs further American economic, foreign policy, and security interests of building a more secure, prosperous, inclusive, environmentally sustainable, and democratic world. The institutions and programs supported by this request are among the most effective instruments through which the United States can advance its leadership on issues relating to international financial stability, economic development, reduction of global poverty and inequality, enhancing social and economic inclusion, climate change, improving food security, and investing in infrastructure. In so doing, they expand markets for U.S. exports and improve the wellbeing of the American people. The request draws on the catalytic power of working with our partners to address the world's most pressing economic challenges and restores U.S. leadership in the multilateral system.

As part of the Administration's historic request for approximately $2.5 billion for international climate change programs, Treasury's request includes $1.089 billion for climate change and environmental funds and programs. This includes the first contribution to the Green Climate Fund (GCF) since 2017, as well as requests for Clean Technology Fund (CTF), the Global Environment Facility (GEF)[1], and the Tropical Forest and Coral Reef Conservation Act (TFCCA). These programs will accelerate progress toward meeting the goals of the Paris Agreement by assisting developing countries in mitigating greenhouse gas emissions, adapting to climate change and building resilience, expanding clean energy production, and utilizing forest conservation and other natural climate solutions to reduce and avoid greenhouse gas emissions. The contributions to the MDBs also support U.S. climate change goals as they are the among the largest and most effective financiers of systemic change to address climate change.

The Administration seeks funding to begin paying down the substantial and growing balance of U.S. unmet commitments at IFIs and multilateral funds, some of which date to the 1990s. A particular priority is to clear U.S. unmet commitments for previous pledges to the International Development Association. The FY 2022 budget also seeks funding and necessary authorization to make the United States' first contribution to the Poverty Reduction and Growth Trust (PRGT) of the International Monetary Fund (IMF), which lends to the world's poorest countries to

[1] Because the GEF supports multiple environmental goals, only a portion of GEF funding is included in climate finance totals.

support macroeconomic stability and sustain their ability to expand health and social sector spending. These contributions will strengthen the United States' ability to lead within the IFIs to promote more inclusive and environmentally sustainable development pathways, to increase the allocation of financing to the world's poorest and most fragile countries, and to continue to ensure that the IFIs deliver on key reforms aimed at improving governance, effectiveness, and financial discipline, particularly with regard to those agreed as part of multilateral development bank (MDB) capital increases and replenishments. Proposed contributions to the IFIs will also sustain their capacity to provide developing countries with robust alternatives to non-transparent and potentially coercive sources of development finance.

Multilateral Development Banks

The FY 2022 Budget requests $1.954 billion for the MDBs. The MDBs play key roles in the effort to reduce poverty, increase economic growth, foster economic and social inclusion, and fight climate change, which advances U.S. foreign policy objectives of sustaining peace and stability, promoting security, and protecting the global environment. The MDBs have also played a leading role in the global response to the COVID-19 pandemic and, over the past year, have provided more than $85 billion to address the health and economic impacts of the pandemic.

The MDBs are among the most effective and efficient means through which the United States can support developing countries in reducing their greenhouse gas emissions, adapting to the impacts of climate change, and building resilience. The MDBs have also been strong partners in terms of promoting a positive development agenda for disadvantaged, marginalized or vulnerable groups. The increased support sought by the Administration for the MDBs is critical for enabling the United States to reestablish its leadership on these issues.

Treasury's requests for the MDBs include:

International Bank for Reconstruction and Development (IBRD): an appropriation of $206.5 million towards the third of up to six installments to subscribe to the U.S. share of the paid-in portion of the IBRD general and selective capital increases. The FY 2022 Budget also requests a program limitation to allow the United States to subscribe to $1.421 billion in callable capital.

International Development Association (IDA): $1.428 billion in support of IDA programs over the nineteenth replenishment (IDA-19; World Bank FY 2021 – FY 2022[2]), including towards the second of three installments to IDA-19, and of which, $426.6 million is to eliminate unmet commitments for IDA replenishments.

African Development Bank (AfDB): an appropriation of $54.6 million for the second of eight installments to subscribe to the U.S. share of the paid-in portion of the seventh general capital increase. The FY 2022 Budget also requests a program limitation to allow the United States to subscribe to $856,174,624 in callable capital.

[2] As noted in the chapter on IDA below, IDA donors and management decided to advance the IDA-20th replenishment period by one year. Consequently, the IDA-19 replenishment period has been shorted by one year. The IDA-19 pay-in period will remain FY2021 – FY2023.

African Development Fund (AfDF): $211.3 million in support of AfDF programs over the fifteenth replenishment (AfDF-15; AfDB FY 2020 – FY 2022), including towards the second of three installments to AfDF-15, and of which, $40 million is for unmet commitments for AfDF replenishments.

Asian Development Fund (AsDF): $53.3 million in support of AsDF programs over the twelfth replenishment (AsDF-13; FY 2022 – FY 2025), including towards the first of four installments to AsDF-13 and of which, $9.7 million is for unmet commitments to the AsDF. The Administration also requests authorization to contribute to the AsDF-13 replenishment. This request is included in the General Provisions found in the Department of State and Other International Programs chapter of the FY 2022 President's Budget Appendix.

International Monetary Fund – Contributions to IMF Facilities and Trust Funds

The FY 2022 Budget requests a total of $102 million to enable the United States to make a meaningful contribution to the Poverty Reduction and Growth Trust (PRGT), the IMF's concessional lending facility for low-income countries (LICs), or another IMF facility. Of this, we expect as much as $100 million would be for a grant to the PRGT and $2 million or more would be used to cover the subsidy cost of a loan of special drawing rights (SDRs) to the PRGT or another fund from Treasury's Exchange Stabilization Fund (ESF). The specific division of the funding between grants to, and/or covering the subsidy cost of loans to, the PRGT, or another IMF facility, is yet to be determined.

The Administration also requests authorization to loan up to 15 billion SDRs to the PRGT, or another IMF facility, from Treasury's ESF.

Climate Change and Environment

Green Climate Fund (GCF): The FY 2022 Budget requests $625.0 million for Treasury's contribution to the GCF, which will support a total FY 2022 request of $1.250 billion for the GCF. (The Department of State is also requesting $625 million.)

Clean Technology Fund (CTF): The FY 2022 Budget requests $300 million for a contribution to the CTF, of which $270 million will be used for the subsidy cost of a loan.

Global Environment Facility (GEF): The FY 2022 Budget requests $149.3 million, including towards a final installment to the GEF seventh replenishment (GEF-7; FY 2019 – FY 2022), and of which, 12.7 million is for unmet commitments to the GEF.

Food Security

International Fund for Agricultural Development (IFAD): The FY 2022 Budget requests $43 million, including for the first of three installments towards the International Fund for Agricultural Development's twelfth replenishment (IFAD-12).

Technical Assistance – Office of Technical Assistance

The FY 2022 Budget requests $38 million for Treasury's Office of Technical Assistance (OTA). Funding will help ensure that OTA is able to respond quickly and sustainably to growing demand for technical assistance in areas that are priorities for the United States. Such areas include: supporting our national security agenda by combating terrorist financing and financial crimes, reducing countries' dependence on foreign financial aid through improved domestic resource mobilization, and creating the conditions for private sector-led economic growth. This consists of improving the climate for private sector investment in infrastructure projects in developing and transitional countries.

Debt Restructuring and Relief

The FY 2022 Budget requests $67 million for two bilateral debt restructuring and relief programs.

G20 Debt Service Suspension Initiative (DSSI) and Common Framework for Debt Treatments beyond the DSSI (Common Framework): The FY 2022 Budget requests $52 million to provide temporary debt service suspension to DSSI-eligible countries who request it on affordable terms, and to participate in Common Framework debt treatments for low-income countries. All G20 members, including China, have committed to provide debt treatments on comparable terms under these initiatives.

Tropical Forest and Coral Reef Conservation Act (TFCCA): The FY 2022 Budget requests $15 million for the TFCCA to enable developing countries with certain concessional debt owed to the United States to redirect some of those payments to support conservation of their tropical forests and/or coral reefs. Protecting biodiversity and combating climate change are central to U.S. national economic and security interests. Conservation of tropical forests and coral reefs is critical to mitigating the impact of climate change, providing clean water, and supporting sustainable jobs in developing countries.

Summary Tables

Previous Appropriations and FY 2022 Request
Treasury International Programs
FY 2020 – FY 2022
(in $ thousands)

	FY 2020	FY 2021	FY 2022	FY 2021 to FY 2022	
	Enacted	Enacted	Request	$ Change	% Change
Multilateral Development Banks (MDBs)	**1,522,205**	**1,481,244**	**1,953,746**	**472,502**	**31.9%**
International Bank for Reconstruction and Development (IBRD)	206,500	206,500	206,500	0	0.0%
International Development Association (IDA)	1,097,010	1,001,400	1,427,974	426,574	42.6%
African Development Fund (AfDF)	171,300	171,300	211,300	40,000	23.4%
African Development Bank (AfDB)	0	54,649	54,649	0	0.0%
Asian Development Fund (AsDF)	47,395	47,395	53,323	5,928	12.5%
International Monetary Fund (IMF) - IMF Facilities and Trust Funds	**0**	**0**	**102,000**	**102,000**	**NA**
Climate Change and Environment	**139,575**	**139,575**	**1,074,288**	**934,713**	**669.7%**
Green Climate Fund (GCF)	0	0	625,000	625,000	NA
Climate Investment Funds (CIFs) - Clean Technology Fund	0	0	300,000	300,000	NA
Global Environment Facility (GEF)	139,575	139,575	149,288	9,713	7.0%
Food Security	**30,000**	**32,500**	**43,000**	**10,500**	**32.3%**
International Fund for Agricultural Development (IFAD)	30,000	32,500	43,000	10,500	32.3%
Office of Technical Assistance (OTA)	**30,000**	**33,000**	**38,000**	**5,000**	**15.2%**
Debt Restructuring	**15,000**	**204,000**	**67,000**	**-137,000**	**-67.2%**
G-20 Debt Service Sustainability Initiative & Common Framework on Debt Treatments	0	0	52,000	52,000	NA
Highly Indebted Poort Countries Initiative (HIPC), Bilateral Debt Relief: Somalia	0	78,000	0	-78,000	-100.0%
HIPC, Bilateral Debt Relief: Sudan*	0	111,000	0	-111,000	-100.0%
Tropical Forest and Coral Reef Conservation Act (TFCCA)	15,000	15,000	15,000	0	0.0%
TOTAL	**1,736,780**	**1,890,319**	**3,278,034**	**1,387,715**	**73.4%**

* In FY 2021, Congress also appropriated $120 million to Treasury's debt restructuring acount for clearing Sudan's arrears with the IMF on an emergency basis.

Unmet Commitments to International Financial Institutions

(in thousands of US dollars)

Institution	FY 2016 Enacted[1]	FY 2017 Enacted	FY 2018 Enacted	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Enacted	FY 2022 Projected[2]
IDA Pledges	530,321	620,534	485,264	485,264	485,264	426,574	0
IDA MDRI	444,615	643,845	822,665	1,006,855	1,236,345	1,503,865	1,801,195
AfDF Pledges	178,682	178,682	156,167	156,167	156,167	154,191	114,191
AfDF MDRI	83,941	112,067	134,377	157,904	172,014	196,711	225,879
AsDF	294,653	284,739	283,943	283,943	283,904	283,904	274,191
IFAD	3,833	3,833	3,833	3,833	3,833	3,833	3,833
GEF	134,967	134,967	134,963	131,951	110,843	102,391	89,666
MIGA	6,867	6,867	6,867	6,867	6,867	6,867	6,867
MIF	25,710	25,710	25,710	25,710	25,710	25,710	25,710
TOTAL	**1,731,493**	**2,011,244**	**2,053,789**	**2,258,493**	**2,480,946**	**2,704,045**	**2,541,531**
Total (ex MDRI)	**1,202,936**	**1,255,332**	**1,096,746**	**1,093,734**	**1,072,587**	**1,003,469**	**514,457**
Total MDRI	**528,556**	**755,912**	**957,042**	**1,164,759**	**1,408,359**	**1,700,576**	**2,027,074**
Total IDA, AfDF, AsDF Pledges	**1,003,656**	**1,083,955**	**925,373**	**925,373**	**925,334**	**864,668**	**388,381**

1 Reflects the levels at which unmet commitments stood after enactment of appropriations legislation and includes any early encashment credits/discounts received. FY 2021 column reflects payments allocated for unmet commitments and any credits/discounts received, as follows: for IDA, a $58.69 million EEC from fulfillment of the U.S. IDA-18 commitment; for AfDF, a $1.98 million EEC from fulfillment of AfDF-14 commitment, for GEF, $3 million appropriation for unmet commitments and early encashment discount of $5 million from FY 2021 GEF-7 payment.

2 This column lists the levels at which Treasury projects unmet commitments will stand if Congress appropriates funding at the levels requested in the President's FY2022 Budget.

Multilateral Development Banks

The MDBs that the United States is a member of provide over $100 billion in assistance to developing countries annually. They support broad-based, sustainable development through investments in infrastructure, health, clean energy, natural resource management, agriculture, and education, among other sectors. MDB concessional lending and grants are an important source of financing for the development needs of the poorest and most fragile and conflict-affected countries.

The MDBs play key roles in addressing and responding to global priorities and crises. Since the start of the COVID-19 pandemic, they have provided over $85 billion in critical, large scale support to help countries, especially the poorest, mitigate the pandemic's devasting health and economic impacts and to develop and distribute medical countermeasures. The MDBs have financed a wide range of efforts, including the purchase and distribution of vaccines, personal protective equipment, and other medical supplies; emergency budget support; cash transfer programs; credit to the private sector; food security; and technical assistance.

The MDBs are playing leading roles in responding to the climate crisis by providing financing to developing countries—both through their core loan and grant resources as well as by implementing projects with financing from multilateral climate funds – and by advising countries on green growth policies and strategies. Given the scale of their financing, convening power, and technical expertise, they are among the most effective means through which the United States can support developing country efforts to reduce greenhouse gas (GHG) emissions, to adapt to the impacts of climate change, and to build resilience.

The President's FY 2022 Budget begins the process of ending international financing of carbon-intensive fossil fuel-based energy and ensuring that Federal funding no longer directly subsidizes fossil fuels, as described by Sections 102 and 209 of Executive Order 14008, *Tackling the Climate Crisis at Home and Abroad.* Treasury will engage with the international financial institutions to identify actions that achieve these policy objectives in the near term. The MDBs currently have flexibility to support a broad range of energy infrastructure projects, including those that rely on carbon-intensive fossil fuels. Treasury will engage with the MDBs to reduce financing for carbon-intensive projects and increase support for zero-carbon solutions.

The MDBs have been strong partners in supporting economic development that includes and benefits disadvantaged, marginalized or vulnerable groups, including through the identification, protection, and creation of opportunities for such groups. The regional development banks give developing nations, and marginalized groups within those nations, voice and decision-making power over their own future. The U.S. Government will continue to be a strong proponent of MDB efforts to support greater inclusion of people who have been marginalized based on gender, race, ethnicity, sexual orientation, gender identity, disability or indigenous identity.

World Bank Group

The World Bank Group (WBG) comprises the International Development Association (IDA), the International Bank for Reconstruction and Development (IBRD), the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA), and the International Centre for Settlement of Investment Disputes (ICSID). The FY 2022 Budget is seeking funding for the third payment for the IBRD general and selective capital increases agreed to in 2018 and for IDA, including for the IDA nineteenth replenishment (IDA-19) and to eliminate unmet commitments to IDA pledges. The World Bank Group has been the leading MDB in assisting developing countries overcome the health and economic impacts of the COVID-19 pandemic. As of end-March 2021, the World Bank Group has approved approximately $46 billion in financing specifically for COVID-19 response projects. The World Bank is also the largest source of multilateral climate finance for developing countries.

International Bank for Reconstruction and Development

FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
206,500,000	206,500,000	206,500,000

Treasury requests $206.5 million for the International Bank for Reconstruction and Development (IBRD) for the third of six installments for the IBRD general (GCI) and selective (SCI) capital increases agreed to in 2018. If not paid, the United States will not be able to subscribe to the full amount of shares to which it is entitled, which would result in a loss of U.S. shareholding and voting power. It would also undermine U.S. leadership in the institution and globally.

Program Description

The IBRD is the arm of the WBG that provides financing to creditworthy middle-income countries to promote broad economic growth and reduce poverty. These countries—home to over 70 percent of the world's poor and 5 billion of the world's 7.7 billion people—utilize the combination of the IBRD's financial resources and strategic advice to meet many development needs.

The work of the IBRD is essential for the World Bank to achieve its Twin Goals by 2030: (1) to decrease extreme poverty to no more than 3 percent globally; and (2) to promote shared prosperity by fostering income growth among the poorest 40 percent. IBRD projects reach across a range of sectors, including governance, agriculture, sustainable infrastructure, environment, health and nutrition, and education. The IBRD supports long-term human and social development needs that private creditors are often unwilling to finance. During the World Bank's 2020 fiscal year (WB FY 2020; July 1, 2019 to June 30, 2020), the IBRD approved $28.5 billion in loans and technical assistance, an increase of about 23 percent from FY 2019. Much of this increase reflected significantly increased lending to help borrower countries respond to the health and economic impacts of the COVID-19 pandemic. The Latin America and Caribbean region received the largest portion of IBRD's new commitments at $6.8 billion (24 percent), followed by Europe and Central Asia at $5.7 billion (20 percent) and South Asia at $5.6 billion

(20 percent). India, the Philippines, and Turkey were the top three borrower countries in FY 2020.

The IBRD has been one of the largest providers of financial assistance to developing countries to help them address the health and economic aspects of the COVID-19 pandemic. As of end-March 2021, the IBRD had lent approximately $23 billion to developing countries to respond to COVID-19 in the previous year, which accounted for about 68 percent of total IBRD lending ($33.6 billion) during the period. World Bank Management has committed to making up to $6 billion in IBRD financing available for the purchase of COVID-19 vaccines.

The IBRD raises resources similar to a conventional bank by issuing debt and on-lending to borrowers at market-linked rates. This model enables the IBRD to mobilize substantially more financing than if donor countries were to directly provide grant development assistance. In 2018, in response to significant demand among developing countries and the global community to address pressing development challenges, shareholders committed to provide additional capital to the IBRD.

The United States is and will remain the largest shareholder in the IBRD, followed by Japan and China. The United States' share of total voting power will be 15.9 percent after all countries subscribe to their shares under the 2018 capital increase. The United States is the only country with veto power over amendments to the IBRD Articles of Agreement.

How IBRD Promotes U.S. Interests

The IBRD is the largest development bank in the world and is uniquely positioned to address development challenges in specific countries and key global concerns that impact U.S. national interests, economic prosperity, and the health and wellbeing of American citizens, including responding to global health crises and climate change. The IBRD also provides developing countries with a robust, high-quality alternative to coercive, non-transparent lending from China and other actors.

- The IBRD supports economic stability in strategically important countries, such as Jordan, Iraq, Ukraine, Indonesia, Egypt, El Salvador, Guatemala, Colombia, and others, by providing a less expensive source of funds to support their overall external financing.
- The IBRD is an important vehicle for U.S. foreign policy priorities in areas like the global response to the COVID-19 pandemic, efforts to fight climate change, gender equality and inclusion, youth education and job training, and reducing violent extremism.
- The IBRD works with borrower countries to pursue environmentally sustainable economic reforms that encourage private sector investment and job creation, reduce GHG emissions, including by transitioning away from coal-based power generation, and expand vital public services in health, education, and sanitation.
- By leveraging international bond markets and the funds of other shareholders, the IBRD allows the United States to achieve development and climate goals beyond what it could do on a bilateral basis.
- IBRD investment promotes transparency and high standards for procurement, debt sustainability, and social and environmental safeguards.

In the context of negotiations on the 2018 capital increase package, IBRD Management committed to a series of reforms to improve the efficiency and effectiveness of the institution and increase its ambitions on climate change. These reforms align with U.S. national security and economic priorities and are making the World Bank more financially disciplined, getting it to focus its operations in poorer countries with less access to other sources of finance, and ensuring that it operates more efficiently.

As part of the reform and capital package, IBRD has adopted a financial sustainability framework that restricts annual lending commitments to those that can be sustained, in real terms, over a rolling ten-year horizon through organic capital accumulation alone. This framework also includes a capital buffer to allow the IBRD to respond to crises without jeopardizing its financial position. The framework increases the IBRD's transparency and financial discipline and significantly lessens the likelihood of a future capital increase.

To direct more resources to countries where scarce development resources are needed most, the World Bank has instituted a policy that requires it to increase its share of annual lending to countries below the IBRD's graduation discussion income threshold to 70 percent (from an FY 2017 level of 60 percent). The IBRD has also introduced differentiated loan prices, making it the first multilateral development bank to charge higher loan prices for non-concessional lending to wealthier countries. This practice incentivizes wealthier countries to borrow from markets rather than the IBRD.

The IBRD will approach its graduation policy more rigorously. For all countries above the graduation discussion income threshold ($7,065 gross national income per capita for the World Bank's FY 2021), new Country Partnership Frameworks (CPFs) are to focus primarily on the development gaps preventing the country from graduating and to use less IBRD lending over the course of the CPF.

Finally, the reform and capital package introduced constraints on World Bank staff salaries— the largest driver of increases in the administrative budget. These reforms are helping to ensure a more efficient use of IBRD funds, which is important for a public institution whose purpose is to eliminate global poverty.

Meeting U.S. Commitments to the IBRD

Without continuing to provide funds for the U.S. portion of the GCI and SCI, the United States will risk losing IBRD shareholding, which determines voting power. This loss of shareholding could lead to a loss of U.S. leadership and influence at the World Bank, including, potentially, a loss of U.S. veto power over amendments to the Articles of Agreement. It would also severely undermine progress on the package of reforms that the United States was instrumental in securing as part of the capital increase package.

Achieving and Measuring Results

Over the WB FY 2019-2020 period, the World Bank, including the IBRD, achieved the following:

- Provided 25 million people with access to improved water sources and 177 million people with improved sanitation services;
- Provided 275 million people with essential health, nutrition, and population services;
- Completed 53 large-scale learning assessments for primary and secondary school systems to improve learning outcomes;
- Helped 97 countries institutionalize disaster risk reduction in national plans;
- Created new or improved electricity services to 31 million people; and
- Enhanced access to transportation services for 65 million people.

In 2020, the WBG provided a record total of $21.4 billion in climate finance, 28 percent of total approvals. Of this, 52 percent was for climate change adaptation and 48 percent was for climate change mitigation.

Project Examples

India – Accelerating India's COVID-19 Social Protection Response Program. As of end-April 2021, India had the second highest number of recorded COVID-19 cases in the world. Over 90 percent of the country's workforce is employed in the informal sector, which is especially vulnerable during the resulting economic recession. The World Bank provided a $1 billion loan to this program, which works through existing national programs and platforms to expand the impact and coverage of India's social protection system by helping vulnerable groups, including informal workers, access more social benefits across the country. It is ongoing and has thus far helped more than 22 million workers receive cash benefits, exceeding the original target.

Jordan. In June 2019, the World Bank approved an additional $200 million loan for Jordan's Emergency Health Project, which began in 2017. Financed in parallel by the Islamic Development Bank, this project supports the Jordanian government's efforts to maintain the delivery of critical health services to poor, uninsured Jordanians and Syrian refugees at Ministry of Health facilities. Despite the pandemic, this project has enabled the government to increase the number of health services delivered at these facilities to target populations. The project has also supported maternal health among refugee populations. For example, as of August 2020, the project contributed to an 83.2 percent increase in the proportion of Syrian women accessing their first prenatal care visits during the first trimester.

International Development Association

	FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
Total Request	1,097,010,000	1,001,400,000	1,427,974,140
Of which, payment toward replenishment unmet commitments	-	-	426,574,140

The FY 2022 Budget requests $1.428 billion in support of IDA programs over the IDA-19 period (WB FY 2021 – FY 2022, or July 1, 2021 – June 30, 2022), including towards the second of three installments to IDA-19, and of which $426.6 million is to eliminate unmet commitments to IDA replenishments.

Program Description

IDA is the arm of the WBG that makes concessional loans and grants to the world's 74 poorest and most vulnerable countries, of which 32 are considered fragile and conflict affected states. It is the largest source of development finance to these countries and operates across a range of sectors, including health, primary education, clean water and sanitation, climate change adaptation and mitigation, governance, infrastructure, and improving business climates. During WB FY 2020, IDA approved $30.4 billion in concessional credits and grants for 305 projects, an increase of nearly 39 percent above FY 2019 levels. Much of this increase reflected the provision of large-scale financing to IDA recipient countries in response to the COVID-19 pandemic. The Sub-Saharan African region received the largest portion of IDA's new commitments in 2020 at $19.1 billion (63 percent), followed by the South Asia region at $6.1 billion (20 percent). Nigeria, Bangladesh, and the Democratic Republic of Congo were the top three from IDA recipient countries during WB FY 2020.

IDA has been the leading provider of assistance to the world's poorest and most fragile countries to help them overcome the health and economic impacts of the COVID-19 pandemic. As of end-April 2021, IDA had provided approximately $17.8 billion in COVID financing (47 percent of total new IDA financing of $38 billion) during the previous 12 months to address the health, social, and economic impacts of the pandemic.

- The IDA-19 replenishment emphasizes themes that support U.S. priorities: jobs and economic transformation; improving governance; gender equality; climate change; and addressing fragility, conflict, and violence. IDA's focus on better governance, reducing the causes of fragility and conflict, improving private sector investment environments, and increasing women's participation in the economy are aligned with U.S. national security and development strategies. IDA's support for climate change investments, particularly climate resilience in the poorest and most fragile states, aligns with U.S. interests.
- IDA is implementing its Sustainable Development Finance Policy (SDFP) to better incentivize sound debt management and transparency. Debt sustainability and transparency among low-income countries is a top priority for the United States and our

key allies. Countries that are able to make more informed and transparent borrowing decisions are less likely to take on unsustainable debt that endangers future growth prospects or that creates dependence on any particular foreign state, including China and other U.S. competitors.

- The United States pledged $3.004 billion over three years towards the IDA-19 replenishment. The United States remains the largest IDA donor historically and holds the largest voting share.
- IDA is cost-effective: every $1 contribution from the United States to IDA-19 catalyzes approximately $27 in additional resources — contributions from other donors, internally generated resources (e.g., reflows from previous loans), and market financing.

In response to the COVID-19 pandemic, IDA front-loaded resources from the last two years of the IDA-19 replenishment cycle (July 2021 – June 2023) to the first year—increasing first year resources from $26.5 to $35 billion—to meet crisis financing needs. In order to prevent a drop-off in funding during the last two years of the IDA-19 period, and to support a durable recovery from COVID-19 in IDA countries, IDA donors and management decided to advance the negotiations for the IDA-20 replenishment negotiations by one year. The IDA-19 implementation period will be shortened from a three-year to a two-year cycle, and the IDA-20 replenishment period will commence in July 2022.[3]

How IDA Promotes U.S. Interests

The economic development of the world's poorest countries is an important pillar of U.S. foreign policy, economic prosperity, and national security. IDA supports U.S. economic and national security interests by:

- Reinforcing U.S. and international political and security objectives through economic growth, job creation, and the provision of social services in fragile and conflict-affected countries.
- Advancing reforms that promote private investment, create jobs, and foster market-led economic growth in developing countries, thereby expanding markets for U.S. exports.
- Responding to and limiting the spread of global crises, for example, by providing support to countries to respond to health emergencies like COVID-19 and to food security emergencies, including famine.
- Financing developing country efforts to adapt to the impacts of climate change and reduce GHG emissions.

Meeting U.S. Commitments to IDA

U.S. unmet commitments to IDA replenishments and IDA's Multilateral Debt Relief Initiative (MDRI) amount to $1.930 billion ($426.6 million for IDA replenishments and $1.504 billion for IDA MDRI) in FY 2021. U.S. unmet commitments to IDA and MDRI have reduced IDA's ability to provide loans and grants. They have also damaged U.S. credibility and leadership,

[3] Donors will still contribute the same amount for IDA-19. The U.S. pledge to IDA-19 remains $3.004 billion, to be paid over the three-year FY 2021-2023 period.

including with regard to our ability to promote policy goals sought by the United States, such as a sharper focus on fragile states and efforts to increase debt sustainability and transparency among IDA recipients.

In addition to $1.001 billion for the second IDA-19 installment, the FY 2022 Budget requests $426.6 million to eliminate U.S. unmet commitments to IDA replenishments. Clearing these unmet commitments will provide additional resources that IDA can program immediately to support sustainable recovery in the poorest countries. It will also tangibly demonstrate U.S. commitment to restoring its leadership in the multilateral system.

The clearance of unmet commitments for IDA replenishments, however, will be partially offset by an increase of unmet commitments to MDRI. Launched in 2006 at the urging of the United States, MDRI provides for 100 percent cancellation of eligible debt to IDA and the AfDF for countries that completed the conditions for debt relief under the Heavily Indebted Poor Countries (HIPC) Initiative. MDRI has allowed scarce resources in low-income countries to be reallocated for poverty-reducing expenditures in areas such as health and education. To prevent a depletion of IDA and AfDF resources from debt relief, donors committed to compensate IDA and AfDF for the cancelled debt on a dollar-for-dollar basis. The United States has payments to IDA MDRI due through 2044. The U.S. share of MDRI costs during IDA-19 is $878.8 million, including a payment of $297.3 million due in January 2022. U.S. unmet commitments to MDRI will increase in FY 2022 by a commensurate amount unless funding is provided.

Achieving and Measuring Results

During IDA-18 (WB FY 2018 – FY 2020), IDA reports that it achieved the following:

- Provided 281.5 million people with essential health and nutrition services, including the immunization of 105 million children;
- Installation of 7.4 gigawatts of additional renewable energy generation capacity, in excess of the original IDA-18 target of 5 gigawatts;
- Expanded social safety net programs to 58.8 million people;
- Provided access to better water services for 31.6 million people, improved sanitation services for 22.8 million people, and improved urban living conditions for about 15.6 million people;
- Construction or rehabilitation of 19,876 km of roads and more than 1.5 million hectares of irrigation and drainage services;
- Recruited or trained more than 6.3 million teachers; and
- Supported the creation of jobs for 24.5 million people through job-focused interventions.

In 2002, IDA adopted its Results Measurement System (RMS), an online scorecard that is updated annually and provides a snapshot of IDA's performance and results across countries. IDA was the first multilateral development institution to use a framework with quantitative indicators to monitor results and performance. This approach has since been emulated by other development institutions. As part of the IDA-19 replenishment, the United States and other donors supported enhancements to the IDA RMS to ensure data quality, efficiency, and gender disaggregation.

The World Bank's Independent Evaluation Group (IEG) measures the results of a completed IDA project against the indicators that the project set out to achieve. The IEG assigns ratings to completed projects based on the achievement of the projects' intended outcomes and development objectives. Of IDA projects completed during the WB FY 2016 to 2018 period, IEG rated 81 percent with outcome ratings of "moderately satisfactory" or above.

Project Examples

Ghana – COVID-19 Emergency Preparedness and Response Project. In April 2020, IDA approved a $35 million loan to Ghana to strengthen the country's national health system to effectively respond to the pandemic. The project seeks to improve contact tracing; provide social and financial support to households; and improve the containment, isolation, and treatment capacity of the national health system. Due to growing financing needs, the World Bank approved an increase of $130 million for this project in November 2020. The additional financing also expanded communications and awareness campaigns to improve understanding of COVID-19 vaccines and to support vulnerable groups, such as persons with disabilities and survivors of gender-based violence, who have been disproportionately affected by the pandemic.

Honduras – Additional Financing for the COVID-19 Emergency Response Project. In April 2021, IDA approved $20 million in additional financing to the first $20 million COVID-19 response project approved a year earlier in April 2020. That first project helped detect and respond to COVID-19 focusing on procurement of personal protective equipment (PPE) and laboratory and intensive care equipment, as well as training on their use. The primary objectives of the additional financing are to enable affordable and equitable access to COVID-19 vaccines, help ensure effective vaccine deployment, and strengthen preparedness and response. The IDA financing provides upfront resources to help the government purchase vaccines that meet the World Bank's vaccine approval criteria and strengthen health systems for successful vaccine deployment. This additional financing is expected to help vaccinate at least 25 percent of the country's population in line with Honduras's National Prioritization Plan.

African Development Bank Group

The African Development Bank Group comprises the African Development Bank (AfDB) and the African Development Fund (AfDF). As a leading multilateral financing institution in Africa, it provides countries in Africa increased voice and ownership over development decisions and issues in Africa. The FY 2022 Budget is seeking funding for the second of eight payments for the AfDB's Seventh General Capital Increase (GCI-VII) and for the second of three payments under the AfDF's fifteenth replenishment period (AfDF-15). As of end-March 2021, the African Development Bank Group has provided approximately $4.1 billion in financing to help regional member countries address the health and economic impacts of COVID-19.

African Development Bank

FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
-	54,648,752	54,648,752

Treasury requests $54.6 million towards the second of eight installments under the AfDB's GCI-VII. U.S. leadership was instrumental in achieving a wide-reaching plan to strengthen the AfDB's financial sustainability, operational quality, and institutional integrity. Failure to subscribe in full would weaken our ability to ensure that these reforms are implemented robustly. Furthermore, prompt provision of capital will enhance the AfDB's lending capacity to continue its support to African countries during the prolonged COVID-19 crisis.

Program Description

The AfDB provides public sector financing at market-linked rates to 20 member countries, and provides loans, equity investments, lines of credit, and guarantees to the private sector in all 54 African member countries. The AfDB had approximately $3.6 billion in approvals in 2020, 72 percent of which was used for COVID-19 response. Other approvals supported infrastructure projects (primarily energy and transportation), agriculture, and social sectors.

- The AfDB is financed by capital contributions from shareholders, borrowing from international capital markets, and retained earnings. Shareholders approved GCI-VII in 2019 to allow the AfDB to expand its support to African countries and the private sector in the face of continued significant development needs on the continent.
- AfDB Management has made progress implementing a package of reform commitments agreed under GCI-VII. Most notably, the AfDB approved an enhanced income model that better controls lending volumes, an action plan to improve social and environmental safeguards, and demonstrated increased budget discipline in its FY 2021 budget. Management continues to work on greater operational selectivity, clarifying organizational structure and responsibilities, implementing a quality assurance plan to improve project quality, and strengthening the AfDB's approach to governance, anti-corruption, and internal controls.

- The United States is the largest non-regional shareholder at the AfDB, with 6.4 percent of total shareholding, and the second-largest shareholder overall, after Nigeria. Every $1 of U.S. paid-in capital for the AfDB has supported approximately $253 in lending.

How AfDB Promotes U.S. Interests

AfDB financing supports U.S. economic development, national security, and foreign policy objectives in Africa in the following ways.

- **COVID Response and Economic Stabilization:** In the past year, the AfDB has prioritized helping the African continent surmount the health and economic challenges of the persistent pandemic. As of end-March 2021, approximately $2.6 billion in AfDB loans have supported activities such as increasing testing capacity and PPE stocks, social protection projects with emphasis on preserving jobs and food access, and country-specific reforms to enhance competitiveness for post-COVID-19 economic recovery.
- **Supports U.S. Interests in North Africa:** In 2020, the AfDB provided approximately $1 billion in financing to Tunisia, Morocco, and Egypt, all of which are important U.S. partners in the fight against terrorism. In normal years, AfDB financing to these countries supports governance and business-climate reforms, infrastructure development, and job creation; in 2020, the focus was on shoring up economic and health responses to the pandemic.
- **Creates Opportunities for U.S. Businesses**: The AfDB plays a critical role in developing and opening African markets for U.S. businesses, in line with the goals of Prosper Africa. AfDB financing develops physical and telecommunications infrastructure that boosts trade, leverages business climate reforms, supports local small and medium enterprises (SMEs), and contributes to the growth of an African middle class of consumers. It also supports improvements in countries' policy environments to drive private sector investment and growth, and it promotes rules and policies around lending that are conducive to U.S. interests.
- **Finances Climate Change Adaptation and Mitigation for Africa:** In recognition that Africa is one of the regions that climate change is already affecting the most, the AfDB has adopted ambitious climate finance targets to help countries invest in adaptation and mitigation, with a particular focus on investments in renewable energy, integrated water resources management, and climate-smart agriculture.
- **Combats Illicit Finance.** The AfDB is working closely with the United States and African countries to identify and implement specific actions to improve transparency, combat corruption and criminal activity, and increase government accountability in Africa.

Meeting U.S. Commitments to the AfDB

Failure to meet commitments to GCI-VII would result in further dilution of U.S. shareholding and could risk our single-country seat on the Executive Board, where the United States is the only shareholder to have its own seat. It would significantly weaken U.S. credibility and influence at the AfDB and impair our ability to advance key U.S. strategic priorities in Africa.

Achieving and Measuring Results

In 2019, the AfDB reports that it:

- Provided 6.4 million people with improved access to transport;
- Constructed or improved 1,900 miles of power distribution and transmission lines; and
- Provided loans and other financial services to 53,000 small businesses.

The AfDB maintains a Results Measurement Framework to track and hold the AfDB Group accountable for its performance on 105 quantitative indicators, organized in four interconnected levels: (1) development progress in Africa; (2) the AfDB Group's contribution to development in Africa; (3) the quality of the AfDB Group's development operations; and (4) the AfDB Group's organizational efficiency. Although the AfDB Group was due to update its Results Measurement Framework in 2020, to reflect the impact of commitments made under GCI-VII as well as AfDF-15, this was delayed due to the pandemic and will be accomplished in 2021 instead.

Project Examples

Kenya – COVID-19 Response Program: In 2020, Kenya received $215 million in budget support to help the country respond to the COVID-19 pandemic. This support enabled an increase in health expenditures; the establishment of a COVID-19 social protection response plan; provision of sanitation services and free water supply; the establishment of a relief scheme for local businesses; establishment of a support fund for SMEs; and tax relief for low income earners. With this support, the government significantly increased its testing capacity, with ability to test over 30,000 people daily. The project increased the number of designated acute healthcare facilities with isolation capacity and equipment that meet Ministry of Health standards, from 14 to 290. The social protection schemes have benefitted approximately 1.5 million people, while 58,182 SMEs have benefitted from tax relief measures.

Egypt – Gabal El-Asfar Wastewater Treatment Plant - Phase II. Completed in 2019, the Gabal El Asfar Wastewater Treatment Plant, Stage II, Phase II Project is part of a large program to strengthen Egypt's public health and environmental protection by improving the quality of wastewater discharged into the drainage system in Cairo East. The AfDB's financing of $58 million facilitated the construction of a treatment plant with an additional capacity of 500,000 cubic meters per day, sufficient to treat the wastewater generated by 2.5 million people, and benefiting the 8 million people in the catchment area, as well as about 785,500 living downstream. The plant is now the biggest facility of its kind in Africa and the Middle East. The project's innovative design enables the plant to reduce its carbon footprint and electricity consumption by using the gas produced from treating the sludge to generate up to 70 percent of the electricity needed to operate the plant. Treated wastewater is used to irrigate agricultural land, and the treated sludge (about 80 tons per day) is sold to a private enterprise—for organic fertilizer production—and contributes to the financial sustainability of the plant.

African Development Fund

	FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
Total Request	171,300,000	171,300,000	211,300,000
Of which, payment toward replenishment unmet commitments		-	40,000,000

Treasury requests $211.3 million in support of AfDF programs over the AfDF-15 replenishment period (FY 2020 – FY 2022), including towards the second of three installments to AfDF-15 and of which, $40 million is for unmet commitments to AfDF replenishments.

Program Description

The AfDF provides grants and highly concessional loans to the 37 poorest countries in Africa, of which half are fragile and conflict-affected states. AfDF approvals, including approvals to AfDF countries through the Transition Support Fund, totaled approximately $2 billion in 2020. Approximately 71 percent of 2020 approvals were to respond to health, socio-economic, and capacity needs surrounding the COVID-19 crisis in Africa.

- The AfDF is financed by donor countries, including the United States, and requires new donor resources every three years. In December 2019, the United States joined other donors to conclude negotiations on the AfDF-15 replenishment, which totaled $7.7 billion. The United States pledged $513.9 million over three years, which is equivalent to the U.S. pledge to the previous replenishment.

During the AfDF-15 replenishment negotiations, the United States achieved the following reform commitments that will increase AfDF's efficiency and its ability to achieve impact:

- In coordination with the IMF and World Bank, AfDB management is instituting a dynamic application of country Debt Sustainability Analysis, has proposed stronger allocation incentives around debt sustainability and the provision of grants, and will update the Bank's Non-Concessional Borrowing Policy.
- Management presented a strong case for greater project selectivity, focusing on a two-pillar approach that will largely fund infrastructure projects and capacity development to increase the sustainability and effectiveness of infrastructure projects.
- AfDF will apply its cutting-edge fragility diagnostic tools in all AfDF countries, and leading up to the Mid-Term Review in 2021, will refine its approach to operations in fragile countries to better address the drivers of fragility.

The United States is historically one of the largest donors to the AfDF and currently has a 5.4 percent voting share (just behind Japan and Germany). Every $1 in U.S. contributions to AfDF-15 will mobilize nearly $15 in contributions from other donors and internally generated resources.

How AfDF Promotes U.S. Interests

AfDF assistance helps achieve U.S. national security and foreign policy objectives in Africa.

- **Reduces Instability in Fragile States:** Nineteen of the AfDF's 37 recipient countries are fragile and conflict-affected states, including countries such as Mali, Chad, and Niger that are on the front lines of the fight against terrorism in Sub-Saharan Africa. Over the 2020-2022 period, more than half of the AfDF's financing will be used to combat instability in fragile and conflict affected states, including through projects to strengthen governance and anti-corruption.
- **Addresses Economic and Social Impacts of Health and Humanitarian Crises:** As of end-March 2021, the AfDF had approved approximately $1.5 billion in loans and grants to help the poorest countries in Africa address the health and economic impacts of the COVID-19 pandemic. AfDF financing also seeks to address the root causes of humanitarian crises in and migration flows from Africa's poorest countries. The AfDF helps reduce fragility, builds infrastructure, strengthens food security, and supports private sector-led growth, economic diversification, and job creation.
- **Finances Climate Change Adaptation and Mitigation for Africa:** In recognition that Africa is one of the regions that climate change is already affecting the most, the AfDF has adopted ambitious climate finance targets to help countries invest in adaptation and mitigation, with a particular focus on investments in renewable energy, integrated water resources management, and climate-smart agriculture.
- **Complements U.S. Bilateral Support to Africa:** The AfDF's work to enhance economic growth and improve stability and governance helps support U.S. objectives of increasing trade and investment with African partners, including through collaboration with Power Africa and Prosper Africa.

Meeting U.S. Commitments to the AfDF

U.S. unmet commitments to the AfDF replenishments and MDRI at the AfDF amount to approximately $350.9 million ($154.2 million for AfDF replenishments and $196.7 million for AfDF MDRI) in FY 2021. These unmet commitments have decreased the financial capacity of the AfDF and have undermined U.S. credibility and leadership at a time when the AfDB Group is undertaking many critical reforms on which the United States is a leading voice.

In addition to $171.3 million for the United States' second AfDF-15 installment payment, the FY 2022 Budget requests $40 million to reduce U.S. unmet commitments to AfDF replenishments—which amount to $154.2 million—as part of a multiyear effort to eliminate U.S. unmet commitments to the AfDF. The request will provide resources that the AfDF can program quickly for crisis response and recovery and reassert U.S. leadership in the multilateral system.

The decrease in U.S. unmet commitments for AfDF replenishments, however, will be partially offset by an increase of unmet commitments to AfDF MDRI of about $29 million. MDRI provides for 100 percent cancellation of eligible debt to the AfDF and IDA for countries that completed the conditions for debt relief under the HIPC Initiative. MDRI has allowed low-income countries to reallocate scarce resources for poverty-reducing expenditures in areas such

as health and education. To prevent a depletion of AfDF resources, donors committed to compensate AfDF for the cancelled debt on a dollar-for-dollar basis. The United States has annual payments to AfDF MDRI through 2044. The U.S. share of the cost of AfDF MDRI during the AfDF-15 period is $68 million, including a payment of approximately $29 million in January 2022. U.S. unmet commitments to MDRI at the AfDF will increase in 2022 by this amount unless additional resources are appropriated.

Achieving and Measuring Results

In 2019, the AfDB reported that programs in AfDF countries:

- Built 244 miles of power distribution lines;
- Provided 11.3 million people with improved access to transport, half of them women;
- Provided 8.3 million people with new or improved access to water and sanitation, about half of whom were women; and
- Supported improvements in agricultural productivity benefiting 20 million people.

AfDF-15 includes a set of 92 commitments for the AfDF to achieve over 2020-2022, which cover the AfDF's development work as well as its institutional efficiency and effectiveness. Each commitment includes at least one measurable indicator; for example, under the energy access target, the AfDF commits to create one million connections to on-grid energy and provide access for one million households to off-grid and decentralized energy access by the end of 2022.

Project Examples

Guinea Bissau – COVID-19 Response Program. The COVID-19 pandemic highlighted the weaknesses of the health system in Guinea-Bissau. The country has faced chronic political instability from constant regime changes that have significantly increased endemic poverty levels. The objective of the project is to reduce the spread of the virus and to boost the resilience of the health system and vulnerable communities. The AfDF's financing of $8.94 million will reach the entire Bissau-Guinean population, as it funds support for community health workers, non-government and community-based organization activities, health and sanitation activities, purchase of medicine and equipment, training and studies, and operation of health facilities. Further, the project will contribute to the capacity building of the High Commission on COVID-19, the Ministry of Health, and the Ministry of Decentralization, which would help stabilize the political situation in Guinea-Bissau.

Malawi – Protection of Basic Services Program. Completed in 2019, the Bank extended a $26 million grant to the government of Malawi in April 2015 to contribute towards the protection of basic services and improved value for money by strengthening accountability in the social sector. The project provided nearly two million secondary textbooks, 380 science kits, and 960 mobile science laboratory tables to 869 schools throughout the country. The government recruited 8,667 qualified teachers, which led to improved literacy and numeracy rates from 22 percent in 2015 to 25 percent in 2018 for grade 6 pupils with Level 4 literacy and numeracy. In addition, the dropout rate declined for schoolgirls, from 10 percent in 2015 to 4.2 percent in 2018, and for boys from 7.5 percent in 2015 to 4 percent in 2018.

Asian Development Bank

The Asian Development Bank comprises the Ordinary Capital Resources of the Asian Development Bank (AsDB) and the Asian Development Fund (AsDF). As a leading multilateral financing institution in Asia, it provides countries in the Asia-Pacific region increased voice and ownership over development decisions and issues in the region. As there are no outstanding U.S. capital commitments for the Ordinary Capital Resources of the AsDB, the FY 2022 Budget is seeking funding only for AsDF. The Asian Development Bank has been a leading financier of the effort to combat the COVID-19 pandemic and address its health and economic impacts. Since the start of the pandemic, the Asian Development Bank has provided a total of approximately $18.3 billion to respond to the pandemic. Total AsDB operations reached $31.6 billion in 2020, up from $24 billion in 2019; more than $16 billion of 2020 operations was directed toward Covid-19 response.

Asian Development Fund

	FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
Total Request	47,395,000	47,395,000	53,323,000
Of which, payment toward unmet commitments		-	9,713,000

The FY 2022 Budget requests approximately $53.3 million to support AsDF programs over the twelfth replenishment (AsDF-13; FY 2021 – FY 2024), including towards the first of four installments to AsDF-13, and of which, $9.7 million is for unmet commitments to previous AsDF replenishments.

Program Description

The AsDF is a grants-only fund that supports the poorest and most vulnerable countries in Asia and the Pacific, primarily Afghanistan and small island developing states (SIDS). U.S. contributions to the AsDF also support the AsDB's Technical Assistance Special Fund (TASF), which has supported COVID-19 related technical assistance grants for the poorest countries. Eighteen countries are eligible to receive AsDF grant assistance, of which 13 countries are eligible for a country grant allocation. All can access grants under a thematic set-aside for health and disaster preparedness, climate adaptation, disaster response, and investments for gender equality. AsDF grants help recipients reduce poverty, support economic growth, mitigate and respond to disaster risks, boost regional integration, and address the unique challenges confronting fragile and conflict-affected states and SIDS.

- In 2020, AsDF approvals totaled $1.1 billion, up from $844 million in 2020, of which about 36 percent supported COVID-19 response projects. In typical years, a large share of AsDF support focuses on infrastructure projects in the energy, water, and transportation sectors.

- During the AsDF-13 replenishment negotiations, the United States achieved important policy commitments, including maintaining grant levels for Afghanistan, increasing support to Pacific SIDS, a comprehensive package for strengthening public debt sustainability, and a focus on quality infrastructure investment. Along with specific country grant allocations, 8 percent of AsDF-13 grants ($134 million) are allocated for supporting disaster risk reduction and climate adaptation, and 8 percent for fostering regional cooperation and integration, including regional health security.
- During the AsDF-13 period (2021–2024), AsDF will provide up to $277 million in grants for disaster risk reduction and climate adaptation and up to $255 million to facilitate faster pandemic and disaster response and provide support for humanitarian relief for AsDF countries in the wake of crises in the region.
- The United States pledged $174.44 million over four years to AsDF-13; an 8 percent decrease from the previous replenishment. This decrease allows for $15 million in savings while allowing the United States to remain the third-largest donor, after Japan and Australia.
- Every $1 contribution from the United States to AsDF-12 catalyzes almost $22 in new donor contributions and internally generated resources.

How AsDF Promotes U.S. Interests

AsDF assistance helps achieve U.S. national security, economic, and foreign policy objectives in Asia and the Pacific.

- **COVID-19 Response:** As of end-March 2021, the AsDF provided $396 million in grants as part of the AsDB's comprehensive response to the COVID-19 pandemic. The funds were used to support expenditures to help counter macroeconomic impacts, social safety net spending, and health system support. An additional $40 million in technical assistance grants from the Technical Assistance Special Fund supported countries' efforts to strengthen their health systems to address the pandemic. AsDF has provided an additional $263 million in finance for vaccine procurement and delivery, distribution, and administration as well as associated costs.
- **Providing a Superior Source of Development Financing for Small States:** In 2020, donors negotiated the AsDF-13 replenishment, which includes an economic vulnerability premium for AsDF-eligible SIDS. Given development needs and capacity constraints, small states, including Pacific Island states, are especially vulnerable to unfavorable and non-transparent lending which does not contribute meaningfully to development. The premium benefits the small and vulnerable island countries and is combined with greater focus on promoting debt sustainability and transparency, including applying IDA's SDFP. AsDF grants also support investments in disaster preparedness and climate adaptation in Pacific SIDS and Maldives, which are already experiencing the effects of more frequent weather-related disasters and sea level rise.
- **Financing Afghanistan's Development**: The AsDF-13 replenishment includes a special allocation for Afghanistan, which maintains the AsDF's role helping Afghanistan to develop and rehabilitate its infrastructure, improve trade linkages with neighboring countries, and provide basic services through special allocations for the country.

- **Climate Adaptation in Asia and the Pacific:** Beyond the portion of individual country allocations used for climate finance, about 8 percent ($134 million) of AsDF-13 financing is allocated to support disaster resilience and climate adaptation. An additional 8 percent ($134 million) is allocated for regional cooperation and integration and regional public goods, which includes both environmental protection and regional health security. In total, AsDF-13 expects to use at least 35 percent of finance for climate adaptation and mitigation.

Meeting U.S. Commitments to the AsDF

The United States has approximately $284 million in unmet commitments to the AsDF, which adversely affects the AsDF's financing capacity and U.S. leadership at the AsDB. Without fully funding its commitments, the United States risks impairing the ability to shape the direction of AsDF policies and activities, as well its ability to ensure that sufficient concessional finance is available to strategically important countries like Afghanistan. Other AsDF donors have withheld, proportionally, a total of $108.6 million in contributions to previous replenishments in response to U.S. unmet commitments. Of the FY 2022 Budget request of $53.323 million, $9.7 million would be allocated to pay down a portion of U.S. unmet commitments as part of a multiyear effort to eliminate U.S. unmet commitments to the AsDF. This request will provide resources that the AsDF can program quickly for crisis response and recovery in the poorest countries and they will support the reassertion of U.S. leadership in the multilateral system.

Achieving and Measuring Results

The AsDB reports on results through its annual Development Effectiveness Review (DEfR) and Performance Scorecard, which compiles project-level outputs. In particular, the DEfR measures whether projects are effective, completed on time and according to benchmarks, and sustainable after the conclusion of AsDB or AsDF involvement. These annually assessed measures are used to compile lessons learned and adjust targets accordingly. During 2020, the AsDB's Independent Evaluation Department (IED) rated 65 percent of completed AsDB concessional sovereign operations (which include AsDF-supported operations) as successful, down from 70 percent in 2019.

AsDF reports achieving the following in 2020:

- Addressing remaining poverty and reducing inequalities: Enrolled over 18.3 million individuals in improved education and/or training (including primary and secondary education for children in addition to vocational trainings).
- Accelerating progress in gender equality: Enrolled 16,000 women in technical and vocational education (TVET) and other job training.
- Tackling climate change: Reduced flood risk in 244,000 hectares of flood-prone land.
- Urban development: Established or improved 220 urban infrastructure assets.
- Promoting rural development and food security: Established climate-resilient irrigation infrastructure and water delivery services in 17,000 hectares of land.
- Strengthening governance and institutions: Assisted 44,000 government officials to increase capacity in design, implementation, monitoring, and evaluation of institutional measures.

- Fostering regional cooperation: Implemented 62 measures to improve the execution of new trade and regional investment agreements.

Project Examples

Pacific Islands – Systems Strengthening for COVID Vaccines. The AsDF approved a project to provide $18.9 million in grants to Samoa, Tonga, Tuvalu, and Vanuatu to enable the safe and effective introduction of the COVID-19 vaccine. This was an update to an existing vaccine access project that aims to strengthen regional vaccine procurement, health systems, and community awareness. The project aims to expand supply chain and cold chain capacities, strengthen monitoring and surveillance systems to detect and report on adverse effects, incorporate COVID-19 into national vaccination policies and guidelines, train vaccinators, and strengthen communication around infectious disease control and risk management. The project is financed as part of the $9 billion Asia Pacific Vaccine Access Facility, which was launched in December 2020 to offer rapid and equitable vaccine-related support to AsDB recipient countries, and to which the AsDF has allocated $263 million to date.

Tajikistan – COVID-19 Active Response and Expenditure Support Program. Through this program, the AsDF supported Tajikistan's initial COVID-19 response with a $50 million grant for health measures for COVID-19 preparedness and response, increased social assistance and food security measures, and enhanced support for business entities and a $2.5 million grant to procure essential supplies and medical equipment, including test kits and equipment associated with treatment of COVID-19 patience. Further, the AsDF has proposed a project to provide $25 million in grants to Tajikistan to support procurement of COVID-19 vaccine and Tajikistan's vaccine program.

Afghanistan -- Emergency Assistance for COVID-19 Pandemic Response. The AsDF's support to Afghanistan's initial response to the COVID-19 pandemic included a $40 million grant to construct 15 hospitals, rehabilitate five hospitals, procure essential medical equipment and supplies, and strengthen resilience of the health system. The AsDF later provided a $100 million grant to further strengthen the health system, expand social protections, and support macroeconomic stabilization and job creation. In April 2021, the AsDF approved a $50 million grant to procure 6.14 million doses of COVID-19 vaccine and strengthen the vaccine program implementation capacity.

International Monetary Fund

Contributions to IMF Facilities and Trust Funds

FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
-	-	102,000,000

The FY 2022 Budget requests a total of $102 million to enable the United States to make a meaningful contribution to the IMF's concessional lending facility for low-income countries (LICs), the Poverty Reduction and Growth Trust (PRGT) or to another IMF facility. These funds would be used to provide a grant to the PRGT or other such IMF facilities and to cover the subsidy cost of loans of up to 15 billion special drawing rights from Treasury's Exchange Stabilization Fund to the PRGT or other such IMF facilities. The division of this funding between grants to and/or covering the subsidy cost of loans to the PRGT, or another IMF facility, is yet to be determined

Program Description

The Poverty Reduction and Growth Trust (PRGT) is the IMF's concessional financing facility, through which it makes subsidized loans to support the world's poorest countries. Financing provided by the PRGT will help enable critical health and social support spending so countries can respond to the current crisis alongside structural reforms to increase their longer-term stability and growth. In addition, IMF members are considering whether additional special purpose facilities to support pandemic response and transformative economic recoveries are warranted.

PRGT

- Since the start of the pandemic, the IMF has lent about $9.4 billion in concessional support to about 50 poor countries through the PRGT—a fivefold increase in annual lending from the PRGT's pre-pandemic average.
- This support has been an essential instrument to help these hard-hit poor countries, many of which lack reliable access to global capital markets, respond to the pandemic and prevent economic collapse while facing acute balance of payments stresses.
- IMF programs through the PRGT generally support policy reforms to help address longstanding macroeconomic, governance, and debt issues.

The IMF finances PRGT lending by borrowing from IMF members. As the IMF lends to low-income countries at subsidized rates but pays a market-based rate to the member countries from whom it borrows, there is generally only a de minimis cost to IMF members for lending to the PRGT. In contrast, there is a cost to the IMF for every dollar it lends through the PRGT. To cover this cost, the IMF operates an endowment-style trust, funded by grants from members. In normal times, investment income from this trust enables the PRGT to cover the cost of its lending without repeated grants. However, due to increased PRGT lending to respond to the

pandemic, the PRGT now faces an estimated $3.5 billion gap in grant resources, and this could widen if the financing needs of low-income countries continue to grow.

How the PRGT Promotes U.S. Interests

Sustaining the PRGT's ability to continue to lend to low-income countries directly supports macroeconomic stability and developing countries' capacity to expand health and social spending to address the pandemic. Globally, the IMF and World Bank estimate that 90 million people have fallen into poverty since the onset of the COVID crisis amid rising food insecurity and inequality. Low-income countries have fewer resources to respond to both the acute and secondary impacts of the pandemic. Funding for the PRGT would also help low-income countries purchase vaccines and other medical supplies, as well as food, fuel, and other economic necessities while maintaining public spending on pressing priorities. A U.S. contribution to the PRGT would particularly benefit the most vulnerable populations in these countries. Absent sufficient resources for the IMF's PRGT to address the balance of payments needs of the poorest countries, vaccine rollout in these countries could be further delayed, which would likely result in prolonged social and economic hardship and could allow resurgence of the virus as new strains emerge.

A U.S. loan and grant to the PRGT would send a powerful signal of U.S. support for struggling poor countries, demonstrate the United States' commitment to lead at the IMF, and likely have a catalytic effect on contributions from other IMF member governments. Given the United States' status as the IMF's leading shareholder, the absence of a U.S. commitment to the PRGT is notable.

Program Examples

In contrast to multi-lateral development banks, the IMF does not lend for specific projects. Instead, IMF programs are meant to help member countries address balance of payments problems, forestall financial crises, stabilize their economies, and restore sustainable economic growth. IMF financing has played a critical role in enabling member countries to respond to the COVID-19 pandemic.

Kenya – IMF lending helped Kenya avert a financial crisis and put its economy back on a path to financial sustainability. The pandemic hit Kenya's economy hard, particularly its tourism sector. This shock worsened Kenya's pre-existing financial vulnerabilities and pushed Kenya into high risk of debt distress. Through the PRGT, the IMF lent Kenya $740 million in rapid emergency financing, which delivered much-needed liquidity support. This IMF financing helped Kenya avoid a financial crisis and access the financing it needed to fund its public health response. In April 2021 the IMF also approved a $2.3 billion, three-year IMF program—primarily funded through the PRGT—to help Kenya's economy sustainably recover from the scars of the pandemic while reducing Kenya's debt vulnerabilities, including through new debt limits and structural economic reforms.

Burkina Faso – IMF lending helped Burkina Faso respond to the pandemic and continue to provide basic public services. The COVID-19 outbreak significantly exacerbated Burkina Faso's ongoing security and humanitarian crises, severely impeding Burkina Faso's economy and weakening its financing position. To help Burkina Faso respond to the immediate impacts of the pandemic, in April 2020 the IMF's PRGT provided about $50 million in emergency lending. With the IMF's help, Burkina Faso was also able to achieve the economic reform benchmarks in its pre-existing IMF program and receive an additional $115 million in subsequent PRGT support. The combined $165 million in interest-free borrowing from the PRGT was critical in enabling Burkina Faso to expand its public health response and provide support to its economy while also maintaining spending on other social sector and defense and security priorities. To promote transparency and accountability, Burkina Faso has established COVD-19 spending oversight mechanisms and published audited reports on the use of COVID-19 funds, including those financed through IMF support.

Climate Change and Environment

The FY 2022 budget requests $1.074 billion for multilateral climate change and environmental funds to be provided by Treasury, including the first contribution to the Green Climate Fund (GCF) since 2017, as well as requests for the Clean Technology Fund (CTF) and the Global Environment Facility (GEF)[4]. These funds are effective means through which the United States can support concerted and cohesive action by developing country partners to achieve their Nationally Determined Contributions (NDCs) under the Paris Agreement. They support developing country efforts to adapt to climate change and build resilience, reduce GHG emissions through forest and landscape conservation and restoration, and expand clean energy production, including supporting the adoption of new technologies and levering private sector finance. Treasury's contributions to these funds will also support country level policy reforms that are essential for setting partner countries on lower emission development pathways and for scaling up private sector investment in climate solutions. These requests are complemented by the request of $15 million for the TFCCA and requests for contributions to the MDBs, which are among the largest and most effective financiers of action on climate change mitigation and adaptation.

Green Climate Fund

FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
-	-	625,000,000

The FY 2022 Budget for Treasury Department International Programs requests $625 million for the GCF. These resources will support ongoing project financing and will count toward the fulfilment of the outstanding U.S. pledge of $2 billion for the GCF's Initial Resource Mobilization period. The State Department is also requesting $625 million for the GCF in its budget.

Program Description

The GCF is the largest climate-focused multilateral fund and a critical element of the Paris Agreement. Its mandate is to help developing countries reduce their GHG emissions and enhance their ability to adapt to climate change. The GCF partners with more than 100 entities, including private sector financial institutions, multilateral and national public development banks, and civil society organizations, to mobilize climate finance and implement impactful climate-focused projects in developing countries. It also offers a range of financing instruments—grants, loans, equity, and guarantees—to expand options for private sector partners and attract private finance for underserved priorities such as adaptation and nature-based solutions in nascent markets.

[4] Because the GEF supports multiple environmental goals, only a portion of GEF funding is included in the Administration's request for $2.5 billion in climate change finance.

- As of March 2021, the GCF has approved 173 projects worth $30.2 billion, using $8.3 billion in GCF resources and attracting $21.9 billion in public and private co-financing.
- The United States is a founding member of the GCF and is one of its top donors. During the GCF's Initial Resource Mobilization, the United States pledged $3 billion and has contributed $1 billion to date, accounting for about 5 percent of total contributions to the GCF.

How GCF Promotes U.S. Interests

Addressing the challenge of climate change requires joint action from all countries, including from developing countries. The GCF supports these countries to ensure that their development proceeds on a low-emissions pathway and to enhance their ability to adapt to the impacts of climate change.

Climate change mitigation and adaptation also offers new growth and investment opportunities for U.S. businesses. The GCF employs part of its funds to help mobilize financial flows from the private sector, including through its specially designed for private sector finance facility. Currently there are two U.S. firms accredited by the GCF to implement GCF projects and they are partnering with the GCF in projects worth nearly $1 billion. To date, each dollar of GCF investment has attracted about $3 of investment from private sector partners. The United States supports greater GCF engagement with the private sector, which will scale up private financing for climate change efforts and will create opportunities for partnership with U.S. firms.

Meeting U.S. Commitments to the GCF

There is increased demand for GCF projects from developing countries to support their efforts to foster low-emission, climate-resilient recovery from COVID-19 over the coming years. The current pipeline of public and private sector projects exceeds current GCF resources by about $22 billion. With additional resources, based on the current pipeline, the GCF would be able to increase its programming up to about $4.5 billion per year, a significant increase from the approximate $2 billion allocated in 2020.

Other countries look to the United States to play a leadership role as one of its top donors. The United States currently has an outstanding pledge of $2 billion to the GCF. Failure to fully fund the U.S. pledge would have a negative impact on the institution's ability to finance climate projects and meet its strategic objectives. It could also negatively impact U.S. diplomatic standing, as the GCF is closely associated with the implementation of the Paris Agreement.

Achieving and Measuring Results

Despite the COVID-19 pandemic, the GCF is accelerating its support for a climate-resilient recovery in developing countries, in conjunction with raising the ambitions of their national climate mitigation strategies. The GCF approved over $2 billion in climate finance projects in 2020, an annual record, and another $1.2 billion in projects at its March 2021 board meeting. More than 70 percent of its current portfolio is now under implementation. When fully

implemented, the current portfolio is expected to provide adaptation benefits to more than 400 million people and to reduce GHG emissions by an equivalent of over 1.2 billion tons of CO_2.

The GCF is in the process of updating its comprehensive approach for measuring impact results, specifically how GCF projects contribute to shifting paradigms towards low-emission and climate-resilient development. This would enable more consistent measurement and reporting of quantifiable impacts by project entities. The GCF also has an Independent Evaluation Unit (IEU) to conduct evaluations of GCF policies and programming, to inform the Board of lessons learned for the benefit of future policy decisions. For example, in the past year, the IEU evaluated the GCF's engagement in SIDS, as well as the GCF's adaptation portfolio.

The United States will continue to work with the GCF Board and Management to increase the GCF's ambition, enhance its effectiveness, and improve its efficiency. These efforts will help the GCF to maximize its ability to invest in projects that are innovative and have a transformative impact on climate change mitigation and climate change adaptation, particularly for countries most vulnerable to the effects of climate change, and to attract private sector partners toward climate-focused investment opportunities.

Project Examples

Sub-Saharan Africa – Energy Access Relief Facility (EARF): In 2020, the GCF approved the Energy Access Relief Facility (EARF), led by U.S. firm Acumen Fund, which functions to provide renewable energy companies in Sub-Saharan Africa with vital financial liquidity during the COVID-19 crisis, in the form of low-interest, unsecured junior loans. The GCF will channel $30 million in equity that will be used to provide concessional loans to eligible companies operating in eligible countries. The aim of these loans is to help companies remain solvent, maintain staff and supply lines, be positioned to drive the post-COVID-19 recovery, and to reduce GHG emissions by an equivalent of 1.3 million tons of carbon dioxide.

Least Developed Countries (LDCs) and SIDS – Global Subnational Climate Fund: The Global Subnational Climate Fund is an example of the GCF's ability to make blended finance work for those most vulnerable to the effects of climate change, particularly in LDCs and SIDS, by leveraging private investment at scale. The GCF, in partnership with U.S. firm Pegasus Capital Advisors, will provide $150 million in first loss equity to leverage investments at a ratio of up to 25:1 for climate action at the sub-national level. This program is intended to be a financial game-changer as smaller, local climate projects are chronically under-funded and usually unable to access commercial finance. Almost half the 42 participating countries are LDCs and SIDS.

Bhutan for Life: In 2017, the GCF approved a project of $26.6 million for the World Wildlife Fund, the Government of Bhutan, and other partners to promote environmental conservation to help Bhutan continue to act as a sink for GHG emissions and to remain carbon negative. The project provides households with access to renewable electricity to limit the need to use wood for fuel. The project's adaptation measures focus on encouraging local communities to manage natural resources sustainably, including protecting ten critical watersheds, restoring wildlife habitats to reduce climate impacts, and strengthening enforcement to prevent illegal logging.

Climate Investment Funds – Clean Technology Fund

FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
-	-	300,000,000

Created in 2008, the Climate Investment Funds (CIFs) aimed to integrate concessional climate finance into MDB operations and then sunset once a new UNFCCC climate fund (i.e., the GCF) was created. However, as the need for climate finance has grown, donor and recipient governments agree that the CIFs play an important and targeted role to further "green" MDB operations and to incentivize climate investments that are complementary but not duplicative to other climate finance sources. Forty-eight recipient nations signed a joint declaration in April 2019 showing clear and strong support for the CIFs and calling for the CIFs to build further on its efforts and keep its proven business model in place.

The FY 2022 Budget requests $300 million for the CTF, part of the CIFs, $270 million of which will be used for the subsidy cost of a loan.

Program Description

The original CIF programs focused on clean energy, forestry and land use, and climate adaptation, and have proven effective at integrating these types of investments into MDB operations. However, the CIFs are now at a turning point—there is little funding remaining in the legacy CIF programs, and the CTF is now operational. In that context, CIF members have agreed to refocus the CIFs' work on five new areas[5] that could be highly impactful on climate outcomes and are not effectively addressed by other funds. Of the new programs, the Administration sees the Accelerating Coal Transition (ACT) Investment program as the one that could have significant near-term impact and be highly catalytic in supporting developing countries' transition away from coal.

The ACT program will focus on helping major coal consuming and producing developing countries to transition away from using thermal coal in their energy supply mix. Using concessional funding from the CTF alongside MDB financing and countries' own resources, the program will support a holistic approach that may include reclamation, decommissioning and repurposing of coal assets, as well as social and economic support for communities impacted by the transition from a coal-based economy. Support from the CTF will be for climate-related activities (e.g. training offered by solar companies to develop technical skills), but additional funds are expected to be mobilized from the MDBs' own resources for a broad range of activities to support social protection and additional job creation activities.

Treasury intends to extend a loan to the CTF to use in the ACT program, which is an innovative way to use minimal budgetary resources for maximum impact. This will allow the United States

[5] These new areas are Accelerating Coal Transition; Integration of Renewable Energy; Climate Smart Urbanization; Nature, People and Climate; and Accelerating Industrial Low-Carbon Transition.

to provide significant resources for a small number of high-emitting middle-income countries, potentially including countries such as India, Indonesia, and South Africa. Decarbonizing the energy mix of such countries is difficult to address through existing climate finance channels but will be crucial to meeting international climate goals. Loan funding is appropriate for the intended recipients of the ACT program, which are middle-income countries and can afford loans at higher rates. The United States would provide a smaller amount of grant funding for aspects of the program that are not as well suited for loan funding, such as technical assistance.

How the CTF Promotes U.S. Interests

Combating climate change is crucial for U.S. national economic and security interests, and the Administration regards the ACT program to be of strategic value to U.S. global efforts in combatting climate change. The CTF provides an effective way to target high-emitting middle-income countries, particularly coal-dependent economies, in their efforts to transition away from coal, which is vital to reducing global GHGs. Other donors are considering substantial contributions (in the form of loans, grants, and capital) to the ACT. A U.S. contribution will demonstrate U.S. commitment to supporting developing countries' efforts to mitigate their GHG emissions and support broader U.S. climate diplomacy efforts.

Achieving and Measuring Results

The CTF is developing detailed guidelines on the relevant indicators and results framework, which will include the parameters for defining, measuring and reporting results. Targeted outcomes may include, among others, metric tons of coal diverted, annual reductions of GHG emissions, net change in GHG emissions, renewable energy capacity and energy storage capacity installed as a result of the program's interventions, annual energy savings and energy efficiency as a result of ACT interventions, employees retained at the new plant site who were previously employed at the old coal plant, and new jobs created at the repurposed site. These indicators are in line with the CTF's historical measures of core metrics to assess project impact. In order to account for and incorporate lessons learned from projects and activities, the CTF also manages a robust evaluation and learning exchange between the MDBs and recipient countries.

Global Environment Facility

	FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
Total Request	139,575,000	139,575,000	149,288,000
Of which, payment toward unmet commitments	-	-	12,725,000

The FY 2022 Budget requests $149,288,000 for payment to the International Bank for Reconstruction and Development (IBRD) as trustee for the Global Environment Facility, including towards a final installment for the GEF-7 replenishment (WB FY 2019 – FY 2022), and of which, $12.7 million is for unmet commitments to the GEF.

Program Description

The GEF is a multilateral trust fund that provides mainly grant-based funding to assist developing and transitional countries in addressing global environmental challenges in five focal areas: (1) biodiversity; (2) chemicals and waste; (3) climate change; (4) land degradation (primarily deforestation and desertification); and (5) international waters. Since its inception, the GEF has provided more than $21.1 billion in grants and mobilized an additional $114 billion in co-financing for more than 5,000 projects in 170 countries. The GEF is currently operating under its seventh investment cycle (GEF-7), which runs from July 1, 2018 to June 30, 2022.

How the GEF Promotes U.S. Interests

The United States supported the establishment of the GEF in 1991 and has contributed to all seven replenishments. The United States views the GEF as a critical institution for addressing a wide range of environmental concerns. The GEF benefits the U.S. economy and environment by addressing many global environmental problems that affect our domestic health, safety, and prosperity, such as by supporting climate change mitigation, combatting wildlife trafficking, reducing harmful pollution, and conserving fish stocks outside U.S. waters.

Meeting U.S. Commitments to the GEF

The Unites States has contributed $3.1 billion to the GEF since its inception, making it the GEF's second largest donor. The United States has contributed $409.7 million to the GEF-7 replenishment to date, exceeding its pledge of $273.2 million. For each fiscal year from FY 2019 through FY 2021, Congress appropriated $139.6 million for the GEF, of which $136.6 million was designated for the GEF-7 replenishment. The additional amounts of approximately $3 million per year were applied to U.S. unmet commitments from the GEF-2 replenishment period. Reflecting these payments and early encashment discounts earned from contributions to GEF-7 to date, U.S. unmet commitments stand at $102.4 million, all of which are to the GEF-2 replenishment and date to the late 1990s. In addition to $136.6 million for a final payment to the GEF-7 replenishment, the FY 2022 Budget requests $12.7 million for unmet commitments to the GEF-2 replenishment.

Achieving and Measuring Results

As of December 2020, 73 percent of GEF-7 resources have been programmed, totaling $2.8 billion in direct GEF project financing, with an indicative co-financing rate of nearly $7.8 for each dollar invested. This programming is expected to deliver the following results:

- The mitigation of more than 1.250 billion metric tons of greenhouse gas emissions;
- The creation or improved management of more than 100 million hectares of terrestrial protected areas and more than 8 million hectares of marine protected areas;
- The improved management of nearly 150 million hectares of productive landscapes and more than 6 million hectares of marine habitat (excluding protected areas);
- The ecological restoration of more than 6 million hectares of degraded agricultural land, forests, grasslands, and wetlands;
- The more sustainable management of nearly 1.7 million metric tons of globally over-exploited fisheries; and
- The reduction, safe disposal, or avoidance of 37,000 metric tons of toxic chemicals.

Every four years, the GEF's Independent Evaluation Office produces a comprehensive evaluation of past project and operational performance. These evaluations influence the programming objectives for the next replenishment period.

Project Examples

Amazon Sustainable Landscapes Program: Funded with $201 million in GEF grant financing, and supported by about $1.2 billion in co-financing, the Amazon Sustainable Landscapes Program (ASL) is implemented by the World Bank and aims to: (1) improve the management and financial sustainability of protected areas; (2) strengthen sustainable land use and forest management; (3) reduce carbon emissions from deforestation; and (4) promote the incorporation of biodiversity management principles into selected sectors that are contributing to deforestation. The long-term goal is to implement a landscape mosaic composed of well-managed protected areas and indigenous territories, with sustainable use in the surrounding landscapes that will ultimately ensure the maintenance of the ecological integrity and resilience of the Amazon biogeographical region. Participating countries include Brazil, Bolivia, Colombia, Ecuador, Guyana, Peru, and Suriname, which together cover 92 percent of the Amazon Basin. The two phases of the ASL is expected to deliver multiple global environmental benefits, including: (1) strengthening the management effectiveness of 98 million hectares of protected lands; (2) facilitating the creation of 4.3 million hectares of new protected areas; (3) promoting sustainable productive practices in 27 million hectares; (4) restoring 53,000 hectares of land; and (5) supporting actions to help mitigate 194 million metric tons of CO_2 equivalent.

Global Wildlife Program (GWP): This program, led by the World Bank, is funded with $213 million in GEF grant financing and is supported by about $1.3 billion in co-financing. It is a global partnership to combat wildlife poaching, trafficking, and demand. Overall, the GWP includes 37 national projects across 32 countries in Africa, Asia, and Latin America. The program approaches the poaching crisis holistically through activities in source, transit, and

demand countries, including by: (1) strengthening anti-poaching and anti-trafficking law enforcement and intelligence operations; (2) increasing the size of conservation areas and improving their management; (3) promoting integrated land-use planning and human-wildlife conflict mitigation tools; (4) providing opportunities for development through nature-based tourism and other agrobiodiversity, forestry, and natural resource projects that benefit local communities; and (5) incentivizing demand reduction through targeted consumer awareness-raising campaigns and increased legal deterrents.

Food Security

International Fund for Agricultural Development

FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
30,000,000	32,500,000	43,000,000

The FY 2022 Budget requests $43 million for the first of three installments towards the International Fund for Agricultural Development's twelfth replenishment (IFAD-12).

Program Description

IFAD is a small international financial institution supported by 177 member countries and dedicated to alleviating rural poverty, hunger, and malnutrition, and to supporting rural people to increase their incomes, productivity, and resilience in the face of a changing climate. The United States is a founding member of IFAD and its largest historical contributor. To date, the United States has contributed $1.060 billion to IFAD, equivalent to 11.3 percent of total contributions.

Most IFAD-supported projects are in remote rural areas with high levels of poverty where few donors operate. In 2020, IFAD provided $822.8 million in loans and grants. IFAD expects the total program of loans and grants over the course of the IFAD-11 (2019-2021) replenishment period to reach $3.5 billion.

How IFAD Promotes U.S. Interests

Through its singular focus on supporting rural economic growth, IFAD contributes to key U.S. priorities, including advancing inclusive growth, reducing poverty in the remotest areas of poor and fragile countries, and supporting millions of rural people to build their resilience in the face of a changing climate.

Funding for IFAD also advances U.S. national security interests by supporting economic and social stability in poor rural communities, including in fragile states around the world, helping to reduce pressures that can lead directly to mass migration, extremism and armed conflict.

Meeting U.S. Commitments to IFAD

As the largest contributor to IFAD, other member states look to the United States for leadership. Given IFAD's relatively small size, failure to fully fund U.S. commitments would have an immediate, negative impact on the institution's delivery capacity, particularly its ability to offer grant and highly concessional financing to low-income and fragile countries with higher rates of poverty and hunger. Current U.S. unmet commitments to IFAD amount to $3.8 million.

Achieving and Measuring Results

Between 2016 and 2018, 62 million IFAD beneficiaries increased their economic mobility, defined as improvements in their economic status. In addition, 47 million IFAD beneficiaries reported that their overall production increased, and 50 million people reported improved market access. During this period, 26 million IFAD beneficiaries also reported improved resilience, as measured by farmers' perceived ability to recover from shocks and indicators of crop and income diversification.

In addition, by the end of 2018, the following additional results were achieved:

- 3.1 million hectares of land were brought under climate-resilient management practices and irrigation was improved on more than 275,000 hectares of land,
- 13.8 million people accessed financial services and more than 160,000 enterprises accessed business promotion opportunities, and
- 2.08 million people were trained in community management topics (72 percent of whom were women) and 1.4 million people were trained in income-generating activities.

IFAD's Independent Office of Evaluation (IOE) reports directly to the Executive Board and is responsible for validating project completion reports and conducting corporate-level reviews on governance and operational effectiveness. The 2020 IOE annual report finds continued strong performance in environment and natural resource management and adaptation to climate change in addition to a recent improvement in project-level efficiency and sustainability following a declining trend. However, IOE highlights the need for IFAD to establish clearer targets, results, and monitoring frameworks for the mainstreaming themes of nutrition and youth and better exploit the synergies between lending and non-lending (e.g., knowledge management, partnership building, and policy engagement) in the development of country strategies.

A recent independent external peer review of the IFAD evaluation function found that the overall structure and functioning of IFAD's evaluation system was on par with comparator institutions and consistent with established professional standards but recommended an update to the existing evaluation policy. In response to these findings, the Executive Board approved a revised evaluation policy in April 2021 to cover the entire evaluation function (i.e. self-evaluation and independent evaluation), establish the core principles for evaluation at IFAD, and more broadly reflect international standards and practices for evaluation. IFAD is also revising its evaluation manual and is developing a multi-year IOE strategy and an updated development effectiveness framework.

Project Examples

Bangladesh – COVID Response Support. In 2020, IFAD provided $900,000 to Bangladesh through its COVID-19 Rural Poor Stimulus Facility (RPSF). The COVID-19 RPSF was designed to respond to the food security impacts of the pandemic with an emphasis on ensuring access to inputs, markets, rural financial services, and digital services in addition to providing other livelihood support and COVID-19 prevention measures. The COVID-19 RPSF support to Bangladesh, implemented through the Smallholder Agricultural Competitiveness Project, was

used to support quick-impact provision of inputs and capacity building support for high-value and nutrient-rich home vegetable gardening in coastal areas.

Bolivia – Economic Inclusion Program for Families and Rural Communities. IFAD provided a total of $28 million to this initiative from its Adaptation for Smallholder Agriculture Program. The program has proven effective at building resilience to climate change, with associated social and nutritional benefits. The project is also exemplary as it drew on indigenous practices to bolster climate adaptation. The program has benefited nearly 60,000 households and restored approximately 7,000 hectares of degraded forest land.

Rwanda – Rural Income through Exports. IFAD **has** provided $58 million to this project, which has provided small-scale farmers in the coffee, tea, sericulture (silk production), and horticulture sectors with training, credit and technology so they can access export markets. The project assisted over 140,000 households to improve agricultural practices, increase their access to markets and financial services, and improve the quantity and quality of their cash crops. Of those receiving technical training, 69 percent were women. In 2019, IFAD reported that the farmers reported an increase of 32 percent in their income from coffee production and 92 percent in their income from horticultural production.

Technical Assistance

Office of Technical Assistance

FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
30,000,000	33,000,000	38,000,000

The FY 2022 Budget requests $38 million for Treasury's Office of Technical Assistance (OTA).

Program Description

OTA works with finance ministries, central banks, and related government institutions to support efficient revenue collection, well-planned and executed budgets, judicious debt management, sound banking systems, and strong controls to combat money laundering and other economic crimes. OTA complements the work of Treasury's offices of International Affairs and Terrorism and Financial Intelligence by helping the governments of developing and transitional countries build the human and institutional capacity to implement improvements in economic and terrorist financing policies. OTA also supports partner countries' efforts to raise their own domestic resources more effectively, reducing dependence on foreign assistance. OTA's work is critical for meeting U.S. foreign policy goals, such as private sector-led economic growth, reduced corruption, and increased accountability and transparency. OTA is a small, cost-effective program that leverages a cadre of highly experienced technical advisors who work side-by-side with host country counterparts. Currently, OTA has projects in approximately 50 countries in Latin America, Africa, Europe, Asia, and the Middle East.

Demand for OTA assistance around the world is strong and continues to increase, including in areas deeply impacted by the COVID-19 pandemic, such as debt management, revenue mobilization, cash management, problem bank resolution, and broader fiscal and financial sector challenges. OTA would use the requested budget resources in FY 2022 to be able to respond quickly and in a sustained way to this growing demand with an emphasis on those areas that are priorities for the United States, including combating terrorist financing and financial crimes, reducing countries' dependence on foreign financial aid through improved domestic resource mobilization, and creating the conditions for private sector-led economic growth, including by improving the climate for private sector investment in infrastructure projects in developing and transitional countries. The requested resources would enable the program to assist partner countries in developing and implementing fiscally-sound approaches to financing climate-related or environmental projects, including renewable energy and infrastructure projects. The request also supports important ongoing enhancements to OTA's project monitoring and evaluation regime in compliance with the Foreign Aid Transparency and Accountability Act of 2016 (FATAA).

Finally, the request seeks the elimination of the provision in current law that limits funding available to Treasury to oversee and administer its global technical assistance program. Without removal of the current limitation, beginning in FY 2022 the program estimates that it will no longer be able to fully fund essential program management functions, including project

oversight, contracting (for expert advisors and logistical support services), and legal, financial management, information technology, and security services. In that event, OTA will need to reduce its already modest project footprint.

How OTA Promotes U.S. National Security

OTA performs an important role in support of U.S. national security by helping developing and transitional countries combat financial crimes, money laundering, and terrorist financing. In addition, OTA helps to stabilize banking systems, develop capital markets, improve investment climates, including for infrastructure, and improve transparency and accountability in government finances. This helps to spur private sector led economic growth, thereby supporting the development of foreign markets for U.S. exports.

Achieving and Measuring Results

OTA has a robust system for monitoring and evaluating program performance, from project initiation through execution, to post-project evaluation. At the inception of each project, OTA and the relevant foreign government ministry or central bank identify the high-level aims of the engagement, which are reflected in signed terms of reference. The terms of reference are complemented by a detailed work plan specifying the activities, deliverables, and timelines for achieving those goals, as well as the outcomes that will provide evidence that the goals have been met. In addition, OTA advisors provide monthly reports and trip reports to Treasury leadership and other stakeholders on the execution of the work plan, including progress against project objectives.

These reports are validated through ongoing dialogue with advisors coupled with on-site project reviews conducted by OTA management. In addition, post-project reports document the results of completed technical assistance and are used as a basis to improve the planning and execution of future projects. OTA closely monitors the level of "traction," or the degree to which changes in partner governments' behavior occur as a result of OTA assistance (e.g., the number of foreign officials who are taking an active role in pursuing change, or interim deliverables that are on time or ahead of schedule). Levels of traction are measured by OTA advisors and headquarters staff according to specific indicators that are relevant to each of the five OTA core areas and captured in project-specific logical frameworks and monitoring documents.

OTA monitoring and evaluation have consequences: projects showing results receive continued investment of OTA resources, while poorly performing projects, such as those where OTA's counterparts lack political will to implement reform, are terminated and the resources reallocated to other projects.

Innovations in Monitoring and Evaluation

In accordance with the FATAA, OTA continues to strengthen its ability to measure the results of its technical assistance projects. This involves documenting project goals, activities, outputs, and outcomes in logical frameworks, enhancing OTA's project monitoring regime with standardized progress reporting, and conducting independent (third-party) evaluations of OTA projects. To

support the costs of independent evaluations and enhanced project monitoring activities, OTA is requesting $3 million in program resources in FY 2022. Once the new framework is fully implemented, each OTA project would be subject to an independent evaluation at its midpoint (generally after the second year of technical assistance activities) and 6-12 months after a project concludes. Evaluations will seek to determine the extent to which project goals were achieved. The results of evaluations will be made available to the public as required by the FATAA.

Project Examples

Latin American Countries Work Together to Strengthen Anti-Corruption Measures in Revenue Administration. Tax administration officials from several Latin American countries participated in a virtual meeting facilitated by OTA to exchange ideas to strengthen anti-corruption measures, including to address new and emerging risks related to tax policy changes resulting from the economic and fiscal challenges of the COVID-19 pandemic. The meeting, held in December 2020, included 60 representatives from tax administrations in current and former OTA partner countries, including Colombia, Costa Rica, Dominican Republic, Ecuador, Guatemala, Honduras, Panama, Paraguay, and Peru. The participants discussed challenges to maintain existing anti-corruption controls; implementing new controls in adherence to regulations and tax relief measures put into effect by governments and tax administrations in response to the pandemic; and identifying possible fraud and corruption that arise from the application of new regulations and tax relief measures. This was the second such meeting of Latin American tax administration officials convened by OTA, following a similar event in 2019 focused on peer-to-peer learning and tax regime strengthening.

Ecuador Restructures Public Debt. Faced with historic economic and fiscal challenges exacerbated by the COVID-19 pandemic and the resultant fall in oil prices, Ecuador successfully restructured a majority of the country's public debt (external and domestic). OTA advised its counterparts at the Ministry of Economy and Finance on the design of the restructuring, which affected debt principal totaling approximately 35 percent of GDP and resulted in $16 billion in cash flow relief to the government and a more manageable debt profile through 2030. In addition, with OTA assistance the government developed and approved a series of legal changes to strengthen public financial management, including through publication of a yield curve for domestic government debt and increased transparency of public accounts and transactions.

Madagascar Expands Insurance Offerings. Madagascar passed a new insurance law that broadens the range of product offerings to include microinsurance, digital insurance, and index insurance; the new law also allows for the sale and administration of these products by non-traditional distribution channels. These changes, implemented with OTA support, address longstanding challenges faced by Madagascar's population—particularly its rural population—in accessing affordable and relevant insurance products. Additionally, the Central Bank approved the launch of a pilot index insurance product, which pays out policy holders in the event of an objective climatic event (flooding, drought, storms, pestilence) without the submission of a claim of loss. This pilot program protected 143 low-income agricultural producers by promising quick and easy insurance payments to offset catastrophic loss to their income resulting from a climactic event.

Indonesia Develops Cash Management Strategy. The Ministry of Finance of Indonesia began implementing key processes and tools to enable the government to reach internationally accepted standards for cash management, which is a critical aspect of the government's public financial management reform efforts. As part of a reprioritized workplan focusing on the challenges presented by COVID-19, OTA assistance focused on implementing policies and procedures for automatic payments to government vendors, including telecommunication and utility services, to enhance visibility and predictability of such payments. OTA also supported the Ministry's efforts to implement a business intelligence tool to obtain high-value information, such as trends in budget execution (revenues and expenditures), to support the public financial management decision-making process. Once fully implemented, the tool, which incorporates a data dashboard to monitor key financial management performance indicators and improve the predictability of cash flow forecasts, will help increase data digitization, thereby providing the government with more timely and actionable cash flow information as it seeks to invest anticipated cash surpluses and to borrow to finance anticipated shortfalls.

Zambia Customs and Drug Enforcement Formalize Cooperation. The Zambian Revenue Authority (ZRA) executed a memorandum of understanding with the Zambian Drug Enforcement Commission (DEC) to share customs and immigration, as well as various tax and money laundering information. By formalizing and improving communication, the agencies are seeking to strengthen efforts to combat tax crimes, money laundering, drug trafficking and other crimes. The issue of cross border information sharing was identified by OTA in early discussions with DEC senior management, who worked with the DEC and the ZRA in drafting the agreement that creates and outlines an information exchange process.

Debt Restructuring Programs

FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
$15,000,000	$204,000,000	$67,000,000

U.S. efforts on debt restructuring and debt relief have been fundamental to helping some of the world's poorest countries restore economic stability, resume economic growth, and reduce poverty and instability. In recent years, these programs have included the Heavily Indebted Poor Countries (HIPC) Initiative and the Tropical Forest and Coral Reef Conservation Act (TFCCA). Since 2000, over forty countries, including Haiti, Afghanistan, Liberia, Somalia, Indonesia, Costa Rica, and the Philippines have benefitted from U.S. debt relief and restructuring programs. The FY 2022 Budget requests $67 million for the cost of U.S. bilateral debt restructuring and relief programs. Of this amount, $52 million is for the G20 Debt Service Suspension Initiative (DSSI) and Common Framework on Debt Treatments (Common Framework), and $15 million is for the TFCCA. No funding is requested for the HIPC Initiative.

DSSI and Common Framework

FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
-	-	$52,000,000

The FY 2022 Budget requests $52 million for the DSSI and Common Framework. This funding is necessary to restructure and lower the interest rates the United States charges poor countries that have requested payment suspensions under the DSSI in line with the interest rates charged by other G20 official bilateral creditors, including China, and to fund the cost of debt treatments for poor countries under the Common Framework. All G20 members, including China, intend to provide debt suspension and restructuring on comparable terms under these initiatives. Without this funding, the United States could be forced to block the multilateral debt process under the Common Framework and charge much higher interest rates on DSSI debt service suspensions than other G20 members.

Program Description

The DSSI, launched in April 2020, offers eligible IDA and LDCs a temporary suspension of debt service payments on official bilateral debt, enabling these countries to respond to the immediate health, economic, and social spending needs related to COVID-19.

The Common Framework, endorsed by the G20 and Paris Club in November 2020, offers a mechanism for DSSI-eligible countries to seek comprehensive debt treatment to address unsustainable debt and heightened liquidity needs. The Common Framework aims to facilitate timely and orderly debt treatments within the context of an IMF program, and fosters fair burden sharing among all official bilateral creditors and comparable treatment from private creditors.

How the DSSI and the Common Framework Promote U.S. Interests

In 2020, the United States helped lead G20 and Paris Club efforts to establish the DSSI and Common Framework as key pillars of the international policy response to the COVID-19 pandemic. The DSSI freed up about $5.7 in fiscal space for 43 beneficiary countries in 2020, and the G20 has decided to extend the initiative to end-2021. According to the IMF and World Bank, along with exceptional financing, this support is providing significant liquidity relief to beneficiary countries which is helping facilitate higher pandemic-related spending and a return to pre-COVID growth paths. The Common Framework is a significant enhancement to the sovereign debt architecture as it brings non-Paris Club creditors, namely China (the largest official lender to developing countries), into a coordinated, multilateral debt resolution process for the first time. This will help speed up the debt resolution process by avoiding ad hoc debtor country negotiations with non-Paris Club creditors and will help maximize support to low-income countries hit hardest by the pandemic. The initiative seeks equitable burden-sharing among official bilateral creditors (members and non-members of the Paris Club) and private creditors through comparability of treatment to help beneficiary countries return to a sustainable growth path.

Tropical Forest and Coral Reef Conservation Act

FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
$15,000,000	$15,000,000	$15,000,000

The FY 2022 Budget requests $15 million for the TFCCA.

Program Description

The TFCCA enables developing countries with certain concessional debt owed to the United States to redirect some of those payments to a local currency conservation fund. From a U.S. budget perspective, this is treated as a debt reduction. The TFCCA statute includes eligibility criteria related to economic management, democracy, and human rights. The TFCCA was reauthorized and expanded in scope to include coral reefs in 2019, and funds were appropriated for its implementation in FY 2020 and FY 2021. As of end-April 2021, negotiations have started with one country and two additional interested countries are being reviewed for eligibility.

How TFCCA Promotes U.S. Interests

Protecting biodiversity and combating climate change are central to U.S. national economic and security interests. Under the TFCCA, the United States can support conservation of select tropical forests and coral reefs which are critical to mitigating the impact of climate change, providing clean water, and supporting sustainable jobs in developing countries.

Achieving and Measuring Results

Each active program is guided by a binding international agreement that sets out the parameters for the governance and activities to be undertaken. Each agreement requires the establishment of a

dedicated fund out of which grants are made to conserve, maintain, and restore tropical forests and/or coral reef ecosystems in the beneficiary country. The grant making activity is overseen by a committee that includes U.S. government representation. This oversight committee is required to submit a report on the fund's conservation grants and results to the TFCCA Secretariat each year and to arrange for an annual financial audit of the fund. A summary report is submitted to Congress annually.

Project Examples

Since its inception in 1998 as the Tropical Forest Conservation Act (TFCA), the United States has concluded 20 agreements with 14 countries, the most recent in 2014, after which funding lapsed. Seventeen agreements remained in force as of the end of FY 2020. Two are expected to expire during FY 2021.

Costa Rica. In Costa Rica, the COVID pandemic raised the risk that some local community members would resort to environmentally harmful activities to feed their families as sustainable livelihoods such as eco-tourism, which the TFCCA program had helped build over the past ten years, disappeared almost overnight. In response, the TFCCA program grant oversight committee adjusted funding levels and grant terms to prioritize proposals that mitigate the impacts of the pandemic on biodiversity and communities' livelihoods.

The Philippines. In the Philippines' Sierra Madre mountain range, government-led forest management efforts are implemented along with traditional practices of forest protection and conservation. TFCCA grants have supported three indigenous communities in northern municipalities covering approximately 88,000 hectares of natural forests, which have earned a formal national declaration as Indigenous Community Conserved Areas (ICCA). The declaration will strengthen forest ecosystem protection, ancestral domains management, and increase opportunities for biodiversity-friendly and sustainable livelihoods.

Annex 1: MDB Basics

What are the MDBs?

The United States is a member of several development institutions, including the following MDBs:

- World Bank
- Asian Development Bank
- Inter-American Development Bank
- African Development Bank
- European Bank for Reconstruction and Development
- International Fund for Agricultural Development

MDBs are international financial institutions, and they differ from commercial banks in their mandate and structure. They are owned by both borrowing and non-borrowing countries and provide financial and technical assistance to developing countries. The United States is the largest shareholder in the World Bank, Inter-American Development Bank, European Bank for Reconstruction and Development and the International Fund for Agricultural Development; the co-largest shareholder (with Japan) in the Asian Development Bank; and the largest non-regional and second-largest overall shareholder in the African Development Bank.

What is Treasury's role?

In the U.S. Government, Treasury is charged with leading U.S. engagement in the MDBs. For the five largest MDBs in which the United States participates, a U.S. Executive Director (USED), who is based at each bank, is appointed by the President and confirmed by the Senate to represent U.S. interests, engaging daily in meetings at various levels and casting votes throughout the year. Treasury works closely with the USEDs and a wide-ranging interagency group on MDB issues. Additionally, Treasury provides direction for how to vote on projects and policies to the USEDs. The Secretary of the Treasury traditionally serves as the U.S. Governor to each MDB, and votes on high-level institutional matters that involve major changes to the structure or financing of the organization.

How do the MDBs finance development projects?

Most of the MDBs have two financing facilities, which are frequently referred to as "windows," from which they make loans, provide guarantees and other financial instruments, and provide grants: the "non-concessional" window (also referred to as "hard loan windows") and the "concessional" window (also referred to as "soft loan windows"). Some institutions have a third window for private sector operations, whereas others make private sector investments from their "non-concessional" windows. Each institution can also serve as trustee for specialized funds established at the request of member countries.

- The non-concessional windows primarily provide loans at market-linked interest rates to middle-income countries, such as Colombia, Egypt, Indonesia, and Botswana.
- The concessional windows provide some combination of grants, very low interest loans with long tenors, and a limited supply of market-linked loans to countries with per capita incomes below a certain threshold and that lack the creditworthiness to access other financing sources, including the non-concessional windows. The concessional windows for each MDB are:
    - International Development Association (World Bank Group)
    - African Development Fund (African Development Bank Group)
    - Asian Development Fund (Asian Development Bank)

The United States is also a contributor to the International Fund for Agricultural Development, which functions like an MDB concessional window. Because the European Bank for Reconstruction and Development and North American Development Bank are private sector-oriented, they do not have a concessional window, while the Inter-American Development Bank provides both non-concessional and concessional funding from one window. The Asian Development Bank provides both non-concessional and concessional loans from its Ordinary Capital Resources; the Asian Development Fund provides only grants.

How are the MDBs funded?

Countries are referred to as "shareholders" in an MDB and hold a certain percentage of shares, and therefore voting power, based on their contributions.

At times, shareholders provide new funding to support the non-concessional or concessional windows. This funding can take three forms:

- Donor replenishments
- General capital increases
- Selective capital increases

Donor Replenishments

Because the concessional windows provide most of their funding to the poorest countries as grants or very low-cost, long-term loans, these windows deplete their funding over time and require periodic "replenishment" by donor countries every three to four years. When fully funded, U.S. funding commitments are paid out in equal installments over the replenishment period.

General Capital Increases

Under a general capital increase (GCI), MDB shareholder governments decide to provide additional capital to support the MDBs' non-concessional or private sector windows by purchasing new shares in the institution. Unlike concessional windows, the non-concessional and private sector windows are expected to be more financially self-sustaining, requiring

additional member state contributions less frequently, provided they follow prudent capital management policies. However, global and regional economic conditions or shareholders' desire to see an MDB provide higher levels of finance in support of particular aspects of a region's development agenda may lead to member countries negotiating to provide new capital to the MDB through a GCI. In these cases, member countries negotiate the total amount of additional capital required and the amount to be provided by each member.

The financing arrangements for GCIs are unique. Unlike replenishments, only a small portion of the total commitment is paid directly to an MDB. This portion is called "paid-in" capital, and typically ranges from 5-10 percent of the total increase. The pay-in period often ranges significantly (e.g., from three to eight years).

The remainder of the commitment is made in the form of "callable capital." Callable capital represents a financial commitment made by shareholders, but there is no actual transfer of funds. This capital is "callable" under limited and specifically enumerated circumstances to meet the obligations of the respective MDBs. These commitments are meaningful because they enable the MDBs to strengthen their credit ratings and reduce borrowing costs, and, in turn, lend to borrowers at rates lower than what they could obtain in the markets. No MDB has made a call on callable capital to date.

If a shareholder fails to purchase the shares that it decided to buy in the capital increase negotiations, the relative shareholding and voting power of that country will be diluted. Under the rules in place for most GCIs, voting shares are adjusted to reflect contributions as they come in from shareholders, such that delayed contributions will have an impact on the current voting share. Any shares allocated to a country that are not paid for within the allotted subscription period are moved to the MDB's unallocated capital, potentially making these shares available for other shareholders to acquire. Several countries seeking to expand their influence in the MDBs have expressed an interest in purchasing shares when they become available in this manner.

Selective Capital Increases

A selective capital increase (SCI) is not intended primarily as a fundraising vehicle but is used to allocate new shares to effect changes in the relative voting power of members of an MDB or accommodate accession by new members. Unlike a GCI, where shares are allocated to members in proportion to their existing shareholding, countries subscribe to different levels of shares under an SCI to achieve the desired realignment in voting power. Countries may have to purchase shares under an SCI in order to maintain their voting power or limit dilution, but the total capital increase under an SCI is typically much smaller than under a GCI.

Annex 2: FY 2022 Appropriations Language and Authorization Requests

Below is a summary of proposed appropriations language and authorization request.

FY 2022 Appropriations Language

Multilateral Development Banks

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury for the United States' share of the paid-in portion of the increases in capital stock, $206,500,000, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS
The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States' share of increases in capital stock in an amount not to exceed $1,421,275,728.70.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION
For payment to the International Development Association by the Secretary of the Treasury, $1,427,974,140, to remain available until expended.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK
For payment to the African Development Bank by the Secretary of the Treasury for the United States' share of the paid-in portion of the increases in capital stock, $54,648,752, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS
The United States Governor of the African Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States' share of increases in capital stock in an amount not to exceed $856,174,624.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND
For payment to the African Development Fund by the Secretary of the Treasury, $211,300,000, to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND
For payment to the Asian Development Bank's Asian Development Fund by the Secretary of the Treasury, $53,323,000, to remain available until expended.

International Monetary Fund – IMF Facilities and Trust Funds

CONTRIBUTION TO IMF FACILITIES AND TRUST FUNDS

For contribution by the Secretary of the Treasury to the Poverty Reduction and Growth Trust (PRGT) or other special purpose vehicle of the International Monetary Fund (IMF), $102,000,000, to remain available until December 31, 2031: Provided, That these funds shall be available to cover the cost, as defined in section 502 of the Congressional Budget Act of 1974, of loans made by the Secretary of the Treasury to the PRGT or other special purpose vehicle of the IMF: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed 15,000,000,000 Special Drawing Rights.: Provided further, That section 5(f) of the Bretton Woods Agreements Act (22 U.S.C. 286c(f)) shall not apply to any loans made by the Secretary of the Treasury to the PRGT or other special purpose vehicle of the IMF on or prior to December 31, 2031: Provided further, That the Exchange Stabilization Fund and the financing account corresponding to transactions with the IMF are authorized to enter into such transactions as necessary to effectuate loans denominated in Special Drawing Rights to the PRGT or other special purpose vehicle of the IMF.

Climate Change and Environment

GREEN CLIMATE FUND

For payment by the Secretary of the Treasury to the International Bank for Reconstruction and Development, as trustee for the Green Climate Fund, $625,000,000, to remain available until expended.

CLEAN TECHNOLOGY FUND

For contribution to the Clean Technology Fund, $300,000,000, to remain available until expended: Provided, That up to $270,000,000 of such appropriation shall be available to cover the costs, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans issued to the Clean Technology Fund: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans without limitation.

GLOBAL ENVIRONMENT FACILITY

For payment to the International Bank for Reconstruction and Development as trustee for the Global Environment Facility by the Secretary of the Treasury, $149,288,000, to remain available until expended.

Food Security

CONTRIBUTION TO THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

For payment to the International Fund for Agricultural Development by the Secretary of the Treasury, $43,000,000, to remain available until expended.

Office of Technical Assistance

INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

For necessary expenses to carry out the provisions of section 129 of the Foreign Assistance Act of 1961, $38,000,000, to remain available until expended: Provided, that amounts made available under this heading may be made available to contract for services as described in section 129(d)(3)(A) of the Foreign Assistance Act of 1961, without regard to the location in which such services are performed.

Debt Restructuring and Debt Relief

DEBT RESTRUCTURING

For "Bilateral Economic Assistance—Department of the Treasury—Debt Restructuring" there is appropriated $52,000,000, to remain available until September 30, 2023, for the costs, as defined in section 502 of the Congressional Budget Act of 1974, of modifying loans and loan guarantees for, or credits extended to, such countries as the President may determine, including the costs of selling, reducing, or cancelling amounts owed to the United States, pursuant to the "Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative (DSSI)", and for reducing interest rates paid by any country eligible for the DSSI: Provided, That such amounts may be used notwithstanding any other provision of law.

TROPICAL FOREST AND CORAL REEF CONSERVATION ACT

For the costs, as defined in section 502 of the Congressional Budget Act of 1974, of modifying loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts owed to the United States as a result of concessional loans made to eligible countries, pursuant to part V of the Foreign Assistance Act of 1961, $15,000,000, to remain available until expended.

FY 2022 Authorization and Other Legislative Requests[6]

ASIAN DEVELOPMENT FUND TWELFTH REPLENISHMENT

SEC. 7066. The Asian Development Bank Act, P.L. 89-369, as amended, (22 U.S.C. 285 et seq.), is further amended by adding at the end thereof the following new section:
"Sec. 37. Twelfth replenishment
(a) The United States Governor of the Bank is authorized to contribute, on behalf of the United States, $177,440,000 to the twelfth replenishment of the resources of the Fund, subject to obtaining the necessary appropriations.
(b) In order to pay for the United States contribution provided for in subsection (a), there are authorized to be appropriated, without fiscal year limitation, $177,440,000 for payment by the Secretary of the Treasury."

LOAN TO THE POVERTY REDUCTION AND GROWTH TRUST OF THE INTERNATIONAL MONETERY FUND

Section 5(f) of the Bretton Woods Agreements Act (22 U.S.C. 286c(f)) shall not apply to any loans made by the Secretary of the Treasury to the Poverty Reduction and Growth Trust ("PRGT") or other special purpose vehicle of the International Monetary Fund on or prior to December 31, 2031: Provided, That the Exchange Stabilization Fund and the financing account corresponding to transactions with the International Monetary Fund are authorized to enter into such transactions as necessary to effectuate loans denominated in Special Drawing Rights to the PRGT or other special purpose vehicle of the International Monetary Fund.

EXEMPTION OF THE INTERNATIONAL DEVELOPMENT ASSOCIATION SECURITIES FROM SECURITIES AND EXCHANGE COMMISSION (SEC) REGULATION

SEC. 7067

(a) Exemption from Securities Laws; reports to Securities and Exchange Commission
Any securities issued by the Association (including any guaranty by the Association, whether or not limited in scope) and any securities guaranteed by the Association as to both principal and interest shall be deemed to be exempted securities within the meaning of section 3(a)(2) of the Securities Act of 1933 [15 USC § 77c(a)(2)] and section 3(a)(12) of the Securities Exchange Act of 1934 [15 USC § 78c(a)(12)]. The Association shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Association and its operations and necessary in the public interest or for the protection of investors.

[6] The sections of authorization and legislative language below are included in the General Provisions section of the Department of State and Other International Programs chapter of the Appendix of the President's FY2022 Budget."

(b) Authority of Securities and Exchange Commission to suspend exemption; reports to Congress The Securities and Exchange Commission, acting in consultation with the National Advisory Council on International Monetary and Financial Policies, is authorized to suspend the provisions of subsection (a) of this section at any time as to any or all securities issued or guaranteed by the Association during the period of such suspension. The Commission shall include in its annual reports to the Congress such information as it shall deem advisable with regard to the operations and effect of this section.

Congressional Budget Justification **Fiscal Year 2022**

Budget in Brief

UNITED STATES INSTITUTE OF PEACE

May 28, 2021

Hon. Christopher "Chris" Coons, Chairman
Senate Appropriations Subcommittee on
State, Foreign Operations, and Related Programs
United States Senate

Hon. Lindsey Graham, Ranking Member
Senate Appropriations Subcommittee on
State, Foreign Operations, and Related Programs
United States Senate

Hon. Barbara Lee, Chairwoman
House Appropriations Subcommittee on
State, Foreign Operations, and Related Programs
United States House of Representatives

Hon. Harold "Hal" Rogers, Ranking Member
House Appropriations Subcommittee on
State, Foreign Operations, and Related Programs
United States House of Representatives

Dear Senators and Representatives:

On behalf of the Board of Directors of the United States Institute of Peace, we are pleased to present the Institute's FY 2022 Congressional Budget Justification for $45,000,000, equal to the enacted appropriation USIP received in FY 2021. In accordance with its Congressional mandate to prevent, mitigate and resolve violent conflict abroad, and in response to changing global realities and U.S. priorities, USIP is requesting funding for key programs and initiatives that advance peace.

Within its resources and on the basis of its comparative advantage, USIP is focused on helping to mitigate the potential for violent conflict created by great power competition, provide non-violent alternatives to counter violent extremism, mitigate the impact of violence in the Northern Triangle, prevent violent conflict in countries impacted by climate change and pandemics, and promote U.S. approaches to peacebuilding.

As an independent, nonpartisan, national institute, USIP remains fully committed to demonstrating America's highest ideals in the pursuit of peace, including the country's commitment to democracy, rule of law, diversity, equity, and inclusion.

During FY 2022, USIP will continue to find cost effective, practical solutions that reduce conflict and promote reconciliation in countries where U.S. interests are at stake. The Institute will support mediators and peacebuilders and produce independent research on the drivers of violence and conflict. USIP will also facilitate bipartisan study groups and provide recommendations to Congress and the U.S. Administration on critical foreign and national security issues, demonstrating the value of nonpartisan debate and unity to fellow Americans, as well as allies and adversaries overseas.

We respectfully request $45,000,000 in FY 2022 funding for USIP to continue investments that are vital and cost effective contributions to our national security.

Yours sincerely,

Stephen J. Hadley
Chair of the Board

Lise Grande
President

FY 2022 Budget Request

APPROPRIATION	FY 2020 ENACTED	FY 2021 ENACTED	FY 2022 REQUEST	INCREASE / (DECREASE)
United States Institute of Peace Appropriation	**45,000,000**	**45,000,000**	**45,000,000**	-

USIP Priorities for FY 2022

The United States Institute of Peace (USIP) is requesting $45,000,000 for Fiscal Year (FY) 2022, the same appropriation received in FY 2021, to promote global peace in accordance with its Congressional mandate to prevent, mitigate, and help resolve violent conflict abroad. USIP remains fully committed to demonstrating and promoting the United States' highest ideals, including the country's commitment to democracy, rule of law, diversity, equity, and inclusion in the pursuit of peace. In response to changing global realities, and in support of congressional priorities, USIP will contribute to national efforts, within its resources and on the basis of its comparative advantage, to:

- Mitigate the potential for violent conflict created by great power competition, including conflict between powers, and in regions where China and Russia are seeking to extend their influence;
- Address communal grievances, end cycles of revenge and provide non-violent alternatives to counter violent extremism in regions where U.S. interests are at stake;
- Mitigate the impact of violence and instability in the Northern Triangle of Central America;
- Prevent and mitigate violent conflict in countries impacted by climate change and strengthen the resilience of fragile states against future shocks, including pandemics;
- Promote U.S. approaches to peacebuilding as one of the most sustainable ways of mitigating violence and resolving conflict.

USIP: A Force Multiplier for Peace

Congress founded USIP in 1984 as an independent, nonpartisan, national institute dedicated to reducing violent conflict abroad. As part of its mandate, USIP is expected to represent and uphold the United States' fundamental commitment to peace. In fulfillment of its mandate, USIP:

- Helps to find practical, on-the-ground solutions that reduce conflict and advance reconciliation in flashpoints and along lines of contact.
- Facilitates conflict resolution and reconciliation in unstable communities and supports frontline peacebuilders in countries where U.S. strategic interests are at stake.
- Supports negotiations, engagement, and mediation in priority countries, including through track-1.5 and track two-dialogues.
- Helps to build, mentor, and consolidate a network of international peacebuilders, including women and youth, who share a commitment to conflict prevention and resolution.
- Facilitates bipartisan study groups that analyze and provide recommendations to Congress and the U.S. administration on critical foreign and security issues, demonstrating the value of nonpartisan debate and unity to fellow Americans, as well as to allies and adversaries overseas.
- Convenes Democratic and Republican senators and representatives for bipartisan dialogues on key aspects of foreign and security policy.
- Produces independent research, analysis grounded in evidence, and policy options on critical foreign and security issues based on specialist expertise and practitioner experience.
- Promotes, disseminates, and honors U.S. democratic norms and values as one of the most sustainable ways of ensuring global peace, security, and prosperity.

Fauziya Abdi Ali, center, a leader of Kenya's USIP-backed partner organization, Sisters Without Borders, speaks with U.S. and Kenyan officials about her group's work. Sisters Without Borders built a network in Kenya of women's groups that work with their communities and local officials to bolster security and justice—and thus undercut violent extremism. The group is expanding to Ethiopia, Tanzania, and Uganda. (USIP Photo)

USIP Key Initiatives for FY 2022

USIP is currently implementing more than 300 programs and initiatives spanning all aspects of peacebuilding, including in 16 countries where the Institute is present on the ground. The paragraphs below detail specific steps USIP is taking to advance the Institute's five FY 2022 priorities. A fuller description of USIP programming during FY 2022 is presented in the sections following the budget tables.

Great Power Competition: With China and Russia seeking to enhance their great power status, USIP is committed to mitigating the growing risk of conflict among the three powers, and within regions and countries where China and Russia are attempting to expand their cultural, economic, military, and political influence. This includes the following initiatives.

- *In support of U.S. efforts to update and reinvigorate the management and monitoring of strategic weapons in an era of technological change,* USIP is convening a bipartisan, high-level Study Group on Strategic Security and Stability. After meeting with Russian counterparts, the group will present recommendations to Congress and the administration on issues relating to the effect of new cyber, space, hypersonic, and artificial technologies and potential triggers for escalation from conventional to nuclear conflict.

- *Committed to keeping multiple channels of communication open,* USIP is bringing together former officials and experts from the United States, Russia, Ukraine, and Europe to discuss new options for resolving the Russia-Ukraine conflict and restoring Ukrainian sovereignty. USIP is also continuing to convene track-1.5 discussions with current officials and experts from the United States and China, as well as a range of track-two dialogues focused on Myanmar, Afghanistan, the Korean peninsula, and South Asia, to help identify new mechanisms for managing competition and avoiding conflict.

- *With the aim of reducing tensions in flashpoint areas and building relationships between divided communities*, USIP is continuing to convene community dialogues between citizens living on both sides of the line of contact in the war-torn Donbas region of Ukraine.

- *As part of ongoing efforts to assess the role of Russia and China in areas of strategic U.S. interest across Africa, Asia, Europe, Latin America, and the Middle East*, USIP is convening bipartisan study groups covering Myanmar, North Africa, the Sahel, and Ukraine.

- *Recognizing the importance of Pacific Island states to U.S. interests and the impact of geopolitical rivalry on the region*, USIP is launching a Pacific Islands Initiative aimed at providing analysis, perspective, and policy options for expanded U.S. engagement.

- *Committed to engaging and supporting peacebuilding institutions and organizations in countries where democracy is under pressure from geopolitical rivalry*, USIP is facilitating dialogues with civil society organizations in Cambodia, the Philippines, and North Africa.

Violent Extremism: Although progress continues to be made in degrading the impact and reach of terrorist movements, new and existing extremist forces remain a major driver of global instability and conflict. USIP is committed to mitigating the impact of these movements in the following ways.

- *Building on research and pilot programs aimed at disengaging families and communities from violence*, USIP is helping to identify options for ISIS families in close coordination with the United States Agency for International Development (USAID), the Department of State, and the Department of Defense. USIP is also partnering with the Department of State to help reintegrate families of foreign fighters from Iraq and Syria into Central Asia countries.

- *With the aim of helping to deny extremist forces safe havens and opportunities in vulnerable countries*, USIP continues to support peace processes in both Afghanistan and Iraq. In the Central African Republic, USIP is partnering with regional and frontline organizations to engage traditional leaders and counter recruitment and hate speech. USIP is strengthening civil society organizations in Mozambique, Nigeria, and across the Sahel to resist extremist influence and resolve the local conflicts being exploited by violent movements. USIP is also using research from the fields of psychology, neurobiology, and conflict resolution to develop innovative ways to promote nonviolent action as an alternative to radicalization.

- *Recognizing the role women leaders and activists play in countering extremism in their communities*, USIP is expanding training and mentoring for grassroots women's groups in Burkina Faso, Mali, Niger, and Tunisia in West and North Africa, and in Ethiopia, Kenya, Sudan, Tanzania, and Uganda in East Africa.

- *Committed to building a broad network of partners to better understand and more effectively counter extremist forces*, USIP is continuing to facilitate the work of RESOLVE (Researching Solutions to Violent Extremism), a consortium of 30 partner organizations and global experts focused on drivers of recruitment, community resilience, and disengagement of former fighters.

Northern Triangle: Recognizing that violence, corruption, and poverty are driving mass migration from El Salvador, Guatemala, and Honduras, USIP is committed to helping to stabilize distressed communities in Central America in the following ways.

- *Building on research and pilot programs aimed at improving the effectiveness of police in the communities they serve*, USIP is launching dialogues between police services and civil society in the districts in El Salvador, Guatemala, and Honduras where migration rates are the highest. The Institute intends to build on these dialogues to help generate concrete recommendations for the reform of these services and to facilitate engagement between civil society and government officials to advance these reforms.

- *With the aim of helping to build national consensus in Central American countries on addressing instability and insecurity*, USIP is facilitating inclusive consultations in high-migration districts among government officials, women's groups, universities, youth networks, religious organizations, and the private sector focused on improving law and order, expanding job opportunities, slowing environmental degradation, and curbing violence.

Climate Change and Pandemics: Climate change and resource scarcity, including in some of the world's most unstable and fragile states, continue to drive conflict and migration across the globe. New risks to global security and stability are emerging as countries struggle to halt and recover from COVID-19, and as great and emerging powers exploit the new global inequities created by the pandemic. USIP is helping to prevent and mitigate the impact of these dynamics in the following ways.

- *Building on its record of convening community dialogues*, USIP is advancing the emerging field of environmental peacebuilding by bringing rival groups together in Nigeria to jointly resolve management of land and water resources and by supporting peacebuilding organizations working on resource governance in Myanmar.

- *Building on its track record of supporting cutting-edge research*, USIP is commissioning research on water resources and management in Central Asia and South Asia and intends to pilot cross-border initiatives in Kyrgyzstan, Tajikistan, and Uzbekistan to help resolve resource disputes.

- *Building on its support for the Global Fragility Act*, USIP is working with academic and research institutions to address environmental risks in the implementation of the 2019 Global Fragility Act.

- *In partnership with the Center on Democracy, Development, and the Rule of Law at Stanford University*, USIP is analyzing the ways authoritarian governments are using COVID-19 and public health crises to centralize power and repress adversaries and marginalized groups. Recommendations on ways to counter authoritarian practices are being widely shared with policymakers and practitioners.

- *In partnership with EcoPeace Middle East*, USIP is helping to develop regional strategies for the Middle East aimed at promoting trust and cooperation through environmental protection, water security, and renewable energy.

- *Concerned that localized conflicts may arise because of COVID-19*, USIP is partnering with peacebuilding, research, and academic institutions to develop methodologies for tracking the impact of the pandemic on fragile states and policy options for quickly addressing factors likely to further destabilize these countries. USIP is also convening an expert group to explore options—such as ceasefires–for accelerating vaccinations in fragile states.

U.S. Democratic Norms and Approaches: With the rules-based international order under increasing pressure from great power competition, global inequities, climate change and pandemics, USIP is committed to promoting U.S. approaches to peacebuilding as one of the most sustainable ways of mitigating violence and resolving conflict. This includes the following initiatives.

- *Committed to promoting nonviolent action as one of the most effective ways of advancing social change and resolving grievances*, USIP is establishing, at the request of Congress, the Gandhi-King Global Academy to teach the principles of nonviolence to peacebuilders from across the world using conflict resolution tools. USIP is also working to build the capacity of grassroots activists, organizers, and peacebuilders in strategic nonviolent action in Venezuela, Sudan, Ethiopia, Tunisia, and Afghanistan.

- *Recognizing that reconciliation is more durable when former belligerents work together to address the legacies of war*, USIP is launching an initiative, at the request of Congress, to support joint U.S. and Vietnamese efforts to account for Vietnamese combatants who remain missing in action. USIP is also assessing the role and impact of truth and reconciliation commissions as mechanisms for restorative justice.

- *Recognizing that inclusion, justice, and equity are the foundation for sustainable peace and security*, USIP is engaging with peacebuilders, institutes, and partners across the world to find practical ways to embed these principles in all aspects of peacebuilding theory, policy, and practice.

- *Committed to ensuring the involvement of women in all aspects of peacebuilding as one of the most effective ways of achieving longer-lasting peace after conflict*, USIP is continuing to partner with the U.S. government and civil society leaders to strengthen implementation of the Women, Peace, and Security Act of 2017. USIP is also helping to elevate women's leadership in peacebuilding by presenting its annual international Women Building Peace Award and is continuing to support, train, and mentor frontline women's organizations in all countries where the Institute is engaged.

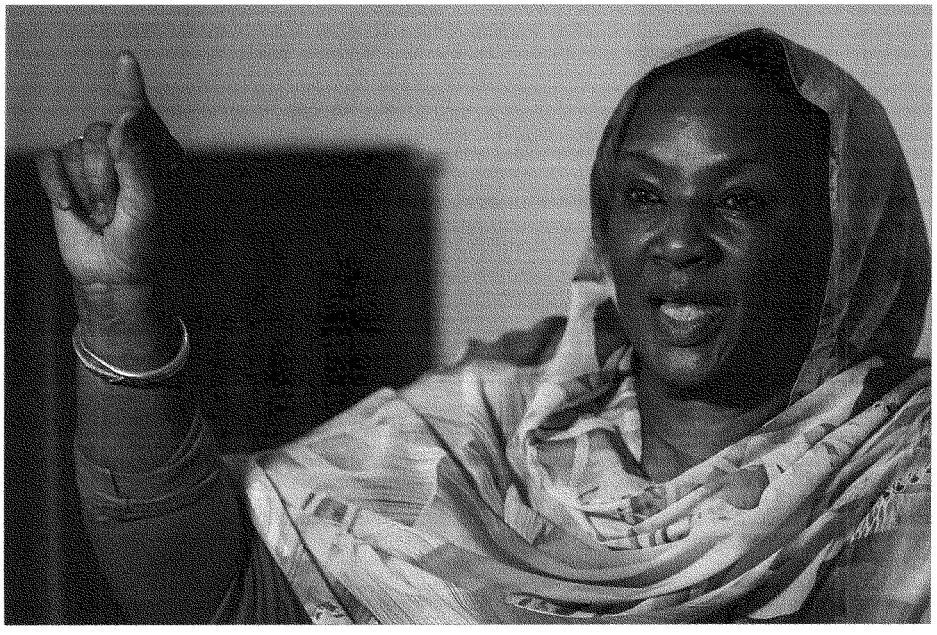
- *Recognizing that religious freedom and coexistence are fundamental to stability and peace in any country*, USIP is providing specialized guidance to the Department of State and USAID to help strengthen engagement with religious communities and advance religious freedoms in countries facing violence. USIP

Myo Hein Htut, a USIP staffer in Myanmar, and USIP partners in the country discuss ways to improve the design of peacebuilding projects. Communal violence in Myanmar constituted Southeast Asia's biggest security crisis, uprooting more than 1.9 million people, even before the 2021 military coup. USIP remains on the ground in Myanmar, working with local partners to reduce bloodshed following the coup. (USIP Photo)

is also publishing research and practical guides for addressing, the religious elements of conflicts.

- *Recognizing that dialogue, mediation, and the search for shared goals and interests are essential elements of any peace process*, USIP is continuing to help train and mentor civil society delegations involved in formal and informal negotiations in Afghanistan, Colombia, Libya, Myanmar, South Sudan, Tunisia, Ukraine, and Venezuela. USIP is also continuing to provide direct support to official mediators on request and is supporting peace and mediation initiatives led by the African Union in Ethiopia, the Horn of Africa, and the Sahel.

- *Committed to building and mentoring a new generation of peace activists*, USIP is funding and guiding community-level peacebuilding projects led by youth in more than a dozen countries, including Afghanistan, Colombia, Iraq, Israel, Libya, Pakistan, Syria, Tunisia, and Venezuela.



Women remain excluded from power in Sudan following the ouster of a 30-year dictatorship, according to Zeineb Badreddine, a teacher who has helped lead citizens' demands for democratic, civilian rule. The inclusion in governance of marginalized groups is a priority for USIP as it co-leads, with the State Department, a project in Sudan to pilot principles for more effective peacebuilding. The 2019 Global Fragility Act mandates a more unified U.S. strategy to help countries improve unresponsive governance that breeds extremism and violence. (AFP/Ashraf Shazly)

USIP Contributions to Peace during FY 2021

During FY 2021, and despite the limitations imposed by the COVID pandemic, USIP has continued to advance efforts toward peace. Notable contributions include the following.

- *As part of ongoing efforts to reduce communal tensions in areas where violent extremism is growing,* USIP worked with local peacebuilding institutes to reconcile farmers and herders along the shared border between Plateau and Kaduna states in Nigeria. In Iraq, USIP convened reconciliation dialogues in cities and districts impacted by ISIS, laying the groundwork for the return of thousands of displaced families. USIP also leveraged its long-standing presence to encourage the education ministry to modify textbooks to promote religious pluralism. In Tunisia, USIP helped communities reduce local tensions and divisions that are exploited by extremists to radicalize youth. One city established a Conflict Mediation Unit operated jointly by local youth and police. In Libya, USIP helped local officials resolve tensions in sensitive border regions where extremist forces are seeking to expand their influence. In Afghanistan, USIP piloted provincial and district-level dialogues among women, youth, and local government leaders aimed at developing a common vision and action plan for peace in their areas.

- *Building on its commitment to provide recommendations and options to improve U.S. foreign and security policy,* USIP continued to convene high-level, bipartisan Senior Study Groups. At the request of Congress,

USIP convened the Afghanistan Study Group (ASG) to assess U.S. options in the wake of either a successful or failed peace settlement. The ASG's recommendations, released in February 2021, were widely discussed by policymakers and in the media. USIP also facilitated study groups focused on China's influence on conflicts in neighboring countries, competition and conflict in the Red Sea, and the impact of the Israeli-Palestinian conflict on regional stability.

- *Building on its experience in fragile states*, USIP established a demonstration project in Sudan designed to ground-test the Global Fragility Act in partnership with the transitional government. USIP also launched pilot projects in Burkina Faso, Niger, Nigeria, and Senegal to accelerate judicial reforms in communities where grievances are driving radicalization and continued to support an initiative aimed at improving the effectiveness of decisions taken in Palestinian family courts. USIP also continued to support citizen-focused policing initiatives in Pakistan and to train police, prosecutors, and judges to identify early indicators of risk for mass violence and atrocities.

- *As part of ongoing efforts to reduce tensions along lines of contact*, USIP helped to establish a digital coordination system between Israeli and Palestinian police forces that improved response times and minimized the potential for communal confrontations. USIP also facilitated Israeli and Palestinian peace organizations working across lines of contact, helping them to develop shared, real-time mechanisms for defusing tensions.

- *Building on its application of cutting-edge research to identify and address drivers of conflict*, USIP commissioned an analysis of the impact of Chinese-supported commercial ventures in Myanmar and undertook pioneering research into conflict dynamics along Libya's southern borders and the border between Libya and Tunisia.

- *Committed to providing policymakers and peacemakers around the world with options and evidence*, USIP shared its research and recommendations for strengthening accountability and transparency in fragile states with leaders in the African Union. USIP broadened the scope of both The Iran Primer, a website providing real-time analysis of political, economic, military, foreign policy, and nuclear dynamics in Iran, and The Islamists website, which provides up-to-date analysis of jihadi movements in the Middle East and North Africa.

- *Building on its experience of convening high-level dialogues*, USIP facilitated a track-1.5 dialogue between the United States and Pakistan on the future of bilateral relations and growing Chinese influence in the region.

- *As part of ongoing efforts to build a network of frontline peacebuilders, champions, and activists committed to conflict prevention and reconciliation*, USIP supported, trained, and mentored grassroots peace organizations in Colombia and Venezuela in Latin America; Nigeria, Sudan, and South Sudan in Africa; and in Iraq, Libya, and Tunisia in the Middle East. USIP also continued to identify, support, and mentor youth leaders from 26 countries through its pioneering Generation Change Fellows Program. Hundreds of leaders from Afghanistan, Colombia, Egypt, Myanmar, Nigeria, Somalia, South Sudan, Sudan, Tunisia, Venezuela, and Yemen have benefitted from this initiative, which will expand threefold in the coming year.

About USIP

A Legacy of World War II

Congress established the U.S. Institute of Peace in 1984, led largely by members of Congress who were combat veterans of World War II and who sought to strengthen America's capacity to shape international affairs by preventing and reducing violent conflicts worldwide.

USIP's founders include Senators Mark Hatfield of Oregon and Spark Matsunaga of Hawaii. In World War II, Hatfield commanded Navy landing craft at the beaches of Iwo Jima and Okinawa, and led the first U.S. survey of Hiroshima's destruction with the atomic bomb. Matsunaga, an Army captain, fought in Europe and North Africa and was awarded the Bronze Star. In sponsoring legislation for the Institute, these senators were supported by World War II and Korean War veterans, including Congressional Medal of Honor laureate and Hawaii Senator Daniel Inouye and leaders in a nationwide citizens' movement.

By statute, USIP's programs are exclusively federally funded, like those of other national security institutions. Headquartered in Washington, D.C., USIP maintains field offices in Baghdad and Erbil (Iraq), Kabul (Afghanistan), Islamabad (Pakistan), Tunis (Tunisia), and Yangon (Myanmar).

Senators Mark Hatfield of Oregon, Spark Matsunaga of Hawaii, and Jennings Randolph of West Virginia greet President Ronald Reagan, who signed USIP's founding legislation in 1984. Hatfield and Matsunaga, who worked with Randolph and bipartisan co-sponsors to establish the Institute, were motivated by their World War II combat experiences to create USIP as a way to strengthen America's capacity to reduce and prevent costly wars abroad. (The White House)

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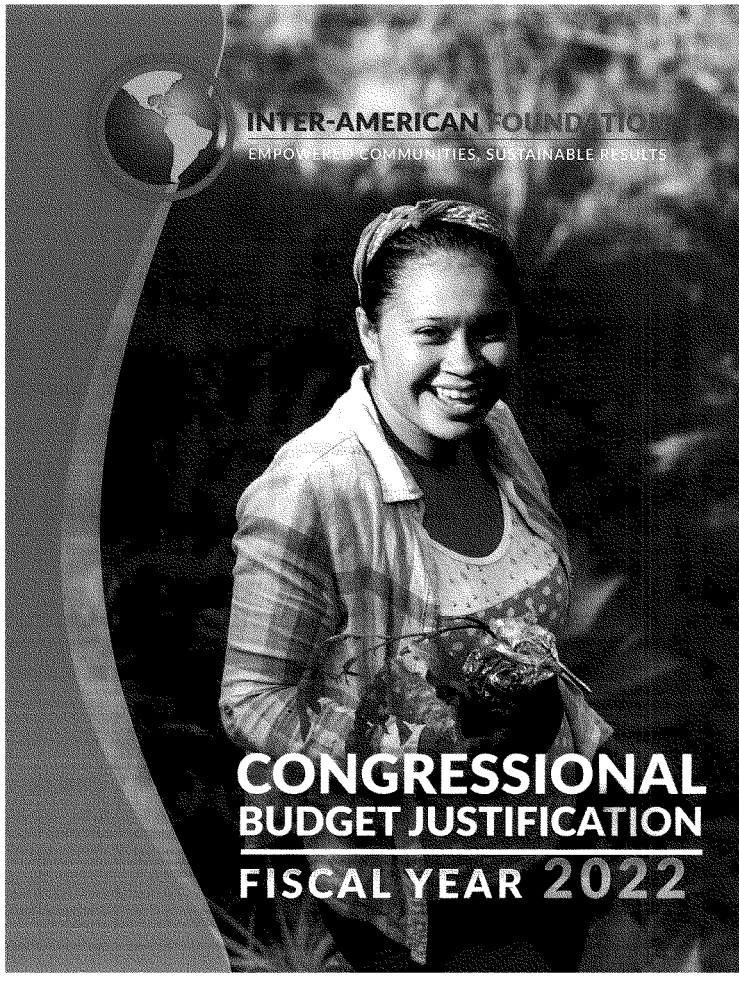
INTER-AMERICAN FOUNDATION
EMPOWERED COMMUNITIES, SUSTAINABLE RESULTS
CONGRESSIONAL
BUDGET JUSTIFICATION
FISCAL YEAR 2022

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1 | Summary Justification

The President is requesting $38 million for fiscal year (FY) 2022 for the Inter-American Foundation to support over 330 community-led development projects in 27 Latin American and Caribbean countries, including activities to address the devastating impacts of COVID-19 and root causes of migration in the region.

In FY 2022, the IAF will serve U.S. national interests and advance U.S. strategic priorities by responding to the needs of underserved communities in the hemisphere, including: addressing root causes of irregular migration from Central America, promoting inclusive economic prosperity, reducing food insecurity, combating corruption through civic engagement, engaging communities in preventing violence and crime, integrating displaced Venezuelans, building resilience to natural disasters, and sustainably managing natural resources.

The following subsections will demonstrate how the IAF **serves U.S. interests, delivers results, provides a cost-effective approach, complements other U.S. government development efforts,** and **promotes economic and social inclusion of historically marginalized populations.** These subsections are followed by the **President's Request.**

The IAF Serves U.S. Interests

The Inter-American Foundation is an independent U.S. foreign assistance agency that directly invests in community-led development across Latin America and the Caribbean. The agency engages local leaders, innovators, and entrepreneurs in underserved areas to make their communities more prosperous, peaceful, and democratic. The IAF awards small grants to community-based grassroots organizations, civil society organizations, and both nascent and established associations and networks that foster grassroots development, with an average investment of $300,000 over four years.

IAF grants:

1. **Expand economic opportunities** through investments in sustainable smallholder agriculture, job skills training, access to credit, microenterprise and small-business growth, production, connectivity and technology, and market access;
2. **Enhance peace and security** by strengthening communities' social cohesion to address transnational crime, violence, unemployment, and irregular migration and create economic opportunities that improve their safety;
3. **Strengthen democratic governance** and combat corruption by improving the capacity of local civil society to engage constructively with public officials, oversee the use of public funds, bolster accountability, and protect human rights—particularly among vulnerable populations; and
4. **Unlock private, public, and community resources** for grassroots development through financial and programmatic partnerships.

The IAF's investments in Latin America and the Caribbean serve U.S. interests by:

- **Creating alternatives to irregular migration, the drug trade, crime, and violence in vulnerable places.** IAF grants promote inclusive economic opportunities, good governance, and peace and security in communities plagued by drivers of migration such as poverty, unemployment, corruption, illicit economies, food insecurity and malnutrition,

and environmental pressures like drought.

- **Building stronger, more democratic allies.** The IAF works to improve the quality of democracy in the region by strengthening civil society. The agency supports grantees' efforts to participate in civic life, constructively engage local officials, defend human rights, promote transparency and inclusion, and hold their governments accountable to the law and democratic processes.
- **Rapidly addressing emerging crises.** The IAF model allows the agency to shift resources promptly toward emerging areas of U.S. concern. For example, in response to the COVID-19 pandemic crisis, the IAF provided $21.7 million in funding to over 150 local organizations in remote and underserved areas. This enabled them to provide food, sanitary supplies, locally-sourced protective equipment, accurate public health information, and critical digital connectivity to help keep communities healthy and safe. It also enabled small private enterprises to survive, pivot, and support recovery efforts.
- **Building resilience to natural disasters.** By strengthening organizations and their ability to plan for crises, the IAF fosters resilience across the region. In response to a recent series of natural disasters in the Eastern and Southern Caribbean, the IAF also deployed new funding to local organizations to support community-level resilience. To further support these efforts, the IAF and the U.S. Agency for International Development (USAID) launched a joint initiative, Building Community Resilience in the Eastern and Southern Caribbean, to enhance communities' ability to prepare for and recover from disasters.
- **Supporting human dignity and human rights for marginalized communities.** The IAF targets funding for organizations that promote human rights and support inclusivity, including for Indigenous people, people of African descent, women, LGBTQI+ people, youth, and people with disabilities.
- **Improving public opinion of the United States.** IAF investments to date have created a dynamic network of grassroots organizations throughout the region positively disposed to the United States. More than 70% of IAF grantees independently surveyed by the Center for Effective Philanthropy in 2020 had improved or greatly improved their opinion of the United States as a result of working with the IAF.[1]
- **Preparing IAF grantees to do business with U.S. and other international markets.** The IAF helps scale the capabilities of small businesses and social enterprises to access new markets, export goods and services, and do business with the United States. For example, with IAF funding to industrialize and market their products, the El Ceibo chocolate company (Bolivia) now sells in U.S. supermarkets, and the Cosurca Coffee Cooperative (Colombia) exports to the United States and Europe.
- **Fostering an enabling ecosystem to increase local ownership of development** by strengthening community-focused philanthropy in Latin America and the Caribbean. For example, the IAF's joint investment of $2.67 million in Mexican community foundations with the Charles Stewart Mott Foundation has mobilized an additional $10.67 million—97% Mexican in origin—benefiting 180 grassroots organizations serving 30,000 people. This is driving more local and private resources towards grassroots development and engaging communities in designing local development solutions. With a $1.5 million IAF impact investment, Empresa para el Desarrollo, a microfinance lender representing approximately 70 community credit associations, is extending access to credit to an additional 3,500 small and microenterprises in Costa Rica and Panama.

The IAF Delivers Results

More than **2.3 million people** benefitted from the IAF's **330 grants** active in **26 countries** in FY 2020. Of these grants, 74% advanced economic opportunity and prosperity, 52% strengthened civic engagement for better governance and accountability, and 24% improved peace and security.

Of grants closing in FY 2020, **77% met or exceeded outcome goals** specified for each project.

For more on results, see Section 2: FY 2020 Accomplishments.

50 Years of Impact: In December 2019, the IAF celebrated 50 years of propelling grassroots development. Since its creation by Congress in 1969, the IAF has supported more than 5,400 grantee organizations in 32 countries, improving living conditions for hundreds of thousands of families throughout the region. Together with grantees, we have piloted cost-effective, participatory models for social and economic development. The IAF's knowledge-sharing exchanges among grantees have created an enabling environment for disseminating field-based innovations.

Over time, the IAF's model of funding local organizations and community-driven initiatives, rather than individuals or international organizations, has come to be recognized as a development best practice.

By responding to grantees' innovations, the IAF has consistently been on the forefront of funding trends with milestones such as the following:

- **Funding one of the world's first microcredit programs,** based in Brazil, almost a decade before Bangladesh's Grameen Bank popularized the idea of microfinance for community development.
- **Investing in African-descendent organizations and networks.** The IAF was an early international funder of African-descendent organizations in the 1970s. Our grantees advocated for the inclusion of African descendants in the censuses of various countries including Uruguay, Paraguay, Brazil, Argentina, and Peru.
- **Developing a vanguard membership organization of Latin American corporate foundations,** RedEAmérica, that have moved beyond basic charity to become a regional leader in channeling private sector investment into community-driven development projects.
- **Leading the international development field in partnering with U.S.-based diaspora organizations** to leverage funds for development in their countries of origin.

The IAF Provides a Cost-Effective Approach

IAF small grants are high-impact, cost-effective catalysts for positive change that effectively leverage local, private, and philanthropic resources for development. The IAF continues to steward U.S. taxpayers' dollars responsibly, delivering development assistance that is smart and highly cost-effective by:

- **Leveraging matching resources from grantees.** The IAF requires grantees to contribute or mobilize their own cash or in-kind resources from their community, local private sector, philanthropic organizations, and their governments. This prepares them to sustain and grow their efforts beyond the IAF's support—and to be included in the economic and democratic progress of their countries. Over the last five years, **each dollar invested by the IAF leveraged on average $1.26** from grantees, multiplying the IAF's impact and

ensuring community ownership.

- **Keeping our costs low.** The IAF maintains low implementation costs—just 9%—by requiring counterpart investment from grantees and shared services for many administrative and operational functions. With just 50 staff based in Washington, D.C., the agency currently manages a portfolio of more than 330 active, multi-year grants in 26 countries, while considering more than 1,000 proposals and funding approximately 200 new or continuing grants per year.
- **Scaling our reach via public-private partnerships.** The IAF actively collaborates with the private sector—corporate and philanthropic—in joint funding initiatives. The agency is expanding its network of private-sector partners to scale its reach and impact. For example, the IAF recently launched a three-year partnership with Danone to revive economic activity in communities severely affected by the COVID-19 pandemic. Danone Argentina and the Danone Ecosystem Fund are contributing $1.70 for every $1 the IAF invests to create jobs and improve recycling in 35 cities in Argentina.
- **Ensuring accountability and results.** The IAF holds grantees accountable for using U.S. public funds responsibly and for successfully implementing their grants through robust oversight, regular audits, independent data verification, and progress reporting. The agency requires grantees to track and report their progress, lessons learned, and results every six months during the life of the grant.

The IAF Complements Other U.S. Government Development Efforts

The IAF's broad networks, direct connection to civil society, deep knowledge of local contexts, and specialized expertise directly complement other U.S. development efforts by:

- **Strengthening U.S. development efforts at the community level.** The IAF is focused on strengthening incipient local organizations (civil society organizations, grassroots groups, and social enterprises) that are often too small, underdeveloped, or remote to work with larger agencies and donors.
- **Creating direct access to civil society without third-party intermediaries.** The IAF's relationship with partner organizations is direct, fluid, and dynamic throughout the period of the grant and beyond. This high-touch, responsive approach provides oversight that promotes efficiency and increases grantees' chances of success. **None of the IAF's funds go to intermediaries, implementers, or government entities.**
- **Maintaining U.S. presence.** The IAF's direct relationship with civil society organizations has allowed the U.S. government to maintain development presence in countries even when activities of larger agencies are constrained.
- **Acting with flexibility and agility.** The IAF practices adaptive management, which enables it to respond to changing conditions on the ground, capitalize on new or emerging opportunities, or quickly close grants that are not having the desired impact. For example, in response to the **humanitarian crisis in Venezuela**, the IAF began working in FY 2019 with grassroots partners in high-migrant-receiving communities in Colombia, Brazil, Ecuador, and Peru to quickly mobilize $1.6 million to facilitate the integration of displaced Venezuelan migrants and refugees through job training, psychosocial support, microfinance, and more. As of FY 2020, the initiative had mobilized $9.2 million and expanded to Trinidad and Tobago, Argentina, and Chile.

The IAF Promotes Economic and Social Inclusion of Historically Marginalized Populations

The IAF prioritizes including the region's most disadvantaged citizens—women, young people, Indigenous people, African descendants, LGBTQI+ people, and people with disabilities, among others—in their countries' economic and civic life.

- **Women.** Supporting grassroots organizations advancing women's empowerment has always been at the heart of the IAF mission. Despite the barriers to achieving gender parity, women make up 56% of participants in IAF-funded grants. The IAF launched the Women INvesting in Growth and Security (WINGS) initiative in 2018 to more deliberately invest in organizations seeking to spur women's social and economic success. This $23 million initiative, representing approximately 30% of the IAF's grants, supports more than 120 local organizations in 23 countries that increase women's opportunities for civic engagement, enable greater access to finance, and expand leadership, business, and management training options. IAF grantees also increase opportunities for women to uphold their rights and engage local governments.
- **Young People.** Over half (51%) of IAF grants carry out activities benefiting young people. Of those, one in 10 is a youth-led organization. With Latin America and the Caribbean leading the world in youth homicide deaths due to gang violence and insecurity, the IAF invests in engaging young people in productive, income-generating ventures; leadership training; peacebuilding; and conflict resolution. IAF grantee organizations build young people's capacity for civic engagement and open channels for them to advocate for their priorities in public policy and development.
- **Indigenous People.** In FY 2020, 32% of IAF grants supported Indigenous communities in 15 countries. Latin America and the Caribbean is home to between 29 and 50 million Indigenous people from as many as 826 groups.[2] These groups face many systemic socioeconomic challenges, including a 46.7% poverty rate[3] and limited access to services, education, and employment. IAF grantees in Indigenous communities promote income-generating social enterprises, sustainable agriculture and natural resource management, and visibility for Indigenous issues, such as legal titles to land. In FY 2021, the IAF laid the groundwork for a new pilot initiative with Indigenous peoples in Latin America and the Caribbean and Native American communities in the United States to explore ways to share best practices of mutually beneficial trade and investment relationships.
- **African Descendants.** In FY 2020, 18% of IAF grants supported communities of African descendants in Latin America and the Caribbean, who often face disproportionately low measures of income, education, and health and continue to be underrepresented in decision-making positions. At least one in every four Latin Americans identifies as an African descendant, making them the largest minority group in the region. IAF grantees promote rights and legal protections, educational inclusion, and recognition and representation for African descendants as a key demographic group. They also expand leadership and income-generating opportunities for African descendants.

The President's Request

The President is requesting an appropriation of $38 million for the IAF in FY 2022.

With this appropriation, the IAF can advance the following vital efforts to promote economic opportunity, strengthen accountable democratic governance, and foster social inclusion and human dignity, in line with U.S. foreign policy and national security priorities in Latin America and the Caribbean:

- **Propelling COVID-19 recovery.** As one of the geographic regions hit hardest by the pandemic,[4] Latin America and the Caribbean will require intensive, long-term investment to recover from its worst economic recession. IAF investments will focus on restarting economic activity and building resilience to future crises. To maintain our successful high-touch approach in the event that direct site visits remain unsafe for IAF staff or partner communities, the IAF will continue to refine its successful virtual grantmaking, monitoring and evaluation, and grantee learning exchanges.
- **Responding to the devastation of Hurricanes Eta and Iota.** In November 2020, Hurricanes Eta and Iota caused damages estimated at $9 billion across southern Mexico, Central America, and Colombia,[5] impacting almost a third of IAF grantees. IAF's support is facilitating grantees' shift from responding to immediate food, shelter, and health needs, to planting crops for long-term food security, reforesting hillsides to prevent future erosion, improving access to markets, and increasing access to loans for small businesses.
- **Developing alternatives to irregular migration.** Increased food insecurity resulting from the COVID-19 pandemic and frequent natural disasters in Central America are contributing to a new wave of irregular migration north. The IAF's strategy in the Northern Triangle focuses on building resilience and rootedness in communities impacted by food insecurity, corruption, poverty, marginalization, environmental degradation, extreme weather, natural disasters, and violence. IAF grants support viable opportunities for farming families, youth, and women to earn a living, and for community organizations to work with municipal governments and other stakeholders to reduce violence, including gender-based violence. They strengthen civil society groups' capacity to call for and participate in responsive, transparent, and democratic governance and oversee public spending to prevent corruption.
- **Integrating displaced Venezuelans.** The displacement of more than 4.6 million Venezuelans throughout the region[6] continues to pose an unprecedented humanitarian and economic challenge, straining public infrastructure and igniting tensions with local citizens over resources. The IAF will continue to invest in its regional initiative for community-led integration, which currently includes 24 grantees involved in improving livelihoods, promoting conflict resolution, providing basic services, and addressing xenophobia in seven countries: Argentina, Brazil, Chile, Colombia, Ecuador, Peru, and Trinidad and Tobago.
- **Promoting inclusive economic prosperity and support for human dignity** that benefits underserved and historically marginalized populations such as women, youth, Indigenous people, African descendants, LGBTQI+ people, people with disabilities, and others. Nearly half of IAF grants promote enterprise development, job skills, and sustainable agricultural production in underserved areas.
- **Fostering constructive civic engagement in development and democracy.** Across Latin America and the Caribbean, governments have intensified restrictions on civil society organizations such as nonprofits and associations, and moved to limit residents'

rights to free association, assembly, and expression. The IAF will continue investing in civil society—crucial to healthy democracies—by strengthening local democratic practices, citizen-led anti-corruption efforts, freedom of speech, and participation of underrepresented populations. Strong, democratic governments make good neighbors for the United States.

- **Managing natural resources and preparing for natural disasters.** Extreme weather is a region-wide issue, with half of the world's top ten most at-risk countries in Latin America and the Caribbean.[7] To anticipate challenges from frequent droughts, intensifying hurricanes, shifting crop diseases, and natural resource depletion, IAF grantees create seed banks, plant weather-resistant crops, construct water storage and flood control infrastructure, strengthen disaster response coordination, and develop disaster mitigation and recovery strategies among grassroots networks and local governments.
- **Engaging communities in preventing violence and crime.** Violence continues to rise in a region already considered the most violent in the world. Post-conflict insecurity overshadows many of the communities with which the IAF works, with violence against community leaders threatening to derail grassroots development efforts. The pandemic's economic devastation appears to be accelerating transnational gang recruitment and has exacerbated gender-based violence. The IAF will continue to engage communities in crime and violence prevention and peacebuilding efforts through programming like the Colombia Peace Initiative, which now encompasses a network of 23 local partners working across 24 departments.

The President's request of $38 million for the IAF in FY 2022 is equal to the FY 2021 Enacted level, a year in which the IAF received no interagency transfers. The agency will continue working to minimize overhead expenses, maximize the programmatic impact of its resources, and further refine the IAF's evidence-based evaluation system.

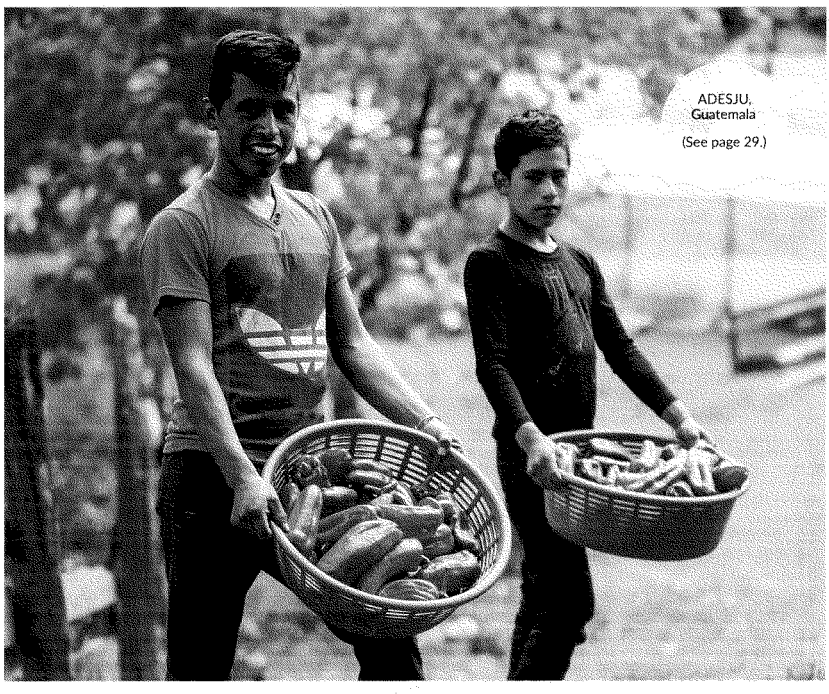
Summary Table: Sources of IAF Funds FY 2020-2022

	FY 2020	FY 2021	FY 2022
Appropriated Funds (Current Year)	37,500,000	38,000,000	38,000,000
Carryover Appropriated Funds from Prior Year	2,259,176	6,908,108	900,000
Recoveries Appropriated Funds	503,102	1,147,168	800,000
Carryover to Future Year	-6,908,108	-900,000	-900,000
Interagency Transfers	11,000,000	0	0
Gift Funds	266,939	1,000,000	1,000,000
SPTF Funds	0	1,200,000	1,200,000
TOTAL OBLIGATION AUTHORITY	44,621,109	47,355,276	41,000,000

The IAF is also developing new donor partnerships in a bid to mobilize private sector funding to replace the resources historically provided by the Social Progress Trust Fund (SPTF), which was an important source of funds for the agency for more than 45 years.[8] The IAF is currently partnering with, among others, the Charles Stewart Mott Foundation, Aguas Danone Argentina, Danone Ecosystem Fund, the Fine Chocolate Industry Association, the International Community

Foundation, Laudes Foundation, Tinker Foundation, Philip Stephenson Foundation, and Young Americas Business Trust.

To ensure that our community-based programming is aligned with U.S. foreign policy and development priorities, the IAF will continue to coordinate with the National Security Council, Department of State, the U.S. Agency for International Development (USAID), and others on a number of interagency efforts, including Addressing Root Causes of Migration in Central America, Building Community Resilience in the Eastern and Southern Caribbean (a three-year, $5 million joint initiative with USAID), women's empowerment, the Global Food Security Strategy, and the crisis of Venezuelan refugees and migrants.



ADESJU, Guatemala

(See page 29.)

2 | FY 2020 Accomplishments

IAF's Reach

- More than **2.3 million people** benefitted from over **330 grants** across **26 countries.**
- The IAF funded **87 new grants**, 70% of which went to eight priority countries: Honduras, Guatemala, El Salvador, Colombia, Mexico, Peru, Haiti, and Nicaragua.
- **76%** of grants supported **historically marginalized populations**, including African descendants, Indigenous people, and women.
- **51%** of IAF grants directly involve and benefit **young people.**
- **32%** of IAF grants supported **Indigenous communities.**
- **56%** of IAF grant participants were **women** and **girls** with **30%** of IAF grants undertaking activities explicitly designed to advance **women's empowerment.**
- **18%** of IAF grants supported communities of **African descent.**
- **56%** of IAF funds were directed to **rural** communities, **11%** to **urban** communities, and the rest to both rural and urban areas.
- **31%** of IAF grants worked to address the **root causes of irregular migration.**
- **74%** of active IAF grants expanded **economic opportunity and prosperity.**
- **52%** of active IAF grants strengthened civic engagement for **better governance and accountability.**
- **24%** of active IAF grants improved **peace and security.**

Results and Impact

- IAF grantees **scored the IAF in the top 1%** of over 300 funders for **positive impact on their fields** and **top 5% for impact on their communities** in an anonymous 2020 survey by the Center for Effective Philanthropy.[9]
- The **IAF scored in the top 7%** for reflecting a deep understanding of the needs of grantee beneficiaries in funding priorities in the same Center for Effective Philanthropy survey.[10]
- **77%** of grants ending in FY 2020 **met or exceeded outcome goals** specified for each grant.
- **224,000** participants in IAF-funded grant activities acquired **new knowledge and skills** in agriculture, manufacturing, technical vocations, finance, planning, administration, marketing, civic engagement, and environmental conservation.

COVID-19 Pandemic Response

- Between mid-March 2020 and September 2020, the IAF provided **$21.7** million to **151 organizations** to respond to community needs during the pandemic.
- At the start of the pandemic, the IAF consulted its grantees and developed a rapid-response mechanism that amended 129 existing grants with flexibility or supplemental funding.
- The IAF responded rapidly enough to the unfolding pandemic in Latin America and the Caribbean that **84% of our grantees managed to safely continue their most important**

work without interruption, according to the Center for Effective Philanthropy.[11]

Leverage

- New grantees **committed $1.26 for every $1 invested by IAF** over the last five years (FY 2016—FY 2020).
- IAF's total investment in active grants was **$98.5 million** and **catalyzed $120.4 million** more from grantees in cash and in-kind resources, for a combined value of $218.8 million.
- As part of a new partnership with dairy and beverage company Danone Argentina and the Danone Ecosystems Fund, the IAF is leveraging $1.70 for every $1 of IAF funding.

Efficiency

- Administrative costs represented only 9% of the IAF's FY 2020 budget when including the resources leveraged from grantees.

Trust

- 71% of respondents stated in the 2020 Center for Effective Philanthropy survey of IAF grantees that **working with the IAF has improved their opinion of the United States.**[12]
- Grantees reported feeling extremely **comfortable approaching the IAF if a problem arises,** placing us in the top 6% of all funders.[13]

Flexibility

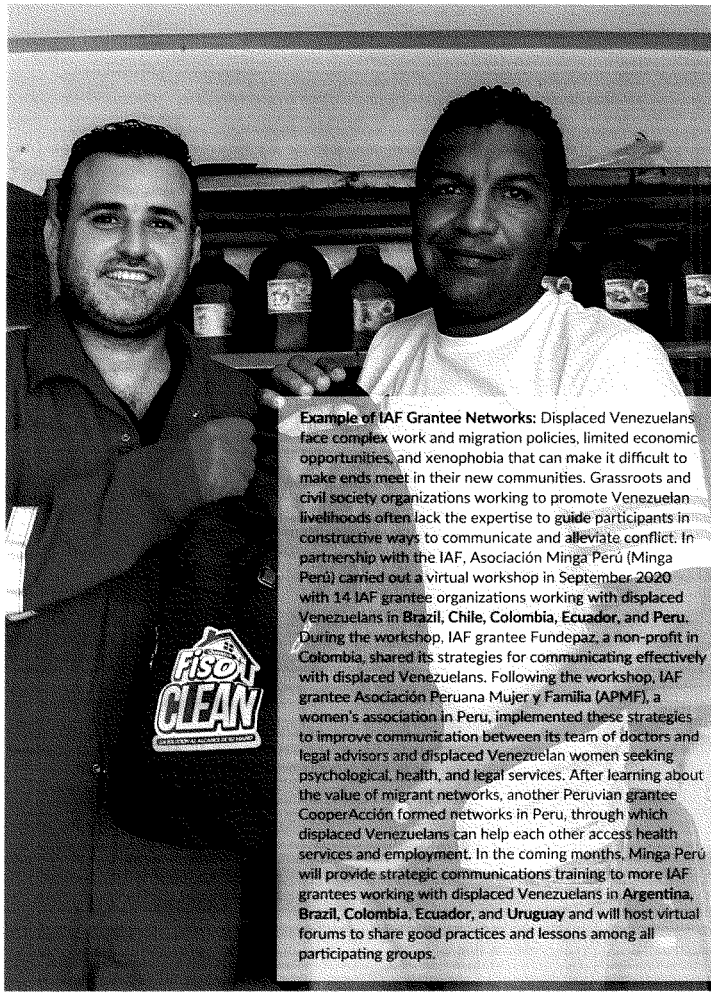
- The flexibility of IAF's funding model allows grantees to adapt their plans to changing conditions on the ground and positions the IAF to rapidly respond to strategic opportunities. In FY 2020, 129 active grants were amended with resources to allow successful grantees to expand, scale up, or adapt their work. As noted above, over 100 of these amendments were to provide grantees with additional funding and flexibility to quickly support communities dealing with the COVID-19 pandemic's impacts on health, safety, and livelihoods.

Sustainability

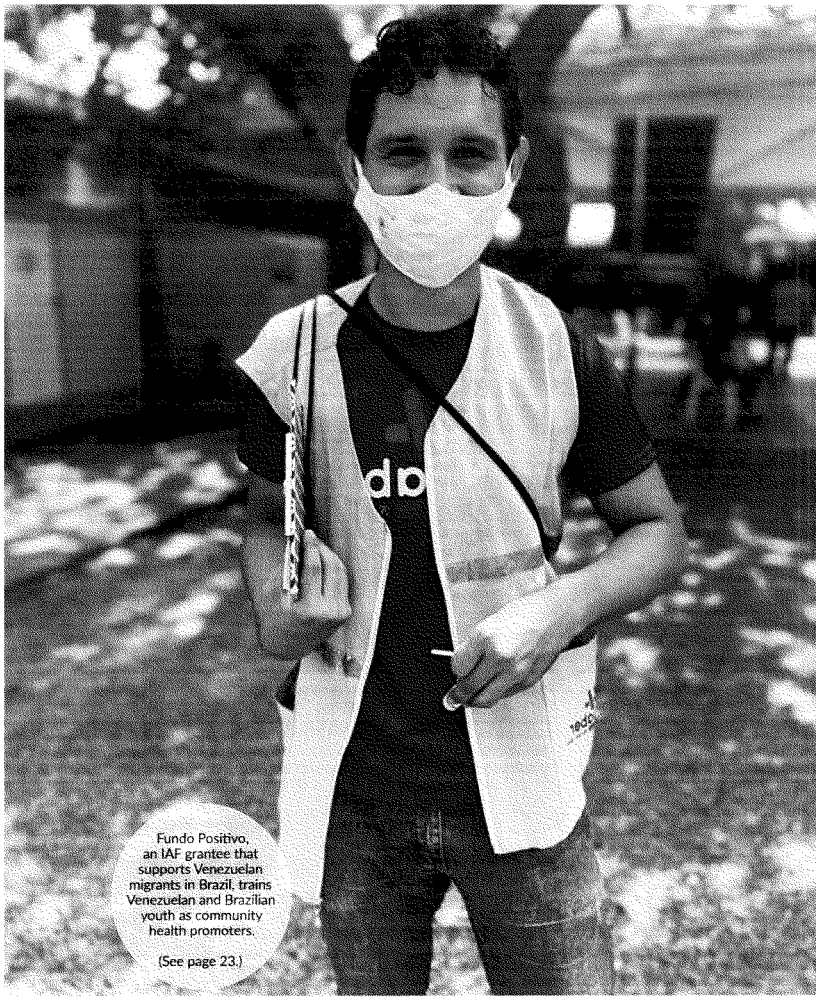
- IAF grantees mobilized $120.4 million in counterpart resources to match the IAF's $98.5 million investment in grants, expanding the scope, reach, and lasting impacts of our portfolio.

Networks

- One of the IAF's greatest assets is the strength of its network of some 5,400 current and former IAF grantees who can serve as a resource to each other, and as trusted and responsive partners for the IAF when communities face crises. The IAF encourages and supports cost-effective peer-to-peer learning and exchanges of lessons. In 2020, IAF grantees leveraged this network virtually, including to provide needed funding to communities dealing with COVID-19.



Example of IAF Grantee Networks: Displaced Venezuelans face complex work and migration policies, limited economic opportunities, and xenophobia that can make it difficult to make ends meet in their new communities. Grassroots and civil society organizations working to promote Venezuelan livelihoods often lack the expertise to guide participants in constructive ways to communicate and alleviate conflict. In partnership with the IAF, Asociación Minga Perú (Minga Perú) carried out a virtual workshop in September 2020 with 14 IAF grantee organizations working with displaced Venezuelans in **Brazil, Chile, Colombia, Ecuador,** and **Peru.** During the workshop, IAF grantee Fundepaz, a non-profit in Colombia, shared its strategies for communicating effectively with displaced Venezuelans. Following the workshop, IAF grantee Asociación Peruana Mujer y Familia (APMF), a women's association in Peru, implemented these strategies to improve communication between its team of doctors and legal advisors and displaced Venezuelan women seeking psychological, health, and legal services. After learning about the value of migrant networks, another Peruvian grantee CooperAcción formed networks in Peru, through which displaced Venezuelans can help each other access health services and employment. In the coming months, Minga Perú will provide strategic communications training to more IAF grantees working with displaced Venezuelans in **Argentina, Brazil, Colombia, Ecuador,** and **Uruguay** and will host virtual forums to share good practices and lessons among all participating groups.



Fundo Positivo, an IAF grantee that supports Venezuelan migrants in Brazil, trains Venezuelan and Brazilian youth as community health promoters.

(See page 23.)

3 | IAF's Response to COVID-19 and Emerging Challenges

The COVID-19 pandemic unleashed the worst health and economic crisis in Latin American and Caribbean history. Experts suggest that the crisis has unwound a decade of development progress. The number of people living in poverty in the region rose by 22 million to an estimated 209 million in 2020—in other words, nearly one in three people.[14]

When the pandemic struck Latin America and the Caribbean, already vulnerable communities faced heightened food insecurity, income loss, health risks, and gender-based violence. IAF grantees joined the front lines helping people survive by distributing food and personal protective equipment, investing in economic recovery, and supporting longer-term environmental and economic resilience across the region. The IAF quickly adjusted its grant processes to facilitate rapid community-level response, providing additional emergency funding and allowing grantees to reprogram funds for critical activities.

Our response was timely enough that, according to the Center for Effective Philanthropy, 84% of our grantees managed to continue their most important work as safely as possible and without interruption.[15] Our extensive network of grassroots partners in remote and underserved areas followed communities' lead, working on three levels simultaneously:

- **Response**: Delivering food, sanitary supplies, and locally-sourced protective equipment to keep communities healthy and safe. Disseminating accurate information to slow COVID-19 transmission.
- **Recovery**: Investing in economic recovery to create opportunities for people to earn a living, return to school, and access services as economies reopen.
- **Resilience**: Bolstering longer-term resilience against future economic, social, and environmental shocks in underserved communities.

Our grantees pivoted quickly to working primarily virtually. Even as grantees remained committed to their core mandates like enterprise development and food security, most took on additional activities to help their communities weather the COVID-19 crisis: 72% supported basic needs, 44% invested in communications technology, and 21% provided micro-business support.

IAF Grantee Examples: Pivoting Amidst the COVID-19 Pandemic

IAF grantee Iniciativas para el Desarrollo de una Economía Alternativa y Solidaria (Ideas Comunitarias) had already trained more than 500 young leaders from migration-prone, Indigenous Mixteca communities of Oaxaca to develop income-generating projects and strengthen their organizations when the pandemic hit. In Oaxaca, access to education, health services, housing, and household assets is one of the lowest among Mexican states.[16] In the state that already had the third-highest poverty level in Mexico at 57%, the economic impact of the pandemic has been severe.[17] In response, supplemental IAF support enabled Ideas Comunitarias to fund new youth-led initiatives in 16 communities with 170 participating families to address food scarcity, generate income, and inform community members about the virus and methods of preventing transmission. As a result, 441 people experiencing food shortages increased their access to food, 16 youth groups received support for income-generating activities, and 348 participants implemented new COVID-19 prevention practices to limit the spread of the pandemic.

Young people in El Progreso, **Honduras**, face regular threats of violence and few opportunities to work or continue their education. IAF grantee Organization for Youth Empowerment (OYE) makes it possible for promising young Hondurans from low-income families to pursue microenterprise training and provides credit to launch their own businesses or continue their education by awarding "micro-scholarships." Prior to the pandemic, the scholarship program had shown evidence of great success. In this area of high out-migration and secondary school completion rates of just 41%, 98% of grantee scholarship recipients had completed their high school degree and less than 2% of recipients had migrated. When the pandemic hit, OYE made it a priority to enable students to continue their education with new access to technology and the internet, with supplemental support from the IAF. OYE launched the program *Vamos a lo Virtual* to cover mobile data access for its students to ensure they could stay safe, continue their education through virtual classes and training, and remain hopeful by connecting to peer support groups. OYE also supported youth entrepreneurs' efforts to adapt their business models to the COVID-19 pandemic context by developing contingency plans and innovating to reposition their products and services.

High-quality internet is almost nonexistent in rural and isolated communities in **Colombia**, and this digital gap has become even more harmful in the wake of COVID-19 as populations cannot access virtual education, training, health services, and other opportunities. IAF grantee Corporación Sistema de Comunicación Para La Paz (SIPAZ), a nonprofit organization that manages a national network of community radio stations, is piloting four community-based communications enterprises to sell broadband services by retrofitting its radio towers to transmit Wi-Fi at reduced cost to rural communities, grassroots organizations, and social leaders. These services promote digital access and further the civic engagement of traditionally marginalized groups and peacebuilding from the ground up. Approximately 800 people will gain broadband internet

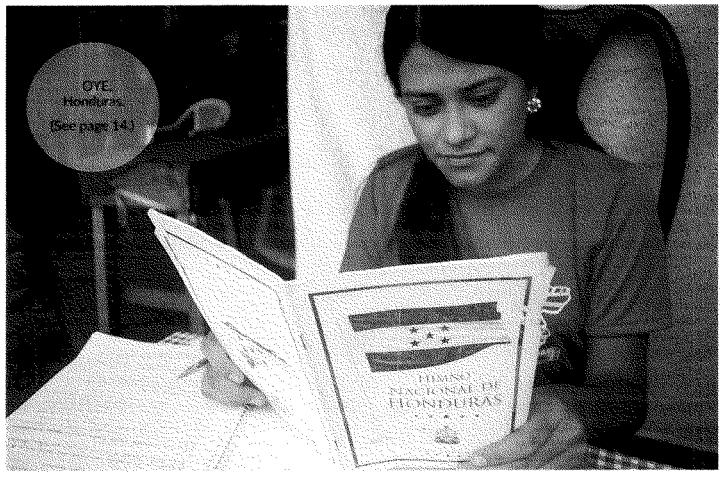
access thanks to SIPAZ's work. Given its reach as a national network of community-based radio, television, and social media networks, encompassing 413 community radio stations in 29 of the country's 32 departments, SIPAZ was well-positioned to support three community radio networks in replacing and repairing radio equipment damaged by Hurricanes Eta and Iota last November, helping to restore communication and broadcast information about hurricane relief at a critical time.

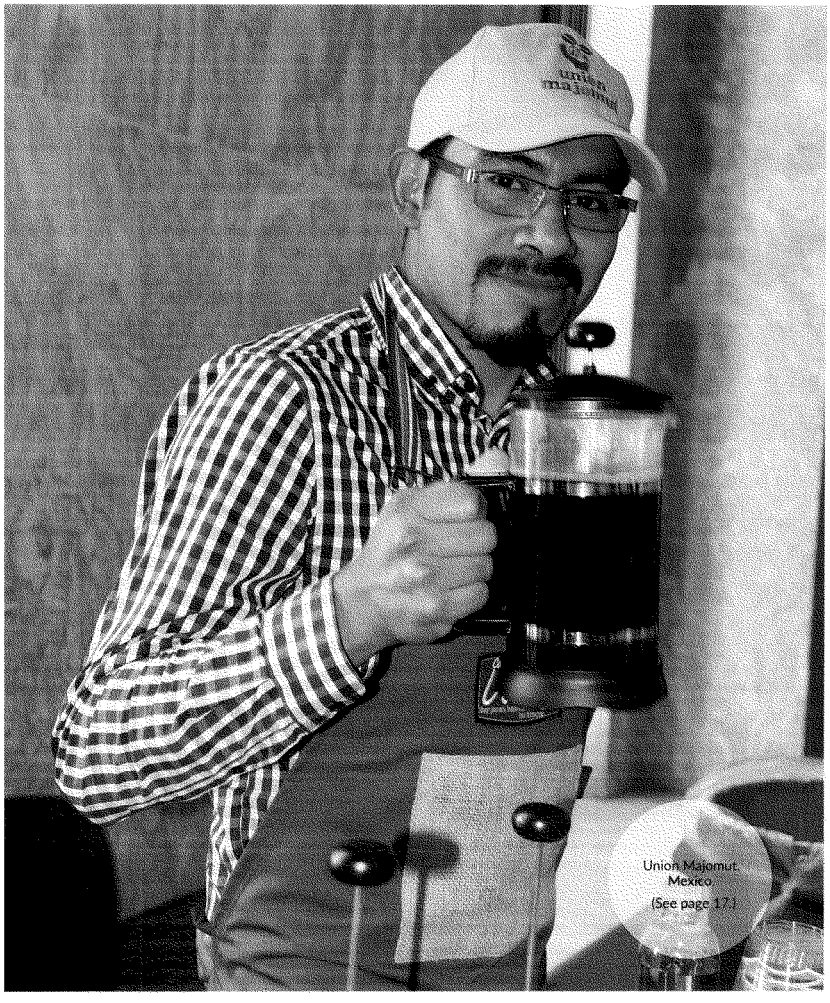
Plans for Addressing COVID-19 in FY 2021 and Beyond

The region faces serious challenges in recovering from the economic devastation of the pandemic, controlling the spread of the virus, and procuring and distributing vaccines, particularly in remote and under-resourced communities. Essential sanitary measures such as handwashing and social distancing are still difficult to ensure. Many lack access to running water and close to a quarter of the total population lives in slums or precarious housing,[18] conditions that help propagate COVID-19 and other diseases.

In FY 2021, the agency is addressing the health, safety, and economic impacts of COVID-19. It is working with its grantees to identify and support the best ideas that emerge from communities in Latin America and the Caribbean for weathering the effects of the pandemic, kick-starting economic recovery, and bolstering community resilience to future crises.

In FY 2022, the IAF will continue working with civil society and grassroots partners to advance recovery from the pandemic as well as other key objectives including expanding economic opportunities, enhancing peace and security, strengthening democratic governance, and unlocking private, public, and community resources.





Union Majomut, Mexico

(See page 17.)

4 | FY 2020 Grant Highlights

Economic Opportunity and Inclusion

IAF grantee Unión de Productores Orgánicos Beneficio Majomut Sociedad de Producción Rural (Majomut) in **Mexico** has increased the income and living standards of aproximately 1,000 coffee producers in 33 Indigenous Tsotsil and Tzeltal communities. With Majomut's support, farmers have improved their coffee production and quality and increased sales in international specialty markets and the domestic roasted coffee market. Majomut is still helping farmers bounce back from devastating 2013 losses of approximately 75% of coffee crops due to the crop disease coffee rust. Farmers have made 810 hectares more resilient to crop disease by using natural fungicides and resistant varieties. In 2020, they increased their production by 6% over the prior year, producing almost 600,000 kilos of coffee. The grant directly benefits producers and their families by increasing their income. Farmers receive a 50- to 60-cent premium on each pound of coffee that has Fair Trade and organic certifications, exporting to U.S. companies like Equal Exchange and Royal Blue Organics. By supporting coffee growers, Majomut is also increasing cash crop production that provides more opportunities for local employment along the value chain.

In **Guatemala**, IAF grantee ProPetén helps Indigenous Q'eqchi Maya producers cultivate cacao as an alternative to subsistence agriculture and low-priced crops and sell it to chocolatiers as well as producing chocolate for sale locally. Q'eqchi women face technical, cultural, and linguistic barriers in producing and marketing products. With ProPetén's support, 102 families have increased their incomes through the sale of 35 tons of premium cacao, a small but growing percentage of which is exported to the United States and Germany. U.S.-based boutique company Cru Chocolate used their cacao in a chocolate bar that won a gold medal from the London Academy of Chocolate. Three participating communities have organized committees of women chocolatiers to create value-added products and generate income independently. Women's earnings ranged from $150 to $1,200 during the cacao harvest (February to June 2020)—a source of hope given that almost half of the local population lives on less than $2 a day. One woman earned almost as much supplementary income from chocolate as she did in a year at her primary job. Women typically spend their earnings on medical services, food, clothing for their children, or improving their homes with cinder blocks and tin roofs. The women's committees are also now engaging local governments on community development projects to benefit women.

Civic Engagement, Human Rights, and Anti-Corruption

Young **Hondurans** generally lack opportunities to influence decisions that impact their lives and futures. IAF grantee Centro de Desarrollo Humano (CDH) works with 39 networks of youth organizations across eight municipalities in southern Honduras and 11 high-risk urban neighborhoods in Tegucigalpa to equip young leaders and their organizations with the skills to effectively participate in municipal decision-making. CDH has trained over 2,500 young people in youth citizenship, leadership, human rights, and social oversight mechanisms to reduce corruption with public resources. These youth have, in turn, trained an additional 10,000 young people in their communities. Young CDH participants helped form Tegucigalpa's first Municipal Youth Commission, focusing on youth employment. The youth networks have also created a national observatory to document challenges faced by Honduran youth for policymakers. Youth organizations now review municipal budgets and as a result, municipal governments have increased public investment in scholarships, small business development training, and seed capital. When the COVID-19 pandemic struck, the youth networks immediately became involved in monitoring municipal humanitarian funding throughout southern Honduras, to identify gaps and reduce corruption and partisan practices in food and medical supply distribution. They also engaged nearly 11,000 participants in virtual training on citizen oversight.

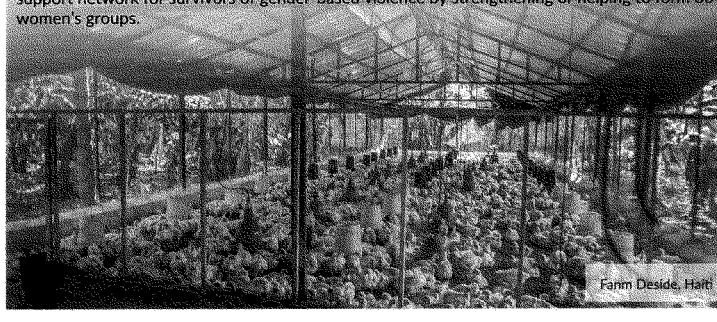
Young **Colombians** have struggled to get their needs understood and addressed as their country seeks to achieve peace following the 2016 Peace Accords that ended 60 years of internal armed conflict. IAF grantee Corporación Taller de Promoción Popular y Desarrollo Alternativo (Prodesal) is amplifying the efforts of young peacebuilders from Colombia's conflict-affected Caribbean communities. With support from the IAF, Prodesal launched Agenda Caribe: Paz con Juventudes, which brought together more than 225 youth organizations in 16 municipalities across four departments to develop a 10-year plan laying out young people's priorities for local development and peacebuilding. By coalescing around the plan, young peacebuilders have successfully established 33 new youth policy platforms that identify youth needs and propose policies to support them, and participated in new initiatives, such as rural development plans mandated in the Peace Accords to address poverty and other root causes of the conflict. Agenda Caribe's successful youth policy platforms have drawn support from key stakeholders, such as Colombia's Office of the Attorney General and Ministry of Interior. Agenda Caribe also spurred the creation of the Youth Network of Southern Córdoba, whose members presented before Colombia's independent Truth Commission in 2019 and have raised $50,000 for rural development projects.

Prodesal, Colombia

Resilience to Insecurity, Crime, and Violence

Honduras remains one of the most violent countries in the world, with widespread gang activity ranging from armed robbery and extortion to homicide. With IAF support, IAF grantee Organismo Cristiano de Desarrollo Integral de Honduras (OCDIH) works with networks of organizations of women, youth, and Indigenous groups to build peace. OCDIH convenes citizen security roundtables in municipalities in western Honduras to address rising violence and spur economic investment. These roundtables incorporate municipal government officials and key community institutions including businesses, schools, police, and churches to address the economic and social conditions resulting in insecurity and out-migration in their communities. Through ongoing public workshops and awareness campaigns, it promotes human rights and violence prevention, raises awareness of the risks of migration, and trains local leaders, teachers, and radio and television broadcasters to amplify its approach. OCDIH is also promoting economic independence for at-risk community members as an alternative to crime or migration. Activities include microenterprise development training for women and youth, job readiness training, and engaging local businesses to help youth obtain formal employment. OCDIH's roundtables likely contributed to the incidence of homicides falling dramatically in the municipality of Trinidad—by 75%—from 2019 to 2020.

Women in **Haiti**'s rural Sud-Est department suffer from extensive gender-based violence (70% of Haitian adolescent girls and women have experienced some form of violence[19]), with little access to services given that women's organizations are concentrated in the capital, Port-Au-Prince. With 60% of the population living in extreme poverty,[20] women can be mistreated for not contributing financially to households and face limited options for attaining economic independence. Working with very incipient groups in isolated communities, IAF grantee Fanm Deside connects women with economic resources that allow them to leave abusive relationships and secure shelter, food, and education for their children. Fanm Deside has given more than 235 women access to credit funds totaling $22,500 to invest in microenterprises to increase their economic independence. Fanm Deside also raises awareness about domestic violence through radio and print campaigns and community-based training, which has prompted more than 1,777 women and 154 men to seek Fanm Deside's mediation services, and increased demand for its shelter for domestic violence survivors, the only such shelter in the department. Project participants' reporting of physical, sexual, and other violence has increased by 90% three years into the grant, indicating that women are more aware of their rights. Fanm Deside has increased the support network for survivors of gender-based violence by strengthening or helping to form 30 women's groups.



Fanm Deside, Haiti

Food Security

Between 62% and 75% of farming families in the Lempira, Comayagua, and Santa Barbara departments in western **Honduras** experience food insecurity,[21] a major driver of out-migration in recent years. IAF grantee Programa de Reconstrucción Rural (PRR) has helped 37 farmer groups improve their food security through better cultivation techniques and access to drought-resistant native corn and bean seeds, benefiting around 4,500 people. Through sales, informal exchanges, and seed fairs, their resilient high-yield seeds have reached 25,000 people. In Santa Barbara, PRR participants have increased their corn and bean yields by 50% and reduced post-harvest loss by 30%. With improved drying and storage systems, farmers now have access to corn and beans an additional four months out of the year and can choose to sell when prices are higher. After strengthening their business skills with PRR, farmer groups can offer farmers a higher and more stable price than intermediaries, so farmers prefer to sell to these farmer groups. Farmer incomes have increased, which motivates families to stay in their communities. Despite devastating economic setbacks from COVID-19 and Hurricanes Eta and Iota, groups supported by PRR used reserves to provide emergency food aid to 550 of the most vulnerable families and maintained fair prices while other suppliers raised food prices.

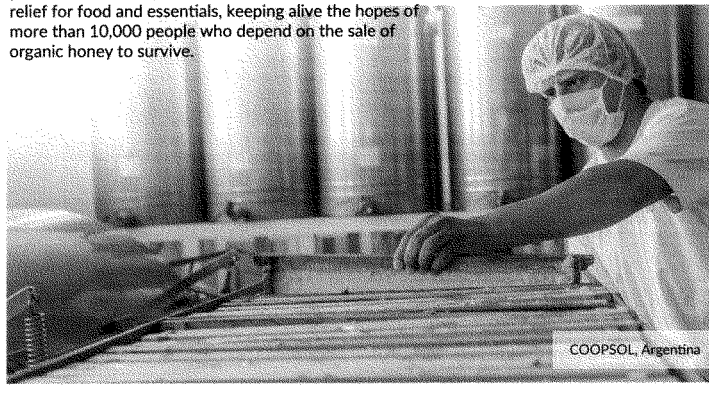
In rural western **El Salvador**, 46–60% of families are experiencing food insecurity.[22] IAF grantee Asociación Agropecuaria de Mujeres Produciendo en la Tierra (AMSATI) prepares women to build viable businesses, assume community leadership roles, and contribute to their families' food security through home gardens. Eighty-seven women have earned income for the first time and gained leadership and business skills such as accounting and marketing by joining AMSATI committees. One committee crosses gang-dominated territories to sell chickens, requiring the women to develop advanced negotiation skills. The women have increased their family income by 20–30% on average and reinvested their profits into their small but growing businesses. Working with AMSATI extends women's support networks, a factor critical to navigating food insecurity. They have also begun engaging in local development efforts that directly affect them. Some women have facilitated municipal human rights committees in Sonsonate, while others are participating in a national program that addresses land titling and regional development plans. Finally, women from 46 families have learned to produce food sustainably and have diversified and increased their families' consumption of healthy food. With additional income from their gardens, women are also purchasing school materials for their children.

PRR, Honduras

Natural Resource Management

In **Guatemala**'s Western Highlands, communities have historically faced food supply shortages and natural resource degradation due to chronic droughts. This has led to some of the highest migration rates in the region.[23] IAF grantee Ut'z Che' encourages sustainable farming practices to protect natural resources and ensure local families' long-term ability to make ends meet. With IAF support, Ut'z Che' (a network of over 40 Indigenous, community, and farmers' associations) has trained more than 750 farmers across the country in collecting native seeds, adopting natural insect repellents and biofertilizers, and harvesting rainwater. The network has protected more than 6,000 hectares of forests, benefitting over 900 families. The organization also trained 35 public officials from governing entities in forestry and environment on issues related to Indigenous people and community forestry. A recognized national leader, Ut'z Che' was consulted in creating a community forestry curriculum at the national university. In 2020, it received the United Nations Development Programme's (UNDP) Equator Prize in recognition of its work reducing poverty by sustainably managing natural resources. In response to the COVID-19 crisis, Ut'z Che' purchased grains to support farmers with excess grain and ensure families had access to basic grains in communities facing shortages.

Beekeepers in the lowland South American regions face multiple business challenges. Deforestation and extreme weather events impede sustainable honey production and supply chain bottlenecks inhibit processing and distribution. IAF grantee Cooperativa de Trabajo Ltda. (COOPSOL), an Argentine honey cooperative with members in **Argentina**, **Paraguay**, and **Bolivia**, leveraged technology to open new honey markets and adapt to a changing environment. COOPSOL created an online platform to inform beekeepers on markets and pricing as well as weather conditions that will affect their honey production. The platform enables COOPSOL to trace products from source to market, link producers to buyers, better manage supply and demand, organize a network of community stores, and offer credit to producers. COOPSOL is also finalizing a mobile app for the platform in 2021. When the pandemic began, COOPSOL's prior efforts to strengthen the organizational and productive capacity of small beekeeper associations gave them the resilience needed to withstand the crisis. COOPSOL partnered with the private sector to expand internet service and helped beekeepers access credit and government relief for food and essentials, keeping alive the hopes of more than 10,000 people who depend on the sale of organic honey to survive.

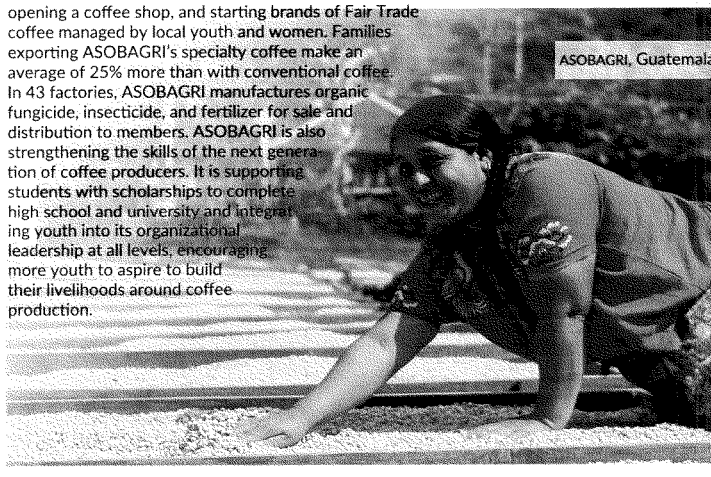


COOPSOL, Argentina

Alternatives to Migration in the Northern Triangle

The IAF convened youth-focused grantees from Honduras, Guatemala, and El Salvador in 2016 to address the conditions causing youth to migrate. As a result, three **Honduran** organizations designed a partnership to leverage their respective strengths: Asociación de Desarrollo Pespirense (ADEPES), Asociación de Desarrollo Triunfeña (ADETRIUNF), and Organization for Youth Empowerment (OYE). Learning from OYE's success, ADEPES and ADETRIUNF established micro-scholarships and expanded relationships with the private sector for greater sustainability. Meanwhile, OYE learned from the other organizations how to train young entrepreneurs and support their microenterprises. Together, the partners launched a comprehensive pilot program for youth in three municipalities that has trained over 1,766 youth in life skills, resilience, and leadership. The young people are now creating viable futures for themselves and their peers within their communities. They have led volunteer initiatives for disease prevention and environmental clean-ups engaging over 10,000 volunteers. With seed capital, vocational education, and technical assistance from the partners, young people created business plans and launched 19 microenterprises. Of the students who received micro-scholarships to complete high school, receive vocational training, or attend college through this initiative, over 60% have already graduated and the rest are on target to do so. Private companies in the region have offered internships and employment to scholarship recipients and source products and services from their enterprises.

Impoverished rural provinces of **Guatemala's** Western Highlands have some of the highest rates[24]of irregular migration. IAF grantee Asociación Barillense de Agricultores (ASOBAGRI) provides families a living and helps children envision a future in their home communities. ASOBAGRI has trained 1,712 participants in sustainable coffee growing, entrepreneurship, and leadership. Their coffee production is thriving, despite coffee price fluctuations and limitations related to COVID-19. ASOBAGRI increased members' incomes by introducing new crops, opening a coffee shop, and starting brands of Fair Trade coffee managed by local youth and women. Families exporting ASOBAGRI's specialty coffee make an average of 25% more than with conventional coffee. In 43 factories, ASOBAGRI manufactures organic fungicide, insecticide, and fertilizer for sale and distribution to members. ASOBAGRI is also strengthening the skills of the next generation of coffee producers. It is supporting students with scholarships to complete high school and university and integrating youth into its organizational leadership at all levels, encouraging more youth to aspire to build their livelihoods around coffee production.



ASOBAGRI, Guatemala

Displaced Venezuelans

People continue to flee Venezuela with approximately 5.5 million Venezuelan migrants and refugees now living abroad.[25] The IAF is supporting grassroots organizations in destination countries that are helping Venezuelans integrate economically and socially into their host communities and access social services. In **Brazil**, the IAF is working with its grantee Positivo, a group that operates in two cities of the border state of Roraima and in the state of Amapá to provide a suite of services to newly-arrived Venezuelans, including chronic health attention, vocational and technical training, and Portuguese language classes. Positivo is training Venezuelan and Brazilian youth as community health promoters to help migrants and locals navigate the Brazilian health system, support early detection of diseases, and expand health education among vulnerable people. Since it began receiving support from the IAF in August 2020, Positivo has supported some 2,300 Venezuelan refugees. By the end of the grant, it expects to reach 10,000 people.

Savings and credit cooperative Cooperativa de Ahorro y Crédito Mujeres Unidas (CACMU) used IAF funding nearly two decades ago to expand to provide credit and financial services to 30,000 primarily Indigenous and Afro-Ecuadorian women in northern **Ecuador**, a small proportion of whom were Colombian migrants. Because CACMU already provided services to migrants, the cooperative was well-prepared to respond when nearly half a million Venezuelans fled into Ecuador.[26] The strain the influx of migrants placed on infrastructure, labor markets, and community cohesion has been compounded by the COVID-19 pandemic. CACMU diminishes xenophobia by working with migrants and vulnerable Ecuadorians together, training people in financial literacy, entrepreneurship, and rights protection. CACMU's 70 loans have helped Venezuelans and Ecuadorians launch businesses providing tailoring, beauty, and auto repair services, and selling empanadas, ice cream, and cleaning supplies, with a default rate of under 2%. Through CACMU, 144 participants also have health insurance. CACMU has also partnered with the UN High Commissioner for Refugees, local government institutions, chambers of commerce, and aid agencies to support the social and economic inclusion of Venezuelans in Ecuador.

Disaster Resilience in the Caribbean

Caribbean nations have long been vulnerable to natural disasters, which devastate food security, public health, and critical income-generating activities like tourism and agriculture. Recovery costs for Hurricanes Irma and Maria in Antigua & Barbuda and Dominica in 2017 have been estimated to exceed $1.6 billion.[27] IAF grantee the Caribbean Natural Resources Institute (CANARI) has strengthened the capacity of six civil society organizations in **Antigua and Barbuda**, **Dominica**, and **Grenada** to develop community adaptation plans and implement cost-effective disaster risk reduction strategies through vulnerability assessments, workshops, mentoring programs, and peer exchanges. Following community mapping exercises to design and implement practical action projects, CANARI has provided seed funding for vulnerability and capacity assessment training. CANARI held a regional training for trainers and facilitated information exchange among community organizations, businesses, and national disaster management authorities through its online Knowledge Hub, which receives approximately 95,000 visits monthly. The Office of Disaster Management in Dominica has been consulting with CANARI on the potential for developing community disaster plans.

Building Peace in Colombia

IAF grantee Corporación de Profesionales Construyendo Ciudadanía (CPCC) is a youth-led grassroots organization on the northern Atlantic coast of **Colombia** that promotes civic engagement and youth leadership. CPCC provides training and technical support to young people who participate in grassroots organizations or informal civil society groups to increase their knowledge of their rights and representation among decision makers in their community. CPCC collaborated with the municipal government to create a comprehensive consultation process with urban and rural young people to revise the municipality's four-year public policy framework for youth. They successfully negotiated designating secure spaces for recreation and a transportation subsidy for students. CPCC also disseminated the youth policy framework in a user-friendly format, improving its accessibility. Finally, CPCC has built up the network for youth civic engagement by strengthening 18 youth organizations and supporting two more in getting legally registered, giving the new organizations access to government resources. CPCC's efforts have benefited more than 1,900 young people and secured a role for young people's voices in the creation of public policy.

Against a backdrop of armed conflict, IAF grantee Centro de Investigación y Educación Popular (CINEP), a Jesuit non-governmental organization, is building peace and improving democratic governance in **Colombia** through community research, education, and oversight. Partnering with the IAF and 20 other IAF grantees, CINEP has documented and analyzed over 380 local peacebuilding cases throughout Colombia, and researched the types of violence communities face and their strategies to counter it. CINEP has strengthened the know-how of other IAF grantees, teaching many about the local, regional, and national mechanisms available to build peace. To share lessons and good practices with more communities, CINEP organizes an annual symposium (*Semana para la Paz*) on peacebuilding that brings together grassroots organizations, practitioners, and thought leaders. Thanks to CINEP's efforts, collaboration and exchange of information among IAF grantees has increased 20%, benefitting approximately 3,000 Colombians. Many now understand important aspects of peacebuilding strategies, such as trauma recovery and reconciliation work. Additionally, with IAF asistance, CINEP and Planeta Paz, a sister organization, are systematically recording the successful innovations, ideas, and experiences of 21 other organizations to promote their ongoing learning and improvement.

Financial Sustainability and Self-Reliance

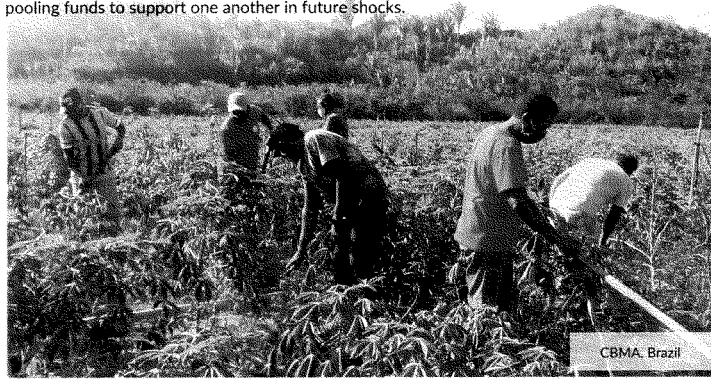
Cacao and coffee cooperative Cooperativa de Servicios Múltiples Ríos de Agua Viva 21 de Junio R.L. (RAV) in **Nicaragua** was on track to be self-sustaining through product sales prior to Hurricanes Eta and Iota, having tripled its profits since receiving its IAF grant. RAV provides training, technical assistance, and processing services to increase cacao and coffee farmers' incomes in 27 communities in the municipality of Rancho Grande. Farmers had increased productivity per hectare by close to 30% and nearly doubled the amount of dry cacao they sold. RAV supported 500 conventional cacao producers in adopting and certifying sustainable farming practices and quality, which combined brought them an additional $500 per metric ton. RAV also used IAF seed funding to set up a revolving loan fund. With loans from RAV, farmers invested in upgrading and maintaining their cacao and coffee farms, and the fund grew by 28%. The cooperative exports to German company Ritter Sport and started selling samples to potential clients in Canada, Europe, and the United States. To finance growth, RAV accessed soft loans from Amsterdam-based Rabobank Foundation. Flooding from the hurricanes damaged cacao trees and the IAF funded RAV's revolving loan fund to give members an influx of credit to rebuild. RAV has since rehabilitated almost 230 hectares of cacao and planted more than 60 new hectares.

Artecampo, an IAF grantee and Indigenous women's artisan association in **Bolivia**, is responding creatively to the COVID-19 pandemic to keep its business afloat. Sales of Artecampo's artisan goods fully sustained its operations and provided essential income for its 600 members prior to the pandemic, which forced businesses worldwide to adapt their production, marketing, and distribution strategies. The association developed 11 new products, including hand-embroidered face masks. Exploring new markets to offset losses, the association found a foothold online. After having to close its store for five months in March 2020, Artecampo ramped up its advertising via social media, TV and radio programs, and newspapers, and grew its portion of online sales. In May 2021, Miss Bolivia showcased an Artecampo face mask in the media coverage of her participation in the Miss Universe pageant. While the transition has required significant effort, Artecampo started generating income just two months after closing its physical store. Sales are recovering and Artecampo increased year-on-year sales in November and December 2020, giving hope that the association will bounce back to sales that exceed pre-pandemic levels. Since reopening online, Artecampo has posted progressively higher monthly gains and is exploring new administrative and financial practices to strengthen its resilience to future shocks.

Partnerships with Faith-Based Organizations

Indigenous Miskitu and Mayangna groups in the North Caribbean Coast Autonomous Region of **Nicaragua** experience chronic poverty and persistent violations of their rights to territory. Drawing from Catholic tradition, faith-based IAF grantee Instituto de Investigación y Desarrollo Nitlapan de la Universidad Centroamericana (Nitlapan) centers care for the whole personhood of Indigenous community members. The center of investigation and development works with 115 residents from ten Indigenous communities living on collective tenured land to promote community development and generate greater local economic opportunities. With Nitlapan, Miskitu and Mayangna communities have established nine community-managed village banks. By issuing more than 481 loans, these village banks have supported residents in 361 communities, funding education and health care and launching local enterprises including cheesemaking, grain production, and catering businesses. Nitlapan has also reached 239 young people with training in leadership skills and sustainable agricultural practices. Nitlapan's activities have empowered community residents, enabling them to organize more effectively and giving them a strong incentive to remain in their homeland and contribute to the social and economic development of their local communities.

Indigenous and African-descendent farmers in the northeastern Brazilian state of Maranhão,[28] where one in five residents lives in extreme poverty, are strengthening their manioc production and distribution practices with support from the IAF and the Catholic charity organization Caritas. Through its regional branch in Maranhão, IAF grantee Caritas Brasileira Regional Maranhão (CBMA) is working in 10 municipalities with more than 800 farmers who cultivate manioc and process it into flour for local markets. The farmers, many of whom belong to *Rede Mandioca*, a manioc producers' association, are learning to standardize flour processing techniques, increase their marketing capacity, manage virtual sales and communication, and build brand recognition. Thanks to IAF and CBMA support, manioc farmers in Maranhão have had a lifeline throughout the pandemic. Shortly after the virus arrived in Brazil, CBMA helped *Rede Mandioca* expand the number of farmers' markets to allow for better social distancing and established a credit fund that immediately provided 210 farming families in greatest need with access to essential goods and services. Through the credit program, the farmers gained experience with pooling funds to support one another in future shocks.



CBMA, Brazil

5 | Focus on Historically Marginalized Groups

Historically Marginalized Groups

The number of people living in poverty in the region rose by 22 million to an estimated 209 million in 2020.[29] In all countries, poverty and social exclusion go hand in hand, and durable progress requires addressing both. The IAF prioritizes the inclusion of the region's most disadvantaged, including women, children and youth, African descendants, Indigenous people, LGBTQI+ groups, and people with disabilities, among others. IAF grants active in FY 2020 benefitted 2.3 million people in poor and marginalized communities in 26 countries throughout Latin America and the Caribbean.

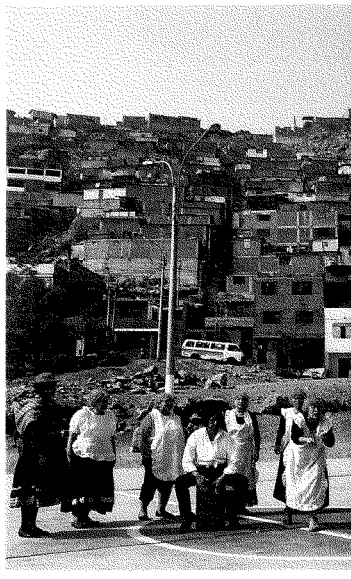
Women

More working-aged women live in extreme poverty than men in Latin America and the Caribbean, with 112.7 women living in extreme poverty for every 100 men.[30] The employment rate for women is 26% lower than that for men;[31] employed women earn 19% less than men;[32] and about one-third of women have no income of their own.[33] Female entrepreneurs suffer from financial exclusion. They are less likely to secure bank loans and, when they do, face higher collateral requirements than do their male counterparts.[34]

Women in the region have also been disproportionately impacted by the COVID-19 pandemic. The job market participation of women was 46% in 2020, a 6% drop from the 2019 figure due to the pandemic. This reduction represents at least a decade of progress lost in women's employment.[35] More time in overcrowded homes as a result of the pandemic has led to an increase in domestic and gender-based violence and other toxic stressors on women.[36]

At the same time, women demonstrate the work ethic, skills, creativity, and careful management of resources that make their organizations a smart investment. Communities are healthier places when women have opportunities to acquire skills that can create income for their households and take part in the planning and leadership of development and business ventures alongside men.[37] In FY 2020, 30% of IAF grants deliberately advanced women's empowerment and approximately 56% of IAF-grant beneficiaries were women or girls.

Example: Femicide rates in Mexico, always high, have more than doubled since 2015, and women living in rural and Indigenous communities face particularly high rates of gender-based violence.[38] IAF grantee Coordinación Interregional Feminista Rural "Comaletzin" (Comaletzin) is training rural women leaders from eight states to promote gender equity and reduce gender-based violence. Comaletzin produced a radio program addressing gender-based violence prevention that reached approximately 1,500 listeners. Comaletzin's certificate program, which has gone virtual during the COVID-19 pandemic, is equipping women with the skills to replicate their training and build peer-to-peer learning and action networks that promote inclusive development in their communities. Despite pandemic-related restrictions, the women leaders in Tabasco, Puebla, and Veracruz have mobilized volunteers to pursue community-based initiatives such as raising awareness about gender-based violence and violence prevention, benefitting approximately 450 community members. In three municipalities in Puebla's Sierra Norte mountains, Indigenous women leaders tended to the needs of survivors of violence in their own language. Finally, Comaletzin is providing psychosocial support to women affected personally or professionally by violence, a crucial service as the women face extraordinary pressures ranging from loss of loved ones to increased intrafamilial violence to economic hardship to inability to access services during the pandemic.



Example: Reports of gender-based violence in Peru increased 130% in 2020 during the pandemic crisis.[39] In San Juan de Lurigancho, an impoverished neighborhood of metropolitan Lima, local public and private institutions have struggled to institutionalize and enforce effective protections for women. IAF grantee Asociación Peruana Mujer y Familia (APMF), a women's association, works with grassroots organizations, community members, and public officials to combat and prevent violence and to secure survivors access to basic protections, care, and remedies against aggressors. APMF trained police officers from 11 police stations on responding effectively to intrafamilial violence. They also trained 639 neighborhood group members to accompany women experiencing gender-based violence. Through their door-to-door outreach program, they reached 22,245 families with information about what to do in cases of intrafamilial violence. They also launched Aló Mujer, the first telemedicine service for Peruvian and migrant women in Metropolitan Lima, attending 204 calls with trained professional health assistance and legal counseling. Finally, APMF gave scholarships to at-risk youth to study in technology education centers, to set them on a better path.

Children and Youth

Children and youth (under age 25) represent approximately 40% of the population[40] and suffer disproportionately from poverty in Latin America.[41] The poverty incidence for children under 14 years old (47.2%) is higher than that of any other age group, and over triple the poverty incidence for adults 65 years and over.[42] Children and adolescents often lack adequate nutrition and access to job skills, health care, quality education, and the training to become fully productive adults.

The COVID-19 pandemic has exacerbated many of these issues.[43] The unemployment rate for 15–24 year-olds in Latin America and the Caribbean has reached the highest level recorded since the 1990s, at nearly 20%.[44] About one in four youths in Latin America neither works nor studies, creating significant risks of recruitment into transnational criminal organizations and armed groups.[45] For young people of working age, a major challenge is access to training, education, and professional or business experience that better prepares them for the future. At least 51% of IAF grants directly involve and benefit young people. Many grantees are working to create employment opportunities and teach children and adolescents skills that match the labor market and help them become engaged in community life.

Example: IAF grantee Asociación Para el Desarrollo Sostenible de la Juventud (ADESJU) changes attitudes about civic engagement and migration among the 750 participants in its network of 25 youth groups in **Guatemala**'s Western Highlands. In the municipality of Chiantla where ADESJU is based, 77% of the population lives in poverty or extreme poverty,[40] and the area has become a transit point for drugs and migrants heading north. Most young people have at most a primary education and do not know how to hold local officials accountable for responding to their needs. Feeling powerless, many youths leave. Through its youth groups and teamwork development programs, ADESJU is creating opportunities for young people to become civic leaders and entrepreneurs and be more deeply rooted in their communities; some participants have gone on to become municipal public officials. The structure and stability of ADESJU's programs also helps young people avoid abusing alcohol or drugs. Young participants submitted a detailed proposal to their municipal governments for funding programs and services to address their urgent needs. As a result, the towns of Chiantla and Aguacatán established the first youth policies in Guatemala. ADESJU, the municipalities, and local businesses also established a fund to support 10 youth-led projects or businesses with up to $1,500 each.

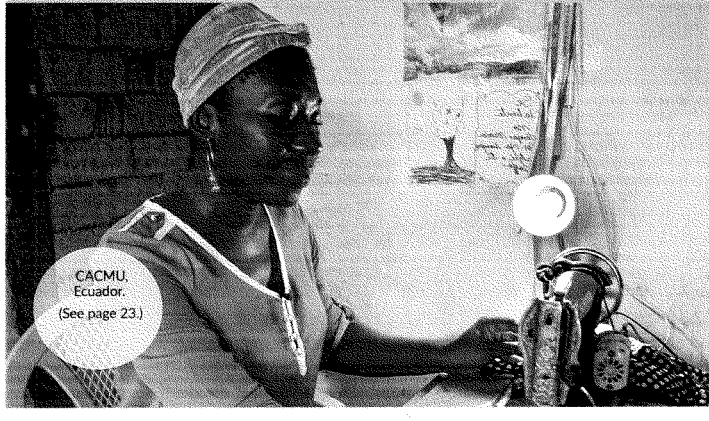
Young **Dominicans** living with HIV/AIDS face barriers to accessing health services and earning a living. IAF grantee Red Nacional de Jóvenes Viviendo Con VIH/SIDA (REDNAJCER) brings together youth organizations, young people living with HIV/AIDS, and medical institutions to improve the health care they receive. REDNAJCER patient advocates have accompanied nearly 62,000 young patients during appointments at community health centers to ensure they receive medicines and services required by law. REDNAJCER has reported on patients' quality of care to health care decision-makers. In response, decision-makers have increased local budgets for purchasing HIV drugs and patients have received better-quality, lower-priced medicine; waiting room conditions have improved; and health center managers have become more responsive with follow-ups and quality control audits on medicines and supplies. To help young people living with HIV/AIDS gain economic independence, REDNAJCER established Clean Cool, a microenterprise producing cleaning supplies. To date, they have obtained contracts to sell Clean Cool to the city council and Juan Pablo Pina regional hospital, and trained 108 young people in sales. REDNAJCER also seeks to become financially sustainable by reinvesting a portion of product sales. Of its $25,800 net profit in 2020, it reinvested $12,400 in growing Clean Cool while the rest went to young salespeople living with HIV/AIDS.

African Descendants

African descendants comprise nearly 24% of the population of Latin America and the Caribbean, with poverty and extreme poverty rates approximately 60% higher than other groups.[47] They also face high levels of exclusion and discrimination.[48] People of African descent are often concentrated in the poorest urban areas in the region, where access to transportation, public services, and job opportunities is scarce and exposure to crime and violence is often widespread.[49]

These inequalities make African descendants more vulnerable to COVID-19, as concentration in urban centers and overcrowded housing with inadequate sanitation, water, and health services inhibit social distancing and pandemic protocols.[50] At least 18% of active grants in FY 2020 served these communities, making the IAF a leading partner.

Example: Garifuna communities, descendants of Africans and Indigenous peoples, face longstanding economic and social marginalization in **Honduras**, which contributes to high rates of migration out of these communities.[51] Garifuna organization and IAF grantee Gemelos Honduras used IAF funding to provide technical assistance, market development, and small loans to help Garifuna and Indigenous Miskitú people create viable enterprises that improve their livelihoods. Gemelos partnered with public-private entity Instituto Nacional de Formación Profesional and Cooperativa Ceibeña to establish an intensive business development training program for 110 Garifuna and Indigenous entrepreneurs in the municipalities of La Ceiba and Jutiapa. After completing the training program, Gemelos provided support to legally register their businesses and obtain operating permits. Cooperativa Ceibeña also managed a revolving loan fund to provide these businesses with credit to grow. Gemelos' partnership with the cooperative ensured sound management of the credit fund, as well as additional financial management training, access to small business fairs, and other benefits such as a scholarship program for the children of participating families. Gemelos has also partnered with local universities to obtain marketing support from students and negotiated with a television station for two hours of weekly programming to celebrate Garifuna culture and showcase their enterprises.



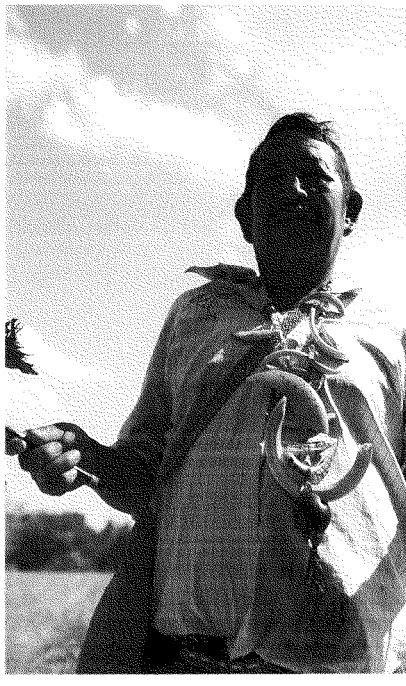
CACMU, Ecuador.
(See page 23.)

Example: Young Peruvians of African descent face barriers to civic and economic participation. IAF grantee Ashanti Perú Red Peruana de Jóvenes Afrodescendientes (Ashanti Peru) promotes Afro-Peruvians' economic and social inclusion through activities aimed at strengthening the civic engagement and leadership skills of youth from impoverished districts of Lima. Ashanti Perú led a nationwide campaign encouraging people of African descent to participate in the national census that resulted in Peruvians being counted as African descendants for the first time in 2017. Ashanti Perú also mobilized Afro-Peruvian youth to encourage their communities to participate in the 2019 Household Survey. In partnership with Asociación Negra de Defensa y Promoción de los Derechos Humanos (ASONEDH), Ashanti Perú has worked with 450 young Afro-Peruvians to develop their skills to engage their local officials effectively and share what they learned in over 100 communities. As a result, 92 African-descendent youths have actively participated in local-level councils and civic engagement platforms where citizens' initiatives are discussed and funded, calling for improved education and health services. Thanks in part to Ashanti Perú's efforts, the Ministry of Education has included Afro-Peruvians' contributions to Peru's economy, history, and culture in its secondary education curriculum.

Indigenous Peoples

For decades, the IAF has distinguished itself for its investments in Indigenous communities. Some 42 million people belong to over 800 Indigenous groups in Latin America and the Caribbean.[52] The extreme poverty rates are more than three times those of the non-Indigenous and non-African-descendent population.[53] The average income of Indigenous workers is 27% lower than that of their non-Indigenous peers.[54]

Indigenous peoples hold jobs that are most affected by economic impacts and have less access to health care than others in the region, making them particularly vulnerable to the impacts of the COVID-19 pandemic.[55] In FY 2020, at least 32% of active IAF grants supported Indigenous groups. These efforts build the capacity of Indigenous people to take full advantage of economic development opportunities while preserving cultural heritage.



Example: Indigenous community land rights are enshrined in **Colombia**'s constitution, yet ethnic communities there face encroachment on their territorial rights by illegal armed actors and those who collude with them. IAF grantee Etnollano works with Indigenous groups in the Eastern Plains to forge leadership skills, recover Indigenous land management and conservation methods, and strengthen the capacity of vulnerable Indigenous groups to protect against illegal land grabbing. Etnollano has helped Indigenous groups including the Sikuani, Sáliva, and Amerúa successfully register claims to sovereign land according to Colombian law. As a result, regional governments granted 224 families the title to 1,300 hectares of productive land they had lived on for centuries. To help Indigenous communities effectively coordinate to provide input into local development plans mandated by the Peace Accords, Etnollano supported the creation of a new regional organization of Indigenous associations. The regional organization has become a credible representative for Indigenous groups in the region and participated in national dialogues with state officials, including members of the National Land Restitution Unit, which is in charge of investigating land claims and repairing victim losses. More recently, Etnollano has contributed to reducing the spread of coronavirus among Indigenous communities by collaborating on health contingency plans in four departments.

Example: High rates of illiteracy, hunger, and poverty limit the ability of the Guarani, once one of the largest Indigenous groups in Latin America, to engage in local governance and the economy. IAF grantee Associação de Cooperação Técnica para o Desenvolvimento Humano–Outro Olhar (Outro Olhar) in **Brazil** is working with the Popygua Solidarity Network, a veteran Guarani organization, to expand the businesses, rights, and protections of approximately 890 Guarani people. Outro Olhar is pairing Guarani elders and youth to build leadership skills and teach sustainable agricultural practices to increase their harvest yields, promote environmental conservation, and diversify the nutritional content of their diets. In order to sell their produce at a premium, Otro Olhar is helping Guarani farmers certify their sustainable methods of production with a participatory oversight process. Outro Olhar is also supporting youth entrepreneurs to expand Tembiapo, the first youth-led Guarani business and online marketplace, which sells Guarani handicrafts, essential oils, and jewelry.

People with Disabilities

People with disabilities comprise 13% of the population in Latin America and the Caribbean, yet only 3% of them have access to rehabilitation services.[56] People with disabilities are less likely to be employed than their peers without disabilities, with employment rates 24 and 12 percentage points lower for men and women respectively.[57] On average, persons with disabilities earn lower wages and have lower skill levels due to exclusion in education and lower promotion rates.[58] School attendance of children with disabilities is 7 to 13 percentage points lower than those without, depending on the education level.[59] As people with disabilities are more likely to live near or under the poverty line than people without disabilities, impacts on poverty as a result of the pandemic will disproportionately affect them.[60] In FY 2020, the IAF managed 18 active grants that supported people with disabilities.

Example: Peruvians with psychosocial and intellectual disabilities face barriers to living independently. IAF grantee Sociedad y Discapacidad (SODIS) has helped these marginalized citizens exercise their legal rights and access social services that improve their quality of life. SODIS has engaged people with psychosocial or intellectual disabilities, organizational representatives, and legal and medical professionals in working groups to develop rights-based proposals and approaches. SODIS developed two pilot projects in two districts of Lima to test the efficacy of a community-based support network methodology: one with people with intellectual disabilities, in collaboration with the Peruvian Down Syndrome Society, and another with people with psychosocial disabilities, in collaboration with the Ministry of Health. The SODIS pilots have helped demonstrate that support networks strongly rooted in the community can empower persons with disabilities to exercise one of the fundamental rights of an adult: to make life decisions based on free and informed consent. In 2018, when the Peruvian government sought to bring its civil code in line with multilateral conventions on the rights of persons with disabilities, it employed a proposal for support networks developed by SODIS participants. Through consistent civic engagement, SODIS took the leading role in transforming Peru's approach to people with disabilities, from a guardianship model to supported decision-making.

6 | Programmatic Funding

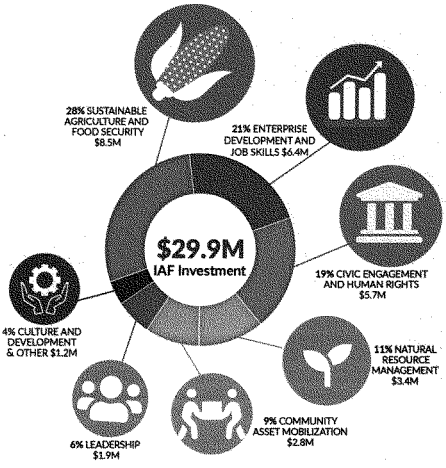
Country Projects Map

Programmatic Funding

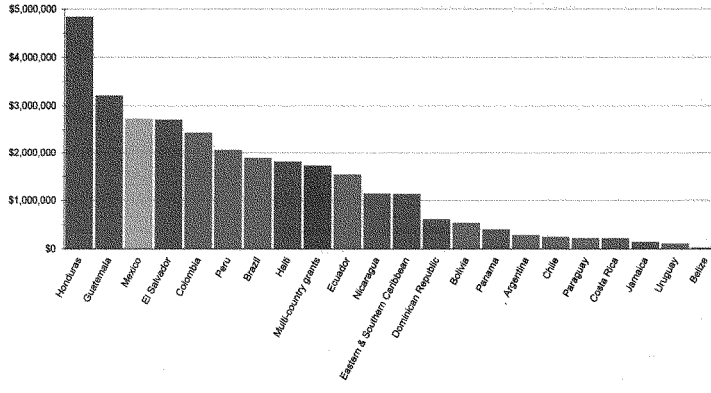
In FY 2020, the IAF funded 87 new grants in the amount of $16.3 million and amended 129 ongoing projects in the amount of $13.6 million, for a total of over $29.9 million in grant funding in 26 countries. New grants awarded in FY 2020 averaged approximately $214,000 over a three-year period. In addition, new IAF grantees in FY 2020 committed to contribute or raise $34.6 million in counterpart resources. These new investments in FY 2020 brought the total program portfolio in FY 2020 to more than 330 active grants, representing an investment of approximately $98.5 million from the IAF and $120.4 million from grantees.

New Grants and Supplements in Fiscal Year 2020

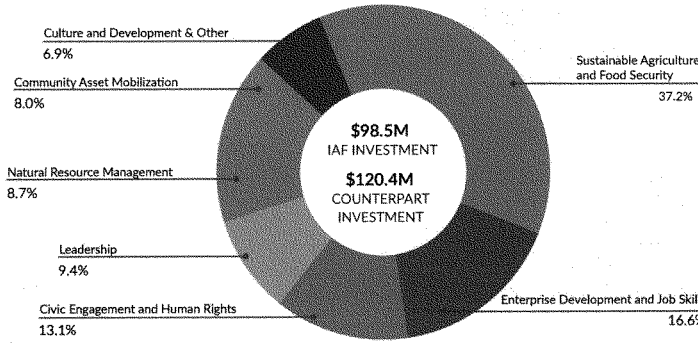
Primary Program Areas of FY 2020 Investments



FY 2020 New Funding by Country

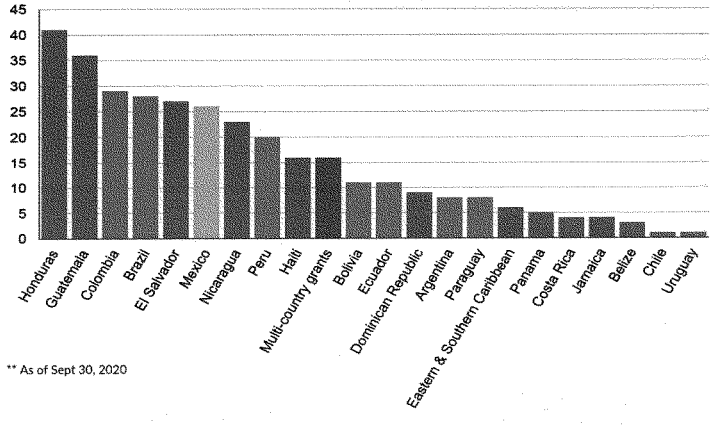


Primary Program Area of Total Active Portfolio in Fiscal Year 2020*



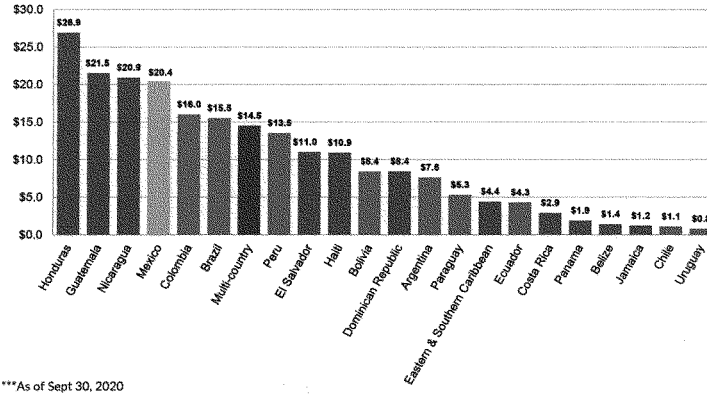
* Includes all active grants as of Sept 30, 2020

Number of Active Grants by Country**

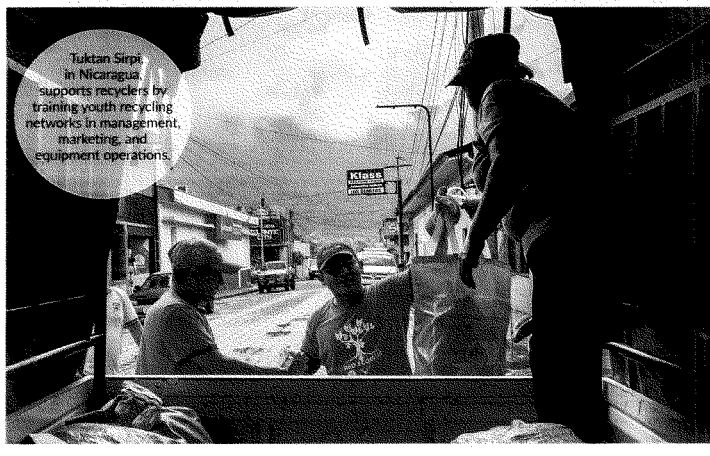


** As of Sept 30, 2020

IAF Investment (in Millions of USD) in Active Grants by Country***



***As of Sept 30, 2020

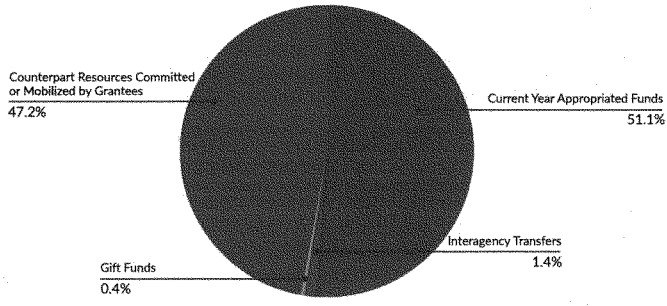


7 | Budget Resources

Sources of Funds

The IAF's resources come from Congressional appropriations, interagency transfers with other federal foreign assistance agencies, donations from private funders and partners, dividends from impact investments, and the Social Progress Trust Fund (SPTF). In addition, our grantees make a significant contribution to cover the cost of the programs IAF supports.

FY 2020: Funding Sources of Program and Operational Investments

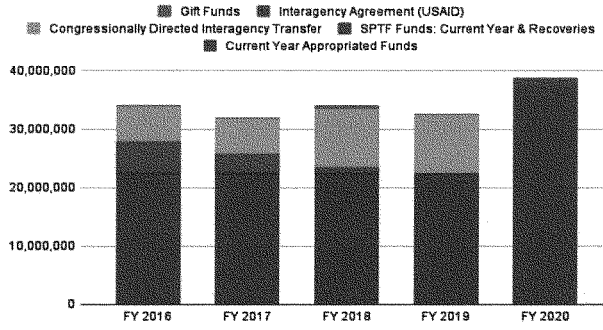


Appropriations and Congressionally Directed Interagency Transfers

For FY 2022, the President is requesting appropriations consistent with historical IAF funding levels and the enacted FY 2021 budget. When considering both the IAF appropriation and congressionally-directed interagency transfers, the IAF's funding from Congress has remained relatively level since FY 2016. (See graph below.) Between FY 2016 and FY 2019, Congress directed the IAF to receive an annual interagency transfer to support the interagency Central America Strategy from the Development Assistance account.* In FY 2020, rather than directing an interagency transfer to the IAF for the Central America Strategy, Congress directed the IAF to dedicate $10 million of its appropriation to support the Strategy.

* Of note, these interagency transfers directed by Congress arrived to the IAF in the final half of the fiscal year following the year for which they had been appropriated. For instance, the last Central America transfer of FY 2019 arrived to the IAF in late FY 2020.

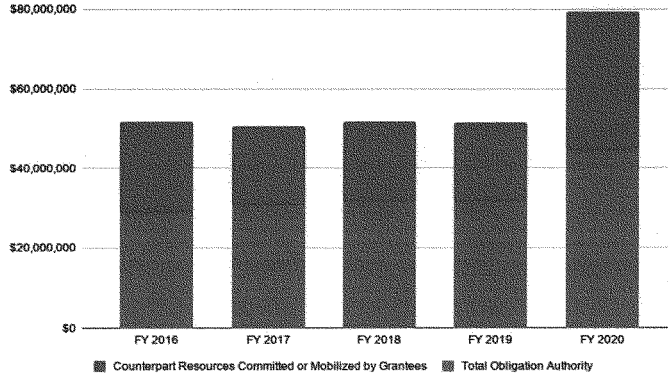
Funding Sources by Fiscal Year



Grantee Counterpart Contributions

Beyond appropriations, interagency transfers, gifts received from donors and partners, and SPTF, IAF grant-making is more than matched by the investment made or mobilized by our grassroots partners. On average over the last five years, our partners have committed $1.26 of counterpart resources for every $1.00 of IAF investment in approved grants as shown in the chart below.

Counterpart v. IAF Funds, Fiscal Years 2016—2020



Partnerships and Private Donations

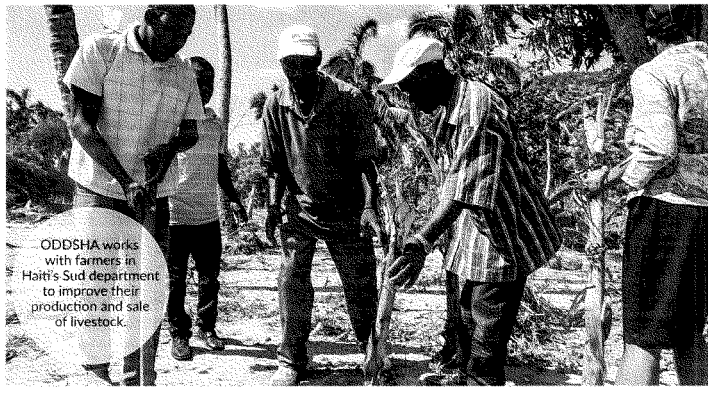
The IAF partners with other U.S. government agencies and private sector entities—corporate and philanthropic—to increase the reach of its investments.

In FY 2020, the IAF received a $1 million transfer from USAID as part of a three-year, $5 million joint initiative to expand disaster resiliency programming in the small island nations of the Eastern and Southern Caribbean. The partnership—called Building Community Resilience in the Eastern & Southern Caribbean—capitalizes on our agencies' respective strengths to ensure that U.S. foreign assistance reaches the most vulnerable communities in the small island states.

The IAF also received an additional contribution of $100,000 in FY 2020 towards the IAF's partnership with the Charles Stewart Mott Foundation to foster a strong community philanthropy sector in Mexico. Over the last eight years, a joint investment of $2.67 million in Mexican community foundations has mobilized an additional $10.67 million—97% Mexican in origin—benefiting 180 grassroots organizations serving 30,000 people. The IAF-Mott partnership was one of five finalists for the 2020 P3 Impact Award. The award, presented by Concordia, the U.S. Department of State, and the University of Virginia Darden School of Business, recognizes leading public-private partnerships that improve communities around the world.

The IAF also raised $76,200 in FY 2020 through private donations. A new, three-year partnership with Danone, a global company that produces beverages and dairy and nutrition products, will work to revive the livelihoods of 4,500 recyclers severely affected by the COVID-19 pandemic in Argentina. Danone Argentina and the Danone Ecosystem Fund are contributing $1.70 for every $1 the IAF invests to jointly promote safe recycling as an economic activity and improve recycling systems, incomes, and working conditions in 35 cities.

The IAF partnered with the Young Americas Business Trust and the Organization of American States to launch the InnovAction Challenge—a regional competition to foster and seed business innovations put forward by more than 1,000 young entrepreneurs from 32 countries—to address the health, safety, and economic effects of COVID-19.



ODDSHA works with farmers in Haiti's Sud department to improve their production and sale of livestock.

IAF Operating Expenses

Table 1.1 Multi-Year Funding and Program Activities Estimates

Source of Funds	FY 2020 Actuals	FY 2021 Operating Plan	FY 2022 Request
CY Appropriated Funds	37,500,000	38,000,000	38,000,000
PY Appropriated Funds (Carryover)	2,259,176	6,908,108	900,000
Recoveries (Appropriated)	503,102	1,147,168	800,000
Carryover to CY+1 (Appropriated)	(6,908,108)	(900,000)	(900,000)
SPTF Funds	-	1,200,000	1,200,000
Gift Funds/Interagency Transfers	11,266,939	1,000,000	1,000,000
TOTAL OBLIGATION AUTHORITY	**44,621,109**	**47,355,276**	**41,000,000**
Grants, Investments, and Audits			
Appropriated Funds	21,686,638	28,664,302	21,429,738
SPTF Funds	-	1,200,000	1,200,000
Gift Funds/Interagency Transfers	8,928,558	900,000	900,000
Subtotal - Grants/Investments	**30,615,196**	**30,764,302**	**23,529,738**
Program Implementation Activities			
Appropriated Funds	5,525,168	8,610,889	9,399,337
Gift Funds/Interagency Transfers	1,337,736	100,000	100,000
Subtotal - Program Implementation Activities	**6,862,904**	**8,710,889**	**9,499,337**
Total Program Activities	**37,478,100**	**39,475,191**	**33,029,075**
Program Support Activities			
Appropriated Funds	6,142,364	7,880,085	7,970,925
Gift Funds/Interagency Transfers	1,000,645	-	-
Total Program Support Activities	**7,143,000**	**7,880,085**	**7,970,925**
TOTAL OBLIGATION	**44,621,109**	**47,355,276**	**41,000,000**
Counterpart Committed or Mobilized by Grantees	34,623,937	35,280,000	29,642,155
Total (including Grantee Counterpart)	**79,245,046**	**82,635,276**	**70,642,155**
Program Support/Total (incl. Grantee Counterpart)	9.01%	9.54%	11.28%
Program Support/Total (excl. Grantee Counterpart)	16.01%	16.64%	19.44%
Full-Time Equivalent Usage	46	49	50

Table 1.2 IAF Multi-Year Estimates: Detail of Object Classifications

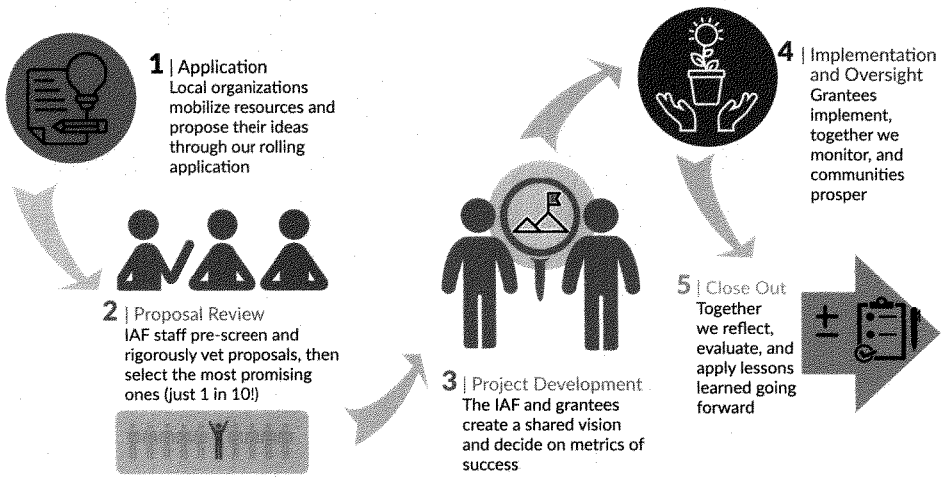
Object Class	Source of Funds	FY 2020 Actuals	FY 2021 Operating Plan	FY 2022 Request
PROGRAM SUPPORT				
	Staff Program Support Salaries & Related Expenses			
11	Personnel Compensation (salaries)	2,276,359	2,528,380	2,599,251
11.5	Other Personnel Compensation	74,100	124,176	130,501
12	Civilian Personnel Benefits	851,017	797,194	885,673
13.0	Benefits to Former Personnel	-	-	-
	Travel and Transportation			
21	Travel and Transportation of Persons	57,301	14,300	60,000
22	Transportation of Things	-	-	2,500
	Program Support Services			
23.2	Rental Payments to Others*	-	-	410,000
23.3	Communications, Utilities, & Misc Charges	195,612	338,452	300,000
24	Printing and Reproduction	12,730	11,158	13,000
25.1	Management and Professional Support Services	303,781	599,401	400,000
25.1	Engineering & Technical Services (IT)	1,276,412	1,445,533	1,200,000
25.1	Staff Training	57,558	74,786	80,000
25.2	Representation Allowance	-	4,000	2,000
25.2	Miscellaneous Services	38,431	36,585	38,000
25.3	Services from Other Gov Agencies	1,634,899	1,591,772	1,650,000
25.4/25.7	Maintenance - Equipment & Facility	27,351	48,767	50,000
26	Supplies and Materials	46,444	43,603	50,000
31/32	Equipment & Leasehold Improvements	291,014	221,978	100,000
	Total Program Support	7,143,009	7,880,085	7,970,925
PROGRAM IMPLEMENTATION ACTIVITIES				
	Staff Program Salaries & Related Expenses			
11	Personnel Compensation (salaries)	2,817,118	3,254,223	3,363,717
11.5	Other Personnel Compensation	2,985	2,000	2,500
12	Civilian Personnel Benefits	997,742	1,173,828	1,223,120

	Travel & Other Program Implementation Costs			
21	Travel and Transportation of Persons	160,648	86,500	250,000
23.2	Rental Payment to Others*	-	-	315,000
	Learning & Dissemination			
25.1	Studies & Evaluations	35,155	20,000	40,000
25.1	Fellowship Program	-	350,000	350,000
25.1	Translations & Other Services	104,932	214,610	105,000
	Technical Assistance to Grantees			
25.1	Local Advisory Service (LLAS)	1,978,764	2,468,035	2,600,000
25.1	Data Verifiers (DV)	455,665	991,693	1,050,000
25.1	Program Conference Support	309,895	150,000	200,000
	Subtotal - Program Implementation	6,862,904	8,710,889	9,499,337
	Grants & Investments			
41	Grants/Grant Audits	30,615,196	30,764,302	23,529,738
	Total Program Activities	**37,478,100**	**39,475,191**	**33,029,075**
Total Program Support and Program Activities		**44,621,109**	**47,355,276**	**41,000,000**
Counterpart Committed or Mobilized by Grantees		82,099,209	86,830,467	74,029,075
Total (including Grantee Counterpart)		**126,720,318**	**134,185,743**	**115,029,075**
Ratios:				
Program Support/Total (incl. Grantee Counterpart)*		5.64%	5.87%	6.93%
Program Support/Total (excl. Grantee Counterpart)*		16.01%	16.64%	19.44%
Full-Time Equivalent Usage		46	49	50

8 | Appendix: The IAF Grantmaking Process

LASTING IMPACT

The IAF's unique model of grantmaking empowers local communities and facilitates impactful and cost-effective development initiatives in Latin America and the Caribbean.



IAF accepts applications and partner with grantees in FIVE languages: English, Spanish, Portuguese, French, and Haitian Kreyol

FY 2020 SNAPSHOT

$29.9 million IAF INVESTMENT

$34.6 million COUNTERPART COMMITMENT

Endnotes

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9 85% of active IAF grantees responded to the Center for Effective Philanthropy's Grantee Perception Report survey in June and July 2020.

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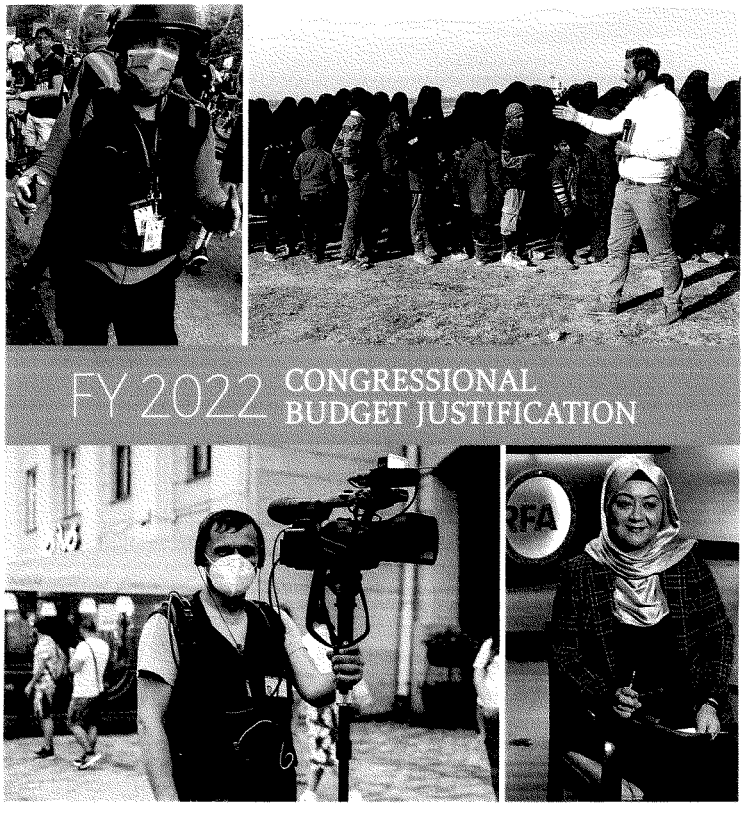
U.S. AGENCY FOR
GLOBAL MEDIA



FY 2022 CONGRESSIONAL BUDGET JUSTIFICATION

VOA VOICE OF AMERICA | RadioFreeEurope RadioLiberty | Office of Cuba Broadcasting | RFA Radio Free Asia | MBN | OPEN TECHNOLOGY FUND

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Cover images from USAGM coverage, clockwise from top left: VOA Turkish's Mehtap Colak Yilmaz reporting from the Black Lives Matter protests in Washington, DC.; MBN reporter on the scene; RFA Uyghur Service's Gulchehra Hoja; RFE/RL cameraman Andrey Rabchyk.

Executive Summary

As Fiscal Year (FY) 2022 approaches, the international media environment is awash with unprecedented levels of misinformation, disinformation, and propaganda on topics affecting public health, humanitarian challenges, and political crises. America's adversaries understand the power and effectiveness of speaking to global audiences and they are making investments that greatly outpace our own. Much of their effort is designed to sow false narratives about American policies and weaken our country's standing worldwide.

In the face of these global threats, the U.S. Agency for Global Media (USAGM) is building on successes in key markets with its two federal networks — the Voice of America (VOA) and the Office of Cuba Broadcasting (OCB) — and its four non-federal entities — Radio Free Europe/Radio Liberty (RFE/RL), Radio Free Asia (RFA), the Middle East Broadcasting Networks (MBN), and the Open Technology Fund (OTF).

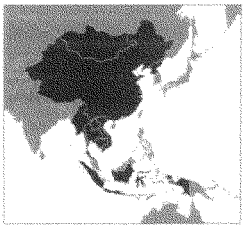
USAGM's networks reached a record weekly audience of 354 million people last year, providing news and information on radio, television, internet, social media, and mobile platforms. USAGM is one of the largest media organizations in the world and our brands are some of the most recognized and respected in key foreign markets, including China, Russia, and Iran. Our programming ranges from vital, fact-based information on the COVID-19 pandemic to government corruption that local news outlets are unable or unwilling to cover. In combination with our global reach, the trust that USAGM's audiences place in the information we provide — and how USAGM informs their opinions on current events — is critical to combatting the deception and falsehoods spread by authoritarian regimes and violent non-state actors.

Accurate and truthful news and information has never seen the volume and complexity of challenges around the world, and USAGM pushes back with content that is fact-based, engaging, and relevant to global audiences.

The President's Request of $810 million will enable USAGM to continue its vital mission in strategically important markets around the world.

East and Southeast Asia

In East and Southeast Asia, VOA and RFA have provided fact-based, objective reporting in the face of China's increasingly antagonistic narrative on American-Chinese relations and shed light on humanitarian crises in the region. For example, in "The Dragon's Tail" programming, VOA will examine China's role in large infrastructure projects in other countries and the potential that these projects will undermine longstanding relationships with the United States and its allies. In-depth coverage like this has helped to increase VOA's Mandarin Service website views by 47 percent over the prior year. Additionally, RFA will continue to cover humanitarian crises as they develop in the region, building on its groundbreaking disclosure of the mistreatment and mass detention of the Uyghur population and its expanding coverage of the unrest in Myanmar. RFA's Burmese Service has emerged as a valuable source of independent news, growing the percent of the population consuming its content from 6.2 percent in 2018 to 24.9 percent in 2020.



EAST AND SOUTHEAST ASIA

115.0 MILLION

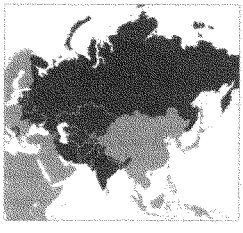
Data from Burma, Cambodia, China, Hong Kong, Indonesia, Laos, Thailand, Vietnam. Reflects audiences for RFA and VOA.

Near East, South and Central Asia, Eurasia

In Russia, South and Central Asia, and Eastern Europe, RFE/RL and VOA will continue to achieve impact through investigative reporting, exposing corruption, malfeasance, and misconduct.

- For example, RFE/RL's Ukrainian Service serves as a media leader in Ukraine, frequently conducting high-profile interviews that are picked up across Ukraine's top media outlets and airing its award-winning investigative program "Schemes: Corruption in Details" to help root out and expose corruption in Ukraine.

- The RFE/RL and VOA joint venture, Current Time, continues to thrive as a source of Russian-language content, offering expert insights, fact-checks, infographics, and explainers on regional and international current events. As one of many examples of the role that USAGM has played in providing vital, truthful reporting on the COVID-19 pandemic to its audiences, VOA's Russian Service produced a special video series debunking conspiracy theories and showing how doctors, nurses, patients, and teachers weathered the pandemic.
- VOA and RFE/RL continue to partner on the multi-platform network VOA365 to reach Farsi-speakers in Iran and beyond. Although criminalized by Iran's regime, VOA365 provides an unbiased alternative to state media critical of the United States electoral process. The network carried an eight hour live election night special, which had a record-setting 4.2 million views and 775,000 interactions on VOA Persian's Instagram alone. The network's special four hour 2021 United States presidential inauguration coverage had nearly 3.5 million video views on Instagram. In addition, RFE/RL's Farda (translated to "Tomorrow" in Persian) is a leader on digital platforms. Despite being officially blocked within Iran, Farda received 165 million visits to its websites and news app, as well as 477 million video views across social media networks in FY 2020.



NEAR EAST, SOUTH AND CENTRAL ASIA, EURASIA

67.0 MILLION

Data from Afghanistan, Albania, Armenia, Azerbaijan, Bangladesh, Belarus, Bosnia, Crimea, Estonia, Georgia, Iran, Kazakhstan, Kosovo, Kyrgyzstan, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Nagorno-Karabakh, Pakistan, Russia, Serbia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan. Reflects audiences for RFE/RL and VOA.

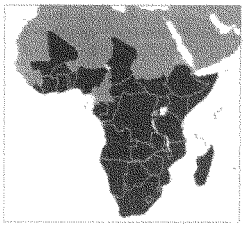
Middle East and North Africa

From the aftermath of the catastrophic explosion in Beirut to the renewed Israeli-Palestinian violence, MBN has provided on-the-ground coverage and accurate, comprehensive context to its audiences across the region. As a testament to the value MBN programming provides, recent research indicates that the network reaches over 30 million people in its target region each week. In 2020, national

survey data showed MBN's weekly audience across media platforms among non-Kurdish provinces in Iraq was over 76 percent; and in Israel, 21.5 percent of Arabs said they had watched Alhurra in the past week. The last survey from 2019 in the Palestinian Territories showed half the population (50.1 percent) had used MBN media in the past week.

Sub-Saharan Africa

VOA's Africa Division has and will continue to serve as an authoritative source about the COVID-19 pandemic for the continent, producing popular town hall programs in Amharic, English, French, Hausa, Portuguese, Somali, and Swahili. These interactive programs gave audiences an opportunity to ask questions about COVID-19 vaccines and emerging variants, and included after-show Facebook Live discussions with guests and hosts were re-broadcast by VOA-affiliated television stations. The programming to Africa is also coordinated with other language services. For example, as part of VOA's global focus on China, in FY 2022, the division will develop a feature program called "Promises Made, Promises Not Kept," which contrasts the promises of Chinese investment in Africa with what has actually occurred, thus counteracting false narratives spread by China on the continent.



SUB-SAHARAN AFRICA

70.9 MILLION

Data from Benin, Botswana, Burundi, Central African Republic, Cote d'Ivoire, Democratic Republic of Congo, Ethiopia, Gabon, Ghana, Kenya, Liberia, Madagascar, Malawi, Mali, Mozambique, Nigeria, Somalia, South Africa, South Sudan, Tanzania, Uganda, Zambia, Zimbabwe. Reflects audiences for VOA.

Latin America

From the historic transition of power underway in Cuba to the political unrest in the region, USAGM has led in covering emerging stories that impact the lives of its Latin American audiences, driving the popularity of its programming among its strong network of affiliates throughout the region. VOA's Spanish Service launched Verificado, modeled on the VOA News Center's Polygraph.org.

The Spanish-language site counters disinformation in Venezuela, which is largely government-formulated, on United States foreign policy in the region. Additionally, OCB is pushing forward on leveraging the island's growing access to digital and mobile platforms with concise, compelling content, pushing traditional boundaries with inclusive stories of women's issues, LGBTQ struggles, and other marginalized demographics.

LATIN AMERICA

69.6 MILLION

Data from Argentina, Bolivia, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela. Reflects audiences for OCB and VOA.

Investments in People, Technology, and Actionable Data

The success of USAGM's programming across its markets depends on investments in its workforce, technology, and the data that informs its decision-makers.

- While the COVID-19 pandemic has proven challenging to the Agency's workforce, both personally and professionally, it has revealed a remarkable ability to innovate processes and collaboration. Based on these successes, USAGM is planning to reduce its headquarters footprint through forward-leaning teleworking and hoteling policies, yielding significant potential savings.
- USAGM will then be able to pivot those savings into technology and other infrastructure with an emphasis on increased functionality for journalists and increased security for cyber threats.
- Technology is essential for journalists to communicate with sources and disseminate their work, despite the censorship efforts of repressive regimes. From Hong Kong to Belarus to Myanmar and beyond, OTF has been a world leader in supporting internet freedom and providing circumvention tools against the surveillance and firewalls of governments opposed to democracy, a free press, and other American values and institutions.

- USAGM will also continue to modernize its research operations, enabling its networks to commission proprietary audience research in 160 markets around the world. Employing an array of methodologies, including media panels, nationally representative surveys, focus groups, and data modeling, USAGM's research team generates audience reach estimates, public opinion research, media usage statistics, and — increasingly — proprietary research on defector and refugee populations. This research is key to informing Agency leadership decision-making and its important stakeholders in Congress.

U.S. AGENCY FOR GLOBAL MEDIA

Summary of Appropriations

FY 2020 - FY 2022

($ in thousands)

INTERNATIONAL BROADCASTING OPERATIONS *Programs, Projects, and Activities*	FY 2020 ACTUALS	FY 2020 ENACTED	FY 2021 ESTIMATE	FY 2022 CBJ
FEDERAL ENTITIES				
Voice of America	$ 253,113	$ 252,000	$ 253,504	$ 257,000
Office of Cuba Broadcasting	$ 24,866	$ 20,973	$ 19,758	$ 12,973
BPMA Transfer to OCB (non-add)[1]	$ 3,967		$ 7,000	
International Broadcasting Bureau	$ 46,873	$ 45,291	$ 54,599	$ 48,793
Internet Freedom and Circumvention Activities (non-add)			$ 179	
Office of Technology, Services, and Innovation	$ 175,661	$ 180,591	$ 176,413	$ 177,515
TOTAL - FEDERAL ENTITIES	**$ 500,513**	**$ 498,855**	**$ 504,274**	**$ 496,281**
NON-FEDERAL ENTITIES				
Radio Free Europe/Radio Liberty	$ 124,578	$ 125,306	$ 124,322	$ 126,500
Radio Free Asia	$ 44,166	$ 44,223	$ 46,402	$ 47,603
Middle East Broadcasting Networks	$ 108,866	$ 110,312	$ 105,866	$ 110,312
Internet Freedom/Open Technology Fund	$ 10,998	$ 20,000	$ 19,878	$ 20,000
TOTAL - NON-FEDERAL ENTITIES	**$ 288,608**	**$ 299,841**	**$ 296,468**	**$ 304,415**
TOTAL - INTERNATIONAL BROADCASTING OPERATIONS	**$ 789,121**	**$ 798,696**	**$ 800,742**	**$ 800,696**
BROADCASTING CAPITAL IMPROVEMENTS *Programs, Projects, and Activities*				
Broadcasting Capital Improvements	$ 15,928	$ 11,700	$ 9,215	$ 9,700
TOTAL, BROADCASTING CAPITAL IMPROVEMENTS	**$ 15,928**	**$ 11,700**	**$ 9,215**	**$ 9,700**
USAGM GRAND TOTAL - Appropriation/Request	**$ 805,049**	**$ 810,396**	**$ 809,957**	**$ 810,396**

[1] *In FY 2020, USAGM transferred $7.0 million from its Buying Power Maintenance Account to OCB to support reform. Approximately $4.0 million was spent in FY 2020 with the remaining $3.0 million estimated to be split between FY 2021 and FY 2022. For FY 2022, the President's Budget re-proposes the transfer authority to support OCB reform.*

U.S. AGENCY FOR GLOBAL MEDIA

Summary of Positions and FTEs

FY 2020–FY 2022

	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
	FULL-TIME EQUIVALENT	FULL-TIME EQUIVALENT	FULL-TIME EQUIVALENT
INTERNATIONAL BROADCASTING OPERATIONS			
FEDERAL EMPLOYEES			
Voice of America	**981**	**985**	**985**
American/Domestic Employees	965	971	971
Foreign Nationals DH/ Personnel Service Agreements	16	14	14
Office of Cuba Broadcasting[1]	**94**	**88**	**88**
American/Domestic Employees	94	88	88
International Broadcasting Bureau	**172**	**177**	**177**
American/Domestic Employees	172	177	177
Office of Technology, Services, and Innovation	**363**	**360**	**416**
American/Domestic Employees	151	141	179
Foreign Nationals DH/ Personnel Service Agreements	213	219	237
SUBTOTAL, FEDERAL EMPLOYEES	**1,611**	**1,610**	**1,666**
NON-FEDERAL ENTITY EMPLOYEES			
Radio Free Europe/Radio Liberty	**695**	**829**	**832**
American/Domestic Employees	371	456	457
Foreign Nationals DH/ Personnel Service Agreements	324	373	375
Radio Free Asia	**272**	**273**	**273**
American/Domestic Employees	257	257	257
Foreign Nationals DH/ Personnel Service Agreements	15	16	16
Middle East Broadcasting Networks	**713**	**916**	**936**
American/Domestic Employees	434	575	585
Foreign Nationals DH/ Personnel Service Agreements	279	341	351
Internet Freedom/ Open Technology Fund	**13**	**30**	**30**
American/Domestic Employees	9	24	24
Foreign Nationals DH/ Personnel Service Agreements	4	6	6
SUBTOTAL, NON-FEDERAL ENTITY EMPLOYEES	**1,693**	**2,048**	**2,071**
USAGM TOTALS	**3,304**	**3,658**	**3,737**

[1] *Through reform, OCB will see a reduction of FTE at the end of FY 2022/beginning of FY 2023.*

Legislative Proposal Requests

USAGM requests the following legislative proposals as part of the FY 2022 President's Budget. The proposed appropriations language, located after the proposal descriptions below, include:

- Five Percent Carryover Authority of the International Broadcasting Operations (IBO) Account; and
- Surge Capacity Fund Transfer Authority

I. Justification

1. Five Percent Carryover Authority of the IBO Account

USAGM requests authority for its FY 2022 IBO account appropriation language to permit carrying over up to five percent into FY 2023 (i.e., two-year funding). Currently, USAGM must closely monitor payroll each pay period, travel, and other non-contracting expenses and strategically redirect unspent funding to maximize contracting investments toward the end of the fiscal year. With the modest amount of two-year funding authority, USAGM would gain flexibility to efficiently and effectively manage its finances, particularly in August and September of each fiscal year. Historically, those two months represent over 30 percent of a fiscal year's procurement spending, although they only compromise 17 percent of the fiscal year. Even with solid planning, the federal contracting process is time-consuming and complex, presenting challenges as USAGM nears the end of each fiscal year. Contractors are aware of this and can leverage the Agency's inflexibility in contract negotiations.

Additionally, with the increase in disinformation and propaganda by state and non-state actors, USAGM's public service media networks have become even more vital to ensure fact-based, accurate, and independent journalism reaches countries that lack press freedom. To achieve this priority effectively, USAGM needs the agility to adjust and reposition resources to face ever-changing and dynamic events throughout the world and to provide reliable news to our weekly audience of 354 million people. Such requirements can arise at any time during a fiscal year, but are especially problematic in the event of a Continuing Resolution at the start of a fiscal year.

2. Surge Capacity Fund Transfer Authority

The United States International Broadcasting Surge Capacity Fund, already authorized by current law (22 USC 6216), allows the President to provide financial and technical resources for up to six months to USAGM for carrying out broadcasting activities in a geographical area during a crisis abroad. This provision would permit transfers of unobligated balances from expired USAGM accounts into the Surge Capacity Fund.

II. Proposed International Broadcasting Operations Appropriations Language

For necessary expenses to enable the Unites States Agency for Global Media (USAGM), as authorized, to carry out international communication activities, and to make and supervise grants for radio, internet, and television broadcasting including to the Middle East, [$793,257,000] *800,696,000 of which five percent shall remain available until September 30, 2023*: Provided, that in addition to amounts otherwise available for such purposes, up to $40,708,000 of the amount appropriated under this heading may remain available until expended for satellite transmissions and internet freedom programs, of which not less than $20,000,000 shall be for internet freedom programs:

Provided further, that of the total amount appropriated under this heading, not to exceed $35,000 may be used for representation expenses, of which $10,000 may be used for such expenses within the United States as authorized, and not to exceed $30,000 may be used for representation expenses of Radio Free Europe/ Radio Liberty:

Provided further, that funds appropriated under this heading shall be made available in accordance with the principles and standards set forth in section 303(a) and (b) of the United States International Broadcasting Act of 1994 (22 U.S.C. 6202) and section 305(b) of such Act (22 U.S.C. 6204):

Provided further, that the USAGM Chief Executive Officer shall notify the Committees on Appropriations within 15 days of any determination by the USAGM that any of its broadcast entities, including its grantee organizations,

provides an open platform for international terrorists or those who support international terrorism, or is in violation of the principles and standards set forth in section 303(a) and (b) of such Act or the entity's journalistic code of ethics:

Provided further, that in addition to funds made available under this heading, and notwithstanding any other provision of law, up to $5,000,000 in receipts from advertising and revenue from business ventures, up to $500,000 in receipts from cooperating international organizations, and up to $1,000,000 in receipts from privatization efforts of the Voice of America and the International Broadcasting Bureau, shall remain available until expended for carrying out authorized purposes:

Provided further, that significant modifications to USAGM broadcast hours previously justified to Congress, including changes to transmission platforms (shortwave, medium wave, satellite, Internet, and television), for all USAGM language services shall be subject to the regular notification procedures of the Committees on Appropriations:

Provided further, that up to $7,000,000 from the USAGM Buying Power Maintenance account may be transferred to, and merged with, funds appropriated by this Act under the heading "International Broadcasting Operations," which shall remain available until expended:

Provided further, that such transfer authority is in addition to any transfer authority otherwise available under any other provision of law and shall be subject to [prior consultation with, and] the regular notification procedures of, the Committees on Appropriations:

Provided further, that the USAGM may transfer to, and merge with, funds in the "United States International Broadcasting Surge Capacity Fund," authorized in section 316 of the United States International Broadcasting Act of 1994 (22 U.S.C. 6216), for obligation or expenditure by the USAGM for surge capacity, any of the following: (1) unobligated balances of expired funds appropriated under the heading "International Broadcasting Operations" for fiscal year 2022 at no later than the end of the fifth fiscal year after the last fiscal year for which such funds are available for their stated purposes; and (2) funds made available for surge capacity under this heading.

Voice of America (VOA)

Funding *($ in thousands)*

FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
$ 253,113	$ 253,504	$ 257,000

Overview

The successful "Washington bureau" model practiced by a number of VOA services mixes content development with an integrated marketing strategy to build a strong multimedia brand that offers unique value. Understanding and leveraging market opportunities, original storytelling, explanatory journalism, a mix of journalistic forms, and multimedia collaborative projects have contributed to the success of the VOA model.

Countering Disinformation from China and Russia

Countering China's Propaganda

VOA's aggressive coverage of China received great social media exposure. At the start of the COVID-19 outbreak, VOA's Mandarin Service reported on the struggles of Chinese families in the Wuhan lockdown and the government's silencing of citizen journalists and whistleblowers. As the pandemic spread globally, VOA debunked conspiracy theories on the origin of the virus and followed how the United States and its allies worked together to counter China's vaccine propaganda. Congressman Michael McCaul (Rep. Texas), a ranking member of the House Foreign Affairs Committee, praised VOA Mandarin's coverage for *"penetrating the Chinese firewall, getting into Mainland China, so the people of China could actually read the truth about their government."*

China's brutal crackdown in Xinjiang, Tibet and Inner Mongolia has also been a focus of VOA Mandarin in-depth reporting. VOA told stories of overseas Uyghurs fighting for their families and struggling for survival far away from home; and

covered American activists' and Congressional members' campaigns against China's human rights abuses in Xinjiang. VOA Indonesian also provided its predominantly Muslim audience with reports on United States policy towards China, specifically on human rights issues.

VOA Mandarin covered China's increasingly aggressive censorship both at home and abroad. The service interviewed a former Chinese "content auditor," offering a rare and intimate look inside the Chinese censorship factory. The story was widely retweeted by influential Chinese intellectuals and activists. VOA Mandarin also interviewed a young Chinese student in Australia, who was threatened by the Chinese police for her speech abroad.

In Myanmar, thorough coverage of the military coup enabled VOA's Burmese Service to provide insight on the relationship between China and the military junta. VOA Burmese was the first to report possible Chinese help in building Myanmar's firewall. They were also the first to report an attack on a Chinese-owned gas pipeline station in Mandalay, the first time the pipeline has come under attack amid growing anti-Beijing sentiment due to China's support for the junta.

Countering Russian disinformation

VOA's Eurasia Division language services sharpened their editorial focus to offer a fact-based, rapid rebuttal mechanism to Russia's disinformation ecosystem of inauthentic proxy outlets and social media accounts. Through Current Time, a joint digital and television venture with RFE/RL and VOA, the VOA's Russian Service offered expert insights, fact-checks, infographics, and explainers. The Division responded directly to disinformation aimed at denouncing United States civil rights policies and it refuted Russian-led disinformation around the George Floyd protests.

Countering Russian influence operations has been a focus of VOA's Balkan services, which presented a fact-based alternative to Kremlin-sponsored media content using its considerable audience reach. For example, in Serbia, widely considered as a launching pad for Russian disinformation in the region, VOA content reaches more than a quarter of the adult population weekly.

After Russia brokered a ceasefire between Armenia and Azerbaijan, VOA's Armenian Service produced a digital video series analyzing Russian propaganda methods, narratives, and impact on Armenian people and media. The series included expert tips to help social media users become critical consumers of news and information. Joining this effort, VOA Russian produced a special video series debunking disinformation conspiracy theories and showing how doctors, nurses, patients, and teachers weathered the pandemic.

Countering Extremist Rhetoric in Muslim Countries

Indonesia

Terror networks in Indonesia were less active in the beginning of the COVID-19 pandemic. However, the world's most populous Muslim country was later ravaged by acts of terrorism.

FATA – Afghanistan Pakistan Border Region

As the Taliban increasingly controlled Afghanistan, VOA launched a new 24/7 Pashto-language satellite stream to reach audiences in the Afghanistan-Pakistan border region where Taliban presence is strongest. VOA Deewa is the primary content contributor, supplemented by programming produced by VOA's Afghan and Urdu Services. VOA Deewa programming counters the disinformation narratives being fed to vulnerable youth and women. The Pashto language broadcasts provide news that Pakistani media do not or cannot cover. The satellite stream benefits from high ownership of satellite receivers and dishes in the target region.

Afghanistan

With President Biden's announcement that the United States will withdraw all troops from Afghanistan by September 11, 2021, VOA's Afghan Service is preparing the country for what the withdrawal will mean. VOA Kabul-based teams covered negotiations between the Afghan government and the Taliban in Doha, Qatar and provided tough questioning of a Taliban representative about promises of cooperation with Afghanistan's elected government.

Support of Democracy in Unfree and Media Deprived Systems (North Korea, Iran, Myanmar, Vietnam, Cambodia, Turkey)

East Asia

A military coup in Myanmar during FY 2021 represented a significant blow to free expression. VOA's Burmese Service, which broke news of the coup, plays a significant role in providing factual information to the region. Although VOA Burmese reporting includes coverage of both the military's and opposition statements, it has aggressively covered the increasingly repressive actions of the military to suppress local opposition. The service expanded radio and television programming and transmissions on USAGM medium wave and shortwave facilities. VOA Burmese partnered with USAGM's OTF to publicize the use of anti-censorship tools when coup leaders blocked web and social media. In June 2021, VOA Burmese will begin a 24/7 satellite television transmissions to Burma, branded as "Ludu Meitswe" (translated as "Friend of the People"), featuring VOA and RFA content, as well as curated programs from VOA affiliates. Stringers in Burma provide content using unconventional distribution methods to circumvent this increasingly difficult environment.

VOA's East Asia and Pacific (EAP) Division journalists have expanded their reporting on the challenges of budding democracies in the region. In addition to the military coup in Myanmar, China imposed de facto total control of Hong Kong through an electoral overhaul and a draconian National Security Law. In Cambodia and Thailand, leaders are increasingly authoritarian and have curtailed freedom of expression there. VOA's EAP language services provided comprehensive coverage on the deteriorating state of democracies in their respective target markets.

Turkey

VOA was on the front lines as the authoritarian regime mounted challenges to democratic values championed by the United States. VOA's Turkish Service partnered with international media organizations BBC, France 24 and Deutsche Welle in a YouTube social media channel, +90, to provide sought-after content for Turkish audiences on topics censored by local media. Topics include deteriorating media freedoms, human rights, and profiles of successful women whose stories are hidden from the Turkish public. The channel has nearly 500,000 subscribers

to date. VOA has multiple videos on the channel that have generated more than 1 million views each.

Iran

VOA's Persian Division has focused original journalism on the activities of the Iranian regime. Timed to Iran's February national holiday, Islamic Revolution Day, VOA365 aired special broadcasts covering aspects of Iran's government never talked about there: human rights violations in Iran, sharp ideological divisions within the government, and Iran's collapsing economy. Broadcasts and web/social media coverage were complemented by special editions of the network's investigative show, "Chess," and a special interactive call-in program, "Straight Talk," taking live calls from inside Iran. VOA Persian sent its reporters to Erbil, Iraq to counter Iran's disinformation campaign about the situation on the ground in Iraq and Iraqi Kurdistan. Their broadcasts exposed plans behind Iranian Foreign Minister Zavad Zarif's visit to Iraq and Kurdistan and highlighted United States Central Command General Kenneth McKenzie's announcement that the United States will keep its troops in Iraq.

Press Freedom

In support of democratic values, VOA aggressively covers issues of censorship and freedom of the press. VOA's World Press Freedom Day coverage in May presented a gripping multimedia package on the threat to two decades of press freedom in Afghanistan, now that the Taliban is poised to retake the country. "Can Afghanistan's Free Press Survive?" was produced in collaboration between the Afghan Service and News Center. It packaged in-depth web stories with video, illustrations, interactive maps, and portraits of Afghan journalists who have lost their lives even as "peace talks" are underway.

The News Center and Turkish Service documentary "Turkey: Breaking the Silence" chronicled the steady erosion of press freedom under Turkish autocrat Recep Erdogan in the context of the fragility of democracy itself.

As previously mentioned, VOA Spanish launched Verificado, a fact-checking site modeled on Polygraph.org. In addition, VOA Mandarin launched 事实核查 (translated to Fact Check), two fact-checking sites modeled on the VOA News Center's Polygraph.org. The Mandarin-language site examines Chinese

government claims, frequently covering its treatment of minorities, which run counter to reality. VOA Russian fact checks on social media in bite-sized comparisons of Russian government statements with the facts of the matter.

Telling America's Story

The United States Presidential election was news around the world, and millions of people tuned into VOA's in-depth coverage.

More than 2.5 million viewers engaged with VOA Russian's live, breaking-news election programming, featuring interviews with newsmakers, experts and voters, student focus groups, and live, simultaneously translated speeches and debates of presidential candidates and their running mates.

At the same time, more than 100 television channels, including top-rated national networks in Ukraine, Albania, Armenia, Bosnia, Georgia, Kosovo, Montenegro, North Macedonia and Serbia relied exclusively on VOA's in-language election coverage produced by VOA's Eurasia Division. During the week of the election, the Division provided affiliates with more than 500 stories, many of them presented live within highly-rated newscasts in those countries.

VOA365 carried an eight hour live election night special, which had a record-setting 4.2 million views and 775,000 likes and comments on VOA Persian Instagram alone. The channel's special four hour 2021 Presidential inauguration coverage had nearly 3.5 million video views on Instagram.

VOA's Mandarin-language United States election night coverage reached more than one million views on its website and social media. Its Mandarin and Cantonese Services covered stories neglected by Chinese state media that focused on Biden's and Trump's China policies. VOA reporters traveled to battleground states, talked with ordinary Biden and Trump supporters, covered the emergence of Chinese-Americans as a vocal political force, and focused on America's interconnection between local economies and national politics — all things alien to Chinese audiences.

VOA's Indonesian Service provided wall-to-wall coverage of the United States election with more than 200 live reports for 45 national affiliates and its own social media platforms. Coverage focused on the growing political participation of

Indonesian diaspora communities. One report on the first Indonesian-American woman to be elected as a judge went viral.

VOA Spanish continued its focus on United States foreign policy as it affects Latin American countries in crisis, especially Venezuela, Nicaragua, and El Salvador. The outcome of the election was closely-watched.

VOA Turkish reporters covered the election campaign live for six Turkish TV affiliates. On the service's web page, election "explainers" provided audiences with details about the United States election system, including the five most important issues related to elections and party politics.

VOA's News Center served as the hub for production of multi-platform content about how American democracy works. Audiences received daily primers on the basics of American elections. VOA reporters visited each of the main battleground states, reporting for international audiences about the issues influencing the vote. VOA photojournalists documented the January 6, 2021 storming of the United States Capitol with cameras outside with the crowd and inside the halls of Congress. VOA views the continuing political divisions over the 2020 election as an opportunity to tell the complex stories of America, including its struggles, with balance, thus exemplifying the role of a free press in a democracy.

Language services also took unusual ways to communicate American virtues and values. VOA's Africa Division carried the tournament of the National Basketball Association's Africa Basketball League, broadcast live and in six languages from the tournament site in Rwanda to VOA FM stations around Africa.

Targeting Underserved, Less Traditional Populations

Refugees

VOA continued its focus on the worldwide issue of refugees, implementing additional projects to improve information flows about some of the world's most information-starved people. The initiative was recognized by the United Nations Refugee Agency's Global Compact on Refugees as contributing "Good Practices."

In addition to ongoing news broadcasts in the Rohingya language for the 800,000 Burmese refugees in camps in Bangladesh, VOA expanded direct communication

with refugee populations, installing new radio stations to serve two of the world's oldest refugee camps, in Dadaab and Kakuma, Kenya In FY 2022, VOA will acquire and broadcast child-centric content to refugee populations, a topic that USAGM research revealed as in-demand among refugee populations. Outside of refugee camp settings, VOA completed two documentaries on the worldwide refugee crises in FY 2021. One intimately covers the ongoing refugee crisis on the Ethiopian border, produced by journalists embedded in a border camp. Another tells the totality of the worldwide crisis of refugees, migrants, and displaced people — a growing number estimated at 80 million in FY 2021. In FY 2022, VOA Refugee Program will continue to work with outside partners. Editorially, it will focus on the issue of "climate refugees," the sizeable group of refugees (estimated by the United Nations at 24 million people) forced to leave their homes through natural disasters brought on by climate change.

Gender Equality

VOA has taken critical steps to ensure that its coverage of world events is gender-balanced, and includes the voices, concerns, opinions, and stories of women. VOA program teams analyze on a monthly basis the gender representation on their shows. In FY 2021, VOA signed the United Nations Women's Media Compact, which calls for inclusive and gender-conscious approaches to information gathering, production, and delivery. In FY 2022, programming will include a series contrasting the position of women under totalitarian regimes and in free societies.

Making a Digital Impact

VOA targets a new generation of audience that is less reliant on "broadcast" media, via innovative multimedia content. Even when compared to the record-breaking traffic of the previous year, the last 12 months saw extraordinary growth for VOA on digital platforms.

The ongoing pandemic, an historic election and insurrection in the United States, and a coup that toppled the democratic government of Myanmar led to 481 million social media interactions (a 186% increase) and 6.1 billion video views (a 260% increase), led by growth on Instagram. Even traffic to VOA websites, which had contracted in recent years as users moved to VOA's separately measured social

media, had 538 million visits and 636 million pieces of content consumed, an increase of 5% and 21% from the prior 12-month period. Star performers included VOA's Persian, Indonesian, Burmese, Spanish, Russian, and Mandarin Services, each showing great growth across digital platforms. In the next year, VOA will continue its push into social platforms by leveraging strong relationships with those companies and by experimenting with emerging platforms like Clubhouse.

Heavy use and promotion of USAGM-supported circumvention tools such as Psiphon was vital to a number of VOA language services' ability to reach audiences in increasingly authoritarian-controlled countries, including Vietnam, Cambodia, Myanmar, North Korea, China and Iran. According to Psiphon's report, VOA received 37 million page views from Psiphon's general channels in March 2021. Page views on the VOA Mandarin website in March 2021 were 47% higher than the year before, and the VOA Burmese website garnered an average of two million unique visits due to Psiphon.

COVID-19 Pandemic Challenges

VOA provided its content under COVID-19's difficult staffing and logistical constraints during most of FY 2020 and FY 2021. VOA journalists and production teams expanded at-home work during the year, but also supported continuing operations by continuing to produce content from VOA Studios in Washington, D.C. and in the field. Breaking news coverage continued during the pandemic. It included the United States elections, the storming of the Capitol on January 6, 2021, ongoing racial justice protests sparked by the death of George Floyd and other Black Americans, growing tensions with China and Russia, the military coup in Myanmar, and covering the worldwide effects of the virus itself.

New protocols were quickly put in place, including distancing within studios and control rooms that limited staff member usage and mandatory cleanings between groups using the studios. In their homes, VOA reporters quickly overcame the technical challenge of producing broadcast quality radio and television programs while working remotely during the pandemic. Closets became soundproof narration booths and basements were transformed into remote TV studios. VOA Khmer developed a method to go live on the radio with show hosts in three locations. VOA incorporated Microsoft Teams into production of audio and video

content, transforming many radio shows into multi-platform broadcasts. VOA Persian pioneered a technological solution for adding simultaneous Persian-language translation capabilities from remote locations for live, breaking news broadcasts, a groundbreaking capability for VOA.

VOA's Africa Division was an authoritative source about COVID-19 for the continent, producing well-viewed town hall programs in Amharic, English, French, Hausa, Portuguese, Somali, and Swahili. These interactive programs gave audiences a chance to ask questions on COVID-19 vaccines, emerging variants and the way forward, and included after-show Facebook Live discussions with guests and hosts that were rebroadcast by VOA affiliated television stations. VOA Spanish collaborated on a series of radio programs with media partners focused on the impact of COVID-19 and produced explainers about the pandemic and immigration at the request of local media partners. VOA's Eurasia Division expanded the pool of its top-rated TV affiliates in Ukraine, Bosnia, Georgia, North Macedonia, and Serbia as audiences turned to VOA for trusted coverage of the pandemic.

VOA continued to provide content to its hundreds of affiliated broadcast stations around the world. In order to offer multiple delivery platforms for media partners, services used YouTube, Frame/IO and other methods.

VOA also turned the light on the United States during the pandemic. It covered the rapid development of vaccines in the United States, and the ongoing controversies over the best treatment for the virus. The network documented reactions to the virus' origins in China and the increase in harassment of Asian diaspora communities in the United States. VOA was recognized for being in the forefront of this coverage.

Pandemic-Induced Innovations

Although the pandemic and move to remote work produced significant challenges for VOA, it also led the network to be more innovative in creating, producing, and delivering its programs to target audiences. New remote broadcast options were launched in covering the November elections. Communication within and between VOA language services and operational departments actually improved, resulting in a more unified, collaborative approach to the editorial process.

VOA Studio and Production Operations staff worked throughout the pandemic to deliver new tools for journalists. This effort was part of a multi-year upgrade plan, including commissioning of a new VOA Radio Master Control, a new TV Quality Control intake center, and radio and TV studio renovations in Washington, D.C. and at the New York City bureau.

FY 2022 Initiatives

In FY 2022, VOA aims to return its programming, staffing and operations to pre-pandemic levels and develop new content to engage with audiences in areas of strategic importance to the United States.

China

As China increasingly confronts the interests of the United States around the world, VOA will launch an ambitious global effort to monitor the range of Beijing's worldwide ambitions. VOA will involve all language services and its News Center in the coordinated tracking, reporting, and analysis of China-related involvement in the countries VOA reaches. Under the umbrella "The Dragon's Tail," VOA will examine China's role in large infrastructure projects in other countries and the potential that these projects will undermine longstanding relationships with the United States and its allies. VOA will leverage its local expertise to provide perspective on China's financing, partnership, and disinformation activities in the countries in which they are occurring, including our government's views and policies related to those actions.

Because China has refused to grant routine visas allowing VOA journalists to be stationed inside China, in FY 2022, VOA will establish an Asian regional news hub in Taiwan, expanding the number of journalists covering China despite the ban. Editorially, all VOA language services will report more about China, providing local contrast to the Chinese Communist Party's narratives abroad.

Within China, VOA will work closely with OTF to continue to expand the ability of Chinese consumers to access VOA content. The network will continue to employ innovative ways of telling stories affecting mainland Chinese, including lengthy and scholarly analysis on the more traditional VOA Chinese website and more breezy but pointed comparative content on VOA Chinese social media platforms, including its +1 brand.

Iran

VOA365 will premiere a live morning news program for Persian-speaking audiences that will focus on fast-breaking overnight developments and topics that Iranian government-controlled media distorts. New specialty programs for Iran will champion women's rights, uncover government corruption, and look at the general decline in Iran's infrastructure because of the cost of its foreign proxy wars in the Middle East. The network will expand the commissioning of programs tailored to the needs of audiences in Iran and deploy reporters to areas targeted by Iran, including Qatar, Israel, Afghanistan, Turkey, and Iraq. VOA Persian plans to expand its daily live interactive show, "Straight Talk," to a full hour and its weekly program covering the controversies of the day, "Tablet," to a half-hour.

Russia

In FY 2022, VOA will invest in new cross-platform programs to connect Russians to America, educating the Russian audience about the United States system of government, politics, and the economy. VOA Russian will invest in developing open-source intelligence practices and employ solutions-based journalism to compensate for RFE/RL's loss of its presence in Russia. VOA will "gamify" some of its content as an experiment to increase audience engagement. Digital-native "Generation Z" consumers will constitute more than one-third of Russian online consumers by the end of FY 2022.

Afghanistan and Pakistan

FY 2022 will see the expansion of the newly launched 24/7 Pashto-language TV satellite stream to fill in anticipated gaps in Afghanistan coverage, with the likely stifling of domestic media by the Taliban. Additional programs for women will be added. Organizationally, the partnership between VOA's Deewa and Afghan services will grow. Regionally relevant content produced by other VOA language services will increase by means of a translation hub in the South and Central Asia division. VOA content for Pakistan will include a new Urdu language women's television program and a new digital/online partnership with local media.

Africa

As part of VOA's global focus on China, in FY 2022, the Africa Division will be looking at "Promises Made, Promises Not Kept," contrasting the promises made by Chinese investing in Africa with what has actually occurred.

The division will expand coverage of terrorist movements such as Boko Haram and the threat of new radicalization of youth in East Africa. It will use VOA's network of regional reporting centers and USAGM-funded FM radio stations throughout Africa to present authoritative yet neutral coverage on the region's various conflicts with content frequently not offered by partisan media.

In Ethiopia, where ethnic warfare has taken on civil war proportions, VOA will launch a 24/7 satellite TV network in Ethiopia's three largest languages. It will both cover the conflict authoritatively and also provide a model for local media, which often flame passions with unsubstantiated reports that are disproven too late.

Venezuela and Central America

In FY 2022, VOA Spanish will expand alternative distribution channels in Latin America, using independent media, its network of news organizations throughout the region, and the delivery of content via social media such as WhatsApp and other specialized tools. It will launch a new multimedia program targeting Central American audiences, curating content produced with the participation of local independent media.

> *I want to thank the Voice of America because VOA has given Venezuelan women a voice. For me it has been a great honor to work with the Voice of America despite the circumstances and the dangers we face in Venezuela. VOA has always covered our story, our struggle, the struggle of women and in particular the challenges of the sector that I represent — the nurses — in particular during the COVID-19 pandemic.*

Ana Rosario Contreras

President of the Caracas College of Nurses awarded with the 2021 Women of Courage Award by the U.S. Department of State. During the ceremony, Secretary of State Anthony Blinken emphasized Contrera's activism and broad support as a civil society leader and advocate for labor rights.

Office of Cuba Broadcasting (OCB)

Funding *($ in thousands)*

FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
$ 24,866	$ 19,758	$ 12,973

Overview

The current situation in Cuba is unprecedented. As technological advances and an intensified desire for freedom and democracy sweep the island nation, OCB stands steadfastly committed to its mission of providing unbiased, uncensored news and information to the Cuban people.

Numbers reflect that OCB's radio, television and webpage/social media platforms have never been seen, read or heard more than today. According to Adobe analytics, OCB's Facebook followers have grown on the island by 32%, Instagram engagement rate is up over 40%, and YouTube views reached an all-time high of 1.2 million in Cuba. OCB continues to discover ways to better penetrate the island while growing its already established radio audience. The latest survey by Bendixen/Amandi from 2017 illustrates that 49% of OCB's audience uses radio most often to access its programming.

Cuba remains one of the most media restricted countries in the Western Hemisphere. Freedom House ranks Cuba as one of the countries that least respects freedom of press and information, and the Committee to Protect Journalists cites Cuba as one of the ten most hostile countries in the world when dealing with the press.

OCB Reform

OCB has undergone a stringent evaluation over the last ten months and is presently enacting the reforms that Congress and USAGM leadership have requested since 2019. All forms, modes, and strategies continue to be analyzed in

order to make OCB leaner, more agile, and increasingly effective in targeting and reaching their audience in Cuba. OCB has continued aggressive initiatives towards fiscal reform commencing in FY 2020. Efforts have included reassessment and realignment of functions for increased efficiency and elimination of programs and transmissions deemed less critical to the overall mission. The reform plan is a multiyear undertaking.

A more streamlined supervisory structure has been implemented to provide greater accountability and responsibility. There is now greater attention focused on sourcing and content bias. A clearer organizational chart clarified the chain of command and has placed more responsibilities on managers, supervisors, producers and technical staff. USAGM journalism and "Best Practices" courses are now mandatory for OCB employees. In addition, the VOA Best Practices Guide has been translated into Spanish at OCB for distribution.

The reduction of OCB's budget requires OCB to maximize the output of existing staff and personnel. To achieve fiscal goals, the network has streamlined day-to-day operations and production. For example, in September 2020 there were 66 contractors employed at OCB; this number, as of May 2021, is 21. Fiscal goals will require pragmatic planning and implementation to ensure proposed reduction measures are consistent with both the Agency's mission and United Sates foreign policy interests.

FY 2021 Accomplishments

In January 2021, OCB began a gradual internal review of radio and television programming. OCB is also coordinating with USAGM's Office of Policy and Research (OPR) to establish program review guidelines. The network's FY 2021 accomplishments spotlight many of the reform points that were developed in conjunction with experts and professionals from USAGM.

OCB is meeting its audience on the platforms where they consume their information. Estimates reveal that 64% of Cuba's population has access to the internet and six million of its residents own mobile phones. This shift in consumption has led OCB to vigorously emphasize a "digital first strategy", which better suits the needs

of Cuba audiences. An example of this strategy is seen with Info Martí's news briefs that have substituted the traditional television newscast. These segments are shorter and specifically produced for web and social media distribution.

OCB's programming has expanded to include coverage of marginalized minority communities and cultures in Cuba, such as the Afro Cuban and LGBTQ communities. The network's special informative series "Subterraneo" (translated to "Underground") and "Morirse de la Risa" (translated to "Dying of Laughter") have broadened the scope of the OCB audience to include all Cubans. Radio programs such as "Arcoiris" (translated to "Rainbow") and "Abriendo Espacios" (translated to "Opening Spaces"), focused on the growing feminist movement in Cuba as well as other women's issues, and "Café Digital", a technology program aimed at a younger demographic, are representative of OCB's concerted effort to better represent its audience through inclusion. In FY 2020, OCB was recognized with three Regional Emmy nominations for TV special programs.

Throughout the COVID-19 pandemic, OCB learned new ways to remotely produce content. OCB shifted from minimal remote work to 80% of the staff now teleworking. Through the joint efforts of technical staff and content producers, OCB has kept pace with its programming output during these challenging times

The lack of information from Cuba's state-run media regarding the COVID-19 pandemic amplified the importance of OCB's mission to deliver accurate news in a timely fashion. OCB has been able to keep the people of Cuba informed with factual information. OCB's reporting provides perspective on the pandemic's effects throughout the island. OCB has been delivering news stories on outbreaks throughout Cuban schools and prisons.

OCB's ongoing, timely, and thorough reporting of the Cuban dissident movement and citizen journalists has now focused on the Movimiento San Isidro, a diverse group of young, human rights, free speech "artivists" who drew rapid and violent responses from the Cuban regime.

OCB's coverage of the much anticipated United States presidential elections included hours of live coverage. OCB was also able to utilize content created by VOA and RFE/RL. This synergy allowed OCB to broaden the scope of its coverage and to clearly depict the American democratic process.

FY 2022 Initiatives

OCB will continue to rigorously follow its fiscal, technological, and editorial reforms, and will evaluate, develop, and implement additional comprehensive and constructive plans and actions.

As OCB continues to reform, one of its primary focuses is to deliver accurate news coverage in Cuba as well as to provide a platform for the diverse voices throughout Cuba to be heard. To this end, OCB will focus on reestablishing relationships with independent stringers and videographers on the island.

OCB will work closely with USAGM and OTF to increase circumvention of Cuban government censorship. Additionally, OCB will collaborate with USAGM's OPR and OTF to further engage its audience through digital analytics to better inform OCB's multi-platform programming strategies. In lieu of traditional radio programming, OCB will develop podcasts broadcast on digital platforms.

In these times of increased, targeted misinformation and disinformation, OCB will continue to carry out its critical mission of providing the Cuban people with unbiased, accurate information.

International Broadcasting Bureau (IBB)

Funding *($ in thousands)*

FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
$ 46,873	$ 54,599	$ 48,793

Overview

IBB provides support services, including facilitating background investigations, workforce development, human resources, financial services, records management, travel services, grants management compliance, oversight of internet freedom programs, and research that drives Agency leadership decision-making. Compliance with new laws and regulations, the Office of Inspector General's findings, and other requirements continuously put upward pressure on IBB's costs, even as it develops ways to efficiently and effectively improve support for the journalists, technicians, data analysts, and other staff across the USAGM.

Accomplishments and Initiatives

Background Investigations

Following United States Office of Personnel Management (OPM) and Office of the Director of National Intelligence (ODNI) inspection of USAGM's security program in 2018, USAGM's Office of Security (SEC) discontinued performing both background investigative work, as well as investigative adjudications. Both functions have been transferred to OPM, ODNI, and the Defense Counterintelligence and Security Agency (DCSA). OPM, DCSA, and ODNI's involvement in USAGM's personnel security program are estimated to cost $4.8M in FY 2022. This includes the advent of the Alternative Investigative Program that will enable USAGM to vet all non-United States citizens employed at all federal and non-federal entities.

While USAGM did incur background investigation related expenses in FY 2021, the increase in investigation and adjudication-related expenses in FY22 is expected to level-off by FY 2023. This leveling-off will occur after all initial background investigations have been performed and the Agency begins to focus exclusively on new hires and re-investigations for existing staff in FY 2023 and beyond.

Federal Employee Enhancement Efforts

In FY 2021, USAGM will strengthen workforce development efforts. Training programs that expand and enhance skill sets, as well as development programs that address specific program areas including mentoring, journalism, and technology, will allow staff to remain industry-relevant and journalists to remain competitive globally.

Agency leadership is identifying updated mission needs by offering appropriate training opportunities for the workforce. With the recent conversion of 500 agency purchase order vendors (POVs) to personal services contractors (PSCs), best practices training for the blended workforce is a priority. USAGM is also prioritizing continual journalist and newsroom management training for all staff responsible for news operations. For customer support staff and those responsible for information technology and cyber-security, the Agency will provide opportunities for certification and continual learning credits. These will include both classroom and online learning, as well as discussion groups and self-directed learning. For managers and supervisors specifically, USAGM will continue to offer coaching opportunities and leadership support. The Agency will relaunch its formal mentoring program and add opportunities for informal and situational mentoring. USAGM will also update the Broadcast Administrative Manual (BAM) policy and develop a formal training strategy.

USAGM will continue its focus on statutorily required training by implementing a mandatory training program. The areas of focus in the mandatory training program include foundations of leadership, ethics, equal employment opportunities, and diversity and inclusion. These changes will strengthen USAGM's workforce by ensuring that employees have the fundamentals they need to succeed in their areas of expertise, while at the same time meet federal training standards and goals.

Research

In FY 2022, USAGM will continue to modernize the research operation that enables the Agency and its networks to commission proprietary audience research in 160 markets around the world. Employing an array of methodologies, including media panels, nationally representative surveys, focus groups, and data modeling; USAGM's research office generates audience reach estimates, public opinion research, media usage statistics, and — increasingly — proprietary research on defector and refugee populations. The research modernization effort focuses on several key initiatives, which include improvements to data modeling, increasing the number of surveys USAGM conducts, applying experimental research techniques, and revising the questionnaire to best measure the increasing range of digital devices and platforms that audiences use to consume media today.

Records

In FY 2021, USAGM continues to enhance its records management network to align with National Archives and Records Administration (NARA) standards and meet OMB/NARA's goal mandated in OMB M-19-21. The newly established records management standards require agencies to transition away from a paper-based records program to electronic management systems. USAGM plans to employ file analysis software to clean, tag, and organize data; this will allow the Agency to address NARA's recommendations by increasing information governance, risk mitigation, reducing file storage space, promoting cloud migration, and ultimately adhere to requirements established in OMB M-19-21.

Internet Freedom

Recovering from a challenging year, in FY 2022 the Office of Internet Freedom (OIF) will continue to coordinate with OTF to manage and execute internet freedom projects and/or contracts. OIF will continue to perform critical oversight to ensure OTF compliance with relevant rules and regulations in the execution of congressionally mandated use of internet freedom funds for technology projects. OIF will ensure USAGM networks are provided the critical services they require for news programming in challenging operating environments. OTF is a demonstrably successful industry leader in identifying, soliciting, vetting, and fostering projects from Proof of Concept to a Minimal Viable Product and beyond.

Technology, Services, and Innovation (TSI)

Funding *($ in thousands)*

FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
$ 175,661	$ 176,413	$ 177,515

Overview

TSI oversees and manages a broad array of technical and infrastructure functions to deliver program content for all USAGM networks and provide information technology (IT) support to much of the Agency. Organizationally, USAGM's Office of the Chief Information Officer (OCIO) resides within TSI. TSI initiatives support the implementation of USAGM's 2018–2022 Strategic Plan and further USAGM's mission "to inform, engage, and connect people around the world in support of freedom and democracy," especially in the area of technology support.

FY 2020 Accomplishments

USAGM's global media operation requires tremendous IT investment to support a broad range of capabilities, from producing, storing, archiving, and moving video and audio files to emailing, meeting, talking, writing reports, and other core office functions. When the COVID-19 pandemic abruptly forced most of USAGM's workforce to work remotely, USAGM was able to continue operations with virtually no loss of programming, thanks to TSI-supported business applications used seamlessly from anywhere, as well as secure network access to tools and applications previously available only while on premises.

Among these business applications is Microsoft Teams, a unified communications platform, that had been scheduled to rollout fully in FY 2021, but saw accelerated implementation due to the pandemic. In just the first month of the pandemic, USAGM's Teams user base grew to nearly 2,300, more than three times what it had been just weeks earlier. Now USAGM, VOA, and OCB staff can chat, talk, share files, and meet through a single application hosted in the cloud.

Over the past two years, Agency utilization of cloud services has increased by about 300% and will continue to expand in the coming years. Cloud services include cognitive services, artificial intelligence (AI), workflow management, cloud applications and other critical elements that support the core mission of USAGM.

In FY 2020, USAGM continued to bolster its IT security posture to protect the Agency from persistent threats from nation-state actors. The IT security team migrated to a virtual machine (VM) monitoring tool allowing IT security technicians to identify data patterns, provide metrics, diagnose problems, and provide intelligence for IT operations.

FY 2021 and FY 2022 Initiatives

As TSI looks to FY 2021 and FY 2022, the focus will continue to be on running USAGM as a nimble, state-of-the-art, resilient media enterprise. In that spirit, TSI will concentrate its efforts on procuring and enhancing systems that minimize the operational footprint, maximize opportunities to transition to cloud and virtualized system environments, and optimize support for remote work.

Challenges presented during the COVID-19 crisis helped crystalize areas of operations that require more focused IT system lifecycle management. IT spending through FY 2022 will be focused on continuing the evolution of the entire USAGM IT ecosystem into one that is more secure, scalable, and manageable remotely. This will involve migrating away from or replacing end-of-life and end-of-support systems, prioritized by the systems' critical to the Agency mission.

USAGM will continue to invest in information resource management applications, IT system monitoring tools, and professional services to capture and share system designs, functionalities, and configurations. These tools will help track the costs of IT investments and system lifecycle management, as well as improve USAGM's cyber-situational awareness by standardizing and integrating all security testing, evaluations, monitoring, and certifications of Agency systems. To support USAGM's IT modernization program, the Agency's CIO and TSI's IT Directorate will coordinate and streamline an information resource management processes. This process is well-supported by the Agency's CIO and the Federal Information Security Management Act (FISMA)-compliant IT management policies and procedures.

Consolidating and Modernizing IT Infrastructure

An important part of the IT modernization initiative will be the consolidation of critical IT infrastructure. This includes the standardization of IT platforms and data centers, consolidation of network operations centers (NOC) and help desks, and the enhancement of both enterprise networks and content distribution platforms. This modernization initiative will facilitate the seamless collaboration between USAGM's five networks by supporting the development of new capabilities to promote content sharing and co-creation.

Modernization and transitioning to more cloud-based IT infrastructure and services helps to protect the Agency from ransomware and other cybersecurity threats, as cloud-based options offer greater redundancy and disaster recovery capabilities. These moves also improve USAGM's operational agility, as the Agency and the country emerge from the pandemic and consider workspace options and a potential move to a new building.

Another challenge facing USAGM is the ongoing transition from linear content distribution to file-based content distribution. File-based content distribution requires efficiently managing, storing, and sharing large media files globally and within a production center, using on premises and cloud-based systems. USAGM will invest in new hardware and software technologies that will enhance agency capabilities to rapidly transfer media files to and from remote locations for the purpose of newsgathering, production, and distribution.

TSI will continue to support the use and integration of AI and machine-learning tools into its operations and research to streamline processes, provide enhanced business analysis and services, and improve the speed and quality of journalistic outputs.

USAGM's cybersecurity efforts will continue in FY 2021 and FY 2022 to further comply with the FISMA goal of achieving a "consistently implemented" maturity level of information security and will develop and implement an Information Security Architecture and a Plan of Action and Milestone risk reporting into its Enterprise Risk Management Program.

Recognizing agency efforts to reduce operating costs, USAGM is currently in the midst of a shortwave and medium wave (SW/MW) business review. Intended to align the current legacy transmission capabilities with the program delivery needs

of various broadcast sources, USAGM anticipates this study will illustrate that the continued migration of target audiences from traditional radio to FM, satellite direct to home, mobile phone, and internet delivery platforms will lead to station consolidation opportunities and potential site closures in the coming years.

USAGM's Global Affiliate Network

TSI's Office of Business Development (BD) manages the business-to-business relationships between USAGM and an extensive network of over 3,500 affiliate radio and TV broadcasters, distributors, and digital properties. In FY 2021 and FY 2022, BD will oversee the rollout of USAGM Direct 3.0, the online portal by which affiliates can access USAGM content online. Direct 3.0 will allow affiliates with even relatively low bandwidth connections to download large, high-quality broadcast files much more quickly and reliably.

BD plans to continue expansion of Russian-language Current Time TV placement throughout the former Soviet Union and strengthen partnerships in the Balkans and the Caucasus. The office will continue plans to carry out a strategic overhaul of VOA affiliate placement in Pakistan, to include an aggressive promotional push via targeted e-mail campaigns and "upselling" throughout the region via newly produced program catalogs.

In Africa, BD will work with VOA to expand co-production projects with high-impact TV affiliates and to increase content placement in key markets like Nigeria, the Democratic Republic of Congo, Ethiopia, Kenya, Somalia, Tanzania, Uganda, and Zimbabwe.

BD intends to grow audiences in Asia with a focus on new ways to reach audiences in places like Myanmar, which has become more restrictive in recent years. It also plans to bolster digital platform opportunities and engagement across the region, particularly with RFA and VOA digital content in Chinese (Mandarin) and expanded placement of VOA English content.

Radio Free Europe/Radio Liberty (RFE/RL)

Funding *($ in thousands)*

FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
$ 124,578	$ 124,322	$ 126,500

Overview

RFE/RL journalists report the news in 23 countries where a free press is banned by the government or not fully established, providing what many people cannot get locally: uncensored news, responsible discussion, and open debate. The scope of RFE/RL's newsgathering operations is unmatched in the region, featuring a vast network of local news bureaus and an extensive freelance network. RFE/RL's proximity to its audiences allows RFE/RL to produce compelling programming in a cost-effective manner. In FY 2020, 41.1 million adults consumed RFE/RL programming weekly via digital, TV, and radio platforms, according to survey work conducted under USAGM's International Audience Research Program.

FY 2021 Accomplishments

In FY 2021, RFE/RL demonstrated impact with major reporting accomplishments in providing an alternative to Russian and Chinese state-sponsored disinformation throughout Eurasia, exposing corruption through investigative reporting, engaging with Iranian audiences despite extreme government censorship and serving as an authoritative source for audiences on the COVID-19 pandemic.

RFE/RL faced significant threats to its operations across multiple markets, including in Belarus and Afghanistan. In Afghanistan, RFE/RL journalist Mohammad Ilyas Dayee was killed in a targeted attack in Helmand and many other RFE/RL journalists have faced direct threats from terrorist networks due to their work. In Belarus, a consultant for RFE/RL, Ihar Losik, was jailed and other RFE/RL reporters were stripped of accreditation and targeted by Belarusian authorities. Despite these challenges, RFE/RL journalists in both countries played key roles in serving their audiences during momentous events.

Alternative to Russian and Chinese Disinformation

Russia has been rolling back freedom of speech and freedom of the press for many years, though the past year has been one of the darkest on record and the immediate future looks bleak. This calls for a robust response. RFE/RL provides an alternative to Kremlin-controlled media and Chinese state-sponsored narratives in countries across the region where Moscow and Beijing attempt to influence perceptions. RFE/RL also provides a valuable alternative to misinformation across its coverage region through important community reporting projects that seek to push back on malign narratives from corrupt local forces or foreign powers.

> *Since coming to power more than 20 years ago, Vladimir Putin has consolidated control of the independent media, passed laws to punish those who criticize his regime, and jeopardized the safety of reporters and other members of the press... This repression has prompted the majority of independent news outlets to close, sell out to state-owned companies and Putin cronies, or to relocate overseas. In this harsh media environment, RFE/RL has performed an invaluable service to the Russian people, providing them uncensored local news that aims to meet the highest standards of objective journalism.*

U.S. Senators Chris Coons (D-Del.), **Mitt Romney** (R-Utah), **Bob Menendez** (D-N.J.), and **Marco Rubio** (R-Fla.), March 12, 2021

The RFE/RL-led Current Time TV and digital network provides Russian speakers across Russia, Ukraine, Central Asia, the Caucasus, the Baltics, Eastern Europe, and as far away as Israel with access to factual, accurate, topical, and trustworthy information. RFE/RL's Russian Service, Radio Svoboda, is on the forefront of reporting on the socio-political environment inside of the Russian Federation, relying on a vast network of regional correspondents. The service provides in-depth political analysis of domestic, regional, and international events, adding context to global current affairs for Russian audiences. RFE/RL maintains ten projects addressing discrete segments of the audience in Russia in four languages (Russian, Chechen, Tatar, Bashkir); nine of these projects have been designated "foreign media carrying out the functions of a foreign agent" by the Russian Justice Ministry in an effort to discredit RFE/RL.

RFE/RL journalists from Belarus to the Balkans to Central Asia provide increasing coverage of China's growing role in their countries.

From reporting on often controversial financial investments to stories of loved ones caught in China's repressive actions against Uyghurs in Xinjiang, RFE/RL journalists are covering all angles of the China story.

Bolstering Digital Excellence

RFE/RL is a digital media organization, engaging audiences in 23 countries and beyond with tailored digital content distributed across all major locally used platforms. The network's digital strategy has increased exponentially the impact of its core mission of delivering news of local importance to its target markets. The result is an ability to engage, inform, and connect local communities — evidenced by strong impact indicators such as the 6.5 billion combined video views across Facebook, YouTube, and Instagram received in FY 2020.

> *In 2019, RFE/RL returned to Bulgaria and Romania. Just last year, RFE/RL reopened its Hungarian service amid a steep decline in the country's freedom of the press. These services are a crucial tool to strengthen our allies' democracies and prevent the democratic backsliding that opens the door for Russia, China, and other autocratic competitors to advance their own nefarious interests.*
>
> **U.S. Representatives Michael McCaul** (R-Texas), **Gregory Meeks** (D-N.Y.), **Marcy Kaptur** (D-Ohio), **Adam Kinzinger** (R-Ill.), and **William Keating** (R-Mass.)

Further success in the digital sphere was evidenced by RFE/RL's relaunch of a digital-only Hungarian Service in September 2020. Building on the success of previous digital-only relaunches in Bulgaria and Romania, the Hungarian Service provides a source of timely, accurate, unbiased and non-partisan information for Hungarians in a country where public service media has otherwise been eliminated and where Russian and Chinese influence is growing.

Achieving Impact through Investigative Reporting

Investigative reporting across RFE/RL's language services serves to reinforce democratic principles by exposing corruption, malfeasance, and misconduct.

In Central Asia, RFE/RL's reporting frequently highlights corruption and holds governments to account. RFE/RL's Kyrgyz Service conducted a multi-year investigation, titled "Plunder and Patronage in Central Asia," into a major money-laundering network that smuggled more than $700 million out of Kyrgyzstan. The

series sparked public protests and a formal investigation in Kyrgyzstan and, in addition to making headlines throughout the region, also gained global attention and accolades. International media including Reuters[1], the Economist[2], Al Jazeera[3], and AFP[4] cited the report's role in fueling anti-corruption protests. The series won the prestigious Tom Renner Award.[5]

RFE/RL's Ukrainian Service serves as a media leader in Ukraine, frequently conducting high-profile interviews that are picked up across Ukraine's top media outlets. Additionally, the service's award-winning investigative program "Schemes: Corruption in Details" is helping to root out and expose corruption in Ukraine. The program's reporting has revealed high-level malfeasance and abuse of power among Ukraine's local and regional authorities, oligarchs, and politicians. "Schemes" journalists and staff have been subjected to legal actions and physical attacks in retaliation for their reporting.

Engaging Iranian Audiences

In a country where the United States does not have an embassy, the ability to speak directly to millions of Iranians every day, in their own living rooms, is an unparalleled soft power and an important means by which Iran will come to know the United States and its policies. Iranians turn to RFE/RL's Farda on digital platforms, satellite TV, and radio for objective, professional reporting that fact-checks and analyzes the leading stories of the day. Farda gives Persian-speaking audiences the opportunity to engage in responsible, robust discussion of stories that are not fully covered by media inside Iran. Farda is a leader on digital platforms. Notwithstanding being officially blocked within Iran, it received 165 million visits to its websites and news app, as well as 477 million video views across social media networks in FY 2020. Notably, despite being barred from any official reporting presence on the ground in Iran, Farda is one of the few

1 reuters.com/article/us-kyrgyzstan-protests-idUSKBN1XZ0T9

2 economist.com/asia/2019/12/05/a-vast-smuggling-ring-is-exposed-in-kyrgyzstan-to-popular-outrage

3 aljazeera.com/features/2020/10/13/rayimbek-matraimov-do-protests-threaten-kyrgyzstans-kingmaker

4 france24.com/en/20191125-rare-protest-in-kyrgyzstan-after-report-claims-massive-graft

5 pressroom.rferl.org/a/rferl-and-partners-win-ire-tom-renner-award-for-central-asia-money-laundering-report/30540507.html

news organizations that effectively employs in-country sources and community journalism to report news from inside Iran.

Truth in the Time of COVID-19

During the COVID-19 pandemic, RFE/RL brought in record audiences with its reporting on all aspects of the pandemic, which underscored the trust that audiences place in RFE/RL. As medical disinformation ran rampant across the network's coverage area and many governments denied the presence of the COVID-19 pandemic, RFE/RL engaged in public service journalism by providing basic facts on the virus, video explainers about how to stay healthy and safe, investigations into disinformation campaigns, and reports revealing how authoritarian governments used the pandemic as an excuse to clamp down on human rights. RFE/RL's journalism helped counter rampant disinformation about the pandemic and the ensuing efforts of powers to spread false narratives about the international response.

FY 2022 Initiatives

From intensified attacks against independent media and civil society to corruption at the highest levels of governments, RFE/RL language services focus attention on underreported issues across its reporting regions. That credible coverage is a beacon of freedom to audiences living under corruption and underscores the importance of fundamental freedoms for RFE/RL's global audiences. Throughout FY 2022, the network will seek to further expand audience engagement across its target markets and content platforms in order to continue to excel in its mission.

Increasing Digital Engagement

RFE/RL is adopting a digital-centric approach across the organization, prioritizing reporting for digital distribution with the aim of growing audiences and diversifying the demographic for greater mission reach. As audiences increasingly turn to digital distribution platforms, the network will conduct a strategic assessment of organization-wide practices and digital performance to ensure that training, staffing, and best practices related to digital journalism, cybersecurity,

and audience engagement are adequately resourced. In FY 2022, RFE/RL will launch a Digital Strategy Unit, which will focus on ensuring that all language services are providing audiences with highly curated news experiences tailored to platform best practices.

Conducting High-Impact Reporting

RFE/RL will continue to take concrete steps to promote investigative reporting, efforts to counter disinformation and reporting on China and gender equity.

Exposing corruption is central to RFE/RL's mission, and the network will build on the success of its impactful investigative reporting. RFE/RL plans to bolster its investigative capabilities through enhanced training, technical and IT security, and partnerships with established investigative projects in its coverage area.

RFE/RL will continue to expand its China-related reporting. As China seeks to enhance its global footprint via investing in both infrastructure and information operations, countries across RFE/RL's coverage area are particularly vulnerable to its influence. The network will bolster investigative reporting to identify examples of deliberate Chinese disinformation in the region, as Beijing expands its soft power influence efforts and highlight them to local audiences, exposing efforts to mislead. RFE/RL's enhanced reporting on the topic will contribute to broader USAGM efforts to cover China-related issues.

RFE/RL strives to give a voice to minorities and other underrepresented groups. To that end, the network will enhance programming aimed at raising the profile of women's issues across its broadcast area. From Afghanistan, where achievements in women's education and social rights are threatened, to Central Asia, where bride kidnapping, prejudicial law enforcement, and lapsed welfare systems have left girls and women vulnerable to abuse, violence, and neglect, women's issues share common characteristics across the RFE/RL broadcast space. As a result, women's programming has the potential to travel seamlessly across geographic borders and programming platforms, with the journalism acting as a force multiplier as it generates multi-country conversations and problem-solving. Improved packaging and distribution strategy will also help RFE/RL reach potential female audiences across its target space, enabling not only the promotion of gender parity but also larger and more diverse audiences.

Fighting Disinformation

Across all of RFE/RL's coverage area, languages services will increase their focus on fighting against the efforts of authoritarian regimes to spread conspiracy theories and undermine fact-based reporting and analysis. RFE/RL will prioritize countering disinformation across its reporting regions and develop new tools and formats to support these efforts.

In Russia, RFE/RL will look for opportunities to expand audience reach and will work to ensure that its reporting remains accessible within the Russian Federation as the Kremlin seeks to clamp down on RFE/RL's reporting in the country — and to increase legal restrictions and penalties on journalists due to the "foreign agent" designation that authorities have placed on the network.

Current Time will continue to enhance live and breaking news coverage, capitalize on the shortage of unbiased reporting and fact-checking initiatives, and experiment with different digital storytelling formats and engagement strategies. RFE/RL's Russian Service will continue to focus on ensuring that community news that is underreported in the Russian Federation is available to local audiences. This includes continuing the "Realities" strategic community reporting projects for Siberia, the North Caucasus, and the Volga-Ural and northwestern regions of Russia. This strategy will ensure that vulnerable local populations retain access to news and information that Russian state-controlled media seeks to suppress.

Ensuring Safety, Security, and Continuity of Operations

RFE/RL will ensure that physical and digital security efforts are intertwined and fully resourced across the organization, allowing RFE/RL to provide the highest level of protection to the company and staff and to quickly react to detected risks and threats. RFE/RL will prioritize the safety and security of employees and freelancers. In cases where journalists come under pressure or harassment, RFE/RL will leverage all possible resources to assist them.

Radio Free Asia (RFA)

Funding *($ in thousands)*

FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
$ 44,166	$ 46,402	$ 47,603

Overview

RFA is a private, nonprofit, multimedia corporation that serves as surrogate media, substituting for domestic media in Asian countries that prevent or restrict freedom of the press. RFA is funded through, and operates under, a grant agreement with the USAGM. RFA broadcasts in Burmese, Cantonese, Khmer, Korean, Lao, Mandarin, Tibetan, Uyghur, and Vietnamese on shortwave (SW), medium wave (MW/AM), satellite television, online through websites, and through apps and social media platforms. RFA delivers accurate and timely local news, information, analysis, and commentary, providing a public forum for the audiences it serves.

In many ways, China currently presents the most formidable threat to independent media worldwide. Not only do the Chinese repress freedom of information within their own country, but they export misinformation and disinformation through a well-funded global network aimed at key markets worldwide. As the United States aims to reengage with global partners on issues of diplomatic and economic importance, they will need to combat the malign influence of China's disinformation juggernaut.

In speaking directly to the Chinese people, RFA has developed new digital-first initiatives that produce Mandarin-language content aimed primarily toward the post-Tiananmen generation. Despite China's aggressive and widespread actions to control the media and information space inside of China (and regionally), RFA has seen impressive audience gains on digital platforms and among highly-educated Chinese adults. Both approaches also demonstrate evidence of strong trustworthiness among users.

FY 2021 Highlights and Accomplishments

RFA has provided a platform for Chinese citizens to challenge Beijing's tight censorship regime, for Uyghurs to learn about ongoing mass internment and abuse of their brethren, and for Burmese citizens to understand changing conditions on the ground following the February 1st military coup that deposed the country's democratically elected National League for Democracy government.

RFA's Chinese Services broadcast to both Mainland Chinese and Hong Kong populations and have been at the forefront of covering both the ongoing COVID-19 crisis in China and the rapid deterioration of press and political freedom in Hong Kong. RFA's coverage of Hong Kong grew in prominence and importance, exposing the hollowness of the CCP promise of "one country, two systems." Reporters have been on the streets and in courts as Hong Kong's activists young and old have continued to call out Beijing's attempts to control the former British colony. As the Beijing-backed government of Hong Kong began implementing the National Security Law passed by China's National People's Congress and prominent democrats and student leaders faced prosecution or fled, the people of Hong Kong people turned to RFA Cantonese to tell their stories. RFA's exceptional work on COVID-19 earned notice from United States experts and officials. The coverage was also picked up by TIME magazine, VICE News, the Toronto Sun, the Times of London, and even twice by the Washington Post, among many others.

On the Mainland, RFA's Chinese services maintained focus on the CCP's crackdown on house churches and religious freedom, on CCP history and on the real lives of ordinary citizens today. In FY 2021, RFA Mandarin was awarded a National Murrow Award by the Radio Television Digital News Association for a video series examining the impact of China's financial market on its citizens. In early May, RFA also garnered two top prizes at the 25th annual Hong Kong-based Human Rights Free Press Awards — one for an RFA Mandarin audio series on tensions between the Vatican and Beijing over the appointment of Chinese bishops; one for commentary writing on newly launched Mandarin-language website WHYNOT/Wainao, which targets young Chinese around the world. The commentary "The truth isn't dead: You just don't believe it anymore" exemplified WHYNOT's creative presentation of views that are otherwise unavailable in Chinese government-controlled media. Since its soft launch in late FY 2020,

WHYNOT's fresh approach has fueled a lot of conversation on social media, including inside China's internet firewall.

RFA's Burmese Service has emerged as an essential source of independent news as Myanmar has experienced tectonic shifts in its politics. Its audience has grown four-fold in just over two years, according to a December 2020 Gallup WorldPoll that found that 24.9 percent of the population consumed RFA content on a weekly basis, up from 6.2 percent in 2018. Even before a February 2021 coup that triggered popular protests and a bloody crackdown, RFA Burmese was challenging the narratives of the military, through its uncompromising coverage of ethnic conflicts. As authorities rounded up journalists, RFA reporters have continued to operate, documenting the protest movement and military repression in twice-daily news bulletins. When an RFA reporter challenged the military spokesman live on state TV on February 16, the confrontation was viewed 5 million times in 24 hours and drew 660,000 reactions on Facebook. Exclusive video footage on March 3 of police beating ambulance workers with rifle butts was picked up by ABC News, Reuters and The Associated Press. International media have also widely used RFA's coverage of street protests and interviews with military defectors.

The RFA Uyghur Service is a primary source for news on the detention of millions of Uyghurs in internment camps within China's Xinjiang Uyghur Autonomous Region (XUAR), which the United States government has denounced as genocide. Despite the detention of RFA Uyghur reporters' families since 2017 and ongoing direct threats, the Service continues to serve as the most credible news source on the Chinese government's crackdown. In FY 2021, RFA's Uyghur Service produced exclusive radio and television interviews with internment camp survivors and broadcast reports confirming China's attack on Uyghur language, culture, religion, traditions, customs, and values. RFA Uyghur sounded the alarm on the threat COVID-19 poses for crowded and unsanitary internment camps, countering the CCP narrative that detainees need not fear the virus. The service also exposed how Uyghurs were sent to China's factories to work during the height of the COVID-19 pandemic. Western media outlets echoed the shout-outs by human rights groups, United States' Members of Congress, leading voices in the Administration, multilateral organizations, and academics who have long credited RFA with being the first to expose the mass Uyghur detentions. In April, the CCP government singled out an RFA reporter during a press conference aimed at demonizing Uyghur abroad who have spoken out about the atrocities in XUAR, which disturbed

Washington Post editor Fred Hiatt whose opinion piece described the treatment of Gulchehra Hoja as China "intensifying the third phase of its genocide denial."

FY 2022 Initiatives

In FY 2022, RFA plans to increase efforts in cataloging digital assets, upgrading multimedia workflows, increasing the use of creative multimedia content, while focusing on investigative projects and compelling storytelling online. The goal of well tagged, in-depth, high quality content is maximum impact to fulfill the RFA mission in increasingly challenging environments — confronting false narratives from China, maintaining a focus on deteriorating rights conditions in Hong Kong, exposing abuses in Xinjiang and Tibet, and holding the Burmese Tatmadaw accountable as citizens continue to resist military rule. RFA plans to hire a digital asset manager and expand personnel for video editing, motion graphics, and multimedia projects management.

RFA's China services will expand investigative work to counter China's false narratives, increasing the number of long-term projects to expose the truths behind CCP propaganda efforts. RFA will dedicate resources to verifying multimedia content to avoid "deep fake" photos and video, focusing on social media, well-produced and informative videos and shareable content. RFA anticipates greater participation in academic roundtables and speaker series in Hong Kong, Taiwan, Singapore and other Chinese communities around the globe to expand the impact of RFA Mandarin investigative series and exclusive reporting. Both Mandarin and Cantonese services will aggressively expand social media content and engagement (Facebook, YouTube, Instagram, Telegram and Clubhouse), increase their Hong Kong focus and work with local independent media and social media influencers.

RFA Uyghur will continue to broaden its current programming from radio to web videos to incorporate stories that inspire and induce discussion among newsmakers, experts, and the general population. In FY 2022, the service will produce more video, audio and infographic content for social media platforms which have proven to be very popular among the Uyghur exile community and shared by that community back to XUAR. The service will continue its investigative feature series that showcases the Uyghurs' struggles to protect their identity, culture, and lives in today's XUAR.

In FY 2022, RFA Korean Service's in-depth news team will collaborate with its new video team using infographics, photos, and illustrations with news content and feature stories to create content specifically tailored for popular social media platforms. RFA Korean will leverage its position as a major source of trusted news and information to audiences in the DPRK to keep citizens informed about issues of interest that have relevance to their daily lives. Detailed initiatives include highlighting the important role played by North Korea's younger "Jangmadang" (translated to "Market Generation"), expanding the use of sources inside China, including adding freelancers in the border areas and making more use of ethnic Korean media sources inside China, expanding the reach of RFA content in secondary markets through South Korean social media platforms, YouTube, Facebook and over-the-top apps.

The RFA Tibetan Service will continue to produce investigative reports inside Tibet on efforts to preserve Tibetan identity, culture, language, natural environment, and history, in addition to breaking day-to-day stories on the suppression of fundamental human rights. China's monitoring of Tibetans increasingly relies on the same digital technologies that are omnipresent in Uyghur regions. RFA is paying particular attention to the growing forced resettlements of nomadic Tibetans into urban areas and evidence of more invasive control of Tibetans outside the Tibetan Autonomous Region (TAR).

RFA's Burmese Service will focus on sustaining its reporting capacity, as military rulers increase attacks on journalists. The service will continue coverage of all regions of Burma, filling the breach left by domestic news media that were forced out of the country or off the air because of a ruthless crackdown by the military junta after the February 2021 coup. Within the constraints presented by a highly challenging security environment, RFA Burmese will look to recruit more reporters in-country for news-gathering, while expanding its over-stretched production capacities in Washington, D.C. to serve a growing audience on shortwave radio, online and on TV broadcasts. A new Burma-dedicated channel carried by Thaicom satellite will broadcast RFA and VOA Burmese content from June 2021.

The RFA Khmer Service will continue its much-watched daily news broadcasts that aim to hold the increasingly authoritarian government of Prime Minister Hun Sen to account, and scrutinize his administration's tightening embrace

of China. As Cambodia heads toward local and then national elections in 2022 and 2023, RFA will look to recruit more reporters in-country and provide more rolling coverage of events across Cambodia on its social media feeds. RFA will also explore opportunities to reopen an office inside the country if conditions permit and seek the resumption of its broadcasts on FM affiliates.

RFA's Lao Service will intensify its coverage of China's growing footprint in Laos that will be deepened by the opening in late 2021 of a high-speed China-Lao railway. The service will produce more video content and also strengthen its economic reporting to inform its audience about the impact of Laos' mounting debt to China, including for dams that are altering the ecosystem on the Mekong River.

The RFA Vietnamese Service will work with RFA's regional South China Sea correspondent to bring more exclusive coverage of territorial and maritime disputes with China to its audience. The service will continue to use online video and its popular social media feeds to highlight the plight of people who are punished by the government of Vietnam for free expression, and will provide a platform for bloggers and commentators who still choose to exercise that right.

Middle East Broadcasting Networks

Funding *($ in thousands)*

FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
$ 108,866	$ 105,866	$ 110,312

Overview

MBN is a private, nonprofit, multimedia corporation that provides the United States with a direct line of communication to Arabic-speaking people of the Middle East and North Africa (MENA). As a reliable source of comprehensive, balanced news and information, MBN exists to showcase the democratic tradition and power of free media. MBN is fully funded through a grant agreement with USAGM. MBN broadcasts are the only Arabic-language programming funded by USAGM targeting 22 MENA countries. MBN currently supports five media brands from its headquarters in Springfield, VA, its regional hub in Dubai, UAE, and bureaus in D.C., Lebanon, Iraq, Egypt, Israel, Morocco, and Tunisia.

MBN's mission reflects a combination of traditional surrogate broadcasting as well as its role to present and contextualize America, Americans, and American policy. MBN's mission is "to expand the spectrum of ideas, opinions, and perspectives available in the media of the Middle East and North Africa; provide objective, accurate, and relevant news and information; and accurately represent America, Americans, and American policies. Through its multimedia broadcasts, MBN seeks to inform, engage, and connect with the regions' people in support of universal freedoms." MBN's programming is broadcast via USAGM's distribution network while MBN engages directly with audiences across a range of social media platforms.

FY 2021 Highlights and Accomplishments

From the aftermath of the explosion in Beirut to the renewed Israeli-Palestinian violence, MBN has been on the story and on the ground without fail to provide accurate, comprehensive context to its audiences across the region as events unfold in FY 2021. Despite the abundant operational challenges and disruptions at both its headquarters and overseas bureaus imposed by the global pandemic, MBN continued to flourish and advance its mission across all media. News output and programming was not only sustained but met the challenges of an eventful year in the United States and the MENA. In furtherance of its mission, MBN excelled in its news coverage, launched new mission-driven programming, reformatted all radio programming to all news and information; re-established its digital infrastructure, and reimagined MBN's broadcast infrastructure.

The most recent final research data available indicates that MBN reaches about 33M in its target region each week. In 2020, national survey data show MBN's past week audience across media among non-Kurdish provinces in Iraq in 2020 was over 76% and in Israel 21.5% of Arabs said they had watched Alhurra in the past week. The last survey in the Palestinian Territories (2019) showed half the population (50.1%) used MBN media in the past week. The most recent data across the regions shows that, in all but 4 target countries, MBN reaches over 10% of the target population in every country for which research is available.

> *We will lead not only by the example of our power, but by the power of our example.*
>
> **President Biden**
> in his inauguration address

Fighting Disinformation

MBN consistently and critically provides news and information void of the inherent religious and political biases, or disinformation agendas, pervasive in media outlets across the MENA region. In FY 2021, MBN continued delivering balanced news and information through its 12 daily Pan-Arab newscasts, three daily Iraq news shows, and daily live news analysis shows. In addition, production of a wide array of mission-oriented television/video programming continued, including those specifically focused on combatting disinformation:

- ALHURRA INVESTIGATES — original investigative reporting critical to advancing broader interests in good governance, counter-terrorism, blunting extremist ideologies, countering the influence of regional and global bad actors, and promoting reform.
- DEBATABLE — addresses and debunks fundamental religious interpretations in terrorists' literature and its impact.

In FY 2021, MBN launched new programs to combat disinformation and promote government accountability, including:

- 2 DOLLARS — delving into policies that lead to poverty in the Arab world
- THE LEBANESE SCENE — examining the cracks in Lebanon's government and society
- IN IRAQI — examining events of the day influencing Iraq government and society
- SWALIF — tackling (this summer) the Iraqi people's reactions to the country's political, economic, and social issues on and about social media.

Re-Building Digital Foundations

Although research shows that television is still a key media source for news and information for most throughout the MENA, digital consumption is clearly poised to outpace its prominence in many of the 22 target countries, particularly among younger audiences. MBN has initiated the repositioning of its digital team and operations to ensure the quality, accessibility, and efficacy of programming in support of MBN's mission across all relevant digital platforms. FY 2021 is a year of transition and further evolution of MBN digital properties.

This past year, MBN rebuilt its content management system as a starting point for a refocus and improvement of its digital content and strategies. From the technical upgrade alone, average past week visits to the Alhurra website more than tripled in 2020 from 2019 and there was high engagement in many articles, but there remains much to do to improve MBN impact on the digital front. In addition to filling its authorized positions delayed by COVID-19, MBN launched an external and internal review of the digital properties to inform its overall digital content strategy this year.

Showcasing America's Democracy in Action

MBN is poised to represent America like no other across the region. FY 2021 highlights of MBN's coverage of America, Americans and United States policy began with extraordinary coverage of America's Presidential election. MBN's initial coverage of the 2020 elections spanned over forty hours continuously across all media, including a weekly wrap-up show that ran until the final election results were ultimately declared.

Lives from MBN correspondents positioned in North Carolina, California, Michigan, Pennsylvania, Florida, Virginia and the White House reported regularly to provide voter reactions throughout the non-stop coverage, which included; 145 reports and packages, 129 website videos, 70 guests and analysts, 60 live reports on Facebook and twitter, 160 web articles, 30 digital explainer videos, and four augmented reality explainer graphics.

Beyond live and special coverage of the elections and inauguration, MBN focused on assessing and expanding United States content and continued in FY 2021 to develop and produce weekly programming to provide audiences insight into American culture and institutions, including but not limited to:

- DECISIONS CAPITAL — providing analysis and context for United States foreign policy through a weekly panel presenting the breadth of viewpoints within and America.
- INSIDE WASHINGTON — tackling United States issues to provide an authentic perspective reflecting the values of freedom and democracy in action, hosting political, human rights, and other leaders across the spectrum of American perspectives.

- OFF THE BEATEN PATH — a new series that is unveiling America and Americans beyond the beltway, major cities and tourist sites telling original Americans' stories.

Improving Technical Infrastructure

The technical response to COVID-19 challenges generated a requirement for many adjustments to IT and production policy and configurations to support both remote work and social distancing. In FY 2021, MBN's multi-year broadcast infrastructure upgrade transitioned from conceptual to detail design working through a value engineering process to ensure financial goals as well as honoring agency requirements with respect to Metadata standards, Media Asset Management (MAM) system interoperability, file transport and other key sub-systems and functional components. With IP-based transport systems and software already in place, FY 2021 has already begun to realize economies in newsgathering costs.

Overcoming Challenges of COVID-19

In FY 2021, MBN overcame tremendous COVID-19 threats to its operations, particularly during three bureau shutdowns and a headquarters evacuation due to staff outbreaks. National and international travel restrictions, infections, and curfews significantly hindered operations causing production delays, newsgathering challenges, and staffing shortages. The commitment of MBN staff and its leadership not only sustained production, but expanded it, throughout the challenging and dynamic year. The editorial and technical staffs dramatically shifted workflows to stretch the boundaries of remote work, creating production workflows, IT infrastructure, and paperless administration from scratch as the pandemic rooted deeply.

At least 25% of global staff continued working from MBN facilities on each shift daily throughout the pandemic, primarily due to the demands of live television production. While great lengths were taken to ensure CDC and local guidelines were enforced to create safe environments, MBN was unable to avoid outbreaks, which affected nearly 30% of on-site staff. MBN pivoted dynamically at each turn to ensure operations, including but not limited to; shifting broadcast locations on short notice, demanding extended staff schedules, and juggling workflows

to accommodate missing members, including operationalizing managers and Directors when needed. The cooperation and dedication to operations was unwavering and truly remarkable.

FY 2022 Initiatives

As the MENA is torn by geopolitical struggles and regional influences, including from Iran, Russia, and China that are vying for dominance, the media and MBN's role therein remains crucial. MBN will continue to strive to be the first and most reliable source of information about the United States and its foreign policy — and countering related disinformation — for its audience. In FY 2022, MBN will continue refining its content strategy to increase impact, focusing content in seven mission-driven priority areas. Reflecting MBN priorities, through internal resource reallocation, new programs designed for digital and traditional media are planned for launch with focus on diversity, gender equality, MENA youth opportunity, United States innovation, and climate science.

MBN Digital Overhaul

MBN will implement an approved strategy (due in the fourth quarter of FY 2021) to refocus content to better match its defined priorities and explore additional content delivery channels and new formats to reflect emerging trends and patterns of media consumption by the target populations in order to considerably increase reach and boost engagement. Elements already clear for pursuit are the increase in production of compelling stories told using advanced digital storytelling techniques and the need for a social media offshoot to create real-time online content and digital shows in emerging formats set by platforms like Snapchat and Instagram. A recent study across the MENA, found that "MENA is one of the largest markets for Instagram worldwide", and that "three Arab countries in MENA are amongst the top Snapchat markets worldwide, while users in Saudi Arabia watch more content on Snapchat Discover every day than any of the top ten TV channels." Plans will reflect the internal reviews, external reviews, and available research.

In FY 2022, MBN will launch its delayed audio stream targeted to Sudan and will realize its technical infrastructure upgrade in many ways such as, improved operational flexibility, and establishment of contingency capability for distribution and production systems. Further operational economies will be anticipated through planned rework of network connectivity, implementation of cloud-based technologies as well as fast, efficient, and centralized file-based and collaborative workflows.

Open Technology Fund (OTF)

Funding *($ in thousands)*

FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
$ 10,998	$ 19,878	$ 20,000

Overview

For nearly a decade, the OTF has worked to advance internet freedom in repressive environments by supporting the research, development, implementation, and maintenance of technologies. The projects that OTF supports provide uncensored access to USAGM content, and the broader internet, in repressive countries and protect journalists, sources, and news audiences from repressive surveillance and digital attacks to ensure that they can safely create and consume USAGM content. Today, over two billion people worldwide use OTF-supported technology daily, and more than two-thirds of all mobile users have OTF-incubated technology on their devices.[6]

FY 2020 Recovery Activities

For nine months, beginning in June 2020, the former USAGM CEO disrupted OTF operations by withholding funding. As a result, OTF was forced to issue stop-work orders for 49 projects — 80 percent of its programs. In the face of this challenge, in less than three months, OTF matched all 49 of its halted projects with other like-minded donors, thereby facilitating six million dollars in continued investment in internet freedom research and technology. In February 2021, with the release of its remaining FY 2020 funding — approximately $9.5 million — OTF was able to re-open all funding opportunities, including the Technology at Scale Fund, Internet Freedom Fund, and Rapid Response Fund, as well as all OTF Labs.

6 opentech.fund/results/impacts-and-outcomes/

Recent Accomplishments

Despite significant funding and operational challenges over the past year, OTF still played a critical role responding to internet freedom emergencies, the use of OTF-supported technologies continued to increase globally, particularly in USAGM priority countries, and OTF also continued to support research efforts.

Responding to Internet Freedom Emergencies:

HONG KONG

In May 2020, following the announcement of new national security legislation, OTF worked quickly with local partners, technologists, and digital security experts to prepare Hong Kong citizens for CCP-imposed censorship and surveillance. OTF surged support to leading secure circumvention tools in Hong Kong and deployed a variety of security solutions for users in Hong Kong to ensure that journalists and civil society organizations in Hong Kong were able to protect the full scope of their operations from CCP surveillance and offline retaliation.

BELARUS

In response to pro-democracy protests in August 2020, the Belarusian government implemented aggressive internet controls, including increased Internet censorship and surveillance. OTF provided internet freedom support to civil society in Belarus and worked quickly with RFE/RL to spin up mirror sites so that its audience in Belarus could continue to easily access RFE/RL's websites and content free from censorship.

MYANMAR

Following a military coup in February of 2021, in response to requests from local civil society organizations in Myanmar, as well as requests for information and technical guidance from the NSC, State Department, RFA, NED, Human Rights Watch, and others, OTF's technical experts quickly developed and shared a list of recommended internet shutdown and circumvention solutions, including leading peer-to-peer technologies incubated by OTF. OTF has also supported multiple rapid response interventions and partnered with private VPN providers to distribute free VPN codes to civil society in Myanmar.

Mainstreaming Circumvention Solutions

In FY 2020, the OTF-supported, open-source VPN Wireguard was adopted and integrated into mainstream operating systems, as well as leading private sector VPNs.[7] The state-of-the-art Wireguard protocol has garnered acclaim as it has proven to be easier to set up and securely maintain than existing options. Wireguard is now used by over a billion users worldwide.

LEADING INTERNET FREEDOM RESEARCH: OTF has continued to support ground breaking internet freedom research including:

- An investigation of the internment camps in Xinjiang, which exposed an insidious new form of censorship. By using Baidu's own map censorship technique as a guide, it also located 268 new compounds that are believed to be part of the internment program, as well as a wider network of 428 compounds;[8]
- A comprehensive analysis of the various surveillance and censorship tactics currently in use by the authorities in Myanmar, which indicated that the Myanmar government made significant investments in surveillance technology and provided a crucial baseline and context for recent events following the coup;[9] and
- An examination of internet censorship circumvention tools in Cameroon, Nigeria, Uganda, and Zimbabwe, all of which suffer varying degrees of internet censorship, including internet bandwidth throttling, social media app restrictions, and website blocks entitled Censored Continent.[10]

FY 2021 and FY 2022 Initiatives

As threats to internet freedom continue to increase globally, OTF has expanded its role providing internet freedom support to USAGM entities operating in highly censored and surveilled environments and is prioritizing a number of initiatives to counter the speed and sophistication of these emerging threats.

7 opentech.fund/results/supported-projects/wireguard/

8 buzzfeednews.com/article/meghara/china-new-internment-camps-xinjiang-uighurs-muslims

9 public.opentech.fund/documents/The_Rise_of_Online_Censorship_and_Surveillance_in_Myanmar.pdf

10 blog.torproject.org/icfp-otf-censored-continent

Expanding the Technology Development Pipeline

OTF's nimble profile facilitates OTF's support of the full technology development pipeline — from research, to prototyping, to development, to deployment, and ultimately maintenance and evolution of successful solutions. This comprehensive approach is critical to ensuring that OTF funds not only the best solutions to the most pressing challenges, but that those solutions have the best possible chance of achieving impact, supporting the maximum number of users, and moving the field forward as a whole.

Advancing Circumvention Solutions

As internet censorship continues to expand in USAGM priority countries, OTF investments in circumvention tools have been essential to countering this repressive trend. However, in order to keep pace with increasingly sophisticated censorship technologies and users' needs and expectations, OTF must expand and diversify available circumvention solutions to increase the cost of censorship for authoritarian regimes, eliminate single points of failure, provide users with numerous robust and resilient circumvention solutions, and reduce usage costs per user.

Expanding Publisher-Side Circumvention Solutions

Most circumvention technologies currently available are user-facing tools, which place the burden of use and maintenance on the user, creating barriers to entry and disincentive users from accessing censored content. In order to reduce the burden on users and increase the adoption of circumvention technologies, OTF will invest in new publisher-side circumvention solutions, which seamlessly integrate circumvention technologies into the backend of publisher websites and applications. These solutions eliminate the need for user management and broadly improve the effectiveness, security, and scalability of circumvention solutions.

Combating Internet Shutdowns with Peer-to-Peer Solutions

Over the last year, governments around the world shut down the internet over 200 times in at least 35 countries. Clearly, shutdowns are the technique of choice for imposing crippling censorship in periods of crisis or heightened tensions. In response, OTF has invested in the development of unique peer-to-

peer technologies that enable content-sharing and communication without an internet or cellular connection. OTF plans to 1) accelerate the development and deployment of these technologies and 2) partner with USAGM entities to integrate leading peer-to-peer solutions into their apps to ensure that USAGM products are resistant to internet shutdowns.

Operationalizing FY 2021 and FY 2022 Initiatives

To realize these initiatives, OTF solicits program ideas through a fully open and competitive application process. The OTF application process has been designed to reduce barriers to entry, making funding more accessible to qualified individuals and organizations around the world. OTF implements a multi-stage application review process, through which successful applications are improved and refined. All proposals are reviewed by OTF staff as well as OTF's Advisory Council — a group of nearly 40 technical, regional, and subject-matter experts from a wide range of relevant disciplines — to provide feedback, guidance, and rankings for all proposals. In addition to ensuring that the most competitive and impactful projects are funded, this multistage review process also achieves substantial cost savings.

OTF will continue to provide resources through a variety of implementation mechanisms to deliver tailored and comprehensive assistance to internet freedom projects. Because internet censorship technology and tactics are constantly evolving and adapting, OTF receives, reviews, and contracts projects on a continual rolling basis.

Funds

OTF provides direct funding to support the applied research, development, implementation, and maintenance of technologies that enable censorship circumvention and enhance user security and privacy online.

- TECHNOLOGY AT SCALE FUND is the means through which OTF supports the circumvention and secure communication technology needs of USAGM networks. The fund will solicit technology solutions to deliver USAGM content to audiences in information-restricted environments and protect USAGM journalists and sources. It will also ensure that technologies already used at scale by millions remain secure and effective.

- INTERNET FREEDOM FUND (IFF) is the primary mechanism through which OTF provides funding for innovative global internet freedom projects. IFF projects are primarily focused on technology development and implementation but can also include applied research and digital security projects.
- RAPID RESPONSE FUND provides emergency support to independent media outlets, journalists, and human rights defenders who face digital attacks to help them stay safe, get back online and mitigate future attacks or to combat sudden censorship events.

Entity Support Program

To improve the digital security of USAGM's entities and journalists, OTF will hire expert digital security consultants to provide direct internet freedom assistance to USAGM networks, such as technical audits and digital security trainings. Based on findings of these digital security interventions, OTF will leverage resources available through its other funding mechanisms to support the entities ongoing internet freedom needs, such as making USAGM websites and applications more secure and resistant to censorship, providing customized and secure tip lines for sources, and deploying leading internet freedom technologies to ensure that our audiences can access USAGM content despite increasing censorship.

Labs

In addition to direct funding, OTF provides expert services to the internet freedom community at large through its six Labs: the Engineering Lab, the Red Team Lab, the Usability Lab, the Community Lab, the Localization Lab, the Learning Lab and the Legal Lab. OTF's Labs provide security code audits, usability assessments, engineering support, the translation and localization of internet freedom tools into over 200 languages, legal information and referrals for pro-bono legal support, and secure cloud storage. These services ensure that the technologies incubated and supported by OTF are as effective, secure, and usable for USAGM audiences as possible.

Research Fellowships

OTF supports individuals to carry out cutting-edge applied research projects examining how authoritarian states are restricting the free flow of information and ways for citizens to overcome those tactics. OTF fellowships produce extremely timely and impactful breakthroughs that feedback into the development of internet freedom technologies and help to cultivate the next generation of internet freedom experts by creating a viable career track for those who have the skills and passion for internet freedom.

Broadcasting Capital Improvements (BCI)

Funding *($ in thousands)*

FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
$ 15,928	$ 9,215	$ 9,700

Overview

The BCI account funds large-scale capital projects and improvements and maintenance of USAGM's global transmission network and digital multimedia infrastructure. The Office of Technology, Services, and Innovation (TSI) manages most of the BCI projects to benefit elements across the Agency. The BCI account also supports capital projects managed by VOA, OCB, and USAGM's Office of Security. These entities will require the support of essential technical operations in FY 2022 through carefully focused investments and maintenance of ongoing efforts in a number of critical areas. BCI funds support the capital and equipment aspects of these critical Agency efforts.

FY 2020 Accomplishments

In FY 2020 USAGM made further progress to restore broadcasts from its transmitting sites on Tinian and Saipan, the main islands of the Commonwealth of Northern Mariana Islands (CNMI), following the devastating Typhoon Yutu in October 2018. The critical audiences served by these stations include Radio Free Asia (RFA) listeners in North Korea, China, and Southeast Asia. The CNMI station rebuilt five of fifteen antenna systems so far, allowing more RFA broadcasts to return from other, more expensive leased sites.

Installation of a new fire alarm system at the Philippines Transmitting Station was completed in FY 2020. TSI also completed the replacement of the medium wave (MW) tower at the São Tomé Transmitting Station. The MW from São Tomé provides VOA programming to Nigeria, Mali, and other important targets in West Africa.

TSI awarded a design-build contract for the installation of two new chiller systems in Greenville in the last quarter of FY 2019. Chiller systems include pumps, associated chilled water piping, and chilled water coils that protect the transmitters from catching fire, and can also be used to provide cooling to station buildings. The design phase was completed at the beginning of FY 2020. Construction drawings and project submittals were approved, and the major pieces of equipment have been delivered to the site. TSI has completed the redeployment of three refurbished SW transmitters at the Greenville, NC transmitting station.

During FY 2019 and FY 2020, OCB restored the Marathon Transmitting Station that was damaged during Hurricane Irma.

FY 2021 and FY 2022 Initiatives

Additional funds appropriated by the Congress to USAGM's BCI account in FY 2020 were used to purchase additional replacement antenna systems for CNMI. Construction and delivery of these antenna systems were delayed due to COVID-19 restrictions, but the antenna systems are expected to be installed in FY 2021 and FY 2022. At present, the Agency does not have the resources to award a contract to complete a comprehensive restoration of CNMI's entire pre-typhoon broadcast capabilities; with current resources, restoring 9 of 15 systems should be achieved by the end of FY 2022.

TSI is committed to maintaining its critical infrastructure systems, focused on BCI-funded station maintenance and repair efforts that impact basic functionality and the safety and security of USAGM personnel and equipment. One item to highlight is the beginning of the system wide electrical maintenance cycle at our transmitting stations. These activities started in FY 2021 and will continue into FY 2022.

As part of USAGM's global network realignment, TSI is upgrading its cross-border capacity at the Kuwait Transmitting Station. In FY 2022, USAGM will complete construction of new antennas and expansion of the transmitter building at the Kuwait Transmitting Station. Upon completion of these efforts, USAGM shall relocate and/or procure additional transmitters in Kuwait, to bring the total number of shortwave transmitters at the station to ten, the maximum allowed by the bilateral agreement with the government of Kuwait.

To avoid possible interruptions in our mission due to high ambient temperatures, TSI awarded a task order for the development of construction documents for the replacement of two chillers in Kuwait transmitting station the first quarter of FY 2020. Construction will commence in FY 2021 and should complete in FY 2022.

As VOA's video and audio content increases and as technology changes, its technical operations must keep pace and maximize efficiencies, where possible. As part of this effort, VOA plans to add cloud-based master control technology and virtual channels to its current TV Master Control. This will allow for the creation and addition of more channels, while also boosting continuity of operations (COOP) capabilities. Similarly, as the Agency evolves its content distribution to IP (internet protocol), VOA has greater flexibility to create more content and give VOA broadcast facilities more production tools. To this end, VOA will invest in more IP systems in its control rooms. Specific projects will include:

- Integration of additional cloud radio and TV control technology and iTx channels to TV Master Control
- Expansion and improvement of the IP SMPTE 2110 router, including more IP switches
- Addition of a tally router and purchase of SMPTE 2110 licenses for Omneon video playback for control rooms

VOA will further its investments in AI, specifically to aid indexing for archiving, metadata tagging, closed captioning and language versioning on the TSI-managed Dalet Galaxy MAM (Media Asset Management) systems. AI-supported indexing will help journalists tell their stories more effectively by making content easier to discover.

Renovations to TV studios and bureaus will continue in FY 2022. Several VOA language services have large diaspora communities in Los Angeles, where a VOA bureau will be renovated to make stories told there more visually compelling and easier to produce. Several VOA TV studios have undergone renovation in FY 2020 and FY 2021, giving VOA content a consistently modern, bright aesthetic. To further this modernization effort, in FY 2022 VOA will rebuild the remainder of the television studios (47, 48, and 51) and install new audio consoles to improve audio and standardize operations across the network. Enhancement of radio studios with radio-on-TV capabilities will also continue.

Other BCI-funded investments planned for FY 2022 include replacement of aging video equipment, such as ENG cameras; newer computer systems for TV master control; and breaking news facilities that will allow VOA language services to get on air more quickly, in response to breaking news events.

After the disruptions experienced in FY 2021, in FY 2022 USAGM's Office of Security (SEC) plans to use BCI funds to visit, assess, and document the security status of USAGM's overseas offices and facilities. While it is expected that COVID-19 will continue to impede SEC's ability to travel, vaccines and other precautions such as mask wearing and social distancing, are expected to allow for some SEC travel internationally. USAGM transmitting stations are diplomatically accredited facilities and subject to comprehensive interagency security requirements and standards. SEC plans to work closely with security contractors to evaluate, develop, document, and execute security-engineering projects mandated for each overseas transmitting station. SEC will assess and document the security status of as many stations as possible in FY 2022. In order to support transmitting stations in complying with the United States Department of State-mandated security measures, SEC will inspect each station annually, as travel restrictions permit. After compliance with interagency security standards and requirements is achieved, SEC will re-evaluate each station on a three-year cycle, or as otherwise required.

Similarly, but on an initial two-year cycle, SEC intends to assess and document the operational readiness and security status of each VOA bureau.

If travel restrictions do not permit SEC to carry out these assessments and upgrades, SEC will use its BCI funds for security upgrades at its headquarters in Washington, D.C. Much of the equipment used by SEC to monitor the physical security of the Wilbur J. Cohen Building is end of life and needs to be replaced. This equipment includes, but is not limited to, security cameras, monitors, servers to administrate and store camera footage, and guard booths.

As OCB continues to implement its reform plan, it is critical that aging IT systems not become a bottleneck to producing, editing, and delivering HD video and other content for Digital platforms. Furthermore, the COVID-19 pandemic pivoted the OCB workforce from working almost exclusively on-site to working exclusively remotely. OCB's current network systems and bandwidth are inadequate for these new circumstances, which appear likely to continue for the foreseeable future.

In FY 2021 and FY 2022 OCB will upgrade its IT infrastructure, including new core servers and storage systems to support the OCB workforce. Existing storage systems are end of life and no longer supported. OCB will also replace the UPS (Uninterruptible Power Supply) units that protect critical IT systems and ensure that they remain powered in the event of input power source or mains power failures. The current units are old, discontinued models and require replacement.

OCB also intends to replace the counterpoise support posts at the Marathon Transmitting Station. The existing posts have rusting rebar protruding from the concrete, making the structures increasingly susceptible to environmental degradation and loss of structural integrity.

Performance Budget Information

Introduction

This Performance Budget includes a summary of the USAGM strategic plan, a summary of the status of the Agency's performance, and descriptions of the Agency's performance indicators. This integrated budget and performance section connects the USAGM strategic goals, impact and agility objectives and performance goals, and it fulfills requirements of the Government Performance and Results Modernization Act of 2010 for an annual performance plan. USAGM's annual Performance and Accountability Report (PAR) provides detailed performance information and can be found on the Agency website, www.usagm.gov.

Summary of the 2018–2022 USAGM Strategic Plan

USAGM's 2018-2022 strategic plan continues an ambitious roadmap to expand the reach and impact of United States international media in support of American strategic interests. It also responds to calls for institutional agility. The plan informs the FY 2022 budget request and continues the integration of performance, budget planning, and management of USAGM.

The mission of USAGM is to inform, engage and connect people around the world in support of freedom and democracy.

This mission is achieved through two strategic goals:

- Expand freedom of information and expression
- Communicate America's democratic experience and values

Free press and free expression are universally acknowledged as key to free, open, democratic societies, which in turn support American interests through stability, peace, alliances, and trade. Communicating America's democratic experience and values serves the same purpose. In covering the United States, USAGM networks open a window onto democracy in action.

Current Context of USAGM

The key environmental factors facing USAGM are: global declines in media freedom, erosion of trust in media, national security challenges, rising media competition, and the multitude of modern communications technologies. Many of these factors have been heightened by the current COVID-19 pandemic, as media outlets grapple with increased disinformation, attempts by government leaders to control the narrative, and severe economic challenges.

Free expression, religious liberty, human rights, and similar values important to the United States are under assault across the globe. Resurgent authoritarianism and spreading extremism imperil United States interests. China has eroded Hong Kong's autonomy, while continuing its repression of Uyghur and Tibetan minorities. Following the playbook of authoritarian regimes, elected leaders in Europe have attacked democratic institutions in an effort to undermine any remaining checks on their power. Extremist rhetoric and incitement to violence directly threaten United States national security interests in Iraq, Syria, Afghanistan, Yemen, Somalia, and elsewhere, compounded by the adroit adoption of digital and social media by extremist actors around the world, including ISIS and others.

The struggles unfolding have significant information or propaganda components. Governments and extremist groups have weaponized information to generate a relentless, sophisticated stream of false narratives that too often go unchallenged. ISIS, Boko Haram, and other non-state actors exploit modern media tools to promote extremist views, exploit discontent, and subvert democratic ideals. Through both direct broadcasts and social media campaigns, hostile governments inundate audiences with disinformation about global events and depict the United States on an irreversible downward social spiral, its institutions failing and its global strength on the wane.

Consumers of news and information have an unprecedented array of options from which to choose. For example, social media and citizen journalism provide broadcasters with opportunities to collect and disseminate information, while interacting with audiences. In many regions, USAGM broadcasts face growing competition from local news sources and international broadcasters. While this

information explosion seems to point to more openness and freedom, the actual trend in recent years has been toward less press freedom and growing internet censorship in key markets. Freedom House and Reporters Without Borders have documented steep declines in world freedom and press freedom.

When United States international media began in 1942, programs were broadcast via shortwave. Since then, the number of transmission options has grown, and listener preferences and media access have changed. The technology to transmit and receive news and information is constantly improving and options continue to expand. USAGM has kept up with these developments, which offer extraordinary opportunities for unfiltered, direct dialogue with audiences around the world. USAGM transmits content through terrestrial and satellite television, radio (shortwave, medium wave, FM, and satellite), the internet (websites with streaming audio and video as well as social media, such as Twitter, Facebook, YouTube, and Instagram, as well as local platforms), and numerous mobile technologies, including apps.

To serve audiences in less developed areas of the world, USAGM must continue to broadcast via traditional technologies, such as shortwave, and maintain capability and improve efficiency on these platforms by replacing antiquated equipment. But to stay relevant in competitive news markets and serve current and future audiences, USAGM must also invest in new cutting-edge technology. In areas where ownership and usage of shortwave radio has declined significantly, the Agency has evolved away from broadcasting in that medium. USAGM has closed transmitting stations, repurposed equipment and invested these savings in platforms that the audience has shifted to, primarily television and digital media.

USAGM relies on extensive market research to identify audience preferences and the most appropriate programming mix and delivery options for specific audiences. In addition to research about the effectiveness of programming, USAGM commissions research on the overall media markets in its broadcast countries to better understand how these markets are developing and the capabilities of each USAGM network in order needs to remain competitive. As new technologies emerge, market research enables USAGM to be forward-thinking and strategically positioned to fulfill its mission. USAGM undertakes a comprehensive assessment of the languages in which Agency networks broadcast

during the annual Language Service Review. This review examines qualitative and quantitative research on the performance of programming, audience reach and impact, as well as media usage and ownership. The review forms the basis for proposing to enhance existing language services, start new ones, or, in some instances, end service in a particular language.

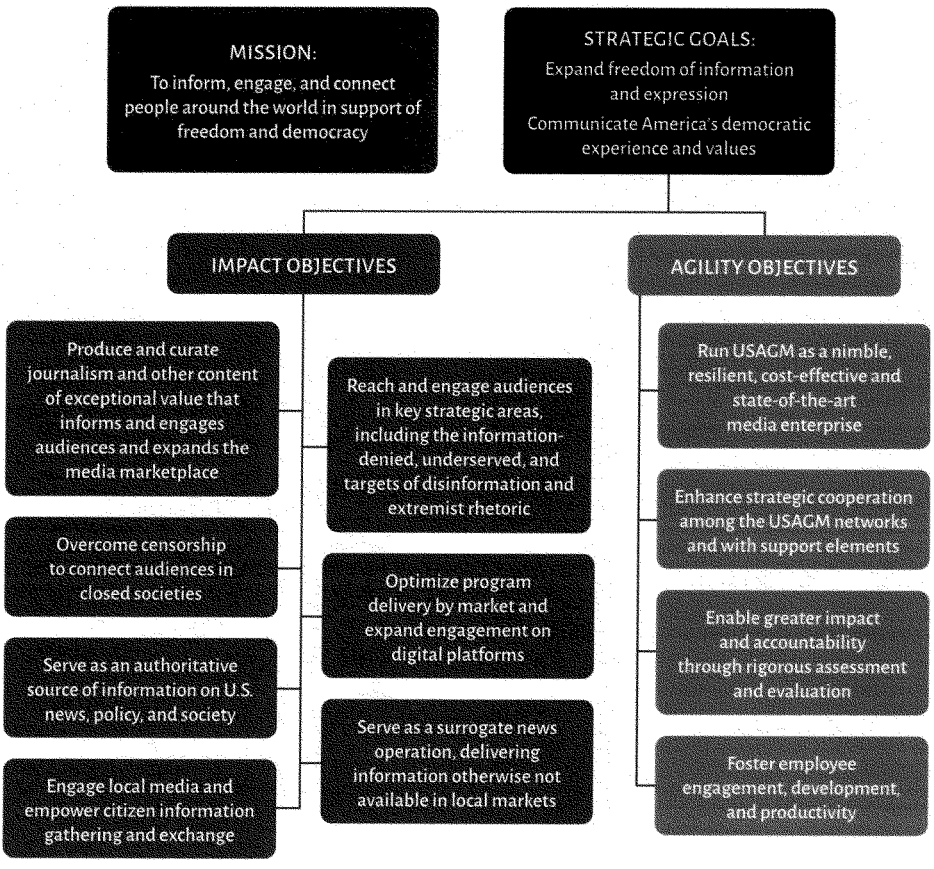
USAGM's strategic plan prioritizes setting the program mix and delivery platforms to meet market demand. This is critical to ensure that USAGM achieves its legislative mandate to reach as many people as possible with news and information that gains their trust and makes a difference in their lives via the most effective delivery systems.

Impact Model

In recognition that impact is about more than audience reach, USAGM's previous strategic plan (2012-2016) set the goal of developing a multi-factor model to define impact. USAGM began implementing the model in 2014. It ties to USAGM's mission statement and examines effectiveness in the areas of informing, engaging and connecting audiences, and being influential. These effects are considered in the short, medium and long term in various sectors — people, local media and institutions. The model employs a mix of quantitative and qualitative measures.

This Impact Model informs the strategic plan and performance goals that support USAGM's Impact Objectives. During the past several years, the model has formed the basis of USAGM's strategic review process in which the Agency sets clear goals and targets for performance indicators that define success in each target country and region.

Impact and Agility Objectives and Performance Goals



USAGM's two strategic goals are supported by seven impact objectives and four agility objectives, each of which has supporting performance goals. All of the performance indicators supporting the impact objectives come from the USAGM Impact Model. Future targets are based on leadership direction and expert analysis of many factors including: current positioning in the media market, anticipated future trends, and proposed budgetary resources. Because USAGM does not have resources to conduct full media surveys annually in each country, many of the indicators are targeted to remain stable or change only slightly from the current level of performance. These objectives and goals map out Agency priorities for the next two years.

Impact Objective 1

Produce and curate journalism and other content of exceptional value that informs and engages audiences and expands the media marketplace

Journalism is the daily work of USAGM broadcasters, and producing fact-based, verifiable news and information must be preeminent in Agency strategy. To have impact, USAGM journalism must reach audiences, meet their interests along the breadth of subjects that matter to their lives and, at the same time, add value in expanding the media marketplace. USAGM's aim is not just to follow the 24-hour news cycle but to drive the news agenda through original stories, investigative reporting, in-depth analysis, and a unique cross-cultural perspective that helps audiences become sophisticated consumers of news and media.

USAGM will:

- As required by statute, provide news and other programming that is accurate, objective, and comprehensive and in accordance with the highest professional standards of journalism.
- Produce news and information, consistent with audience preferences and mission requirements, on issues that are not addressed adequately by media in the target area, e.g., human rights and good governance.
- Offer non-news content that research, web analytics, and audience and affiliate feedback show is of vital interest to audiences, such as health, science, and technology.
- Produce enterprise reporting through deep and lasting exploration of critical issues in the countries USAGM targets.
- Curate content from and co-create content with reputable partners, as appropriate and consistent with broadcasting standards and editorial guidelines.

USAGM tracks its progress in achieving Impact Objective 1 with the following performance goals:

Impact Performance Goal 1.1: Reach significant audiences

MEASURED WEEKLY AUDIENCE *(in millions)*[1]						
Network	FY 2018 Actual	FY 2019 Actual	FY 2020 Target[5]	FY 2020 Actual	FY 2021 Target[6]	FY 2022 Target[6]
USAGM[2]	345	350	354	354	380	390
VOA	275.2	280.9	282.0	278.0	305.0	310.0
RFE/RL[3]	33.9	38.1	37.7	41.1	36.2	36.6
RFA[4]	50.7	50.7	49.5	49.5	55.0	57.5
MBN	24.7	24.3	28.0	27.5	32.0	34.0
OCB	1.0	1.0	1.2	1.0	1.2	1.2

1 Measured weekly audience is the number of people in target areas listening to or viewing USAGM programming or online materials in the past week according to representative face-to-face or phone surveys. It is influenced by a number of factors that vary across broadcasters, including number of languages, number and type of distribution platforms, and media environment.

2 The USAGM weekly audience is unduplicated, i.e., a member of the audience is counted only once, regardless of the number of times, platforms, or networks they consume each week.

3 The RFE/RL weekly audience figure for FY 2019 was incorrectly reported as 37.6 million in the FY 2019 PAR and FY 2021 Congressional Budget Justification, due to a calculation error in the Afghanistan audience. It has been corrected here to 38.1 million.

4 RFA audience figures include audiences for only six of RFA's nine language services. USAGM is not able to conduct representative quantitative audience research for Korean, Tibetan, and Uyghur. FY 2020 figures no longer include data from Taiwan, which has not been surveyed in the last five years. They also reflect a drop in audience size in Cambodia after RFA lost FM transmission.

5 FY 2020 targets are from the FY 2021 Congressional Budget Justification.

6 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources. The FY 2021 and 2022 targets for VOA reflect expected audience gains from India, which had not been surveyed in over a decade and had expired from the global calculation, and the addition of WorldPoll omnibus data from dozens of other countries. RFE/RL projects declines in audience due to increasing pressure against RFE/RL operations by authorities in Russia, which will likely lead to audience losses for the language services targeting audiences in Russia. The elimination of MW/AM broadcasting to Iran and standalone TV newscasts resulted in audience losses for Radio Farda.

Indicator:

MEASURED WEEKLY AUDIENCE: This indicator comes from national surveys and measures the number of people in target areas listening to, reading, or viewing USAGM programming or online materials in the past week. The measure is obtained for each language service (except Korean, Uyghur, North Caucasus, Tatar-Bashkir, and Tibetan) and for the countries served by USAGM that were surveyed within the past five years. It is based upon the measurement of the "regular listening audience," a statistical standard long used to report international radio audience reach. Regular listening or viewing audience (radio, TV, or internet) has over the years been consistently defined as all adults listening or viewing at least once a week, as determined by an audience survey that has an adequately designed sample. The USAGM weekly audience is unduplicated, i.e., a member of the audience is counted only once, regardless of the number of times, platforms, or networks they consume each week. USAGM does not conduct surveys in every country every year, so reach figures may in some cases reflect weekly reach measures collected from up to five years in the past. This may result in an over or underestimation of actual reach. Additionally, political restrictions or volatility in certain markets may prevent the measurement of current reach for services broadcasting to these areas.

USAGM continues to explore alternative methods for measuring audience reach, such as integrating digital analytics and commercial ratings data.

Impact Performance Goal 1.2:
Provide programming that audiences find trustworthy

PROGRAM CREDIBILITY *Percentage of weekly audience who consider information to be very or somewhat trustworthy*						
NETWORK	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[1]	FY 2022 Target[1]
VOA	84	83	82	83	80	80
RFE/RL	77	73	74	75	75	76
RFA	77	77	76	76	77	78
MBN	80	75	80	68	70	80
OCB	97	97	97	97	97	97

1 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources. Historically, qualitative indicators of general perception such as this tend not to shift much for VOA, unless there is a significant increase or decrease in audience in a very populous audience, such as China. Larger, less loyal audiences tend also to be correlated with lower trust. The increase in measured audience, combined with the overall decrease in trust of American institutions around the world and negative publicity referring to VOA as propaganda, justify a slightly lower target. RFA's trust numbers are derived from data from Cambodia (where trust was 87 percent in FY 2020), Burma (at 87 percent in FY 2020) and China (at 75 percent in FY 2020). Because figures are weighted by audience size, China's audience perceptions predominate in all estimates. Trust for MBN is much higher than 68 in most countries (e.g., 96 percent in Morocco and 83 percent in Saudi Arabia), but because averages are weighted by audience size, MBN's average comes primarily from Iraq, where MBN has a larger audience than in other countries.

Indicator:

PROGRAM CREDIBILITY: This indicator is determined by a question in representative surveys about the trustworthiness of news and information of those sampled respondents who listened to or viewed each station in the past week. The answers are registered on a four-point scale: trust a great deal, trust it somewhat, do not trust it very much, or do not trust it at all. The credibility index is a weighted average, by audience size, of the percentage of those answering the question in the survey (excluding those who did not respond or did not know) who report trusting news from the station a great deal or somewhat. Credibility estimates are not included for countries where the number of regular listeners/viewers/online users is so small (n = <50) that the estimate is unreliable.

Impact Performance Goal 1.3: Provide programming that increases the audiences' understanding of current events

UNDERSTANDING *Percentage of weekly audience who report that the broadcasts have increased their understanding of current events somewhat or a great deal*						
NETWORK	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[1]	FY 2022 Target[1]
VOA	76	76	75	75	76	76
RFE/RL	73	75	75	75	76	77
RFA	52	52	53	52	51	52
MBN	70	66	70	65	70	80
OCB	96	96	80	96	80	80

1 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources. Historically, qualitative indicators of general perception such as this tend not to shift much for VOA, unless there is a significant increase or decrease in audience in a very populous audience, such as China. However, the 2020 US election and COVID-19 coverage can be expected to increase this indicator slightly. For RFA, this metric for FY 2020 was derived from measurements in China, Burma, and Cambodia only. As with the trust metric, opportunities for significant growth in FY 2021 are limited by the overwhelming size of RFA's China audience which weights heavily this metric toward Chinese data. Political risk is likely to limit opportunities to collect new data for China in FY 2021. Because numbers are weighted for audience size, understanding for MBN primarily reflects Iraq, where MBN has by far the largest audience. MBN numbers in FY 2020 also obscure strong understanding numbers for Alhurra in Saudi Arabia (78 percent), Lebanon (91 percent), and Jordan (84 percent). MBN's understanding target increase assumes improvements as a result of the MBN digital, Radio Sawa, and Alhurra Iraq relaunches that focus, in part, on greater coverage of news and events. OCB anticipates that reduced budgetary resources will result in lower understanding scores in FY 2021 and 2022.

Indicator:

UNDERSTANDING OF CURRENT EVENTS: This indicator is determined by a question in representative surveys asking past week listeners/viewers/online users of [language] whether the broadcasts have "increased their understanding of current events." The answers are registered on a four-point scale: a great deal, somewhat, very little, or not at all. The understanding indicator is a weighted average, by audience size, of the percentage of those answering the question in the survey (excluding those who did not respond or did not know) who chose "a great deal" or "somewhat."

Impact Performance Goal 1.4: Provide programming that is influential with audiences

HELPS FORM OPINIONS ON IMPORTANT TOPICS *Percentage of weekly audience who report that the broadcasts have helped them form opinions on important topics somewhat or a great deal*						
NETWORK	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[1]	FY 2022 Target[1]
VOA	63	63	63	64	64	64
RFE/RL	52	56	56	53	54	55
RFA	87	87	87	85	90	90
MBN	71	75	80	63	65	75
OCB	75	75	75	75	75	75

1 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources. Based on current data trends, VOA expects this metric to remain stable. RFA's targets for FY 2021 and 2022 are derived from Cambodia data only, since the omnibus survey conducted in Burma did not include this question. MBN's FY 2021 and 2022 targets for this measure assume continued improvements as a result of MBN relaunch that includes a greater focus on issues audiences cannot find in other regional media.

Indicator:

HELPS AUDIENCES FORM OPINIONS ON IMPORTANT TOPICS: This indicator is determined by a question in representative surveys asking past week listeners/viewers/online users of [language] whether the broadcasts have helped them form opinions on important topics. The answers are registered on a four-point scale: a great deal, somewhat, very little, or not at all. This indicator is a weighted average, by audience size, of the percentage of those answering the question in the survey (excluding those who did not respond or did not know) who chose "a great deal" or "somewhat."

In addition to these performance goals, USAGM will present narrative evidence that it is accomplishing Impact Objective 1, including:

- Original investigative reporting by USAGM networks
- Citations of USAGM reporting in influential news outlets
- Producing or curating content on issues important to audiences, such as health, technology, and human rights

Impact Objective 2

Reach and engage audiences in key strategic areas, including the information-denied, underserved, and targets of disinformation and extremist rhetoric

In deciding where to target, USAGM considers the local media situation, along with United States strategic interests, and prioritizes countries that lack a free or developed press. Special consideration is given to populations at risk due to extremist rhetoric and disinformation. USAGM prioritizes reaching audiences in areas plagued by extremism, where extremist forces espouse a violent ideology and execute campaigns of terror that threaten United States and regional security and stymie free, open, democratic societies. Another key focus area is audiences subjected to state-sponsored disinformation campaigns, which seek to undermine democratic norms and the very idea of objective truth. In all target countries, the USAGM networks seek to grow their audience base and reach those traditionally underserved by USAGM broadcasts. Populations in the target countries are overwhelmingly young — a challenge, but also a chance to connect with a demographic that in many cases has never even heard of USAGM. USAGM's current audiences are approximately 57 percent male and 43 percent female — an imbalance the Agency seeks to correct. USAGM understands that to reach and be relevant with these audiences, it needs to provide them with content that not only informs them of international and local news, but assists them in building and participating in a civil society.

USAGM will:

- Prioritize countries lacking freedom and democracy or faced with disinformation or extremism, where accurate, credible news and information are lacking. Boost service to these areas, where feasible.
- Introduce service in selected new languages to reach sizeable new audiences in countries where USAGM products are urgently needed.
- Reach out to women and youth with programming that addresses issues of concern and relevance to their lives.
- Sharpen audience segmentation and targeting to drive content strategies and better address gender and age demographics, as well as psychographic segments.

- Serve as a conduit for the transmission of reporting from inside closed societies lacking press freedom to outside audiences.
- Ensure strong local news coverage, as warranted by events, to meet urgent audience needs in areas of crisis.
- Draw on the experiences of the world's many models of free societies, in particular the United States, to present a broad array of political views and debates.

USAGM tracks its progress in achieving Impact Objective 2 with the following performance goals:

Impact Performance Goal 2.1: Achieve significant audience reach in environments subject to extremist rhetoric and violence

Country or Region	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[1]	FY 2022 Target[1]
INCREASE OR MAINTAIN WEEKLY AUDIENCES IN:[2]						
Iraq[3]	42.6% (Jan 2016)	35.0% (Jul 2017)	45%	61.7%	70.0%	71.0%
Nigeria	21.0% (Feb 2016)	19.2% (Jul 2018)	19.2%	19.2% (Jul 2018)	19.2%	21.0%
Afghanistan[4]	38.5% (Nov 2016)	69.3% (Jul 2018)	69.3%	69.3% (Jul 2018)	69.3%	60.0%
Pakistan (excluding former FATA and Gilgit Baltistan)	2.9% (Aug 2016)	5.3% (Jan 2019)	5.3%	5.3% (Jan 2019)	5.3%	5.3%
Former FATA region[5]	26.4% (Jun 2015)	26.4% (Jun 2015)	26.4%	N/A	26.4%	26.4%
Central Asia[6]	3.9 million	4.3 million	4.3 million	4.3 million	4.3 million	4.3 million

1 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources.

2 Multi-country estimates are presented in real numbers, rather than percentages, because of the potential high variations in percentages across covered countries. The countries and regions listed were selected by USAGM experts and represent a subset of those that the USAGM networks target with programming that provides news and information to counter extremist messaging.

3 The 2020 Iraq estimate includes data from two different surveys, one among Iraqi Arabs and one among Iraqi Kurds. In previous years, reach among Iraqi Arabs and Kurds was collected in a single survey. Fieldwork for the survey among Iraqi Arabs took place in August 2019; fieldwork for the Iraqi Kurdish survey took place in October 2019.

4 Afghanistan may see the historically high reach drop as United States interests withdraw further from the country.

5 The last USAGM survey of former FATA covers was conducted in June 2015, outside of the five-year reporting window for USAGM research.

6 Includes data from Kazakhstan (Nov 2016), Kyrgyzstan (Oct 2018), Tajikistan (June 2017), Turkmenistan (June 2019), Uzbekistan (May 2017).

Indicator:

Measured weekly audience is explained above under Impact Performance Goal 1.1. For individual countries, the measured weekly audience is expressed as a percentage of the adult population covered by the survey.

Impact Performance Goal 2.2: Reach audiences in information-denied environments

Country	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[1]	FY 2022 Target[1]
INCREASE OR MAINTAIN WEEKLY AUDIENCES IN:[2]						
China[3]	6.2% (Aug 2017)	6.2% (Aug 2017)	6.2%	6.2% (Aug 2017)	6.2%	6.2%
Vietnam	3.6% (Jul 2016)	3.6% (Jul 2016)	3.6%	3.6% (Jul 2016)	6.5%	7.0%
Laos	2.4% (Sep 2016)	2.4% (Sep 2016)	2.4%	2.4% (Sep 2016)	3.5%	4.0%
Turkmenistan	NA	6.1% (Jun 2019)	6.1%	6.1% (Jun 2019)	6.1%	6.1%
Uzbekistan	1.6% (May 2017)	1.6% (May 2017)	2.0%	1.6% (May 2017)	2.0%	2.0%
Iran[4]	23.4% (Sep 2017)	23.4% (Sep 2017)	23%	23.4% (Sep 2017)	18.0%	18.0%
Azerbaijan	3.5% (Dec 2015)	3.5% (Dec 2015)	3.5%	3.5% (Dec 2015)	3.5%	3.5%
Cuba	11.1% (Mar 2017)	11.1% (Mar 2017)	13%	11.1% (Mar 2017)	13%	13%

Continue to serve and monitor information-denied environments lacking representative survey data, including North Korea, Eritrea, Syria, Tibet, and Xinjiang Uyghur Autonomous Region.

1 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources.

2 Selected countries include those targeted by the USAGM networks, in which USAGM is able to conduct research, that have the lowest press freedom scores on external indices.

3 Political risk is likely to limit opportunities to collect new data for China.

4 USAGM expects some negative effects to reach in the Iran market due to the COVID pandemic, during which the next survey is planned to take place.

Indicator:

Measured weekly audience is explained above under Impact Performance Goal 1.1. For individual countries, the measured weekly audience is expressed as a percentage of the adult population covered by the survey.

Impact Performance Goal 2.3: Reach audiences in environments targeted by state-sponsored disinformation campaigns

Country	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[1]	FY 2022 Target[1]
INCREASE OR MAINTAIN WEEKLY AUDIENCES IN:[2]						
The Russian Federation	7.7% (May 2018)	7.7% (May 2018)	9%	7.7% (May 2018)	7.7%	7.0%
Ukraine	18.0% (Jun 2016)	18.0% (Jun 2016)	20%	24.4% (May 2019)	21%	21%
Moldova[3]	32.1% (Feb 2016)	32.1% (Feb 2016)	15%	32.2% (Nov 2019)	32%	32%
Kazakhstan	9.6% (Nov 2016)	9.6% (Nov 2016)	10%	9.6% (Nov 2016)	10%	10%
Tajikistan	10.8% (Jun 2017)	10.8% (Jun 2017)	11%	10.8% (Jun 2017)	11%	11%
Estonia	5.1% (Jun 2016)	5.1% (Jun 2016)	7%	12.9% (Nov 2019)	13%	13%
Latvia	5.2% (Jul 2016)	5.2% (Jul 2016)	7%	14.3% (Oct 2019)	15%	15%
Lithuania	10.0% (Jul 2016)	10.0% (Jul 2016)	10%	11.7% (Oct 2019)	12%	12%

1 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources.

2 The countries and regions listed were selected by USAGM experts and represent a subset of those that the USAGM networks target with programming that provides news and information to counter state-sponsored propaganda.

3 RFE/RL forecast audience declines in Moldova due to decreased cooperation with local partners, which had been an important audience driver in the February 2016 national survey. While audiences for the Moldovan Service did decline in the most recent November 2019 national survey, weekly reach of Current Time increased significantly in Moldova and helped to offset some of the Moldovan Service losses.

Indicator:

Measured weekly audience is explained above under Impact Performance Goal 1.1. For individual countries, the measured weekly audience is expressed as a percentage of the adult population covered by the survey.

Contextual Indicators:

Freedom House Rankings	# of USAGM target countries ranked as:		
	Not Free	Partly Free	Free
2021 FREEDOM IN THE WORLD (POLITICAL)	54	52	21

Reporters Without Borders Rankings	# of USAGM target countries ranked as:				
	Very Bad	Bad	Problematic	Fairly Good	Good
2021 WORLD PRESS FREEDOM INDEX	21	48	44	12	1

In addition to these performance goals, USAGM will present narrative evidence that it is accomplishing Impact Objective 2, including:

- News reports or audience descriptions of USAGM impact in environments subject to extremism, information withholding, and disinformation campaigns
- Programming targeting groups underrepresented in USAGM audiences, including youth and women
- Programming responding to crisis situations
- High-profile international news pickups of USAGM reporting from inside closed societies

Impact Objective 3

Overcome censorship to connect audiences in closed societies

For almost 70 years United States international broadcasting has fought censorship in all its forms. Today, as the global media environment undergoes a dynamic revolution, access to a truly free press is actually in decline. Jamming of radio and TV broadcasts, including USAGM's, continues in a number of countries. Journalists suffer harassment and violence daily. Media laws often restrict free flows of information, limiting the ability of international news organizations to distribute their content. The internet in particular is under assault, even as audiences increasingly access and share our content on digital platforms and via social media. The Agency upholds the universal right of citizens everywhere to receive and impart information without restriction. USAGM works on many fronts to make news and information accessible to its global audiences with the aim of enabling not only unfettered access to agency products but also the full spectrum of independent news sources on the internet.

USAGM will:

- Lead in assisting the world's citizens to gain access to information on all platforms, advocating on the international stage and coordinating within the United States government and with international broadcasters and other allies.
- Help audiences understand through journalistic reports the practices and policies of internet censorship and circumvention.
- Fund technologies that counter internet censorship and internet blocking and allow citizens and journalists to operate securely online.
- Increase effective use of social media and digital platforms to combat censorship.
- Provide in-house digital expertise to address real-time censorship and jamming issues in targeted regions.
- Cultivate information-sharing relationships on internet freedom matters with other federal agencies, nonprofits, and the private sector.

USAGM tracks its progress in achieving Impact Objective 3 with the following performance goal:

Impact Performance Goal 3.1: Increase usage of internet freedom products

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[1]	FY 2022 Target[1]
Weekly unique users on USAGM-supported proxy tools	967,763	621,392	645,000	555,443	1,300,000	1,500,000
Weekly unique users on Psiphon	967,763	621,392	615,000	415,057		
Weekly unique users on nthLink	NA	NA	30,000	140,386		
Weekly visits to USAGM web sites through USAGM-supported proxy tools	8,452,100	7,092,592	4,105,000	3,607,942	6,115,000	7,000,000
Weekly visits to USAGM web sites through Psiphon	8,452,100	7,092,592	3,725,000	3,436,223		
Weekly visits to USAGM web sites through nthLink	NA	NA	180,000	171,719		
Weekly visits to USAGM web sites through NewNode[2]	NA	NA	200,000	NA		
Proxy traffic through USAGM-supported tools	21,725 TB	15,875 TB	18,500 TB	15,739 TB	33,612 TB	38,654 TB
Proxy traffic through Psiphon	21,725 TB	15,875 TB	17,500 TB	13,452 TB		
Proxy traffic through NthLink	NA	NA	1,000 TB	2,287 TB		

Note: In FY 2019, USAGM incorporated the Open Technology Fund (OTF), previously housed at RFA, as a non-federal entity. Beginning in FY 2020, OTF took over the management of USAGM-sponsored proxy tools, including the deployment of two new proxy tools, nthLink and NewNode. In order to be more comprehensive and inclusive of new tools, USAGM will be reporting overall figures for these categories beginning in FY 2021.

1 Factors contributing to FY 2021 and 2022 targets include evaluations of internet censorship changes in target countries, audience metrics and surveys from USAGM broadcasters, as well as projections based on usage trends from previous years.

2 NewNode has been integrated into apps by RFE/RL and MBN; however, data on NewNode usage through these apps is available for only a small portion of FY 2020. It will be reported for the first time for FY 2021.

Indicators:

The measures for this performance goal reflect various aspects of usage of various USAGM-supported proxy tools for circumventing internet censorship, including Psiphon, nthLink, and NewNode. Metrics include average number of weekly unique users on the tools, average weekly visits to USAGM websites through the tools (measured as the number of landing pages served), and annual proxy traffic through the tools.

Contextual Indicator:

Freedom House Rankings	# of countries with customized USAGM-sponsored circumvention tools ranked as:		
	Not Free	Partly Free	Not Ranked
2020 FREEDOM ON THE NET	**11**	**1**	**4**

In addition to these performance goals, USAGM will present narrative evidence that it is accomplishing Impact Objective 3, including:

- Development of new technologies and activities to counter internet censorship and blocking
- Education about and promotion of circumvention and digital security technologies

Impact Objective 4

Optimize program delivery by market and expand engagement on digital platforms

It is essential that USAGM reach audiences on their preferred media platforms. USAGM is aligning how it delivers content with how consumers access it now and in the future. USAGM will continue growing and enhancing new distribution methods, with specific attention to social and mobile platforms. On traditional media, USAGM is continually migrating to the most effective broadcast channels, including satellite and broadcast television and FM radio. The Agency is aggressively expanding and improving on its successful model of affiliations and syndication of content on all platforms. Ultimately, USAGM seeks to utilize the platforms that work best for the market at hand to get content to as many users as possible.

USAGM will:

- Increase distribution on platforms that USAGM knows audiences are using — FM, satellite and broadcast television, and mobile devices — continuing our migration away from legacy platforms where they do not reach audiences.
- Expand reach and engagement on digital platforms, including new streaming and over-the-top platforms.
- Find creative ways to penetrate closed societies, through flash drives, DVDs, and other alternative delivery means.
- Expand local distribution through affiliation with strong local television and FM radio stations and digital platforms and, where possible, installation of FM transmitters.
- Draw on research and other inputs to tailor format and presentation styles to audience needs and media usage habits, creating content that can break through ever-increasing clutter.
- Exploit the falling cost of video production by updating USAGM broadcasting facilities to support growing audience appetite for TV and video.

USAGM tracks its progress in achieving Impact Objective 4 with the following performance goals:

Impact Performance Goal 4.1: Increase web traffic

AVERAGE WEEKLY VISITS TO WEBSITES[1]						
Network	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target (increase over FY20)[2]	FY 2022 Target (increase over FY21)[2]
VOA	8,850,000	9,383,700	9,571,400	10,832,000	2%	3%
RFE/RL	9,751,200	10,990,200	11,539,700	14,466,500	5%	5%
RFA	1,010,900	1,267,000	1,330,400	1,468,100	6%	6%
MBN	854,500	1,028,100	1,182,300	3,076,900	5%	20%
OCB	142,600	136,100	149,700	163,900	5%	5%

1 Data in the chart above represents a visit to our web properties, measuring the total number of sessions for all visitors to these sites. These figures do not include traffic to social media sites (Facebook, Twitter, etc.) or some proxy visits and app traffic; visits are not an indicator of the depth of experience (total volume of content consumed, including video, audio, articles, etc.). These figures should be compared across years and not across broadcasters, in part because broadcasters are measuring different numbers of websites and languages.

2 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources, specifically linear regression of past performance and industry forecasts of digital media access across target regions. VOA website targets are relatively low, in part, due to recent efforts to move resources towards social media. MBN's target for FY 2021 is lower than anticipated due to a delayed CMS transition.

Indicator:

AVERAGE WEEKLY VISITS: This indicator measures the number of visits to USAGM websites and mobile sites over a 52-week period and creates an average based on 52 weeks of data coinciding with the fiscal year. This indicator does not measure visits to social media sites such as Facebook, YouTube, or Twitter. Average weekly visits are derived from online analytic data tracked in Adobe Analytics. Unlike the measured weekly audience reported above, average weekly visits to websites are not unduplicated, meaning one individual who visited a website more than once a week would be counted multiple times.

Impact Performance Goal 4.2: Increase audience interaction via social media

In FY 2020, USAGM conducted a thorough review of its digital impact metrics. Factors considered in the review include the ability to support new platforms, promote innovation, and ensure data compliance, as well as the need for automation, standard vendor selection, and scale. From the wide range of available social media metrics, the review identified two new metrics (digital reactions and engagement actions) that better embody impact and reflect the new digital landscape and updated best practices.

Previous metric:

AVERAGE WEEKLY DIGITAL ENGAGEMENT ACTIONS				
Network	FY 2018 Actual	FY 2019 Actual[1]	FY 2020 Target	FY 2020 Actual[2]
VOA	4,126,700	5,494,700	5,714,500	8,830,100
RFE/RL	2,261,300	4,100,800	4,305,800	7,415,500
RFA	823,200	1,130,900	1,176,100	3,056,600
MBN	883,000	516,400	526,700	1,244,100
OCB[3]	70,700	70,000	77,000	113,600

1 Beginning with the FY 2019 Actuals, USAGM included digital engagement actions on Instagram, in addition to the three platforms previously tracked (Facebook, Twitter, and YouTube).

2 FY 2020 data pulled from Socialbakers from 10/1/2019 to 9/5/2020.

3 OCB's FY 2018 Actual was previously reported incorrectly in the FY 2018 Performance and Accountability Report and FY 2020 Congressional Budget Justification, due to a calculation error; it has been corrected here.

Indicator:

DIGITAL ENGAGEMENT ACTIONS (PREVIOUS): This indicator measures the weekly average number of engagement actions on measurable platforms, currently Facebook, Twitter, YouTube, and, beginning with the FY 2019 Actuals in this budget, Instagram. Engagement actions include measurable actions that demonstrate an activity beyond just consuming content: liking or "favoriting" or reacting to a USAGM post, commenting on a USAGM post, sharing/retweeting

a USAGM post, liking or following a USAGM account or profile for the first time (i.e. this is counted only once, during the first week someone follows a USAGM account.) These actions are tracked through online analytics by a third party vendor (Socialbakers).

New metrics:

AVERAGE WEEKLY DIGITAL REACTIONS			
Network	FY 2020 Actual	FY 2021 Target[1] (increase over FY 20)	FY 2022 Target[1] (increase over FY 21)
VOA	4,056,255	4%	4%
RFE/RL	1,897,007	5%	5%
RFA	2,381,612	50%	5%
MBN	796,022	10%	20%
OCB	49,840	5%	5%

1 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources. The last 12 months saw extraordinary growth for VOA on digital platforms, but particularly on social media. The ongoing pandemic, an historic election and insurrection in the United States, and a coup that toppled the democratic government of Myanmar led to 481 million social media interactions and 6.1 billion video views, led by growth on Instagram. As traditional broadcast audiences remain stable or even shrink, digital audiences are more than making up the gap. Though the news cycle may make maintaining this growth a challenge, in the next year, VOA will continue its push into social platforms by leveraging strong relationships with those companies and experimenting with emerging platforms like Clubhouse. Changes in the Facebook algorithm favoring posts from friends and family over those of "publishers" reduced the number of USAGM posts that appear in people's Facebook feeds. Qualitative research for RFA suggests growing fear of engaging on Facebook with sensitive news content in Southeast Asia. In recent years, RFA's digital growth in key markets, especially Burma, has helped offset some of the losses from algorithm changes. The combination of explosive news in Burma and Hong Kong has fueled enormous engagement in those markets. However, the military takeover of the government in Burma and fear in Hong Kong likely will chill this behavior in the longer term.

Indicator:

DIGITAL REACTIONS (NEW): This indicator measures the weekly average number of reactions from social media accounts on measurable platforms, currently Facebook, Twitter, YouTube, and Instagram. Digital reactions include: all reactions on Facebook, hearts on Twitter and Instagram, and likes and dislikes on YouTube. These reactions are tracked through online analytics by a third-party vendor (Socialbakers).

AVERAGE WEEKLY SELECT DIGITAL ENGAGEMENT ACTIONS			
Network	FY 2020 Actual	FY 2021 Target[1] (increase over FY 20)	FY 2022 Target[1] (increase over FY 21)
VOA	831,204	4%	4%
RFE/RL	566,573	5%	5%
RFA	542,870	50%	5%
MBN	222,550	10%	20%
OCB	22,988	5%	5%

1 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources. Changes in the Facebook algorithm favoring posts from friends and family over those of "publishers" reduced the number of USAGM posts that appear in people's Facebook feeds. Qualitative research for RFA suggests growing fear of engaging on Facebook with sensitive news content in Southeast Asia. In recent years, RFA's digital growth in key markets, especially Burma, has helped offset some of the losses from algorithm changes. Massive events in Hong Kong and Burma fueled extraordinary engagement with RFA in FY 2021, especially in those markets. However, since the military takeover in Burma and China's control of Hong Kong, fear and government control of the internet have grown and likely will impact this metric longer term.

Indicator:

SELECT DIGITAL ENGAGEMENT ACTIONS (NEW): This indicator measures the weekly average number of select engagement actions on measurable platforms, currently Facebook, Twitter, YouTube, and Instagram. Select engagement actions include: comments and shares on Facebook, comments on YouTube and Instagram, and retweets and replies on Twitter. These actions are tracked through online analytics by a third party vendor (Socialbakers).

Impact Performance Goal 4.3: Build strong affiliate relationships

NUMBER OF AFFILIATIONS						
	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[1]	FY 2022 Target[1]
USAGM[2]		3,729	3,850	4,174	4,180	4,200
VOA[3]	2,247	3,151	3,200	3,523	3,530	3,540
RFE/RL	777	1,140	1,200	1,228	1,230	1,235
RFA	11	10	11	11	11	12

1 Factors contributing to FY 2021 and FY 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources, as well as a previous restructuring of the affiliate database system which resulted in a lower affiliate count, with a focus on larger high-impact affiliates within that count.

2 USAGM reported a consolidated number of affiliations for the first time in FY 2019. This number is unduplicated, meaning that a station or outlet is counted only once, even if it retransmits content from more than one USAGM network. For this reason, the total number of USAGM affiliations is lower than the sum of the individual network affiliations.

3 Beginning with the FY 2019 Actual, the VOA figures include stations or outlets that also retransmit RFE/RL or RFA content. These were previously unreported in FY 2018 and prior years.

Indicator:

AFFILIATIONS: Affiliates — broadcast stations and digital platforms that carry USAGM content — are a primary gatekeeper between the USAGM networks and their end-users. Counting the number of affiliates, then, offers a measure of the appeal of the programming to these vital gatekeepers and distributors of the USAGM networks' content. As shortwave usage wanes in parts of the world, the importance of affiliations with local medium wave and FM radio and television stations grows. With the growth of digital and mobile technology, there are new forms of affiliations, including online and mobile. The affiliation indicator counts all stations or outlets that regularly retransmit content from the USAGM networks.

In addition to these performance goals, USAGM will present narrative evidence that it is accomplishing Impact Objective 4, including:

- Shifting platforms to respond to changing audience preferences
- Using alternative, creative ways to deliver content

Impact Objective 5

Serve as an authoritative source of information on United States news, policy, and society

Representing American society and presenting and discussing United States policy are legislated mandates for the Agency and thus constitute mission imperatives. USAGM's coverage of the United States is comprehensive across all elements of society, but aims overall to convey the practice of democracy in all of its complexity. It is not about persuading audiences to admire the United States; it is about helping them see how the United States manages the challenges of a democratic society — from economic growth to fiscal crises to race relations to educating youth and addressing environmental change. These topic areas find ready comparisons in USAGM's target countries and resonate with the Agency's audiences in practical and meaningful ways. Carrying out this element of our mission requires sensitivity and creativity. Attitudes of anti-Americanism run strong in some parts of the world, necessitating deft outreach that stresses dialogue, not monologue. The way people interact with media today, with emphasis on interaction, further affirms this approach. At the same time, America's still dominant role on the global stage makes it a focal point of international attention, and its national language is the one that tens of millions of people around the world seek to learn. VOA, in particular, is uniquely mandated and positioned to leverage these advantages to connect with diverse international audiences, serving as a United States news bureau for affiliate partners and providing English-learning programming.

USAGM will:

- Serve as a United States bureau for media outlets across the world that wish to engage with us for news, analysis, and perspectives from the United States — on the model that has succeeded in Ukraine, Latin America, Nigeria, Indonesia, and elsewhere.
- Portray the breadth and diversity of the American experience, with particular attention to diaspora communities and Americans outside of big cities.
- Emphasize English learning as a vehicle for positive audience engagement and interaction as well as information on American society and culture.

- Meet the global interest in American politics with in-depth coverage and analysis of national elections and coverage of other political events to impart the news and to elucidate the democratic process, with stories localized to make them interesting to specific target regions.
- Satisfy the world's growing appetite for learning English through TV and radio programs, online instruction, printed instructional materials, and innovative short-form videos designed for social media.

USAGM tracks its progress in achieving Impact Objective 5 with the following performance goal:

Impact Performance Goal 5.1: Provide programming that increases audiences' understanding of the U. S.

UNDERSTANDING OF AMERICAN SOCIETY *Percentage of weekly audience who report that the broadcasts have increased their understanding of American society somewhat or a great deal*						
NETWORK	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[1]	FY 2022 Target[1]
VOA	62	56	56	56	58	58
MBN	42	44	55	38	50	65
OCB	85	85	85	85	85	85

1 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources. Although qualitative indicators tend to remain stable without large increases or reductions in a populous country, VOA still expects that new data arriving in FY 2021 and 2022 may show an erosion in some qualitative indicators, such as understanding of American society, with changing attitudes toward the United States in target countries. However, coverage of the United States general election in late 2020 may lead to a temporal increase in this indicator as reported in 2021. MBN expects moderate increases in this indicator as a result of greater United States-focused programming and improvements in Iraq. Additionally, MBN's numbers are heavily based on Iraq, where MBN has by far its largest audience.

Indicator:

UNDERSTANDING OF AMERICAN SOCIETY: This indicator is determined by a question in representative surveys asking past week listeners/viewers/online users of a USAGM entity's broadcasts in a particular language whether the broadcasts have "increased their understanding of American society." The answers are registered on a four-point scale: a great deal, somewhat, very little, or not at all. The understanding indicator is a weighted average, by audience size, of the percentage of those answering the question in the survey (excluding those who did not respond or did not know) who chose "a great deal" or "somewhat."

UNDERSTANDING OF UNITED STATES FOREIGN POLICY

Percentage of weekly audience who report that the broadcasts have increased their understanding of United States foreign policy somewhat or a great deal

NETWORK	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[1]	FY 2022 Target[1]
VOA	60	54	54	53	55	54
MBN	42	44	55	47	55	60
OCB	89	89	90	89	90	90

1 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources. VOA still expects that new data arriving in FY 2021 and 2022 may show an erosion in qualitative indicators, such as understanding of United States foreign policy, with changing attitudes toward the United States in target countries. However, coverage of the United States general election in late 2020 may result in a temporal increase in this indicator, though the United States withdrawal from Afghanistan and other events may subsequently reduce it. MBN expects moderate increases in this indicator as a result of greater United States-focused programming, despite the fact that most audiences do not closely follow United States news and events. Understanding of United States foreign policy for MBN is primarily based on Iraq and obscures significantly higher understanding in several countries including 64 percent for Alhurra in Morocco and 71 percent in the Palestinian Territories.

Indicator:

UNDERSTANDING OF UNITED STATES FOREIGN POLICY: This indicator is determined by a question in representative surveys asking past week listeners/viewers/online users of a USAGM entity's broadcasts in a particular language whether the broadcasts have "increased their understanding of United States foreign policy." The answers are registered on a four-point scale — a great deal, somewhat, very little, or not at all. The understanding indicator is a weighted average, by audience size, of the percentage of those answering the question in the survey (excluding those who did not respond or did not know) who chose "a great deal" or "somewhat."

Impact Performance Goal 5.2: Provide exceptional news and information

UNIQUENESS[1] *Percentage of weekly audience reporting that broadcaster presents information they cannot get from other media*						
NETWORK	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[2]	FY 2022 Target[2]
VOA	31	28	27	28	29	29

1 Uniqueness scores for the other networks are presented in Impact Performance Goal 6.2: Serve as a surrogate news operation, delivering information otherwise not available in local markets.

2 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources. VOA anticipates a small increase in this indicator after delivering a large amount of COVID programming, including markets in which local governments are less than fully transparent about the pandemic.

Indicator:

UNIQUENESS: This indicator is determined by a question in representative surveys asking past week listeners/viewers/online users of any language how much of the information provided by the entity is also available from other sources on the radio, TV, or internet. The answers are registered on a four-point scale — all of it is available elsewhere, some of it is available elsewhere, very little of it is available elsewhere, or none of it is available elsewhere. The unique information indicator is a weighted average, by audience size, of the percentage of those answering the question in the survey who chose "very little" or "none."

In addition to these performance goals, USAGM will present narrative evidence that it is accomplishing Impact Objective 5, including:

- Successful deployment of the United States bureau model
- Exceptional or unique coverage of important United States news stories

Impact Objective 6

Serve as a surrogate news operation, delivering information otherwise not available in local markets

In environments where state-run media are dominant and independent media are either not allowed or not fully established, the USAGM networks, particularly RFE/RL and RFA, often play a surrogate role, acting as local media would if they were free to operate. In this role, the networks emphasize domestic news for their geographically defined audiences and cover developments specific to defined target markets, especially in countries without a free press or in transition. They focus on local news events not covered in state-controlled domestic media, as well as other sensitive topics, including religion, science, and locally-banned literature and music. They give voice to dissidents and opposition movements, while maintaining balanced coverage, and serve as platforms for a range of opinions and voices from these countries.

USAGM will:

- Build strong networks of local stringers across target regions.
- Where possible, maintain an on-the-ground bureau presence, to report local news from a local perspective.
- Where in-country access is limited, cultivate networks of trusted contributors and closely monitor official and alternative media.
- Use social media and other interactive tools to gather information from closed societies, amplifying voices of those struggling for free expression.
- Provide platforms for free expression of various viewpoints and work to help people bridge traditional divides, including class, ethnicity, religion, etc.

USAGM tracks its progress in achieving Impact Objective 6 with the following performance goals:

Impact Performance Goal 6.1: Provide programming that increases audiences' understanding of current events in target countries

UNDERSTANDING OF CURRENT EVENTS IN TARGET COUNTRY[1] *Percent of weekly audience who report that the broadcasts have increased their understanding of current events in the target country somewhat or a great deal*						
NETWORK	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[2]	FY 2022 Target[2]
RFE/RL	77	75	76	75	76	77
RFA	83	83	84	78	62	65
MBN						
OCB						
VOA in select markets				72	72	73

1 This was a new measure in FY 2018. Actuals are only available for a small number of language services for FY 2018 through FY 2020. The question will be incorporated into the core USAGM questionnaire going forward.

2 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources. RFA's FY 2020 actuals are based on surveys from Burma and Cambodia only. RFA's FY 2021 and 2022 targets are based on Cambodia alone, as Burma data for this indicator are not available and additional surveys are unlikely. VOA currently has results for this indicator in 11 markets, and expects it to remain stable.

Indicator:

UNDERSTANDING OF CURRENT EVENTS IN TARGET COUNTRY: This indicator is determined by a question in representative surveys asking past week listeners/viewers/online users of [language] whether the broadcasts have "increased their understanding of current events in [target country]." The answers are registered on a four-point scale: a great deal, somewhat, very little, or not at all. The understanding indicator is a weighted average, by audience size, of the percent of those answering the question in the survey (excluding those who did not respond or did not know) who chose "a great deal" or "somewhat."

Impact Performance Goal 6.2: Provide exceptional news and information

UNIQUENESS *Percentage of weekly audience reporting that broadcaster presents information they cannot get from other media*						
NETWORK	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[1]	FY 2022 Target[1]
RFE/RL	25	26	26	27	27	27
RFA	40	40	50	38	36	36
MBN	32	29	40	30	40	45
OCB	78	78	80	78	80	80

1 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources. RFA's FY 2020 metric was derived from Burma and Cambodia data. RFA's FY 2021 and 2022 targets are based on Cambodia alone, because this question was not asked in the Gallup WorldPoll module in Burma. MBN expects modest increases in this indicator as a result of increased focus on content not available in other regional media.

Indicator:

The uniqueness indicator is defined above under Impact Performance Goal 5.2.

In addition to these performance goals, USAGM will present narrative evidence that it is accomplishing Impact Objective 6, including:

- Coverage of important local news stories that other media are not covering

Impact Objective 7

Engage local media and empower citizen information gathering and exchange

Local media affiliates are the primary means through which the USAGM networks now reach their target audiences in most markets. However, the relationship with these media partners is about much more than just content delivery. By developing these media networks and connecting our affiliates to one another, USAGM fosters rich, open media ecosystems. USAGM leads by example in its journalistic practices, but it also increasingly partners with affiliates on content co-creation, sometimes even participating in daily editorial meetings. USAGM also provides training to indigenous media on topics ranging from journalism principles to business practices. In a similar way, USAGM works to connect audiences to one another, and to foster the free flow of information, often through a wide array of web, mobile, and social media tools. These tools have made media personal, moving the power from centralized broadcasters to a new class of bloggers, activists, videographers, and a content-generating public. They are using media not only to tell their stories on a digital world stage but also to connect with one another to chart the future of their communities and build new forms of civil society.

USAGM will:

- Deepen relationships with key local media affiliates, providing editorial guidance, training and technical assistance, and other resources to strengthen local, independent media sectors.
- Nurture citizen journalism and channel user-generated content from inside repressive states.
- Link citizens within repressive societies to one another and to external audiences through social media networks.
- Facilitate dialogue across religious, national and ethnic groups.
- Enter into a "global conversation" with USAGM audiences by using social media tools to identify, source, and distribute news content into the channels where people are having conversations about their community and the world.

USAGM tracks its progress in achieving Impact Objective 7 with the following performance goals:

Impact Performance Goal 7.1: Increase engagement with local media outlets

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[1]	FY 2022 Target[1]
Number of USAGM affiliates with national reach that air custom or interactive segments during primetime[2]	60	68				
Number of USAGM radio and TV affiliates that serve multiple markets[2]		452	475	540	555	560
Number of USAGM affiliates that air custom or interactive segments[2]		80	85	99	105	110
Number of weekly downloads from affiliate content distribution portal, Direct	2,750	2,815	3,250	3,662	3,800	4,000

1 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources.

2 In FY 2019, USAGM changed the performance metrics for this goal to emphasize affiliates that are multi-market, rather than national, and to focus on those who air custom or interactive segments.

Indicators:

The indicators for increasing engagement with local media outlets include: the number of USAGM radio and TV affiliates that serve multiple markets, the number of USAGM affiliates that air custom or interactive segments, and the average number of weekly downloads (audio, video, text, or photos) from Direct, the affiliate content distribution portal. USAGM is discontinuing use of the metric measuring the number of USAGM affiliates (radio or TV) with national reach that air custom or interactive segments (also known as "bureau" reports, produced jointly with the USAGM networks) during primetime.

Impact Performance Goal 7.2: Increase sharing of USAGM programming

SHARING *Percent of weekly audience who shares news heard/read/seen on broadcaster at least once a week*						
NETWORK	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target[1]	FY 2022 Target[1]
VOA	46	49	49	49	50	49
RFE/RL	44	41	45	40	42	44
RFA	41	41	42	37	43	45
MBN	67	62	55	48	50	60
OCB	56	56	60	56	59	62

1 Factors contributing to FY 2021 and 2022 targets include current positioning in the media market, anticipated future trends, and proposed budgetary resources. VOA expects a temporal increase in this indicator based on overall audience growth and the historic news cycle in 2020-2021. For RFA, the drop in sharing in FY 2020 likely was impacted by fear of recommending RFA content because of growing government surveillance online in both Cambodia and Burma, the only markets reflected in this metric that year. Social media users in both countries have suffered consequences for expressing opinions about the domestic topics heavily featured in RFA, including coverage of the Rohingya crisis. RFA's FY 2021 and 2022 targets are based on Cambodia alone, because this question was not asked in the Gallup WorldPoll module in Burma.

Indicator:

SHARING OF PROGRAMMING: This indicator is determined by a question in representative surveys asking past week listeners/viewers/online users in any language how often they share news that they have heard, seen, or read from a USAGM entity with friends or relatives, or with their social network. The answers are registered on a five-point range — daily or most days per week, at least once a week, at least once a month, less than once a month, or never. The sharing indicator is a weighted average, by audience size, of the percentage of those answering the question in the survey who chose "daily or most days per week" or "at least once a week."

In addition to these performance goals, USAGM will present narrative evidence that it is accomplishing Impact Objective 7, including:

- Substantive engagement with key local media affiliates
- Citizen journalism and user-generated content
- USAGM-facilitated dialogue across religious, national and ethnic groups

Agility Objective 1

Run USAGM as a nimble, resilient, cost-effective, and state-of-the-art media enterprise

By virtue of historical circumstance, today's USAGM is a complex amalgam of diverse media outlets and respective support organizations, operating under different legal and administrative frameworks. The result is an organization that has sometimes lacked the agility to operate in a rapidly evolving global media environment and the standardization that enables rational resource allocations. However, in recent years, the Agency has begun a fundamental transformation in order to appropriately fulfill its charter and meet the challenges of growing geo-political instability and substantial budgetary constraints.

USAGM will:

- Pursue an efficient and effective organizational structure.
- Enhance the Agency's technological platforms and workflows, enabling it to continually adapt to global standards in content acquisition, manipulation, and distribution, as well as audience consumption behaviors.
- Automate and streamline business processes and workflows.
- Employ cloud-based technology to achieve nimbleness, resilience, and cost-savings.
- Protect USAGM from persistent threats from state and non-state actors through enhancements to its cybersecurity posture.

USAGM tracks its progress in achieving Agility Objective 1 with the following performance goals:

Agility Performance Goal 1.1: Streamline program delivery

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Transition to internet and fiber optic content distribution to stations and uplinks, migrating away from more costly satellite distribution	USACM is in the process of transferring these feeds and expects 75% of satellite-based distribution feeds transferred to terrestrial circuits by Q3 FY 2019. 50% of MPLS network transferred from Hub and Spoke to any-to-any mesh network. 40% of contribution feeds are now leveraging public internet for Primary or Backup.	100% of satellite-based distribution feeds converted to terrestrial circuits. 75% of contribution feeds moved off satellite for either primary or secondary connections; costly satellite backups eliminated where possible.	100% of satellite contribution feeds converted to terrestrial circuits. 100% of DTH content migrated to DTH multiplex platforms housed with like news and current affairs services in the same language.	100% of contribution feeds to Cohen Bldg converted to terrestrial circuits. 91% of DTH content migrated to DTH multiplex platforms housed with like news and current affairs services in the same language. Pilot use of cloud-based, on-premises live streaming Software-Defined Video Platform (Zixi) that enables broadcast-quality video delivery over IP.	100% of backhaul distribution converted from C-band satellite to terrestrial IP. Once the migrations from satellite to terrestrial are complete, continue to review to further optimize distribution to reduce cost and mitigate WiMAX and 5G service interference. 100% of DTH content migrated to DTH multiplex platforms housed with like news and current affairs services in the same language. Further implement cloud-based, on-premises live streaming Software-Defined Video Platform (Zixi) for broadcast-quality video delivery over IP.	Continue to review program delivery to further optimize distribution to reduce costs and maximize viewership by placing region-specific programming on regional DTH satellites. Further implement cloud-based, on-premises live streaming Software-Defined Video Platform (Zixi) for broadcast-quality video delivery over IP.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Optimize remaining shortwave distribution, taking advantage of the strategic location and lower operating cost of Kuwait Transmitting Station	Poro Transmitting Station closed; handover pending final action by the Filipino government. Installation of new antenna at Kuwait Transmitting Station underway, expected to be complete in Q2 FY 2019.	Poro Transmitting Station handed over in September 2019. The installation of the new SW antenna at Kuwait Transmitting Station has been delayed due to contracting and logistical issues. It is now expected in Q3 FY 2020. Restored 4 (of 15) antennas on CNMI Transmitting Station to service.	Maintenance and repair efforts to USAGM transmission facilities focused on functionality and protecting human life and property. Complete design and installation of new SW arrays at Kuwait Transmitting Station to serve Africa. Restore 4 more (total 8 of 15) antennas on CNMI Transmitting Station to service. Review all transmission leases to identify further opportunities for savings.	At Kuwait Transmitting Station, new SW antenna for the Middle East completed in Q2 FY 2020. Contract for design and installation of new SW antenna arrays for Africa awarded Q4. Restored 3 more (total 7 of 15) antennas on CNMI Transmitting Station to service. Broad cross-agency business review of all SW and MW transmission begun, with recommendations for cuts and reductions made.	Maintenance and repair efforts to USAGM transmission facilities focused on functionality and protecting human life and property. Work to restore 2 more antennas on CNMI Transmitting Station to service. Build of new SW antenna arrays for Africa completed. Kuwait project completed. Review all transmission leases to identify further opportunities for savings.	Complete restoration of 2 more (total 7 of 15) antennas on CNMI Transmitting Station to service and work to restore 2 additional antennas. If completed, total restored by end of FY 2022 will be 9 of 15.
Expand FM transmissions, to match audience preferences	New FMs installed in Brazzaville and Pointe Noire, Rep. of Congo; Mbuji-Mayi and Katanga, DRC. Mogadishu FM is underway, expected on air in Q1 FY 2019.	FMs successfully installed in Mogadishu, Somalia; Lomé, Togo; and Mombasa, Kenya.	FMs installed in Lusaka, Zambia and in refugee camps in NE Kenya. Additional FM erected in eastern Democratic Republic of Congo. Full-time lease established in Kampala, Uganda.	Lusaka, Zambia FM installed and on-air in Q2 FY 2020. One FM was installed in the Kakuma refugee camp and went on the air in Q4 FY 2020. The other FM at the Dadaab camp was vandalized and is therefore anticipated for Q1 FY 2021. Ugandan communications commission rejected USAGM's application to purchase existing frequency. If new frequencies become available in the future, may reapply.	Leverage national license in the Democratic Republic of Congo to establish a new FM in North Kivu, to cover that region and portions of Burundi. Continue to pursue FM opportunities in key markets, mostly in Africa and SE Asia.	Continue to pursue FM opportunities in key markets, mostly in Africa and SE Asia. Improve reliability of stations operating in some of the most challenging and critical environments.

Agility Performance Goal 1.2: Automate and streamline key business processes

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Complete business process reengineering and automation of business and media workflows	Consolidation of support team efforts, including IT help desk, building facilities, Network Control Center, and telecoms, into integrated Solutions Center (now named TSI Help Center) began.	The majority of Help Center services consolidated. Full rollout not achieved due to new requirement to support VOA technology suite. Continued to participate in effort to identify a new HR management system. Agency transitioned to Teams unified communications tools across 100% of agency desktops and mobile devices. Telephony integrated with Teams rolled out for 20% of workforce.	Help Center 100% consolidated. Replacement of help desk tracking and assignment tool, Footprints, with a more robust, adaptable tool to help improve outcomes and response times. Continue to refine and improve USAGM's suite of key business process tools.	Help Center 50% consolidated. In FY 2020 USAGM focused Help Center consolidation specifically on integrating the support of Voltron, cross-training, building out new resources and implementation of new workflows. Completion of phase 1 Dataminer rollout for NCC; proof of concept allows local operations and monitoring processes to be centralized and monitored from any location.	Help Center 100% consolidated. Continue to refine and improve USAGM's suite of key business process tools, including cognitive services/AI. Replacement of help desk tracking and assignment tool, Footprints, with a more robust, adaptable tool to help improve outcomes and response times. Complete NCC integration with distribution monitoring operations at Lampertheim (Germany) transmitting station. Review cloud integration of monitoring and automation platforms.	Continue to expand Help Center as needed to support new Agency requirements. Complete NCC integration with distribution monitoring operations at Kuwait transmitting station.

Agility Performance Goal 1.3: Leverage cloud Services and other technologies to boost workforce effectiveness and efficiency.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Migrate onsite systems to cloud for enhanced effectiveness and efficiency	Migration of onsite workstation/user storage to cloud for enhanced portability and a more robust backup/disaster recovery profile nearly complete (80%). Full completion expected in Q2 FY 2019. Transition of some broadcast operations to cloud-based playout and switching systems has not yet begun.	Completed migration of onsite workstation/user storage to cloud for enhanced portability and a more robust backup/disaster recovery profile. Continued transition of radio broadcast operations to cloud-based playout and switching systems. Implementation of off-site, carrier neutral Data Center begun with contract award.[1] Matured and expanded support for business analytics suite that drives USAGM increased utilization of data-driven strategy and decision-making.	Relocate USAGM headquarters network core to offsite data center to replace current core and to facilitate potential building relocation. Leverage Data Center-hosted storage systems to replace current on-premises storage. Implement Managed Service Provider (MSP) service model for 24 x 7 x 365 network support. Complete transition of radio broadcast operations to cloud-based playout and switching systems. Extend business analytics suite and AI to assist journalists by automating a number of translation and simple story posting tasks.	Delivered datacenter services enabling over tenfold increase of external data communication capacity. Content distribution over the public Internet has replaced Agency-provided satellite uplinks with geographically diverse internet and dedicated commercial media service provider content delivery. Began consolidation of Agency cloud connections to rationalize the Agency's cloud service portfolio.[2] Implemented Virtual Desktop capability to support the rapid growth of telework community on a secure, more scalable platform. Accelerated a reduced rollout of remote monitoring capability to accommodate COVID-19 remote operations (using VPN to access existing multiviewer).	Investigate migrating IT requirements to hosted solutions where possible to optimize costs and dependability. Consolidate cloud service interconnections, providing datacenter cross-connects to cloud service transit gateways. Leverage improved network monitoring and automation tools to simplify and improve network device management. Deliver SD-WAN solution to enable Agency WAN services over the public Internet with improved service delivery, in terms of bandwidth and uptime. Azure Cloud integration to allow improve network and content monitoring with upgraded multiviewing platform.	Investigate and plan delivery of new Agency LAN Core. Deliver consolidated, next-generation WIFI solution for the Agency Global Network. Complete service delivery of cloud-managed SD-WAN solution over the public Internet, reducing WAN architecture from 5+ transport methods to a consolidated, standard method. Investigate cloud-based VOIP/PBX solution to converge all remote sites with the Agency Enterprise. Expand monitoring and operational service availability using Azure and other cloud services. Continue to boost cloud-based support for broadcasting operations. Cloud-based solutions will be the first choice on new projects in order to accommodate USAGM's anticipated long-term remote work requirement.

1 Implemention of off-site Data Center in FY 2019 was incorrectly reported in the FY 2019 PAR and FY 2021 Congressional Budget Justification. It was corrected in the FY 2020 PAR and is reflected here.

2 Implemention of cloud connection consolidation in FY 2020 was incorrectly reported in the FY 2020 PAR. It has been corrected here.

Agility Performance Goal 1.4: Strengthen resilience and risk posture of the Agency

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Strengthen USAGM's cybersecurity posture	Made progress toward defined level of maturity of IT Information Security Program. Piloted DHS CDM tools to enhance the Agency's ability to identify and mitigate the impact of cyber threats. Full rollout expected in Q1 FY 2019.	Completed, received approval for, and published several dozen information security and privacy strategies, policies, and procedures. Completed first phase of multifactor authentication (MFA), as well as deployment of DHS monitoring tools and dashboard.	Continue to mature IT Information Security Program policies and strategies. Implement SSL traffic monitoring capabilities and defenses. Pilot DHS's Privileged Account Management and Usage Monitoring Program. Implement multifactor authentication (MFA) for all users accessing the Agency network, systems, applications, and cloud services.	Pilot program launched to implement multifactor authentication (MFA) for all users accessing the Agency network, systems, applications, and cloud services. COVID-19 pandemic delayed Agency-wide deployment. Launched a Data Loss Prevention pilot program to better protect information from accidental or malicious exfiltration. This pilot will also provide secure means for staff to share information with external partners for legitimate business needs. Adjusted IT security architecture, tools, and procedures to extend operations and monitoring to a de-centralized operations model during the COVID-19 pandemic, which increased the agency's ability to detect and prevent data loss, data exfiltration, and compromise of credentials. Built an Information Security Risk Management Program and IT Governance Program.	Achieve "consistently implemented" maturity level for USAGM's information security program. All systems deployed per specified security baseline configurations, and multifactor authentication fully implemented for all access to Agency networks and applications. Data Loss Prevention program fully implemented. IT Security Risk Management Program piloted. IT Governance Program piloted. Develop cloud-centric and remote-work security policies and procedures that support the USAGM IT strategic plan. Integrate existing tools and introduce a LAN micro segmentation strategy to provide a more secure network.	IT Security Risk Management Program fully implemented across all USAGM broadcast networks IT Governance Program fully implemented across all USAGM networks Fully implement cloud and remote work security policies and procedures that support the CIO strategic plan

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Use Enterprise Risk Management[1] to manage risks and optimize costs related to the achievement of USAGM objective	USAGM stood up the Office of Risk Management (ORM) responsible for agency-wide risk management activities, including Enterprise Risk Management (ERM). ORM developed and documented agency-level ERM framework, governance structure, and risk identification process.[2]	Identified, assessed, and analyzed enterprise risks and developed the Agency's FY 2019 ERM Risk Profile that reflects significant risks to the achievement of USAGM's mission. The risk owners developed and implemented appropriate risk responses and corresponding efforts and performance measures to the profile risks. Drafted, documented, and received approval for Agency-wide Information Security Risk Management (ISRM) Strategy and Framework in accordance with FISMA and NIST guidelines.	Continue the implementation of the FY 2019 Risk Profile risk response strategies, and analyze performance measures to track their progress and effectiveness. Implement Agency-wide ISRM strategy and framework, including the development of an Agency-wide FY 2020 IT risk register. Develop Agency-wide business continuity and disaster recovery plans to mitigate disruption to Agency's operations during and after unforeseen events. Identify, assess and analyze enterprise risks and develop the FY 2020 ERM Risk Profile that reflects significant risks to the achievement of Agency mission and determine appropriate responses to the Risk Profile.	Implemented the FY 2019 ERM Profile risk response strategies, and monitored performance measures to track control effectiveness. Implemented Agency-wide ISRM strategy and framework, including the development of an FY 2020 IT Security Risk Register that includes IT Security risks from federal and non-federal entity networks. Conducted Agency-wide Business Impact Analysis (BIA) across USAGM and the federal broadcast networks. Developing Agency-wide Business Continuity Plan to mitigate disruption to Agency operations during and after unforeseen events. Completed the FY 2020 ERM Cycle that culminated in the FY 2020 ERM Profile.	Identify, assess, and analyze enterprise risks and develop the FY 2021 ERM Profile that reflects significant risks to the achievement of Agency mission and determine appropriate responses to the ERM Profile risks. Monitor the FY 2020 ERM Profile risks to gauge control effectiveness and monitoring of risk response strategies. Develop Agency-wide Continuity of Operations (COOP) Plan and Business Continuity Plan (BCP) to mitigate disruption to Agency operations of mission essential functions during and after unforeseen events. Develop a Cyber Supply Chain Risk Management (C-SCRM) Strategic Plan consistent with the FY 2021 FISMA metrics.	Identify, assess, and analyze enterprise risks and develop the FY 2022 ERM Profile that reflects significant risks to the achievement of Agency mission and determine appropriate responses to the ERM Profile risks. Monitor the FY 2021 ERM Profile risks to gauge control effectiveness and monitoring of risk response strategies. Implement C-SCRM Strategic Plan. Integrate risk management into strategic planning by coordinating with the Office of Policy and Research. Institute annual risk awareness training for all USAGM employees and contractors to improve and enhance risk culture. Create an Agency-wide continuity testing, training, and exercise (TT&E) program.

1 Enterprise Risk Management (ERM) is an effective agency-wide approach to addressing the full spectrum of the organization's significant risks by understanding the combined impact of risks as an interrelated portfolio, rather than addressing risks only within silos. ERM provides an enterprise-wide, strategically-aligned portfolio view of organizational challenges that provides better insight about how to most effectively prioritize and manage risks to mission delivery (from OMB Circular A-11, Section 270.26).

2The FY 2018 ERM Actual has been amended to reflect the creation of the Office of Risk Management.

Agility Performance Goal 1.5: Migrate to High Definition (HD) video production and transmission

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Upgrade program production and delivery systems to HD capable	Both satellite and terrestrial network have been modified to incorporate HD delivery capability. Preparations completed to enable upgrade of Digital Asset Management System to make HD production and archiving more efficient. Onsite storage capacity to accommodate HD files expanded and upgraded. Global delivery of HD content direct-to-home and to affiliates enabled.	Completed all IT infrastructure and preparatory training required to transition to upgraded Media Asset Management system, Galaxy. Through the USAGM CIO Office, the CIO Council, and the Digital Governance Council directed by the Agency's Chief Technology Officer, began working with broadcast networks to identify more IT services and systems that can be shared and unified in order to gain efficiencies and cost savings. Continued to evolve global network and agency IT environment utilizing the most cost-effective mix of onsite technology infrastructure with cloud-based and other services to maximize compatibility, sustainability, security, serviceability, reliability, and global accessibility of IT systems.	Launch the new Dalet Galaxy system and, within six months of launch, migrate the entire Agency. This clears the path for a complete integrated workflow between the Galaxy Archive and Production systems. Continue to evolve global network and agency IT environment utilizing the most cost-effective mix of onsite technology infrastructure with cloud-based and other services to maximize compatibility, sustainability, security, serviceability, reliability, and global accessibility of IT systems. Unify IT systems and services across the Agency where possible in order to gain efficiencies and cost savings.	COVID-19 pandemic delayed Dalet Galaxy full implementation to early FY 2021.	Continue implementation of Dalet Galaxy system throughout VOA, working to complete the technical installation by the end of FY 2021.	Migrate all VOA personnel to the upgraded Dalet Galaxy system (expected completion by Q2, pending training of staff), clearing the path for a complete integrated workflow between the Galaxy Archive and Production systems.
% of video streams transmitted in HD[1]	50%	100%	NA	NA	NA	NA

1 USAGM anticipates that the SD to HD transition for most of the target audiences will take several more years. Each HD stream will have a corresponding SD stream until that time.

In addition to these performance goals, USAGM will present narrative evidence that it is accomplishing Agility Objective 1, including:

- Ability to nimbly react to a rapidly changing environment
- Resilience in the face of cyber threats

Agility Objective 2

Enhance strategic cooperation among the USAGM networks and with support elements

USAGM is one of the world's largest news-gathering and reporting enterprises with 50 overseas news bureaus, 3,500 employees, and 1,500 stringer reporters. Each of the Agency's five networks generates original reporting every day from in and around the world's hotspots — the Sahel and Central Africa, the Afghanistan-Pakistan border region, Burma, China, Egypt, Iran, North Korea, Russia, Syria, Yemen, et al — primarily in vernacular languages for target audiences in these areas. Too little of this rich content is translated and shared across USAGM to augment international news coverage for other USAGM vernacular services or made available to other global audiences in English. USAGM is remedying this by facilitating coordination among broadcast entities and support elements through the International Coordinating Committee (ICC), comprised of the heads of each of our five networks, and reinforcing their unique and respective mission-driven legislated roles in areas served by multiple broadcasters. USAGM will also continue to collaborate with other United States government entities on areas of mutual concern.

USAGM will:

- Ensure coordinated and complementary mission-driven operations and content in markets served by two USAGM networks.
- Build and sustain internal content-sharing mechanisms, aligning internal editorial support and coordination, as needed.
- Employ new bridge editors and other content-sharing mechanisms to channel original reporting from the language services to the central newsrooms and across USAGM to get maximum mileage out of the content the Agency currently produces.
- Better leverage newsgathering, including stringer and correspondent networks or rotating correspondents, across USAGM to ensure required editorial coordination and avoid redundancy.
- Align all support functions to USAGM priorities, strategies, and goals.

- Participate in inter-agency meetings, committees, and strategies in support of United States government priorities to ensure that USAGM capabilities, expertise, actions, and impact are fully and accurately shared with other government entities.

USAGM tracks its progress in achieving Agility Objective 2 with the following performance goals:

Agility Performance Goal 2.1: Increase opportunities for sharing content across USAGM language services and networks

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Establish and employ systems for sharing content across language services and networks, including bridge editors and rotating correspondents	Launched a joint reporting project on China, "The Dragon's Reach," involving all five networks.	VOA and RFE/RL launched 24/7 Persian language news channel.	Begin modernization of network Content Management Systems (CMS), starting with VOA.	Audit and review of new CMS systems begun. VOA transitioned English, Spanish, Persian, and Korean to new CMS. MBN completely transitioned.	Modernize and improve architecture of systems.	Improve governance of shared CMS systems. Promote smart consolidation of networks' CMS and related systems.

Agility Performance Goal 2.2: Enhance working-level coordination among networks and with support offices

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Building on ICC success, establish cross-agency working groups to leverage resources and expertise across networks and support offices	CIO Council and Digital Governance Council established. CTO appointed.	Acquired programming working group established. Data taxonomy standards established through Digital Governance Council.	Review of acquired programming across networks by working group. Implement data taxonomy standards.	Review of acquired programming not conducted. Two networks began implementation of data taxonomy standards.	Continue and extend cross-agency reform efforts, including improving program review capacity and identifying best practices for innovation in the journalism sector.	Continue and extend cross-agency reform efforts, as needed. Implement data taxonomy standard in network CMS systems. Completion of data taxonomy standard implementation in MBN and RFE/RL projects.

Agility Performance Goal 2.3: Ensure complementary coverage in markets served by more than one USAGM network.

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Conduct periodic content analysis of services that serve the same market	Conducted content analysis of VOA and RFA coverage in Burma.	Conducted external content review of OCB programming in Spanish.	Conduct content analyses in other markets served by multiple networks.	Began central oversight of network program reviews, including examination of strategic benefit of each language service including where they operate in the same market.	Continue to strengthen program review capacity and communicate findings to USAGM leadership. Oversee external content reviews as needed.	Continue to strengthen program review capacity and communicate findings to USAGM leadership. Oversee external content reviews as needed.

In addition to these performance goals, USAGM will present narrative evidence that it is accomplishing Agility Objective 2, including:

- Coordination and planning among networks and with support offices
- Content shared across language services and networks

Agility Objective 3

Enable greater impact and accountability through rigorous assessment and evaluation

USAGM's mission is more than reaching audiences. The Agency utilizes a comprehensive Impact Model to capture effects of USAGM programming on audience members, the local media sector, and foreign governments. The Impact Model comprises a set of indicators tied to the Agency mission, including: uniqueness of information, opinions on content trustworthiness, likelihood of content sharing and use, changes in understanding of current events, improvements in journalistic practices, and attention from public officials. In addition to continuous data collection, successful deployment of the Impact Model includes providing results to decision-makers and content providers throughout the Agency and its networks.

Even as it holds networks accountable for advancing the USAGM Mission, the Agency simultaneously implements rigorous employee oversight. USAGM has renewed its focus on federal personnel appraisals and is currently undertaking several initiatives that will strengthen this important accountability tool.

USAGM will:

- Continue to implement and refine the USAGM Impact Model with incremental improvements.
- Offer briefings to United States government groups, other international broadcasters, and other interested organizations to share lessons learned from the path-breaking Impact Model.
- Feed impact data into planning and decision-making at all levels of the Agency.
- Within the federal workforce, shift to a five-tier personnel performance appraisal system, tied to performance awards, and hold managers accountable for completing performance appraisals.

USAGM tracks its progress in achieving Agility Objective 3 with the following performance goals:

Agility Performance Goal 3.1: Strengthen research and evaluation program

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Number of USAGM target countries/regions with full USAGM media surveys conducted in the current or prior fiscal year	18	15	12	12	8	8
Percentage of surveys used to report performance data that were conducted in the current or prior fiscal year	19%	26%	50%	33%	50%	50%

Note: USAGM is currently rebalancing the range of research methods that it employs, including surveys, commercial ratings, and digital analytics. The first indicator above shows only full USAGM media surveys; the second includes omnibus surveys as well. The expected increase in omnibus surveys over the next two fiscal years is the result of research funded in FY 2019 and FY 2020. The lower than targeted FY 2020 actual and higher FY 2021 target are the result of planned research being delayed by the coronavirus pandemic and reduced resources for research in FY 2020.

Agility Performance Goal 3.2: Improve personnel evaluation processes

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Strengthen personnel evaluation processes and compliance in the federal workforce	77% of managers trained in performance management. Additional training for remaining managers scheduled for Q1 FY 2019. 76% of employees had personnel evaluations completed.	82% of all eligible employees had personnel evaluations completed on-time.	92% of all eligible employees have personnel evaluations completed on-time.	100% of all eligible employees have personnel evaluations completed on-time.	95% of all eligible employees have personnel evaluations completed on-time.	95% of all eligible employees have personnel evaluations completed on-time.
Implement 360 feedback tools for managers in the federal workforce (reviews to be scheduled every three years)	90% of managers and supervisors reviewed. 50% of managers and supervisors with development plans in place.	USAGM has discontinued use of 360 reviews for managers.	NA	NA	NA	NA

Agility Performance Goal 3.3: Improve performance culture of agency

RESULTS-ORIENTED PERFORMANCE CULTURE INDEX *(from Federal Employee Viewpoint Survey)*						
	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual[1]	FY 2021 Target	FY 2022 Target
USAGM	51	51	51	NA	NA	NA
Government-wide (for comparison)	56	57		NA		

1 OPM discontinued the Results-oriented performance culture index; additionally, in FY 2020, OPM cut 7 of the 13 questions historically asked in this index to capture concerns related to the COVID-19 pandemic. USAGM will develop new performance goals and indicators related to performance under its next Strategic Plan.

In addition to these performance goals, USAGM will present narrative evidence that it is accomplishing Agility Objective 3, including:

- Modernization of USAGM research methods, including updates to impact metrics and survey design
- Pilot projects to bring research data and evaluation products to senior leaders, interagency partners, and other key decision-makers

Agility Objective 4

Foster employee engagement, development, and productivity

USAGM's diverse, multi-cultural, and multi-talented workforce offers a rich range of experience and expertise to carry out the Agency's mission. Key to success in a rapidly changing, highly competitive global media environment is flexibility to develop innovative products for the Agency's target countries consistent with emerging priorities, programming formats, and advances in technology. Enhanced skill sets are required to program for and transmit via multiple media platforms — radio, TV, internet, mobile, and though social media. USAGM employees are most effective when they are well motivated, trained, and led. Continued efforts to equip and energize the entire USAGM workforce are critical as the Agency confronts mounting competitive pressures worldwide.

USAGM will:

- Promote human capital planning and management as a top priority for senior executives, managers, and supervisors throughout the agency.
- Consistently communicate organizational goals, objectives, priorities, and performance expectations in a timely manner to staff at all levels in the agency.
- Ensure a safe and secure work environment for all employees.
- Implement manager training curriculum focusing on performance management, human capital planning and processes, communication, and financial and administrative management.
- Improve the consistency and credibility of agency performance management processes.
- Develop cross-training and internal development standards and procedures, as applicable.
- Foster employee participation in agency health and wellness programs.

USAGM tracks its progress in achieving Agility Objective 4 with the following performance goals:

Agility Performance Goal 4.1: Strengthen internal communications

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
Establish/ enhance two-way communication channels for better lateral and vertical communication	Maintained communication over established channels and introduced an internal social media channel accessible to staff at all five networks.	90% of USAGM network staff using agency-wide communication channels for networking and events.	95% of USAGM network staff using agency-wide communication channels for networking and events.	98% of USAGM network federal staff use agency-wide communication channels for networking and engagement events.	All USAGM federal and non-federal entity staff have access to a single agency-wide communication tool for top-down announcements, global town halls, networking and engagement events.	40% of agency staff (federal and non-federal entity) actively use agency-wide communication channels for top-down announcements, global town halls, networking and engagement events.
Improve transparency and accountability using internal communication initiatives	Increased visits to CEO intranet page with weekly CEO Flash Report. Hosted internal networking events to strengthen engagement and communication.	3 out of 5 USAGM broadcast network senior managers use the channels to raise awareness and share agency news.	Continue to evaluate and manage internal communication processes to increase staff morale and engagement.	USAGM broadcast network senior managers use the channels to raise awareness and share agency news.	Increase use by senior leadership of agency-wide communication channels to inform and engage federal and non-federal entity staff.	Continue to increase use and engagement by senior leadership of agency-wide communication channels to inform and engage federal and non-federal entity staff.

Agility Performance Goal 4.2: Improve employee training and development

PERCENTAGE OF EMPLOYEES WHO BELIEVE THAT THEIR WORK UNIT HAS THE JOB-RELEVANT KNOWLEDGE AND SKILLS NECESSARY TO ACCOMPLISH ORGANIZATIONAL GOALS
(from Federal Employee Viewpoint Survey)

	FY 2018 Actual	FY 2019 Actual	FY 2020 Target	FY 2020 Actual	FY 2021 Target	FY 2022 Target
USAGM	70	71	73	72	73	74
Government-wide (for comparison)	80	81		82		

Note: USAGM expects slower implementation of this performance target as the result of budgetary constraints forcing a greater reliance on subscription-based, online training.

In addition to these performance goals, USAGM will present narrative evidence that it is accomplishing Agility Objective 4, including:

- Employee training and development
- Mentoring program relaunch

Performance Budget Appendix: Agency Impact Indicators

To demonstrate the impact of broadcasting activities, USAGM maintains a robust research program comprising national surveys, omnibus surveys, panels, interviews, and focus groups. Nationally representative (or close-to nationally representative) surveys, conducted in accordance with the highest professional standards by local market research firms, are the primary source for the agency's impact indicators. Survey response rates vary by country, with higher response rates generally in Africa and lowest response rates in Eurasia. Further information on the USAGM research program and methodology can be found on the USAGM website at: usagm.gov/strategy-and-performance/performance-accountability/

Several impact indicators (including program credibility, understanding of current events, uniqueness, understanding of American society, understanding of United States foreign policy, understanding of current events in the target country, and sharing of programming) are based on a subset of surveyed markets. This is due either to the weekly audience being too small for analysis ($n < 50$) or to the question not being asked due to survey space limitations — only true in cases where USAGM buys space on third party surveys or, in rarer instances, where the country conditions limit data collection to shorter interviews over the phone.

Verification and Validation of Data

USAGM and its research vendors follow standards set by the Conference of International Broadcasting Audience Researchers, ESOMAR, and other international organizations that lead the market research industry in ethical, professional research practice.

Once data has been collected, all research vendors must send their data to a third-party vendor hired by the Agency for the sole purpose of performing data quality assurance protocols. After thorough review, and — if necessary — several rounds of critical feedback with vendors, USAGM determines whether data warrants new fieldwork or is acceptable.

Every survey commissioned by USAGM requires research vendors to produce a technical report, detailing the sampling plan, population weights, problems encountered in the field, and resolution methods. This information about data collection conditions is a critical component of ensuring the design effects are included in computations.

Before research projects can conclude, the USAGM research team — some combination of USAGM research staff and analysts, network research directors, and project managers — agree on the validity of reach figures and impact metrics.

Appendix A: Budget Charts

U.S. AGENCY FOR GLOBAL MEDIA
VOICE OF AMERICA
Summary of Appropriated Funds
FY 2020 - FY 2022
($ in thousands)

VOICE OF AMERICA	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
VOA DIRECTOR			
VOA Director Office/Resource Management/Research/PR	$ 3,766	$ 6,333	$ 6,359
Digital Office, Strategy and Audience Engagement	$ 1,672	$ 2,685	$ 2,721
VOA Chief Digital Officer	$ 9,522	$ 4,717	$ 4,750
SUBTOTAL, VOA DIRECTOR	**$ 14,960**	**$ 13,735**	**$ 13,830**
PROGRAMMING DIRECTORATE	**$ 6,666**	**$ 7,695**	**$ 7,812**
STUDIO AND PRODUCTION OPERATIONS			
Director of Operations	$ 1,216	$ 1,920	$ 1,941
Central Production Services Division	$ 21,826	$ 13,842	$ 14,005
Operations Support Division	$ 17,895	$ 19,252	$ 19,589
Technical Support Division	$ 9,329	$ 11,883	$ 12,022
SUBTOTAL, PROGRAMMING DIRECTORATE, OPERATIONS	**$ 50,266**	**$ 46,897**	**$ 47,557**
AFRICA DIVISION			
Division Chief	$ 4,026	$ 5,213	$ 5,210
Bambara Service	$ -	$ 307	$ 307
Central Africa (Kinyarwanda, Kirundi)	$ 1,822	$ 1,866	$ 1,899
English to Africa	$ 6,390	$ 6,765	$ 7,249
French To Africa Service	$ 5,668	$ 4,716	$ 4,788
Hausa Service	$ 2,938	$ 2,865	$ 2,896
Horn Of Africa (Amharic, Tigrigna, Afaan Oromoo)	$ 3,381	$ 3,007	$ 3,062
Portuguese Service	$ 1,343	$ 1,311	$ 1,329
Somali Service	$ 2,998	$ 2,432	$ 2,464
Swahili Service	$ 2,520	$ 1,857	$ 1,883
Zimbabwe/Shona/Ndebele/English	$ 1,546	$ 1,457	$ 1,472
SUBTOTAL, AFRICA DIVISION	**$ 32,632**	**$ 31,796**	**$ 32,559**

VOICE OF AMERICA	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
EAST ASIA AND PACIFIC DIVISION			
Division Chief	$ 2,317	$ 3,476	$ 3,523
Burmese Service	$ 3,820	$ 3,440	$ 3,512
Cantonese Service	$ 973	$ 683	$ 700
English to Asia	$ -	$ 225	$ 225
Indonesian Service	$ 5,433	$ 4,920	$ 5,031
Khmer Service	$ 2,802	$ 2,883	$ 2,946
Korean Service	$ 6,128	$ 6,528	$ 6,573
Lao Service	$ 734	$ 673	$ 685
Mandarin Service	$ 12,768	$ 13,308	$ 13,531
Thai Service	$ 1,038	$ 949	$ 965
Tibetan Service	$ 4,266	$ 3,911	$ 3,979
Vietnamese Service	$ 2,294	$ 2,210	$ 2,253
SUBTOTAL, EAST ASIA AND PACIFIC DIVISION	**$ 42,573**	**$ 43,206**	**$ 43,923**
EURASIA DIVISION			
Division Chief	$ 1,712	$ 1,541	$ 1,570
Albanian Service	$ 1,935	$ 2,084	$ 2,115
Armenian Service	$ 669	$ 710	$ 717
Bosnian Service	$ 1,230	$ 1,145	$ 1,159
Georgian Service	$ 1,005	$ 1,092	$ 1,106
Macedonian Service	$ 694	$ 707	$ 714
Russian Service	$ 8,645	$ 8,758	$ 8,842
Serbian Service	$ 1,606	$ 1,714	$ 1,741
Ukrainian Service	$ 2,510	$ 2,525	$ 2,562
SUBTOTAL, EURASIA DIVISION	**$ 20,006**	**$ 20,276**	**$ 20,526**
LATIN AMERICA DIVISION			
Division Chief	$ 1,480	$ 2,149	$ 2,182
Creole Service	$ 1,262	$ 2,215	$ 2,239
Spanish Service	$ 6,009	$ 5,031	$ 5,078
SUBTOTAL, LATIN AMERICA DIVISION	**$ 8,751**	**$ 9,395**	**$ 9,499**

VOICE OF AMERICA	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
SOUTH ASIA DIVISION			
Division Chief (South Asia + NECA)	$ 2,389	$ 3,402	$ 3,431
Afghanistan Service	$ 8,880	$ 8,359	$ 8,402
Afghan Branch	$ 4,189	$ 4,058	$ 4,045
Dari	$ 2,497	$ 2,289	$ 2,319
Pashto	$ 2,194	$ 2,012	$ 2,038
VOA Radio Deewa (Pashto)	$ 4,521	$ 4,549	$ 4,598
Azerbaijani Service	$ 1,047	$ 920	$ 931
Bangla Service	$ 2,033	$ 1,703	$ 1,724
Kurdish Service	$ 4,166	$ 3,407	$ 3,383
Turkish Service	$ 3,116	$ 3,500	$ 3,530
Urdu Service	$ 5,680	$ 5,394	$ 5,393
Uzbek Service	$ 1,054	$ 915	$ 929
SUBTOTAL, SOUTH ASIA DIVISION	**$ 32,886**	**$ 32,149**	**$ 32,321**
VOA PERSIAN	**$ 13,865**	**$ 18,052**	**$ 18,203**
CENTRAL NEWS			
VOA Central News	$ 24,715	$ 24,714	$ 25,158
Home Leave and Transfer (HLT)	$ 4	$ 207	$ 207
SUBTOTAL, CENTRAL NEWS	**$ 24,719**	**$ 24,921**	**$ 25,365**
DOMESTIC BUREAUS			
Los Angeles	$ 363	$ 383	$ 391
New York	$ 364	$ 360	$ 367
Silicon Valley	$ 124	$ 91	$ 91
SUBTOTAL, DOMESTIC BUREAUS	**$ 851**	**$ 834**	**$ 849**
OVERSEAS BUREAUS AND NEWS CENTERS			
Bangkok	$ 542	$ 359	$ 359
Beijing	$ 390	$ 326	$ 326
Dakar	$ 18	$ 27	$ 27
Hong Kong	$ 7	$ 52	$ 52
Islamabad	$ 313	$ 238	$ 238
Istanbul	$ 197	$ 184	$ 184
Jakarta	$ 265	$ 426	$ 426
Johannesburg	$ 234	$ 196	$ 199
London	$ 1,181	$ 1,191	$ 1,192
Moscow	$ 179	$ 163	$ 163
Nairobi	$ 1,256	$ 1,030	$ 1,034
Seoul	$ 356	$ 356	$ 356
SUBTOTAL, OVERSEAS BUREAUS	**$ 4,938**	**$ 4,548**	**$ 4,556**
GRAND TOTAL, VOA	**$ 253,113**	**$ 253,504**	**$ 257,000**

U.S. AGENCY FOR GLOBAL MEDIA

OFFICE OF CUBA BROADCASTING (OCB)

Summary of Appropriated Funds

FY 2020 - FY 2022

($ in thousands)

OFFICE OF CUBA BROADCASTING	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
Administration	$ 2,987	$ 2,972	$ 2,028
Radio Marti	$ 3,975	$ 3,570	$ 2,223
New Media	$ 3,485	$ 2,000	$ 1,200
Central News	$ 3,500	$ 3,200	$ 450
TV Marti	$ 1,400	$ 1,275	$ 800
Technical Operations	$ 2,194	$ 1,230	$ 1,500
Computer Services	$ 4,125	$ 3,461	$ 1,772
Greenville Transmitting Station	$ 3,200	$ 2,050	$ 3,000
GRAND TOTAL, OCB	**$ 24,866**	**$ 19,758**	**$ 12,973**

U.S. AGENCY FOR GLOBAL MEDIA

INTERNATIONAL BROADCASTING BUREAU (IBB)

Summary of Appropriated Funds

FY 2020 - FY 2022

($ in thousands)

INTERNATIONAL BROADCASTING BUREAU	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
USAGM Chief Executive Officer and Director	$ 2,999	$ 2,948	$ 3,147
Office of Management Services	$ 6,114	$ 8,149	$ 4,541
Office of Chief Financial Officer	$ 12,012	$ 14,706	$ 13,987
ICASS and CSCS State Department Fees (non-add)	$ 3,077	$ 4,389	$ 4,389
Office of Policy and Research	$ 7,324	$ 7,296	$ 7,411
Office of Communications and External Affairs	$ 2,504	$ 2,195	$ 2,362
Office of General Counsel	$ 2,109	$ 1,641	$ 1,741
Office of Contracting and Procurement	$ 319	$ 3,169	$ 3,350
Office of Human Resources	$ 5,651	$ 7,622	$ 5,089
Office of Workforce Support and Development	$ 1,777	$ 1,713	$ 1,737
Office of Civil Rights	$ 957	$ 980	$ 898
Office of Policy	$ 954	$ 1,037	$ 1,209
Office of Security	$ 2,246	$ 2,381	$ 2,526
Office of Internet Freedom	$ 1,907	$ 762	$ 795
GRAND TOTAL, IBB	**$ 46,873**	**$ 54,599**	**$ 48,793**

U.S. AGENCY FOR GLOBAL MEDIA

OFFICE OF TECHNOLOGY, SERVICES, AND INNOVATION (TSI)

Summary of Appropriated Funds

FY 2020 - FY 2022

($ in thousands)

TECHNOLOGY, SERVICES, AND INNOVATION	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
TECHNOLOGY, SERVICES, AND INNOVATION DIRECTOR			
Director	$ 219	$ 215	$ 219
Home Leave & Transfer (HLT)	$ 613	$ 411	$ 411
SUBTOTAL, TSI DIRECTOR	**$ 832**	**$ 626**	**$ 630**
OFFICE OF THE CIO	$ 11,926	$ 10,566	$ 10,782
Global Networks Division	$ 11,240	$ 8,415	$ 8,462
Satellites	$ 16,477	$ 15,662	$ 15,662
Satellites Carryover		$ 5,035	$ 5,035
SUBTOTAL, OFFICE OF THE CIO	**$ 39,643**	**$ 39,678**	**$ 39,941**
INFORMATION TECHNOLOGY DIRECTORATE	**$ 14,086**	**$ 15,844**	**$ 16,045**
TECHNOLOGY SUPPORT DIRECTORATE	**$ 10,048**	**$ 8,020**	**$ 8,116**
OFFICE OF BUSINESS DEVELOPMENT	$ 3,292	$ 2,629	$ 2,655
Regional Marketing Offices	$ 10,008	$ 10,976	$ 10,994
SUBTOTAL, OFFICE OF BUSINESS DEVELOPMENT	**$ 13,300**	**$ 13,605**	**$ 13,649**
RESOURCE AND PROJECT MANAGEMENT DIRECTORATE	$ 4,103	$ 2,509	$ 2,545
Project Management	$ 767	$ 842	$ 859
Facilities Management	$ 34,728	$ 35,099	$ 35,125
SUBTOTAL, RESOURCE AND PROJECT MANAGEMENT DIRECTORATE	**$ 39,598**	**$ 38,450**	**$ 38,529**
BROADCAST TECHNOLOGIES DIVISION	$ 1,880	$ 1,949	$ 1,986
Leased Transmissions	$ 3,387	$ 5,723	$ 7,777
FM Transmissions	$ 5,629	$ 9,895	$ 11,570
HQ-Afghanistan			$ 3,486
SUBTOTAL, BROADCAST TECHNOLOGIES DIVISION	**$ 10,896**	**$ 17,567**	**$ 24,819**

TECHNOLOGY, SERVICES AND INNOVATION	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
OPERATIONS DIVISION	$ 1,835	$ 2,036	$ 2,076
Worldwide Procurement (WWP)	$ 4,508	$ 3,131	$ 3,131
SUBTOTAL, OPERATIONS DIVISION	**$ 6,343**	**$ 5,167**	**$ 5,207**
STATIONS DIVISION			
DOMESTIC TRANSMITTING STATIONS			
Tinian	$ 5,855	$ 6,238	$ 6,247
SUBTOTAL, DOMESTIC STATIONS	**$ 5,855**	**$ 6,238**	**$ 6,247**
OVERSEAS TRANSMITTING STATIONS			
Afghanistan	$ 2,666	$ 3,486	
Botswana	$ 2,665	$ 2,632	$ 2,733
Germany	$ 8,765	$ 7,468	$ 5,582
Kuwait	$ 7,844	$ 6,533	$ 4,795
Philippines	$ 4,365	$ 5,784	$ 5,889
Sao Tome	$ 3,773	$ 4,787	$ 4,796
Thailand	$ 4,320	$ 4,902	$ 4,911
SUBTOTAL, OVERSEAS STATIONS	**$ 34,398**	**$ 35,592**	**$ 28,706**
MONITORING OFFICES	$ 662	$ 661	$ 661
RECONCILATION TO APPROPRIATION			
Satellite Carryover		$ (5,035)	$ (5,035)
GRAND TOTAL, TSI	**$ 175,661**	**$ 176,413**	**$ 177,515**

U.S. AGENCY FOR GLOBAL MEDIA

RADIO FREE EUROPE/RADIO LIBERTY (RFE/RL)

Summary of Appropriated Funds

FY 2020 - FY 2022

($ in thousands)

RADIO FREE EUROPE/RADIO LIBERTY (RFE/RL)	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
NEWS DIVISION			
Director	$ 2,621	$ 2,922	$ 2,719
Marketing and Affiliates	$ 1,104		
Digital Strategy		$ 60	$ 60
LANGUAGE SERVICES			
Armenian	$ 1,923	$ 1,910	$ 1,911
Azerbaijani	$ 1,868	$ 2,017	$ 2,017
Balkans (Bosnian, Macedonian, Serbian, Albanian, Montenegrin, Croatian)	$ 4,680	$ 4,879	$ 4,879
Belarusian	$ 2,351	$ 2,238	$ 2,238
Bulgarian	$ 582	$ 596	$ 596
Current Time TV and Digital	$ 11,052	$ 12,252	$ 11,916
Georgian	$ 2,452	$ 2,495	$ 2,495
Hungarian	$ 171	$ 948	$ 948
Kazakh	$ 1,570	$ 1,800	$ 1,801
Kyrgyz	$ 2,175	$ 2,164	$ 2,164
Radio Farda (Persian)	$ 8,131	$ 8,686	$ 8,686
Radio Free Afghanistan (Dari and Pashto)	$ 4,984	$ 5,023	$ 5,024
Radio Mashaal (Pashto)	$ 3,101	$ 3,184	$ 3,183
Romanian to Romania and Moldova	$ 2,430		
Romanian - Moldova		$ 1,855	$ 1,855
Romanian - Romania		$ 490	$ 490
Russian	$ 8,463	$ 8,802	$ 7,529
North Caucasus (Chechen)	$ 1,084	$ 1,135	$ 1,135
Tajik	$ 1,939	$ 1,956	$ 1,956
Tatar-Bashkir	$ 1,431	$ 1,590	$ 1,635
Turkmen	$ 785	$ 818	$ 818
Ukrainian	$ 4,956	$ 4,453	$ 4,454
Uzbek	$ 1,442	$ 1,692	$ 1,638
SUBTOTAL, NEWS DIVISION	**$ 77,837**	**$ 80,574**	**$ 78,756**

RADIO FREE EUROPE/RADIO LIBERTY	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
ADMINISTRATION, MANAGEMENT, AND FINANCE			
Office of President	$ 7,990	$ 6,722	$ 5,015
Operations Division	$ 32,154	$ 43,354	$ 37,078
Finance Division	$ 2,016	$ 3,691	$ 3,026
Human Resources Division	$ 2,635	$ 2,625	$ 2,625
SUBTOTAL, ADMIN., MANAGEMENT, AND FINANCE	**$ 44,795**	**$ 56,392**	**$ 47,744**
GRAND TOTAL, RFE/RL	**$ 122,632**	**$ 136,966**	**$ 126,500**
RECONCILIATION:			
(-) Prior Year Balances In			
Pre-FY 2014 - Bureau Regularization/Security/Munich/Iran Final Return	$ (760)	$ (759)	
FY 2017 - CT Research, Advertising, and Omnibus Surveys	$ (141)	$ (17)	
FY 2017 - Relocation/Upgrades/Infrastructure	$ (131)	$ (10)	
FY 2018 - Persian 24/7 Initiative - Prague Basement Studio Improvements	$ (2,550)	$ (2,263)	
FY 2018 - Georgia Green Wave Perveli TV Pilot Project Funding (TSI)	$ (69)		
FY 2018 - Studio Video Router installation	$ (323)	$ (133)	
FY 2018 - Return of Funds (CEEMC)	$ (370)		
FY 2019 - Internet Freedom Funds	$ (500)	$ (203)	
FY 2019 - Israel Omnibus Survey (IBB)	$ (33)		
FY 2019 - Russian LLC legal fees (Currency Gains)	$ (650)		
FY 2019 - Reporting Coverage (Currency Gains)	$ (110)	$ (21)	
FY 2019 - IT Security for Data Breaches (Currency Gains)			
FY 2019 - Infrastructure and Equipment	$ (379)	$ (164)	
FY 2019 - Hungarian Re-launch Research (IBB)	$ (80)		
FY 2019 - Hungarian Service Launch	$ (957)	$ (552)	
FY 2019 - Dalet Archive System	$ (180)	$ (143)	
FY 2019 - Prague Basement Studio Improvements	$ (2,865)	$ (2,865)	
FY 2019 - Signiant Fast File Transfer System	$ (455)	$ (67)	
(+) Prior Balances Out			
Pre-FY 2014 - Bureau Regularization/Security/Munich/Iran Final Return	$ 759		
FY 2017 - CT Research and Advertising	$ 17		
FY 2017 - Relocation/Upgrades/Infrastructure	$ 10		
FY 2018 - Prague Basement Studio Improvements	$ 2,263		
FY 2018 - Studio Video Router installation	$ 133		
FY 2019 - Internet Freedom Funds	$ 203		
FY 2019 - Reporting Coverage (Currency Gains)			
FY 2019 - IT Security for Data Breaches (Currency Gains)	$ 81		
FY 2019 - Infrastructure and Equipment	$ 164		
FY 2019 - Hungarian Service Launch	$ 552		
FY 2019 - Dalet Archive System	$ 143		
FY 2019 - Prague Basement Studio Improvements	$ 2,865		
FY 2019 - Signiant Fast File Transfer System	$ 67		
FY 2020 - Prague Lower Level Studio Buildout (TSI)	$ 200	$ (200)	
FY 2020 - TSI Contract Assistance for CMS and MAM Technical Support	$ 76	$ (76)	
FY 2020 - OPR sponsored Travel for Research (IBB)	$ 6	$ (6)	
FY 2020 - Strategic Initiatives	$ 4,419	$ (4,419)	
FY 2020 - COVID-19 Costs	$ 340	$ (340)	
FY 2020 - Safety Initiatives	$ 325	$ (325)	
GRAND TOTAL, RFE/RL	**$ 124,578**	**$ 124,322**	**$ 126,500**

U.S. AGENCY FOR GLOBAL MEDIA

RADIO FREE ASIA (RFA)

Summary of Appropriated Funds

FY 2020 - FY 2022

($ in thousands)

RADIO FREE ASIA	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
PROGRAMMING DIVISION			
Executive Editor	$ 2,433	$ 2,489	$ 2,489
PROGRAM SERVICES			
Burmese Service	$ 1,899	$ 1,928	$ 1,928
Cambodian Service	$ 1,885	$ 1,925	$ 1,925
Cantonese Service	$ 1,053	$ 1,277	$ 1,277
Korean Service	$ 2,799	$ 3,552	$ 3,552
Laotian Service	$ 1,454	$ 1,757	$ 1,757
Mandarin Service	$ 4,010	$ 3,854	$ 3,854
Global Mandarin	$ 778	$ 750	$ 2,250
Tibetan Service	$ 4,507	$ 4,424	$ 4,424
Uyghur Service	$ 1,597	$ 1,887	$ 1,887
Vietnamese Service	$ 1,294	$ 1,565	$ 1,565
PROGRAM OFFICES			
Bangkok Office	$ 117	$ 123	$ 123
Dharamsala Office	$ 104	$ 104	$ 104
Hong Kong Office	$ 1,309	$ 1,289	$ 1,289
Seoul Office	$ 1,339	$ 1,223	$ 1,223
Taipei Office	$ 613	$ 654	$ 654
Yangon Office	$ 786	$ 683	$ 683
SUBTOTAL, PROGRAMMING DIVISION	**$ 27,977**	**$ 29,484**	**$ 30,984**
OFFICE OF THE PRESIDENT	$ 796	$ 847	$ 847
Internet Freedom Salaries (Open Technology Fund)	$ 709		
Research, Training, and Evaluation	$ 1,054	$ 564	$ 777
Technical Operations	$ 6,539	$ 8,306	$ 7,694
HQ Facilities	$ 5,668	$ 4,393	$ 4,493
Communications	$ 265	$ 306	$ 306
Finance	$ 1,947	$ 2,076	$ 2,076
Human Resources	$ 397	$ 426	$ 426
SUBTOTAL, ADMINISTRATION, MANAGEMENT, AND FINANCE	**$ 17,375**	**$ 16,918**	**$ 16,619**
GRAND TOTAL, RFA	**$ 45,352**	**$ 46,402**	**$ 47,603**
RECONCILIATION:			
(-) Balances In - Prior Year Balances			
FY 2019 - Global Mandrin	$ (367)		
FY 2019 - DPRK	$ (383)		
FY 2019 - Tibetan Refugee Survey	$ (23)		
FY 2019 - Uyghur Refugee Survey	$ (2)		
FY 2020 - Global Mandarin	$ (411)		
GRAND TOTAL, RFA	**$ 44,166**	**$ 46,402**	**$ 47,603**

U.S. AGENCY FOR GLOBAL MEDIA

MIDDLE EAST BROADCASTING NETWORKS (MBN)
Summary of Appropriated Funds
FY 2020 - FY 2022

($ in thousands)

MIDDLE EAST BROADCASTING NETWORKS	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
PROGRAMMING			
Alhurra Television	$ 28,585	$ 33,259	$ 31,981
Radio Sawa	$ 4,963	$ 5,249	$ 6,264
MBN Digital	$ 8,292	$ 10,750	$ 12,218
SUBTOTAL, PROGRAMMING	**$ 41,840**	**$ 49,258**	**$ 50,463**
OVERSEAS OFFICES			
IRAQ	**$ 3,370**	**$ 2,119**	**$ 2,589**
PAN ARAB	**$ 15,364**	**$ 17,974**	**$ 18,853**
Beirut	$ 3,028	$ 3,985	$ 4,533
Cairo	$ 1,170	$ 1,118	$ 1,228
Dubai	$ 10,125	$ 11,876	$ 11,994
Jerusalem	$ 1,041	$ 995	$ 1,098
MAGHREB	**$ 1,015**	**$ 1,038**	**$ 1,216**
Rabat	$ 791	$ 800	$ 813
Tunis	$ 224	$ 238	$ 403
SUBTOTAL, OVERSEAS OFFICES	**$ 19,749**	**$ 21,131**	**$ 22,658**
Technical Operations	$ 44,242	$ 32,996	$ 23,465
Administration	$ 11,333	$ 11,522	$ 12,521
Creative Services	$ 4,385	$ 6,219	$ 3,705
GRAND TOTAL, MBN	**$ 121,549**	**$ 121,126**	**$ 112,812**
RECONCILIATION:			
(-) Prior Year Balances In			
FY 2018 - Technical Infrastructure Upgrade	$ (10,270)		
FY 2018 - Advertising Marketing	$ (420)		
FY 2019 - Prior Year Recoveries	$ (2,500)		
FY 2019 - Technical Infrastructure Upgrade	$ (9,250)		
FY 2019 - Other Programming and Equipment	$ (4,833)		
FY 2019 - Satellite Capacity	$ (650)		
FY 2019 - Internet Freedom	$ (500)		
FY 2019 - Technical Infrastructure Upgrade		$ (2,520)	
FY 2020 - Operational Offset		$ (2,500)	
FY 2020 - Remote Work and Other Equipment		$ (4,110)	
FY 2020 - Programming and Marketing		$ (5,400)	
FY 2020 - Equipment Upgrades and Support		$ (3,230)	
FY 2020 - Offset from Technical Upgrades			$ (2,500)
(+) Prior Balances Out			
FY 2019 - Internet Freedom Returned to USAGM	$ 500		
FY 2020 - Operational Offset	$ 2,500		
FY 2020 - Remote Work and Other Equipment	$ 4,110		
FY 2020 - Programming and Marketing	$ 5,400		
FY 2020 - Equipment Upgrades and Support	$ 3,230		
FY 2020 - Technical Upgrades		$ 2,500	
GRAND TOTAL, MBN	**$ 108,866**	**$ 105,866**	**$ 110,312**

BROADCASTING BOARD OF GOVERNORS

OPEN TECHNOLOGY FUND (OTF)

Summary of Appropriated Funds

FY 2020 - FY 2022

($ in thousands)

OPEN TECHNOLOGY FUND	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
PROGRAM SERVICES			
Internet Freedom Fund	$ 5,924	$ 7,000	$ 7,000
Technology at Scale Fund	$ 1,121	$ 7,000	$ 7,000
Rapid Response Fund	$ 289	$ 490	$ 500
OTF Labs	$ 2,167	$ 2,000	$ 2,000
Research Fellowships	$ 723	$ 400	$ 400
USAGM Entity Support		$ 450	$ 500
Programmatic Support	$ 241	$ 550	$ 600
SUBTOTAL, PROGRAM SERVICES	**$ 10,465**	**$ 17,890**	**$ 18,000**
ADMINISTRATION, MANAGEMENT & FINANCE			
Mission Support Operations	$ 1,476	$ 1,988	$ 2,000
SUBTOTAL, ADMINISTRATION, MANAGEMENT, AND FINANCE	**$ 1,476**	**$ 1,988**	**$ 2,000**
GRAND TOTAL, OTF	**$ 11,941**	**$ 19,878**	**$ 20,000**
RECONCILIATION:			
(-) Prior Year Balances In			
FY 2020 - Shortfall Due to Assignment of Contracts from RFA to OTF Without Transfer of Corresponding Funds	$ (943)		
GRAND TOTAL, OTF	**$ 10,998**	**$ 19,878**	**$ 20,000**

As of June 2020, OTF became solely responsible for obligations related to project contracts assigned from RFA to OTF, with the understanding that corresponding funds held by RFA would be transferred concurrently. However, the funds remained with RFA for the duration of FY 2020, requiring OTF to use FY 2020 obligations to cover as much of the balance as possible. OTF also did not receive obligations from USAGM for the full value of the FY 2020 grant agreement. As a result, OTF was forced to pause all funding rounds and issue stop-work orders to existing contracts until such time that sufficient funds would be authorized to OTF to both cover the full balance transferred obligations and provide funds for new projects. This is the resulting shortfall due to the delay in funds transfer.

BROADCASTING BOARD OF GOVERNORS

BROADCASTING CAPITAL IMPROVEMENTS (BCI)
Summary of Appropriated Funds
FY 2020 - FY 2022

($ in thousands)

BROADCASTING CAPITAL IMPROVEMENTS	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
MAINTENANCE, IMPROVEMENTS, REPLACE AND REPAIR (MIRR)			
Continuing M&R	$ 3,960	$ 2,848	$ 2,222
VOA TV M&R	$ 85	$ 2,698	$ 615
Security M&R	$ 767	$ 801	$ 582
HVAC System M&R	$ 552	$ 674	$ 554
Office of Cuba Broadcasting	$ 53	$ 496	$ 143
UPGRADE OF EXISTING FACILITIES PROJECTS	$ 10,508	$ 13,821	$ 4,550
SATELLITES			
Satellite & Terrestrial Program Feeds	$ 3	$ 2,180	$ 1,034
GRAND TOTAL, BCI	**$ 15,928**	**$ 23,518**	**$ 9,700**

In the FY 2021 Program Plan, BCI shows an additional $14,303,000 carryover in as well as a $485,000 transfer out added to their base of $9,215,000.

U.S. AGENCY FOR GLOBAL MEDIA

Funding from Outside Sources (estimated)

FY 2020 - FY 2022

($ in whole dollars)

FY 2015/20 FUNDS	FY 2019/20 FUNDS	FY 2020 FUNDS	FY2021 FUNDS	FY 2022 FUNDS	TOTALS
UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID)		$1,500,000			**$1,500,000**
DEPARTMENT OF STATE (DOS)	$ 103,051	$3,466,000	$ 400,000		**$ 3,969,051**
CENTERS FOR DISEASE CONTROL (CDC)	$ 395,000				**$ 395,000**
UNITED STATED PACIFIC COMMAND (PACOM)	$2,235,000	$ 2,503,748	$2,235,000	$2,235,000	**$9,208,748**
GRAND TOTAL	**$ 2,733,051**	**$ 7,469,748**	**$2,635,000**	**$2,235,000**	**$15,072,799**

Appendix B: Broadcast Hours

U.S. AGENCY FOR GLOBAL MEDIA
Broadcast Hours
FY 2020 - FY 2022

LANGUAGE SERVICE	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
VOICE OF AMERICA			
AFRICA DIVISION			
Bambara Service	9.00	9.00	9.00
Central Africa (Kinyarwanda, Kirundi)	40.14	40.14	40.14
English to Africa Service	258.75	258.75	258.75
French to Africa and the Trans Sahel	176.75	176.75	176.75
Hausa Service	16.75	16.75	16.75
Horn Of Africa (Amharic, Tigrigna, Afaan Oromoo)	34.75	35.75	35.75
Portuguese Service	10.25	10.25	10.25
Somali Service	33.58	33.58	33.58
Swahili Service	18.20	18.20	18.20
Zimbabwe/Shona/Ndebele/English	17.00	17.00	17.00
TOTAL, AFRICA DIVISION	**615.17**	**616.17**	**616.17**
EAST ASIA AND PACIFIC DIVISION			
Burmese Service	57.08	57.08	57.08
Cantonese Service	54.67	54.67	54.67
English to Asia Programs	6.31	6.31	6.31
Indonesian Service	58.87	71.26	71.26
Khmer Service	21.74	21.74	21.74
Korean Service	51.88	51.88	51.88
Lao Service	4.67	4.67	4.67
Mandarin Service	169.00	169.00	169.00
Thai Service	7.20	7.20	7.20
Tibetan Service	204.00	204.00	204.00
Vietnamese Service	6.00	6.00	6.00
TOTAL, EAST ASIA AND PACIFIC DIVISION	**641.42**	**653.81**	**653.81**

U.S. AGENCY FOR GLOBAL MEDIA

Broadcast Hours

FY 2020 - FY 2022

LANGUAGE SERVICE	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
VOICE OF AMERICA - CONTINUED			
EURASIA DIVISION			
Albanian Service	3.75	3.75	3.75
Armenian Service	1.75	1.75	1.75
Bosnian Service	2.75	2.75	2.75
Georgian Service	1.50	1.50	1.50
Macedonian Service	1.00	1.00	1.00
Russian Service	13.50	13.50	13.50
Serbian Service	2.75	2.75	2.75
Ukrainian Service	2.75	2.75	2.75
TOTAL, EURASIA DIVISION	**29.75**	**29.75**	**29.75**
LATIN AMERICA DIVISION			
Creole Service	22.00	22.00	22.00
Spanish Service	191.49	191.49	191.49
TOTAL, LATIN AMERICA DIVISION	**213.49**	**213.49**	**213.49**
SOUTH ASIA DIVISION			
Afghanistan Service	63.34	63.34	63.34
VOA Radio Deewa (Pashto)	70.33	70.33	70.33
Azerbaijani Service	3.75	3.75	3.75
Bangla Service	9.50	1.00	1.00
Kurdish Service	64.60	64.60	64.60
Turkish Service	6.00	6.00	6.00
Urdu Service	78.04	28.75	28.75
Uzbek Service	4.50	4.50	4.50
TOTAL, SOUTH ASIA DIVISION	**300.06**	**242.27**	**242.27**

U.S. AGENCY FOR GLOBAL MEDIA

Broadcast Hours

FY 2020 - FY 2022

LANGUAGE SERVICE	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
VOICE OF AMERICA - CONTINUED			
PERSIAN NEWS NETWORK	**168.00**	**168.00**	**168.00**
ENGLISH DIVISION			
All Other Programs	410.95	411.45	411.45
TOTAL, ENGLISH DIVISION	**410.95**	**411.45**	**411.45**
TOTAL, VOA	**2,378.84**	**2,334.94**	**2,334.94**
OFFICE OF CUBA BROADCASTING			
Radio Marti - Marathon	168	168	168
Radio Marti - ERM[1]	595	469	469
Radio Marti - Streaming (24/7)	168	168	168
TV Marti	168	84	
TV Marti Live Streaming (24/7)[2]	168	168	168
TOTAL, OCB	**1267.00**	**1057.00**	**973.00**
RADIO FREE EUROPE/RADIO LIBERTY			
Armenian	90.10	90.10	90.10
Azerbaijani	74.60	74.60	74.60
Balkans (Bosnian, Serbian, Albanian, Macedonian, Montenegrin, Croatian)	73.90	73.90	73.90
Belarusian	168.00	168.00	168.00
Bulgarian	0.10	0.10	0.10
Current Time TV and Digital	150.70	150.70	150.70
Georgian	26.40	26.40	26.40
Hungarian			
Kazakh	1.30	1.30	1.30
Kyrgyz	64.30	64.30	64.30
Radio Farda (Persian)	168.00	168.00	168.00
Radio Free Afghanistan (Dari and Pashto)	84.00	84.00	84.00
Radio Mashaal (Pashto)	63.00	63.00	63.00
Romanian (Moldova)		16.10	16.10
Romanian to Romania and Moldova	16.10		
Russian	168.00	168.00	168.00

U.S. AGENCY FOR GLOBAL MEDIA

Broadcast Hours

FY 2020 - FY 2022

LANGUAGE SERVICE	FY 2020 ACTUALS	FY 2021 ESTIMATE	FY 2022 CBJ
RADIO FREE EUROPE/RADIO LIBERTY - CONTINUED			
Chechen and Russian	0.30	0.30	0.30
Tajik	42.30	42.30	42.30
Tatar-Bashkir	0.40	0.40	0.40
Turkmen	56.00	56.00	56.00
Ukrainian	36.80	36.80	36.80
Uzbek	168.00	168.00	168.00
TOTAL, RFE/RL	**1452.30**	**1452.30**	**1,452.30**
RADIO FREE ASIA			
Burmese Service	104.00	103.00	103.00
Cambodian Service	67.00	84.50	84.50
Cantonese Service	71.50	71.50	71.50
Korean Service	68.00	68.00	68.00
Laotian Service	52.70	52.70	52.70
Mandarin Service	186.00	186.00	186.00
Tibetan Service	199.50	199.50	199.50
Uyghur Service	56.30	56.30	56.30
Vietnamese Service	14.00	14.00	14.00
TOTAL, RFA	**819.00**	**835.50**	**835.50**
MIDDLE EAST BROADCASTING NETWORK			
Alhurra	168.00	168.00	168.00
Radio Sawa	168.00	168.00	168.00
MBN Digital	168.00	168.00	168.00
TOTAL, MBN	**504.00**	**504.00**	**504.00**

[1]*ERM broadcasted 24 hours / 7 days a week in FY 2020, and in FY 2021 and FY 2022 the broadcast is 18 hours / 7 days a week.*

[2]*As of March 2021, OCB's satellite transmissions were halted due to budget co nstraints and questions of efficacy. OCB and USAGM will continue to explore innovative ways to circumvent the Cuban government's blocking of OCB's transmissions.*

U.S. AFRICAN DEVELOPMENT FOUNDATION

CONGRESSIONAL BUDGET JUSTIFICATION

Fiscal Year 2022

The U.S. African Development Foundation (USADF) is an independent U.S. government agency established by Congress to invest in African grassroots organizations, entrepreneurs, and small- and medium-sized enterprises (SMEs). USADF's investments promote African-designed and African-delivered local economic development by increasing incomes, revenues, and jobs and creating pathways to prosperity for marginalized populations and underserved communities.

Working through a community-led development model, USADF provides grant capital of up to $250,000, capacity-building assistance, and convening opportunities to develop, grow, and scale African enterprises and entrepreneurs. These investments improve lives and impact livelihoods while addressing some of Africa's biggest challenges around food insecurity, insufficient energy access, and unemployment, particularly among women and youth. USADF utilizes 100 percent African staff and local partners on the ground across Africa, making it an agile, impactful, and innovative foreign assistance provider that can operate in areas that are often too remote or fragile to be reached by other U.S. government development agencies.

Over the last five years (FY 2016 – FY 2020) with an emphasis on the Great Lakes, Horn, and Sahel regions of Africa, USADF has invested more than $117 million directly into over 1,000 African-owned and -operated entities and impacted seven million lives. USADF is aligned with U.S. national security and economic priorities for Africa and creates new markets and shared prosperity for Africans and Americans alike by reaching communities that are often left behind in Africa's growth story.

July 1, 2021
Washington, D.C.

THE BOARD OF DIRECTORS AND THE PRESIDENT OF THE UNITED STATES
AFRICAN DEVELOPMENT FOUNDATION
WASHINGTON, D.C.

We are pleased to present the Administration's FY 2022 budget justification for the United States African Development Foundation (USADF). The FY 2022 budget request of $33 million for USADF will support broad U.S. foreign assistance priorities and national interests in hard-to-reach communities across Sub-Saharan Africa. Specifically, $33 million will provide USADF resources to award more than 188 new grants and continue monitoring an active grant portfolio of $51.8 million representing more than 459 rural African community enterprises.

USADF is a small independent U.S. government agency with a big mission to create pathways to prosperity for underserved communities in Africa. Established by Congress in 1980 to invest directly in African grassroots enterprises and social entrepreneurs, USADF remains an important tool in the U.S. government's foreign assistance toolkit.

USADF is on the frontier of development, working directly with Africans on the ground to combat some of Africa's most difficult development challenges with programs to increase U.S development presence in the hardest to reach areas. USADF grants provide capital, capacity building through local technical expertise, and convening opportunities for grassroots enterprises that empower the underserved to become part of Africa's growth story. The Foundation's participatory development model emphasizes resilience and sustainable strategies that allow families to move beyond relief and dependency to self-sufficiency and promote market-based solutions to poverty.

USADF is Accountable, Direct, and on the Frontier in its approach:

- At USADF, each project is unique, and we are accountable for each dollar spent through our hands-on Washington, D.C. – Africa field office coordination. Each project has stringent, individual financial benchmarks to meet before funds are released, and a series of internal audits are executed on every project. Grant projects are audited by external auditors credentialed by USADF OIG.
- At the core of USADF's programming is our direct connection to African solutions for the development challenges each community faces. Africans lead our 21 country teams and facilitate our African-led, participatory, bottom-up development model. We direct our investments to each 100 percent African-owned enterprise with no middleman or administrative overhead. This direct relationship affords USADF in Washington, D.C., and Africa the ability to closely monitor and support each project.
- USADF is on the frontier in working with the most vulnerable: those impacted by conflict, persons living with disabilities, women, at-risk youth, refugee communities, and smallholder farmers. Although the grants seem small in size – capped at $250,000 – compared to other development agencies, USADF prides itself on transferring the financial knowledge and project management skills necessary to manage each dollar.

USADF ensures critical U.S. trade, investment, and development initiatives such as Power Africa, Feed the Future, Prosper Africa, and the African Growth and Opportunity Act (AGOA) and targeted national security and women and youth development programs reach thousands of

communities often left out of Africa's growth story. USADF operates in Africa using an innovative African-led and managed development model that "right sizes" efforts, directing development resources to the vulnerable rural areas with greatest need and potential for impact.

The Foundation also offers a high return on taxpayer dollars. For FY 2022, USADF plans to augment the $33 million of requested federal funds by using donated funds from various African host country governments, private foundations and corporations, and U.S. interagency sources to expand total funds available for project grants. By FY 2022, over 18 years, USADF intends to have utilized more than $81 million of donated funds to expand USADF grant programs and impact.

In conclusion, USADF's enduring relationship with communities in Africa provides a unique perspective on development, stability, and peace and security on the continent. As the drivers of instability proliferate, it is increasingly important for the United States to invest in economic development in Africa, particularly in ways that reach those communities of greatest need and vulnerability. USADF affirms its commitment to country-ownership and community involvement for successful capacity building and long-term development success. Our programs inherently deliver results that extend key U.S. foreign assistance priorities, including improving local food production, increasing income levels, and creating an environment for economic growth. We look forward to your support and guidance as we seek to maintain and expand the impact of this unique foreign assistance program and mutual opportunities for growth and strengthened ties between Africans and Americans.

Sincerely,

John W. Leslie, Jr.	Dr. John O. Agwunobi	Elisabeth Feleke
Chairman, Board of Directors	Vice-Chair, Board of Directors	Acting President and CEO

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Executive Summary

Agency Overview

The U.S. African Development Foundation (USADF) is an independent U.S. government agency established by Congress to invest in African grassroots organizations, entrepreneurs, and small- and medium-sized enterprises (SMEs). USADF's investments promote African-designed and African-delivered local economic development by increasing incomes, revenues, and jobs and creating pathways to prosperity for marginalized populations and underserved communities.

Working through a community-led development model, USADF provides grant capital of up to $250,000, capacity-building assistance, and convening opportunities to develop, grow, and scale African enterprises and entrepreneurs. These investments improve lives and impact livelihoods while addressing some of Africa's biggest challenges around food insecurity, insufficient energy access, and unemployment, particularly among women and youth. USADF utilizes 100 percent African staff and local partners on the ground across Africa, making it an agile, impactful, and innovative foreign assistance provider able to operate in areas that are often too remote or fragile to be reached by other U.S. government development agencies.

Agility – As a small, independent agency, USADF is highly responsive and agile in establishing targeted development programs in Africa. USADF can begin new programs in months rather than years. These quick starts complement larger U.S. government (USG) programs by providing early results and an extended reach to rural locations and underserved communities.

Access – USADF's pan-African network of local partner organizations bring local knowledge of market linkages, connections to government and other in-country actors and stakeholders, and a strong enterprise development background. These organizations are also uniquely positioned to help USADF operate successfully in challenging environments and post-conflict communities.

Overhead – In FY 2020, USADF administrative support costs represented only 17.8 percent of its budget when including the resources leveraged from partnerships. USADF is focused on allocating resources efficiently and effectively in support of its mission, and in FY 2021, administrative support costs are budgeted at approximately 15.5 percent of USADF's operating budget. USADF also focuses on maximizing U.S. taxpayer dollars through its use of matching funds agreements with African host governments and private sector donor funds.

Innovative Partnerships and Leveraged Funding – USADF's results-based development model maximizes taxpayer dollars by linking African host country funds, corporate social investments, and interagency funding sources to achieve sustainable economic growth opportunities for grassroots, small, and growing enterprises in underserved regions across Africa.

Grassroots Sustainability – USADF employs a participatory, locally-led approach to program design and implementation that leads to greater ownership of projects. Working through host country staff and African partners increases local ownership in the development process, builds

the capacity of local community development institutions, and creates strong linkages that help community enterprise grant organizations achieve results-driven growth.

Five Reasons to Support the FY 2022 USADF Budget Request of $33 Million

1. Advancing Peace and Security in Fragile States

Economic development is incredibly important in fragile states, which are often plagued by inequality, poor governance, and conflict. These problems constrain the effective delivery of goods, services, and infrastructure. The 2020 Organization for Economic Cooperation and Development (OECD) States of Fragility Report analysis of global official development assistance (ODA) found that the economic dimension receives approximately half the proportion of the total ODA in extremely fragile contexts than it receives in non-fragile contexts.[1] OECD found that economic fragility affects the wellbeing and prosperity of individual people, households, and society as a whole, and impacts the other dimensions of fragility by exacerbating political and societal divisions that contribute to violence and unrest. USADF has a strong focus on the Great Lakes, the Sahel, and the Horn of African regions, which according to OECD, were the three most economically fragile subregions from 2012 to 2018.

USADF's investment in economic development in fragile states is crucial to the long-term growth and stabilization, as the private sector often fulfills needs ordinarily filled by governments. USADF investments help create jobs and economic opportunities for communities; a recent study of USADF grants conducted as part of a Foreign Policy Analytics (FPA) report[2] commissioned by USADF found 25.2 workers were hired for every $10,000 USADF invests in agricultural grants, and 79.3 people were connected to reliable electricity for every $10,000 USADF invests in energy grants. That same study found that not only is USADF investment impactful, but there is a strong need for it. FPA found 74 percent of grantees agreed or strongly agreed that their projects likely would not have been funded if not for USADF's support, underscoring the vital need for USADF's presence in these areas.

2. Extending Development Priorities to the Underserved

USADF extends development priorities to the underserved by focusing on women and girls, youth, and recovering communities. USADF creates solutions for Africa's future now by investing in women and youth entrepreneurs through the provision of seed capital and technical assistance to help them grow their social enterprises and impact thousands of lives. USADF provides youth and women entrepreneurs with the tools needed to invest in their own communities, employ marginalized people, train other youth and women, impact their communities, and create or expand markets by providing goods and services. USADF also works with communities facing hardships created by external factors such as conflict and natural disasters.

USADF extends the efforts of larger agencies by delivering resources directly to grassroots communities in hard-to-reach underserved regions in Africa. USADF's African-led and managed

[1] OECD, 2020: "States of Fragility"
[2] Foreign Policy Analytics 2020 report: "Investing in Resilience from the Ground Up."

development model emphasizes "right-sizing" efforts, directing development resources to vulnerable and remote areas with the greatest need and potential for impact.

3. Advancing Congressional Priorities

USADF's program efforts in Africa align closely with Congressional and Administration priorities in development, trade and investment, youth and women economic empowerment, and the promotion of stability in fragile states and post-conflict regions.

Over the last five years, USADF has been a key contributor to the Global Food Security Act, providing over $61 million in 20 African countries to help approximately 3.4 million people overcome food insecurity. USADF works to improve food security and systems in 6 of 12 Feed the Future target countries.

Since the passage of the Electrify Africa Act in 2014, USADF has invested more than $11 million in over 130 off-grid energy enterprises to help combat insufficient access to energy. On average, for every $10,000 USADF invests in off-grid energy enterprises, 79.3 people are connected to reliable electricity.[3]

Congress recently passed into law the Global Fragility Act, focused on addressing the root causes of fragility and instability. Of USADF's 21 country portfolio, 17 countries are classified as fragile or extremely fragile states by the OECD.[4] USADF's focus on supporting grassroots, community-led enterprises and its emphasis on youth and women entrepreneurs and development model dovetail well with the Global Fragility Act's requirement that "participatory, locally-led programs that empower marginalized groups such as youth and women" be a component of the Act's Global Fragility Strategy.

4. Innovative Partnerships and Leveraged Funding

USADF is doing more to reimagine how to deploy grant capital. The Foundation continues to make direct grants to social entrepreneurs while harnessing new ideas and partnerships that deepen the impact of grant capital to strengthen grantee resilience and enterprise growth. USADF's innovative partnerships help further the Foundation's development goals, provide new ways for investees to build credit worthiness and business sustainability, and allow the Foundation to expand its work at a lower cost to the U.S. taxpayer.

5. Transforming the Youth Bulge from a Threat to an Opportunity

About 60 percent of Africa's population is under the age of 25, and analysts project that one-third of the world's youth will be concentrated in Africa by 2050.[5] In 2019, nearly 40 percent of youth in Africa were defined as being in extreme working poverty or were earning under $1.90 per day, on average, according to the ILO.[6] While Africa's so-called "youth bulge" is often seen

[3] Foreign Policy Analytics 2020 report: "Investing in Resilience from the Ground Up."
[4] OECD, 2020: "States of Fragility"
[5] Cities Alliance, July 2020: "The Burgeoning Africa Youth Population: Potential or Challenge?"
[6] International Labour Organization, April 2019 Report: "Spotlight on Work Statistics"

as a threat, USADF sees Africa's youth as a tremendous resource to drive African nations' economies forward with the right support.

Since 2014, USADF has directly supported over 300 youth entrepreneurs in 40 countries, providing them with $6 million of grant funding to launch and expand their businesses across Africa. These businessmen and women are working across sectors, from health and education to IT and agribusiness to sell goods and services, create jobs, train youth, and increase incomes. A recent study of USADF's youth entrepreneurship portfolio found youth-led enterprise grantees in the Sahel reached an average of 12,570 beneficiaries or customers over the course of their grants and hired an average of 15 workers. In the Horn of Africa, youth enterprises reached 2,353 customers and hired an average of 273 workers. In the Great Lakes, USADF youth entrepreneurs reached an average of 403 customers and hired an average of 9 workers.[7]

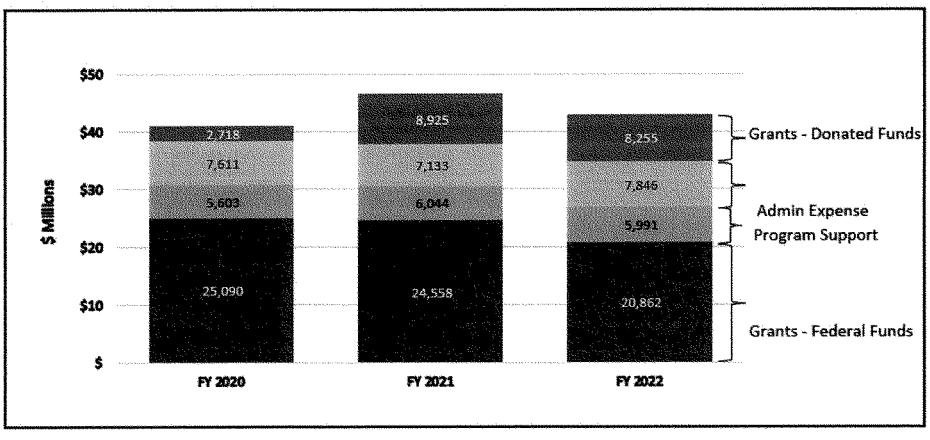
[7] Foreign Policy Analytics 2020 report: "Investing in Resilience from the Ground Up."

USADF FY 2022 Budget Request and Details

USADF requests $33 million for FY 2022 to support broad U.S. foreign assistance priorities and national interests in marginalized regions in Sub-Saharan Africa. The $33 million provides USADF with resources to award more than 188 new grants and continue monitoring an active grant portfolio of $51.8 million.

In addition to USADF's FY 2022 budget request of $33 million, USADF is projected to leverage $8.96 million from partnerships (including an Interagency Agreement with MCC and funding from African governments and private corporations/foundations), and $1.6 million in carryforward. USADF's FY 2022 budget is projected to be $43.56 million given the $33 million requested, the $8.96 million of partnership contributions, and the $1.6 million carryforward. The projected budget allocates $29.1 million for new grants, $6 million for program support activities in Africa, and $7.9 million for monitoring and grant administration in Washington. The budget allocations for FY 2020, FY 2021, and FY 2022 are depicted below.

Figure 1: FY 2020, FY 2021, and FY 2022 Budget Comparison



FY 2022 Budget Request

USADF requests $33 million of federal funds for Fiscal Year 2022 to support broad U.S. foreign assistance priorities and national interests in communities across Sub-Saharan Africa. The $33 million provides USADF with resources to award more than 188 new grants and continue monitoring an active grant portfolio of $51.8 million representing more than 459 rural African community enterprises. The budget table below (Table 1) provides a summary of the budget request and expected allocation of resources in FY 2022 for program and administrative expenses.

Table 1: FY 2022 Budget Request Levels and Recent Budget History ($1,000)

	Description	FY 2020 $33M	FY 2021 $33M	FY 2022 $33M
Federal Funds	**Operating Expenses**			
	ADF/W	7,611	7,133	7,846
	Operating Expense Subtotal:	**7,611**	**7,133**	**7,846**
	Program Expenses			
	Project Grants	20,094	17,354	13,195
	Foreign Currency Adjustments	31	100	100
	Partners Grants	4,965	7,104	7,567
	HQ Program Support	3,882	3,875	3,991
	Field Office Program Support	1,460	1,886	1,711
	Audit	261	283	289
	Program Subtotal:	**30,693**	**30,602**	**26,853**
	Total Operating & Program	**38,304**	**37,735**	**34,699**
	Federal Funds			
	Current FY Appropriations	33,000	33,000	33,000
	Non-Expenditure Funds Transfer-AID/MCC	5,599	2,410	700
	Recoveries & Funds Carried Forward	1,400	2,325	1,600
	Total Federal Funds	**39,999**	**37,735**	**35,300**
	Operating Expenses as a Percent of Available Federal Funds	19%	19%	22%

Note that the increase in FY 2022 Operating Expenses is primarily due to one-time system upgrade cost (Grants Management System, Monitoring & Evaluation Reporting Tool, and CRM Application Portal).

Budget Details

Table 2, below, provides a summary of USADF's historical and planned program expenditures using federal funds. USADF intends to strengthen its quantitative metrics by investing significant resources to expand monitoring and evaluation grant activities. Budget lines for Project Grants and Local Partners Cooperative Agreements are the primary elements of USADF's spending in Africa, representing 78 percent of USADF's program budget and over 60 percent of USADF's total budget. Headquarters and Field Office program expenses are used to strengthen the capacity of USADF's local partners to fund program improvement initiatives and support grant monitoring and evaluation activities.

Table 2: Program Expense Budget Summary Using Federal Funds ($1,000)

	Description	FY 2020 $33M	FY 2021 $33M	FY 2022 $33M
Federal Funds	**Program Expenses**			
	Project Grants	20,094	17,354	13,195
	Foreign Currency Adjustments	31	100	100
	Partners (Cooperative Agreements)	4,965	7,104	7,567
	HQ Program Support	3,882	3,875	3,991
	Field Office Program Support	1,460	1,886	1,711
	Evaluation	261	283	289
	Program Subtotal:	**30,693**	**30,602**	**26,853**

New Project Grant Allocations by Country

Table 3, below, provides the details of USG appropriated dollars allocated to new project grant activity by country. In FY 2022, USADF expects to award over 188 new project grants with federal funds. By law, the size of USADF's development grants cannot exceed $250,000. For core programs, the average grant size is $130,000 and is awarded over a three-year period. All grants have a detailed project plan that includes measurable goals and objectives and a detailed project budget. USADF monitors grant performance and funds accountability through its African local partner organizations, quarterly progress reports, periodic site visits from Washington staff, and semi-annual Washington-based project performance assessments.

As noted in figure 1, federal funds for grant making will be supplemented by partnership funding, which will enable the Foundation to award over 250 new grants in FY 2022.

Table 3: Project Grant Details Appropriated Funds

Country	FY 2020 $33M*	FY 2021 $33M	FY 2022 $33M
BENIN	1,167,562	750,000	750,000
BURKINA FASO	1,355,250	-	1,800,000
BURUNDI	366,352	-	-
CÔTE D'IVOIRE	259,781	2,067,857	2,500,000
DRC	63,000	375,000	
GUINEA	335,394	-	
KENYA	2,588,368	1,475,228	200,000
LIBERIA	624,770	-	
MALAWI	281,004	200,000	200,000
MALI	579,821	179,163	
MAURITANIA	249,683	370,670	2,000,000
NIGER	4,373,462	2,687,654	700,000
NIGERIA	1,475,985	2,411,235	900,000
RWANDA	1,266,725	317,811	
SENEGAL	287,000	2,142,857	2,000,000
SOMALIA	443,742	-	200,000
SOUTH SUDAN	509,089	-	45,000
TANZANIA	268,000	198,192	
UGANDA	1,486,406	1,145,263	1,000,000
ZAMBIA	699,588	91,500	
ZIMBABWE	666,197	-	
SMALL GRANTS	551,904	2,341,958	
SPECIAL INITIATIVES			
WGDP	25,000	600,000	
YALI	170,000	-	-
ELECTRIFY AFRICA			900,000
FOREIGN CURRENCY ADJUSTMENT	31,280	100,000	100,000
	20,125,363	**17,454,388**	**13,295,000**

Local Partner Grant Allocations by Country

Table 4, below, provides the details of USG appropriated dollars allocated to support African Local Partner grants (Cooperative Agreements) in 21 countries. USADF local partners are a key component of USADF's African-led and -managed participatory development model. The model draws on local development expertise in each country to provide technical assistance to USADF development projects. In the short-term, these organizations provide essential implementation support to local grantees, ensuring financial accountability and enabling USADF grants to be more successful. Over time, USADF's local partners become long-term assets and advocates for grassroots development in their respective countries.

General budget increases from FY 2021 to FY 2022 for Local Partner grants were due to currency fluctuations and the increased cost of doing business in Africa.

Table 4: Local Partner Grant Details

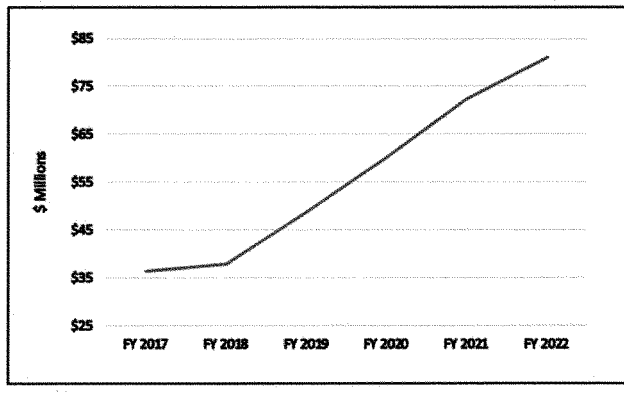
Country	FY 2020 $33M*	FY 2021 $33M	FY 2022 $33M
BENIN	157,912	329,766	339,659
BURKINA FASO	226,833	318,984	328,554
BURUNDI	150,000	204,794	210,938
CÔTE D'IVOIRE	85,156	641,741	660,993
DRC	47,716	168,386	173,438
GUINEA	134,054	131,250	135,188
KENYA	222,279	409,587	546,875
LIBERIA	198,817	284,063	292,584
MALAWI	156,945	261,226	269,063
MALI	261,667	314,063	323,484
MAURITANIA	225,377	325,580	335,347
NIGER	773,035	668,350	688,401
NIGERIA	487,082	632,813	776,797
RWANDA	226,039	297,900	306,837
SENEGAL	251,297	393,117	404,911
SOMALIA	226,710	230,792	237,716
SOUTH SUDAN	151,350	273,694	281,904
TANZANIA	287,783	318,568	328,125
UGANDA	193,555	273,002	281,192
ZAMBIA	159,214	320,368	329,979
ZIMBABWE	341,718	305,684	314,855
	4,964,539	7,103,727	7,566,839

**Local partners were not fully funded in FY 2020*

USADF Expands the Use of Federal Dollars with Leveraged Partnership Funds

USADF plans to augment the FY 2022 budget request of $33 million by using donated funds from various African host country governments, private foundations and corporations, and U.S. interagency sources to expand total funds available for project grants. Over the period of 18 years and by the end of FY 2022, USADF would have utilized more than $63 million of leveraged funds from African governments and private sector corporations and foundations to expand USADF grant programs and impact. In FY 2022, USADF anticipates receiving $6.55 million of donated funds for project grants in countries with strategic partnership, $1.71 million in corporate donations, and $700,000 in USG funds transfers. Figure 2 shows the cumulative value of external funding used to date and the anticipated receipt of donated funds in FY 2021 and FY 2022.

Figure 2: Cumulative External Funding for USADF Grant Programs in Africa ($Million)



Administrative Resource Allocation Table

Tables 5, below, provides the summary detail of USG appropriated dollars allocated to support the administration and oversight of USADF programs in Africa.

Table 5: Operating Expenses Summary ($1000)

	Description	FY 2020 $33M	FY 2021 $33M	FY 2022 $33M
	Operating Expenses			
	ADF/W	7,611	7,133	7,846
	Operating Expense Subtotal:	**7,611**	**7,133**	**7,846**

Note that the increase in FY 2022 Operating Expenses is primarily due to one-time system upgrade cost (Grants Management System, Monitoring & Evaluation Reporting Tool, and CRM Application Portal).

Comprehensive Summary FY 2022 Budget Table

Table 6 is a comprehensive budget summary of USADF's planned activities and funding sources for all FY 2022 Administrative and Program activities. The table is separated by federal funding sources and external leveraged funding. USADF plans to leverage approximately $12.6 million in new external funds to further extend USADF programs in Africa. All external funding sources are used for program purposes, and the majority of funds are matched with appropriated funds (as available). Maintaining a stable federal funding base is essential to USADF's efforts to leverage external funding for the continuity and expansion of USG grassroots program operations in Africa led by USADF.

Table 6: FY 2022 Comprehensive Budget Summary Plan ($1,000)

	Description	FY 2020 $33M	FY 2021 $33M	FY 2022 $33M
Federal Funds	**Operating Expenses**			
	ADF/W	7,611	7,133	7,846
	Operating Expense Subtotal:	**7,611**	**7,133**	**7,846**
	Program Expenses			
	Project Grants	20,094	17,354	13,195
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	Total Operating & Program	**38,304**	**37,735**	**34,699**
	Federal Funds			
	Current FY Appropriations	33,000	33,000	33,000
	Non-Expenditure Funds Transfer-AID/MCC	5,599	2,410	700
	Recoveries & Funds Carried Forward	1,400	2,325	1,600
	Total Federal Funds	**39,999**	**37,735**	**35,300**
	Operating Expenses as a Percent of Available Federal Funds	19%	19%	22%
External Funds				
	Donated Funds Planned Budget			
	Grants	2,444	7,656	7,782
	Partners (Cooperative Agreements)	274	1,269	473
	Subtotal:	**2,718**	**8,925**	**8,255**
	Donated Funds Revenues			
	Country Strategic Partners	2,615	6,575	6,550
	Private Sector Partners	675	2,350	1,705
	Total Available Donated Funds	**3,290**	**8,925**	**8,255**
	Total Available Federal and Donated Funds	**43,289**	**46,660**	**43,555**
	Grants Outlays as a percent of Total Funds Available	64%	72%	67%

USADF FY 2020 Highlights

In FY 2020, USADF awarded 253 new grants, investing primarily in early-stage agriculture, off-grid energy, and youth- and women-led enterprises and skills training programs. Over the full grant lifecycle, the new grants awarded in FY 2020 are projected to benefit over 160,000 people directly and more than 600,000 additional family members.

As the COVID-19 pandemic threatened progress USADF had made in improving lives and livelihoods across Africa, USADF developed its COVID-19 response strategy in April 2020. Overall, the Foundation's response provided over $5 million to 455 enterprises in 27 African countries. USADF outlined key strategic areas for COVID-19 intervention that would build upon its participatory, locally led, and demand-driven approach to development. The interventions sought to:

- **Respond by providing grantees immediate relief and capital assistance**. For example, i-Kabin Integrated Resources Limited, a solar-powered battery charging service provider start-up in Nigeria, used USADF funds to make-up for revenue shortfalls and keep its operations afloat.
- **Support grantees in repurposing and reconfiguring business models.** As examples, USADF funds allowed Natura, a shea butter cosmetics company in Benin, to pivot its operations and produce close to 2,500 liters of hand sanitizer shortly after the pandemic began. In Ghana, USADF grantee Alfie Designs repurposed its fashion garment manufacturing business to produce cotton face masks, medical scrubs, hospital gowns, and head covers to support COVID-19 prevention efforts, allowing it to maintain operations and hire additional employees to meet PPE demand.
- **Build grantees' resilience.** As one example, grantees in Liberia credited USADF for enhancing their managerial and operational capacities to the point to which they collectively were prepared to secure $4 million in purchase orders from the Government of Liberia's food distribution and school feeding programs during COVID-19. Several other USADF grantees were similarly positioned to access new markets and increase their incomes during the pandemic.

To foster and maintain more open lines of communication and information sharing, USADF instituted a weekly COVID-19 county tracker through which Country Program Coordinators (CPCs) and local implementing partners shared updates on the pandemic's market and operational impacts in their respective country. USADF Washington staff also contacted over 430 grantees directly through phone calls to hear first-hand their COVID-19-related concerns and immediate operational pivots and needs, many of which were addressed through USADF's COVID-19 response.

A key component of the response in FY 2020 was the Capital for African Resilience-building and Enterprises Support (C.A.R.E.S) program through which USADF by June 30, 2020, had provided approximately $3 million for more than 330 grantees in 21 African countries. Grantees used these funds to, among other things, manage increased transport costs, decreased production capacity, and insufficient storage for inputs and inventory.

In addition to the $3 million disbursed under USADF C.A.R.E.S, the Foundation committed another $2 million to activities needed to fight the pandemic's effects and allowed for the amendment of grant agreements so grantees could pivot projects to be responsive to COVID-19 challenges and opportunities. USADF funding also helped train youth in Nigeria for healthcare sector jobs under a partnership with Lagos State, as well as in Somalia where trainees staff the only regional hospital able to care for COVID-19 patients.

Numerous USADF off-grid energy grantees repurposed their energy technologies to help their communities fight the pandemic. In Nigeria, a USADF off-grid energy grantee successfully established the first private solar panel manufacturing plant in Nigeria and has installed solar power systems in two COVID-19 isolation centers in Lagos State. The company subsequently secured an additional $4.6 million in follow-on financing from the Chapel Hill Denham Nigeria Infrastructure Debt Fund, the first listed infrastructure debt fund in Africa. With this investment, the enterprise will construct 22 mini-grids that will connect 70,000 people to reliable energy.

In Mauritania, where only 2.3 percent of the rural population is connected to the electrical grid, a USADF-funded renewables energy enterprise is undertaking a large-sale off-grid solar project in Acharim, home to about 750 people. The enterprise is supplying solar lamps, water pumps, and power outlets for in-home use and electricity for the village. During COVID-19, the company extended solar energy access to a rural hospital near Acharim and has plans to do the same at health facilities across Mauritania.

Gender-inclusive digital services will be pivotal for rural and women-led businesses to recover from the impacts of COVID-19. Moving forward, USADF will prioritize support to women-owned enterprises across Africa that currently lack access to digital tools and resources, under a broader digitization push. The Foundation will assist them in opening new markets, distribution and delivery networks, and mobile money service options. Through various grants, USADF is poised to support nearly 1,000 African women-owned enterprises in developing websites, e-commerce platforms, and digital marketing content and strategies.

USADF Program Sectors

USADF's transformative programs focus on three key programmatic areas: 1) agriculture and food security, 2) off- grid energy access, and 3) employment through job training and placement and entrepreneurship grants for women and youth. The investments the Foundation makes directly into Africa enterprises and social entrepreneurs generate sustainable economic growth opportunities to increase incomes and revenues, create jobs, expand intra-African trade, and promote two-way trade between the United States and Africa. USADF's activities help local communities, associations, and enterprises become self-sufficient and better integrated into local economies. This in turn provides a peaceful and productive alternative to the violence that is often found in conflict and post-conflict regions across Africa.

Agriculture & Food Security

Nearly 57 percent of people in sub-Saharan Africa face food insecurity.[8] USADF helps foster food security by investing in and developing agribusinesses. Accordingly, the majority of USADF grant investments are focused on supporting agricultural-led economic growth for smallholder farmers who are the backbone of African economies. USADF grants assist agricultural cooperatives to develop better enterprise management skills, improve production and distribution capabilities, access larger markets, improve marketing capabilities, and increase revenues and incomes for smallholder farmers.

USADF is a component agency of the U.S. government's Feed the Future (FtF) global hunger and food security initiative and has active programs in 6 of the 12 FtF target countries: Kenya, Mali, Niger, Nigeria, Senegal, and Uganda. Additionally, several of USADF's other country programs in Africa are aligned with Global Food Security Strategy goals.

As examples of how USADF is strengthening agribusinesses and improving food security:

- USADF is a member of the Coalition for Farmer-Allied Intermediaries (CFAI) – along with Bain & Company, Partners in Food Solutions, and TechnoServe – to catalyze a movement around farmer-allied intermediaries in order to transform and build more resilient African food systems. The aim is to help scale profitable, competitive African food companies that enhance smallholder famer livelihoods, nutrition, food security, socio-economic development, and environmental sustainability through more effective collaborative action. USADF is equipping coalition-identified companies with required capital and strategic financial and operational capabilities to ensure business continuity and adaptation. USADF has provided $500,000 to nine intermediaries in Ghana and Kenya facing business continuity challenges as part of a resiliency grant pilot.

- USADF has received grant funding from the Helmsley Charitable Trust to implement a Livelihood Improvement Program (LIP) in Malawi. A total of $4.5 million will be invested over three years, 100 percent of which will go to African entities. The goal of this project is to address food security and the income needs of chronically ill patients

[8] United Nations: "The Sustainable Goals Report 2020."

and their communities by training them on integrated farming systems while increasing their daily nutrition for a healthier and balanced diet. The three primary impact areas are better patient outcomes resulting from improved nutrition, improved livelihoods from income-generating agricultural activities, and increased resilience to shocks.

- In Kenya, USADF is providing grant funding to Agrimech to launch the Agricultural Mechanization Service Hub (AMSH) business model that is built on a suite of technology products designed to address tractor owners' (supply) and farmers' (demand) needs. This project utilizes tested and proven GPS technology supplied by U.S. small business Hello Tractor, affectionally known as the "Uber" for tractors. Hello Tractor supports equipment deployed in order to de-risk investments, adequately schedule and monitor tractor deployments, ensure quality and reliable service provision, and provide a sustainable employment model. Additional technology partners include American agriculture machinery company AGCO, Holman Brothers, IBM, and John Deere. Through the project, farmers and agricultural cooperatives are expected to increase their productivity by up to four times and have access to premium markets.

- USADF has partnered with Nourishing Africa and Mastercard Foundation to launch the Entrepreneurs Support Program to assist MSMEs across Nigerian agriculture and food landscapes in rebuilding and strengthening their businesses after the impact of COVID-19 using ICT, data, and innovation. The program targets enterprises run by young people between the ages of 20 and 40 engaged in critical food, cash crops, livestock value chains, logistics and storage, and distribution in 11 states in Nigeria.

Off-Grid Renewable Energy

Sub-Saharan Africa has the lowest energy access rates in the world, with electricity reaching only about half of its people; approximately 600 million people lack electricity, and 890 million cook with traditional fuels.[9] USADF's off-grid energy grants promote market-based solutions that connect people and businesses to electricity. Since 2014, USADF has awarded over $11 million to more than 130 off-grid energy enterprises to help combat insufficient access to energy.

Under the Power Africa initiative, USADF partnered with the private sector to launch the Off-Grid Energy Challenge and Women in Energy Challenge to fund African entrepreneurs delivering energy solutions using solar, wind, hydro, and biogas technologies. USADF's various off-grid energy challenges award grants of up to $250,000 each to African enterprises providing off-grid solutions that deploy renewable resources, power local economic activities, and demonstrate a sustainable, scalable business model. Challenge winners have near-term solutions to power the needs of productive and commercial activities, including agriculture production and processing, off-farm businesses, and commercial enterprises.

In FY 2020, USADF obligated more than $630,000 in grant funding under the Sahel-Horn Off-Grid Energy Challenge to African energy enterprises in Burkina Faso, Mali, Mauritania, Somalia, and South Sudan. In FY 2021, USADF is awarding between 15 and 20 grants under the

[9] OECD Case Study, 2018: "Achieving Clean Energy Access in sub-Saharan Africa"

USADF-All On partnership, in addition to other cross sectoral energy grants in agriculture, healthcare, and innovative technology.

On average, up to 60 percent or more of the off-grid population in Africa works in agriculture, so any attempt to improve livelihoods through energy access activities must be linked to farming, and in particular, female farmers. USADF's strong expertise in the rural agriculture sector and dedication to increasing access to energy in these communities have given it the unique ability to identify and fund agricultural cooperatives with the capacity to integrate off-grid renewable energy solutions into their value chains.

In FY 2020, USADF awarded funding to 12 agricultural cooperatives in eight countries to add critical off-grid energy components to their value chains in sectors including maize milling, shea processing, irrigated crops, and dairy refrigeration. In addition, USADF has funded more than 20 energy enterprises specifically focused on energy for agricultural productive use. As an example, USADF grantee Eastwind Laboratories Limited is providing a modular solar-powered refrigeration-as-a-service system for rural farmers in Osun State, Nigeria. Eastwind Laboratories' refrigeration services enable livestock farmers to preserve and extend the shelf life of their produce before it reaches market, thereby increasing farmers' production and incomes.

Women and Youth Entrepreneurship, Employment, and Networking

USADF prioritizes creating sustainable jobs by investing in enterprises that are creating employment opportunities. Africa is the youngest continent when considering the age of its population; 60 percent of Africa's 1.25 billion people are under 25,[10] and 12 million young Africans are expected to enter the work force every year.[11]

Prior to COVID-19, another pandemic was already negatively affecting women globally: unequal access to funding and other opportunities to succeed as entrepreneurs. According to the International Finance Corporation, there is a roughly $300 billion credit gap for women-owned SMEs globally, despite women entrepreneurs serving as a critical source of innovation and job creation and fueling economic growth. The larger the opportunity gap between men and women, the more likely a country is to be involved in violent conflict. USADF believes Africa's growth and prosperity will be driven by her women and considers investments in women as investments in African peace and security.

USADF creates solutions for Africa's future now by investing in women and young entrepreneurs through the provision of seed capital and technical assistance to help them grow their social enterprises. USADF provides youth and women entrepreneurs with the tools needed to invest in their own communities, employ marginalized people, train other youth and women, impact their communities, and create or expand markets by providing goods and services.

USADF selects Africa's top youth entrepreneurs from the U.S. government's Young African Leaders Initiative (YALI) to receive catalytic seed funding through highly competitive business plan competitions. Since 2014 in 40 countries, USADF has invested $6.4 million in 300 YALI

[10] Brookings Institution Africa Growth Initiative: "Foresight Africa: Top Priorities for the Continent in 2019"
[11] African Development Bank Group, 2016: "Jobs for Youth in Africa"

entrepreneurs' social enterprises. In FY 2020, through a partnership with USAID and Citi Foundation, USADF awarded a total of $850,000 to youth entrepreneurs developing businesses for social and community change in 22 sub-Saharan Africa countries. Each competition winner received at least $10,000 in seed capital to strengthen systems to support the growth of their companies ranging in sectors from agribusiness and healthcare services to renewable energy and education.

In Somalia where nearly 70 percent of youth are unemployed, USADF if filling a skills gap by providing vocational training and job placement for youth between the ages of 15 and 35. USADF provides funding to local Somali NGOs to train unemployed youth and work with local businesses to set up five-month training and apprenticeship programs. To date, USADF funding has facilitated placement for 6,000 youths. Dahabshiil Bank has provided funding alongside USADF that has facilitated 200 placements. Youth trainees have reported their income jumping from as much as $50/month to $300/month. In FY 2020 and FY 2021, USADF expanded this impactful model of youth training and apprenticeship in Somalia to the Democratic Republic of the Congo, Lagos State in Nigeria, Senegal, South Sudan, and Uganda.

USADF has supported several African women enterprises in expanding markets and meeting supply orders from international retailers. As examples, a women's shea cosmetics enterprise in Ghana can now meet orders from 1,000+ U.S. Target stores, and another grantee in Burkina Faso can consistently supply shea to French cosmetics company L'Occitane. USADF has also supported women coffee enterprises to expand and export their internationally recognized brands that can be found in Starbucks and elsewhere.

In 2020, USADF entered into a partnership with the Department of State's Academy for Women Entrepreneurs (AWE). AWE is a facilitated entrepreneurship program that provides women with the skills, resources, and networks needed to succeed as entrepreneurs. USADF is providing select AWE graduates in African countries with catalytic funding to start and scale their enterprises. Beginning in 2020 and through 2025, USADF is providing up to $10 million in grants to the most promising African AWE graduates and has already provided close to $900,000 to 38 women in eight countries.

Following are priorities under USADF's youth and women entrepreneurship portfolio moving forward:

- Through a grant to Entrepreneurial Solutions Partners (ESP), a pan-African Ivorian organization, to establish the African Resilience Initiative for Entrepreneurs (ARIE), USADF is testing grantees' ability to receive and reinvest grant funding. USADF and ESP are awarding selected entrepreneurs Community Reinvestment Grants (CRG) through which a portion of grant funds are repaid and then reinvested in local community organizations selected by the grantee with USADF coordination and assistance, as needed. ARIE primarily targets the top performing entrepreneurs in the Foundation's portfolio who have grown beyond the need for USADF grant capital but are still out of the reach of, and remain unattractive to, financial institutions. This is an additive evolution in the way USADF provides seed capital to underserved populations that is

responsive and driven by those at, and on, the cutting edge of entering new markets or testing new products and solutions to meet local challenges and needs.

- Through a five-year $10 million partnership with the Lagos State Employment Trust Fund (LSETF), USADF is facilitating globally competitive industry and trade relevant skills and apprenticeships for 15,000 youths in Lagos State, equipping them to take advantage of employment and entrepreneurship opportunities. Both parties are providing up to $5 million each over the life of the Youth Employability partnership program. During FY 2020, USADF and LSETF provided funding totaling $900,000 to 13 youth training institutions that trained more than 1,700 youths to qualify them for employment in a variety of sectors, including construction, fashion, IT, banking, and health.

- Through a five-year $20 million partnership with the Government of Senegal's La Délégation Générale à l'Entreprenariat Rapide des Femmes et des Jeunes (DER), a government-sponsored fund launched by the President of Senegal to catalyze entrepreneurship amongst youth and women, USADF is awarding grants to youth and women entrepreneurs, farmer cooperatives, producer associations, and SMEs, with a focus on expanding access to markets.

Additionally, USADF uses its convening power to bring together entrepreneurs, business and thought leaders, and investors to solve Africa's most pressing challenges. With the creation and implementation of the Youth Entrepreneurship Summit (YES Africa) in 2018 and 2019, USADF scratched the surface of the potential of its convening power. In FY 2020, USADF rebranded YES Africa as the Financing, Utilization, and Networking in Development (FUND) Africa Summit. More than 200 people participated in the inaugural FUND Africa Summit held in August 2020 virtually. FUND Africa provided a platform for several notable speakers and subject-matter experts to hold discussions with grantees on topics such as navigating a COVID-19 world, augmenting business models, and utilizing technology to find efficiency.

USADF Alignment with Congressional and Administration Priorities

USADF's program efforts in Africa align closely with Congressional priorities in development, trade and investment, youth and women economic empowerment, and the promotion of stability in fragile states and post-conflict regions.

Global Fragility Act

Of USADF's 21-country portfolio, 17 countries are classified as fragile or extremely fragile states by the Organization for Economic Corporation and Development (OECD).[12] USADF's focus on supporting grassroots community-led enterprises, emphasis on youth and women entrepreneurs, and development model dovetail well with the Global Fragility Act's requirement that "participatory, locally-led programs that empower marginalized groups such as youth and women" be a component of the Act's Global Fragility Strategy. Furthermore, USADF's operating model of 100 percent African staff and partners on the ground means USADF can manage programs in areas that are difficult for other agencies to reach on a consistent basis.

Global Food Security Act and Feed the Future

Over the past five years, USADF has provided over $61 million to help approximately 3.4 million people overcome food insecurity. USADF is an interagency partner of the U.S. government's (FtF) global hunger and food security initiative and improves food security in 6 of the 12 Feed the Future target countries: Kenya, Mali, Niger, Nigeria, Senegal, and Uganda.

As an example of how USADF funding has built resilience and improved livelihoods, USADF awarded Natiira Ateni Self Help Group $95,000 to enhance food security in Turkana County, Kenya. Natiira Ateni was formed as a savings group in August 2014 by former pastoralists who had lost their livelihoods after their herds were diminished by cattle raiders. After initial training from the Kenyan ministry of agriculture, the pastoralists began practicing rain-fed agriculture, which was not sustainable in the arid region. Natiira Ateni used the USADF funding to drill and equip a borehole and set up a drip irrigation system which provided the group a regular water supply throughout the year for crop production. Now the group is providing vegetables to the surrounding community, which previously sourced vegetables from 500km away. The increased incomes have allowed the new farmers to meet other basic needs, such as improving their shelter, sending their children to school, and meeting medical expenses, and improve nutrition thanks to a diversified diet. Communities that once fled the area after being raided are now inspired to return to their homes.

African Growth and Opportunity Act (AGOA) and Prosper Africa

USADF has invested $78.5 million in enterprise development grant capital to grow community enterprises into future trading partners. Under Prosper Africa, USADF is helping African enterprises identify and be positioned to take advantage of U.S. markets. The Foundation has assisted them in strengthening management and financial systems and fulfilling supply orders for

[12] OECD, 2020: "States of Fragility"

cashews, cosmetics, and toiletries (shea- and palm oil-based products), and coffee, as examples, for big retailers such as Costco, Macy's Department Store, Starbucks, Target, and Whole Foods.

Prosper Africa in FY 2020 featured USADF grantee Eugenia Akuete of Naasakle International/Mother's Shea. Her enterprise touches on the full shea butter supply chain in Ghana and works directly with 10,000 shea nut pickers, providing training on quality, sustainability, and parkland management to help the pickers grow and harvest high-quality shea nuts. With USADF's support, Mother's Shea is now exporting to over 1,000 Target stores across the United States.

As an example of how U.S. firms have benefitted from USADF investments, several in the energy sector have made sales of renewable energy products and inputs to USADF grantees. At least 24 African-owned energy companies USADF has supported have purchased solar components and products and services from close to 20 American companies, illustrating how USADF's investments can spark two-way trade between the United States and Africa.

Electrify Africa Act and Power Africa

USADF, a component agency of Power Africa, since 2014 has invested $11 million in more than 130 off-grid energy enterprises to help combat insufficient access to energy. Recent accomplishments of USADF-grantee Joint Energy and Environment Projects (JEEP) in Uganda demonstrate how USADF funding and technical assistance bring renewable energy to underserved communities while empowering women and benefitting small businesses in the United States.

The fishing industry in Uganda is large and integral to the local economy, but inadequate access to electricity and cold storage make processing and exporting fish difficult. Commercial fishing is prevalent in the Ssese Islands of Lake Victoria, which is 50 kilometers away from the nearest power grid. With USADF funding, JEEP installed twelve solar-powered refrigerators and three storage sheds for women's cooperatives in this area, purchased from Texas-based U.S. company SunDanzer. JEEP also set up a way for the women's groups to offer solar phone charging as an additional service for customers using the refrigerators and sheds. Through the services they offer, JEEP and the women's groups have improved access to electricity for 845 people, including 490 women, and incomes.

BUILD Act and the Development Finance Corporation

Going forward, USADF can contribute to the long-term success of the Better Utilization of Investments Leading to Development (BUILD) Act. As the DFC seeks to encourage private sector investment in Africa, USADF-supported African enterprises are natural partners for American companies. In FY 2021, DFC and USADF created the Africa Small Business Catalyst program through which DFC will provide loans between $50,000 and $500,000 and USADF will provide accompanying grants between $10,000 and $100,000 to African entrepreneurs in low-income countries whose projects advance and/or deploy innovation or technology. Through this partnership, DFC and USADF initially seek to support between 10 and 20 transactions per year and advance the DFC's Global Development Strategy released in October 2020.

Women's Economic Empowerment

USADF has had a focus on women entrepreneurs since its creation by Congress in 1980 and will provide up to $10 million in catalytic funding and technical support to select African graduates of the Department of State's Academy for Women Entrepreneurs through 2025.

One of the grantees from the inaugural FY 2020 USADF AWE cohort is Adja Maty Sembene of Contanna Tea in Senegal. At the age of 14, Adja began her entrepreneurial journey providing fresh fruit during lunch time to high school students. She started her tea business due to the risk and hardship tea marketers face when trying to sell their tea leaves late at night before they spoil. USADF awarded Adja a grant to purchase leftover tea leaves from women marketers and transform the leaves into high quality loose tea, tea bags, and iced tea for the Senegalese market. She plans to increase production and marketing reach by purchasing raw materials and creating a website to promote and sell the tea products and foresees a 150 percent growth in tea production with an increase of 10 new production jobs in FY 2021.

Cooperation with African Diaspora Communities in the United States

Per guidance from Congress in report language accompanying the House version of the FY 2020 State and Foreign Operations Appropriations bill,[13] USADF has increased its outreach to African diaspora populations in the United States. While, according to the ADF Act, USADF's grants can only be provided to African-led, -owned, and –based enterprises, African diasporas are natural partners and markets for USADF-supported African businesses and represent a potential source of support for USADF programs.

For FY 2021, USADF was a lead sponsor of the African Diaspora Network's *Builders of Africa's Future Awards* and is funding 10 early-stage African enterprises innovating in technology and health care access and delivery, in-line with the Awards 2021 theme.

USADF is also partnering with the National Basketball Players Association (NBPA) Foundation to jointly fund development projects supported by NBPA members interested in and committed to development in Africa and creating long-term, self-sustaining change, spearheaded by African leaders. As part of the collaboration, and at the direction of NBPA members, USADF and the NBPA Foundation will provide capital for African enterprises and community-led initiatives using a 3x grant multiplier structure. Through this structure, selected awardees will receive grants of up to $25,000 from USADF, $25,000 from an NBPA member, and $25,000 from the NBPA Foundation, for a total combined possible investment of $75,000. These grants will bridge engagement with various African diaspora communities and accelerate the collaborative, philanthropic work NBPA members do worldwide to build their communities and create meaningful change. Initial NBA player-identified projects are in the Democratic Republic of the Congo and Senegal.

[13] H Rept 116-78, page 66, https://www.congress.gov/116/crpt/hrpt78/CRPT-116hrpt78.pdf

USADF Partnerships

USADF's results-based development model maximizes taxpayer dollars by linking African host country funds, corporate social investments, and interagency funding sources to achieve sustainable economic growth opportunities for grassroots, small, and growing enterprises in underserved regions across Africa. This "leveraging funds" approach allowed USADF to expand its FY 2021 Operating Budget by approximately 12 percent over the FY 2019 Operating Budget (from $43 million to $48.4 million) and by 4 percent over the FY 2020 Operating Budget (from $42.7 million to $44.4 million).

African Government Co-funding Partnerships

USADF matches appropriated funds with those from host African national and sub-national governments that invest their own funds directly into USADF programs. Fourteen African governments provided $35.6 million to USADF programs over the past 15 years. In FY 2021, USADF is leverage matching funds from Benin, Cote d'Ivoire, Malawi, Senegal, and Uganda and one sub-national government (Lagos State) in Nigeria.

In FY 2022, USADF plans on leveraging $6.55 million in funds from African national and sub-national governments.

Table 7: Planned FY 2022 African Government Co-funding

Country	Amount
Benin	1,000,000
Côte d'Ivoire	1,000,000
Malawi	300,000
Mauritania	1,000,000
Nigeria	1,250,000
Senegal	1,000,000
Uganda	1,000,000
	6,550,000

Private Sector Corporate and Foundation Partnerships

USADF extends the reach of U.S. foreign assistance funds and its impact by leveraging money from private sector corporate and foundation partners. For example, through blended finance partnerships, All On (a Shell Oil-seeded impact investing company) and Nithio Holdings in FY 2020 provided $1 million and $910,000 of private capital alongside USADF grants to expand energy access to rural communities in Nigeria and Kenya, respectively. Through these ongoing grants linked to private sector investments, USADF will support approximately 25 African energy enterprises in increasing power access in these two countries in FY 2021.

In the agriculture and food security sector, through a partnership with Mastercard Inc.'s Lab for Financial Inclusion, USADF established a pilot initiative in Uganda that will guide it in digitizing smallholder farmers and assisting food and cash crop purchasers in buying from them more efficiently. As an extension of the pilot, in FY 2021 USADF is leveraging its experience and expertise to extend the reach of the Mastercard Farmer Network (MFN) platform to provide nearly 300,000 smallholder farmers digital access to markets, valuable inputs, financial services, and real-time pricing information.

The Citi Foundation has a shared vision to support youth- and women-led African enterprises and since 2016 has provided more than $2 million to USADF for grants to youth entrepreneurs from the U.S. government's Young African Leaders Initiative (YALI). In total to date, USADF has awarded $6.4 million to 300 YALI entrepreneurs. Expanding upon the YALI relationship, Citi Foundation in FY 2020 provided USADF $100,000 to support a youth entrepreneurship incubator program in South Kivu province in the Democratic Republic of the Congo. It also provided funds in FY 2021 for USADF to award grant funding to graduates of the incubator to support their businesses.

Interagency Partnerships

USADF is a unique tool in the U.S. government's foreign assistance toolkit. It contributes to critical U.S. development initiatives enacted by Congress, such as the Global Food Security Act, the Electrify Africa Act, and the African Growth and Opportunity Act (AGOA), including by coordinating with other U.S. government agencies like the Department of State, DFC, and MCC. Through interagency partnership agreements, USADF in FY 2021 is:

- Awarding grants to African women entrepreneurs in 14 countries to support women's economic empowerment. Through a partnership with the Department of State, USADF will provide up to $10 million in catalytic seed funding to African graduates of State's Academy for Women Entrepreneurs (AWE) between 2020 and 2025 to help them succeed as entrepreneurs. In FY 2020, USADF awarded 35 AWE grants in eight countries totaling $813,000 to help African women break down barriers they disproportionally face in accessing capital, markets, networks, and mentorship so they can succeed as entrepreneurs.

- Implementing a blended finance initiative, the "African Small Business Catalyst" program, in partnership with the DFC which has committed $5 million for alongside funding via loans to accompany USADF's $1 million in grant capital for African SMEs. DFC and USADF will support between 10 and 20 transactions by providing loans of between $50,000 and $500,000 and grants between $10,000 and $100,000 to African entrepreneurs in low-income countries whose projects advance and/or deploy innovation or technology.

- Managing and awarding grants in Niger to address food insecurity, strengthen local development capacity in 20 rural communities, and benefit over 25,000 smallholder farmers and their family members. In FY 2019, USADF entered a three-year $9 million

partnership with MCC and the Government of Niger Millennium Challenge Account (MCA) through the Niger-MCC Small Grant Facility. During FY 2020, USADF awarded 44 grants totaling $4.3 million and issued a second round of Requests for Proposals. For FY 2021, USADF plans to award an additional $2.4 million in grants under this partnership with MCC.

Additional USADF Grant Examples

Increasing Water Access and Resolving Conflict in Niger

In Niger, the northern region of Agadez has seen conflict between elements of the local Tuareg population and the central Nigerien government that was further impacted by the collapse of the Libyan state and the emergence of militant groups like Al-Qaeda in the Islamic Maghreb (AQIM). As a result, the U.S. Embassy in Niamey has at times declared parts or all the region off-limits to U.S. government personnel. Nevertheless, USADF has been able to operate in the area continuously since the early 2000s due to its use of 100 percent Nigerien staff and local implementing partners on the ground. For example, USADF provided a grant of $220,000 to a Nigerien organization that works with ex-combatants and returned migrants to build and refurbish wells for use by Tuareg communities to resettle and begin farming upon their return to their home area. USADF also funded over 30 wells used by nomadic herders for grazing livestock, thus increasing water access – an issue that is frequently a source of conflict.

Providing Access to Clean Energy in South Sudan

In South Sudan, only one percent of the population has access to the national power grid. USADF grantee Global Trading Agency (GTA) is powering businesses in the Gudele-West, Juba community through the installation of solar mini-grids. With USADF financial and technical support totaling $100,000 over three years, GTA built a solar mini-grid station with the capacity to generate 20 kilowatts per day and is providing power to a medical clinic, cyber café, IT training center, and phone charging center.

Providing Solar Energy Solutions in Ethiopia

In Ethiopia, Green Scene Energy PLC is selling solar home systems using Pay-As-You-Go technology in rural off-grid regions and eliminating the need for dangerous kerosene lamps that pose risks of fire, indoor air pollution, and respiratory disease. USADF provided Green Scene Energy its first seed capital funding to launch its technology, accelerate revenue generation, kick-start an 18-month marketing and development strategy, purchase initial batches of solar product inputs, and create additional staff jobs. Following USADF's initial de-risking investment, in December 2019 Green Scene Energy signed a revenue-sharing agreement with Ethio-Telecom (the only telecommunications company in Ethiopia) to become the first company to sell solar home systems via the telecom company's airtime credit/mobile money platform.

Increasing Incomes through Millet Production in Senegal

USADF grantee Wack Ngouna Producers Network is a cooperative of millet producers in central Senegal. Created in 2011, it helps its 1,760 members get access to seeds and fertilizers and with marketing. The Network faced a shortage of storage warehouses at the same time millet production was increasing and to cope, it rented stores that were often far from member millet producers. In 2019, USADF provided the Network $98,700 to build three storage warehouses with a capacity of 200 tons each. The grant is helping it increase collections, storage options, and

marketing capacity. It expects to sell 1,200 tons of millet in 2021, compared to 459 tons sold at the beginning of the grant. Revenues increased from $270,000 in 2019 to $595,000 in 2020.

Providing Affordable Energy in Refugee Settlements in Uganda

Over 100,000 people live in the Kiryandongo refugee settlement in Western Uganda, which is not connected to the national electricity grid. USADF grantee Power Trust provides an accessible, affordable energy alternative to increase the economic growth of small businesses through solar products. Power Trust sought to establish a multipurpose solar business hub to give refugees a sense of ownership and belonging as tenants/owners of shops in the community. Through an ongoing four-year $99,000 USADF grant, the enterprise has established three solar business hubs in refugee camps and two in the camps host communities, complete with furniture and needed equipment for businesses to operate, such as salon chairs and mirrors, freezers, a solar-powered milling machine, and shelving for retail products. It has also trained residents on financial management and technical operation of a solar-powered maize mill.

Increasing Milk Production through Solar Technology in Zambia

USADF grantee Mungaila Dairy Cooperative Society (MDCSL) in Zambia is a smallholder cooperative for cattle farmers. With a membership of 1,480, MDCSL provides a market for raw milk through its milk collection center (MCC). Milk collection volumes decline during dry seasons. Between January and June (peak season), collections are more than 75,000 liters/quarter compared to 17,000 liters/quarter during the off-peak season of July to December. The sharp decline results from seasonal movement of livestock between higher pastures (transhumance), the long (20km) distance between the plains and the primary MCC, and the absence of grid power in the plains.

With USADF funding, MDCSL has constructed the first-ever solar-powered MCC in Zambia, equipped with a 20-kilowatt capacity solar powerhouse. The MCC has the capacity of collecting 1,000 liters per day and will allow the cooperative to increase milk volumes collected by at least 30,000 liters/quarter during the off-peak season.

Increasing Energy Access in Kenya through Blended Finance Partnerships

Micro-lender VEP Enterprise Limited sells green energy products on credit to rural, low-income customers, a majority of whom are women. VEP has successfully reached a customer base of 8,000 women but lacked the resources to reach more borrowers since it had limited access to capital to purchase more solar home systems and open additional offices and hire staff. VEP is one of three Kenyan enterprises benefiting from the USADF-Nithio partnership in FY 2021 through which it will receive blended finance funding to expand its operations. VEP will deepen its market penetration in the 15 Kenyan counties where it currently operates and open offices in five additional counties, selling over 15,000 solar home systems and reaching 6,000 new borrowers.

Increasing Production and Revenues through Pineapple Production in Benin

Les Fruits Tillou Ltd. is a pineapple processing company that markets fresh and juice pineapple in Europe and Africa. It works with farmer organizations supporting more than 1,500 producers of fresh pineapple. Because of legal restrictions on fresh pineapple exports to Europe and the low demand for its exported pineapple juice, Les Fruits Tillou has started to produce dried pineapple for which demand has increased considerably and remained unmet. With $243,000 in USADF grant funding awarded in 2020 for a three-year project, Les Fruits Tillou is refiting its pineapple drying facility to food industry standards, increase its production capacity, recruit qualified experts to train farmers on raw material certification requirements, and facilitate access to working capital though financial institutions. Thanks to the grant, Les Fruits Tillou is expected to obtain required certifications to export its dried pineapple to additional European countries and the USA to expand its market. Enterprise production, sales revenue, and producers' incomes are expected to triple.

USADF Grant Mechanisms and Financial Assistance Tools

Pursuant to the ADF Act, the size of USADF's grants may not exceed $250,000 per project without approval from the Foundation's Board of Directors. Through its market-driven enterprise development model, USADF helps low capacity, high potential community-based enterprises move along a continuum of development – first gaining core capabilities, then expanding market access and ultimately "graduating" to access other types of growth capital.

In FY 2021 and beyond, USADF is actively exploring and implementing innovative grant financing models to create a revolving and more sustainable pool of grant investment capital. In December 2019, USADF signed a five-year, $20 million Memorandum of Understanding with the Government of Senegal's women and youth entrepreneurship agency, known by its French acronym DER, an entrepreneurship-focused initiative of President Macky Sall. This innovative partnership consists of a $2 million annual contribution from each party towards loans, grants, and associated technical assistance to Senegalese grassroots enterprises and early-stage entrepreneurs. Grants of up to $250,000 will be given to African Microfinance Institutions/banks (AMFIs) which will use the grants to provide low-interest loans and/or recoverable grants to applicants who would have otherwise been USADF grantees identified by USADF and DER. Loans provided will be at specific loan rates not to exceed an 8 percent interest rate and a 5 percent AMFI administrative fee for all loans. AMFIs will receive a flat 5 percent fee for all loans after 60 percent of funds have been repaid into an USADF-DER Program Account. The repaid amounts will be deposited into the USADF-DER account as a gift on a quarterly basis, which USADF will re-grant to AMFIs for on-lending to grassroots enterprises and early-stage entrepreneurs.

In 2021, USADF and the DFC established the Africa Small Business Catalyst (ASBC) – a partnership to promote investments in technology, innovation, and entrepreneurial solutions in African countries. This program combines DFC's powerful financing tools (loans) with USADF's on-the-ground presence and grant making-expertise. Under the partnership, USADF and DFC will work together to provide loans between $50,000 and $500,000, accompanied by grants between $10,000 and $100,000, to African SMEs.

USADF also engages in blended finance partnerships as part of its work in the off-grid energy sector. In FY 2020, USADF partnered with All On (a Shell Oil-seeded impact investing company) and Nithio Holdings, which provided $1 million and $910,000 in private capital alongside USADF grants to expand energy access to rural communities in Nigeria and Kenya, respectively. Through these ongoing grants linked to private sector investments, USADF will support approximately 25 African energy enterprises in increasing power access in these two countries in FY 2021. These blended finance partnerships allow USADF to maximize its investments in off-grid energy, increasing energy access for both household and agricultural productive use.

USADF implements its model utilizing five primary grant types, which include:

Operational Assistance Grant (OAG)

Many community enterprises in Africa require initial capacity building prior to pursuing expansion. OAGs are awarded to groups that have a potential for longer term growth and business success, but require business planning, technology assessment, management and financial systems development, market research, training, and technical assistance to position themselves for follow-on investment. Outputs from the OAG are a business plan, improved production and products, a defined market opportunity, an investment plan, improved management capacity, and a fully auditable set of business records. OAG grants are one to two years in length and range from $25,000 to $100,000.

Enterprise Expansion Grant (EEG)
The EEG is the principal financing mechanism USADF utilizes to assist grantees with an established market and defined business strategy to scale up their activities. The purpose of the EEG is to assist grantees in generating increased revenues, increasing incomes, improving profitability, creating jobs, and positioning themselves for future investments. Applicants for an EEG must have a business track record that reflects a strong production capacity, market knowledge, quality products, and well-developed financial systems and records that will enable the applicant to obtain a USADF financial certification. EEG grants are typically three to four years in length and range from $100,000 to $250,000.

Enterprise Linkage Grant (ELG)
The Enterprise Linkage Grant was developed as a tool to position an enterprise to scale-up operations by securing outside financing from targeted investors, donors and/or financial institutions. ELGs are awarded to groups that have built a strong organizational foundation and achieved significant revenue growth but are still considered too high-risk to secure traditional financing. USADF assists these grantees in identifying the financing criteria for one or more targeted funders, further developing the enterprise's operations, and securing follow-on financing independent of USADF. ELG grants are six months to three years in length and average $57,000.

Fixed Amount Awards (FAA)
The Fixed Amount Award is a grant type USADF provides for a specific level of financial support where grant risks are identified and mitigated up front and financial requirements are determined based on a defined set of milestones. The recipient's accountability is based primarily on performance and results as determined by the achievement of established milestones. USADF's off-grid energy and youth- and women- led enterprise grants fall within this category. FAAs are generally for a term not to exceed 18 months and range from $10,000 to $100,000.

Community Reinvestment Grants (CRG)
Community Reinvestment Grants are reimbursable grants for which a portion of grant funds are repaid and reinvested in local community organizations selected by the grantee, with USADF coordination and assistance as needed. A project undertaken through the reinvested funds must be directed at improving the overall quality of community life through social and economic advancement and improvements to community facilities and services. Grantees enter into their own agreements with recipients of the reinvested funds.

Grant Selection, Monitoring, and Evaluation

USADF selection criteria are used to assess grant applicants and ensure they demonstrate the ability to create jobs, increase incomes, grow enterprise revenues, build organizational capacity and resilience, and ensure results scale to hundreds of community members. The selection process helps ensure a high return on grant investments and is central to the USADF enterprise development model that provides seed capital to potential high-impact enterprises that can grow revenues in a way that will increase income levels for smallholder farmers and other community members linked to that enterprise's operations.

All grants have a detailed project plan that includes measurable goals and objectives, project outcomes and impact, and a detailed project budget. USADF monitors grant performance and funds accountability through its local African implementing partners, quarterly progress reports, periodic site visits from Washington-based staff, and semi-annual Washington-based project performance assessments.

USADF is currently deploying two new program assessment and evaluation tools, the Organizational Capacity Assessment Tool (OCAT) and the Progress out of Poverty Index (PPI) or a similar index in countries not covered by the PPI, are being deployed to USADF staff and local partners to improve project design and standardize the evaluation of the performance and outcomes of USADF enterprise grant activities. OCAT was developed by McKinsey and Company's Social Sector Practice and enables mission-driven organizations to evaluate their strengths and prioritize areas for improvement. PPI is a widely accepted tool that measures household-level income indicators to identify the probability that a surveyed population is living at or below recognized poverty lines. These tools help USADF better evaluate the impacts of its programming, contributing to project design moving forward.

In FY 2020, USADF awarded 253 new grants, investing primarily in early-stage agriculture, off-grid energy, and youth- and women-led enterprises. Over the full grant lifecycle, the new grants awarded in FY 2020 are projected to benefit over 160,000 people directly and more than 600,000 additional family members.

Appendix

African Development Foundation Act

US Code Title 22, Chapter 7, Section 290h

Section 290h. - Congressional findings

The Congress finds that –

(1) social and economic development ultimately depends on the active participation of individuals within a society and on the enhancement of opportunities for those individuals;

(2) the development of individuals and institutions in African countries can benefit by the provision of support for community-based self-help activities;

(3) by enacting title IX of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2218), and recent amendments to that Act, the Congress has sought to enable the poor to participate in the process of development;

(4) the Inter-American Foundation, established by Congress in the Foreign Assistance Act of 1969 (22 U.S.C. 290f), to support the efforts of the people of Latin America and the Caribbean to solve their development problems, has demonstrated a successful approach to development; and

(5) an African Development Foundation similar in structure to the Inter-American Foundation, but adapted to the specific needs of Africa, can complement current United States development programs in Africa

Section 290h-1. - African Development Foundation

(a) Establishment of Foundation

There is established a body corporate to be known as the "African Development Foundation" (hereafter in this subchapter referred to as the "Foundation")

(b) Principal and branch offices

The Foundation shall establish a principal office in the United States and may establish such branch offices in Africa as may be necessary to carry out its functions

Section 290h-2 - Congressional declaration of purposes

(a) Purposes of Foundation

In order to enable the people of African countries to develop their potential, fulfill their aspirations, and enjoy better, more productive lives, the purposes of the Foundation shall be -

(1) to strengthen the bonds of friendship and understanding between the people of Africa and the United States;

(2) to support self-help activities at the local level designed to enlarge opportunities for community development;

(3) to stimulate and assist effective and expanding participation of Africans in their development process; and

(4) to encourage the establishment and growth of development institutions which are indigenous to particular countries in Africa and which can respond to the requirements of the poor in those countries.

(b) Implementation

The Foundation shall carry out the purposes specified in subsection (a) of this section in cooperation with, and in response to, organizations indigenous to Africa which are representative of the needs and aspirations of the poor in Africa and, in carrying out such purposes, the Foundation shall, to the extent possible, coordinate its development assistance activities with the activities of the United States Government and private, regional, and international organizations

Sec. 290h-3 - Functions of Foundation

(a) Types of programs; project limitations; dissemination of project insights

(1) In order to carry out the purposes set forth in section 290h-2 of this title, the Foundation may make grants, loans, and loan guarantees to any African private or public group (including public international organizations), association, or other entity engaged in peaceful activities for -

(A) the fostering of local development institutions and the support of development efforts initiated by communities themselves;

(B) the development of self-evaluation techniques by participants in projects supported under this section, for the purpose of transferring experience gained in such projects to similar development activities;

(C) development research by Africans and the transfer of development resources, expertise, and knowledge within Africa;

(D) the procurement of such technical or other assistance as is deemed appropriate by the recipient of such grant, loan, or guarantee, to carry out the purposes of this subchapter; and

(E) other projects that would carry out the purposes set forth in section 290h-2 of this title.

(2) The total amount of grants, loans, and loan guarantees that may be made under this section for a project may not exceed $250,000.

(3) The Foundation may disseminate to the American public and to United States and multilateral development institutions insights gained from African development projects assisted under this subchapter. (b) Community project priorities; disbursement of funds by recipients to other African entities in making grants, loans, and loan guarantees under subsection (a) of this section, the Foundation shall give priority to projects which community groups undertake to foster their own development and, in the initiation, design, implementation, and evaluation of which there is the maximum feasible participation of the poor. Where appropriate and in keeping with the purposes of this subchapter, the Foundation may make such grants, loans, and loan guarantees to African entities which are representative and knowledgeable of, and sensitive to, the needs and aspirations of the poor and which would disburse funds acquired under such grants, loans, and loan guarantees to other African entities to carry out the purposes of this subchapter

Section 290h-4 - Powers of Foundation

(a) General provisions

The Foundation, as a corporation -

(1) shall have perpetual succession unless dissolved by an Act of Congress;

(2) may sue and be sued, complain, and defend, in its corporate name in any court of competent jurisdiction;

(3) may adopt, alter, and use a seal, which shall be judicially noticed;

(4) may prescribe, amend, and repeal such rules and regulations as may be necessary for carrying out the functions of the Foundation;

(5) may make and perform such contracts and other agreements with any individual, corporation, or other private or public entity however designated and wherever situated, as may be necessary for carrying out the functions of the Foundation;

(6) may determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid, including expenses for representation not exceeding $10,000 in any fiscal year;

(7) may, as necessary for carrying out the functions of the Foundation, employ and fix the compensation of not to exceed the following number of persons at any one time: 25 during the fiscal year 1981, 50 during the fiscal year 1982, and 75 thereafter;

(8) may lease, purchase, or otherwise acquire, own, hold, improve, use, or otherwise deal in and with such property (real, personal, or mixed) or any interest therein, wherever situated, as may be necessary for carrying out the functions of the Foundation;

(9) may accept gifts or donations of services or of property (real, personal, or mixed), tangible or intangible, in furtherance of the purposes of this subchapter;

(10) may use the United States mails in the same manner and on the same conditions as the executive departments of the Government;

(11) may, with the consent of any agency of the United States, use the information, services, facilities, and personnel of that agency in carrying out the purposes of this subchapter; and

(12) shall have such other powers as may be necessary and incident to carrying out this subchapter.

(b) Nonprofit entity; restriction on use of moneys; conflict of interests

The Foundation shall be a nonprofit corporation and shall have no capital stock. No part of its revenue, earnings, or other income or property shall inure to the benefit of any of its directors, officers, or employees, and such revenue, earnings, or other income or property shall only be used for carrying out the purposes of this subchapter. No director, officer, or employee of the corporation shall in any manner directly or indirectly participate in the deliberation upon or the determination of any question affecting his or her personal interests or the interests of any corporation, partnership, or organization in which he or she is directly or indirectly interested.

(c) Tax exemption

The Foundation, including its franchise and income, shall be exempt from taxation now or hereafter imposed by the United States, by any territory or possession of the United States, or by any State, county, municipality, or local taxing authority.

(d) Termination of Foundation and liquidation of assets

Upon termination of the corporate life of the Foundation its assets shall be liquidated and, unless otherwise provided by Congress, shall be transferred to the United States Treasury as the property of the United States

Section 290h-5 - Management of Foundation

(a) Board of directors; membership; designation of Chairperson and Vice Chairperson; appointment considerations; term; vacancies

(1) The management of the Foundation shall be vested in a board of directors (hereafter in this subchapter referred to as the "Board") composed of seven members appointed by the President, by and with the advice and consent of the Senate. The President shall designate one member of the Board to serve as Chairperson of the Board and one member to serve as Vice Chairperson of the Board. Five members of the Board shall be appointed from private life. Two members of the Board shall be appointed from among officers and employees of agencies of the United States concerned with African affairs. All members of the Board shall be appointed on the basis of their understanding of and sensitivity to community level development processes. Members of the Board shall be appointed so that no more than four members of the Board are members of any one political party.

(2) Members of the Board shall be appointed for terms of six years, except that of the members first appointed, as designated by the President at the time of their appointment, two shall be appointed for terms of two years and two shall be appointed for terms of four years. A member of the Board appointed to fill a vacancy occurring before the expiration of the term for which that member's predecessor was appointed shall be appointed only for the remainder of that term. Upon the expiration of his or her term a member shall continue to serve until a successor is appointed and shall have qualified.

(b) Compensation, actual, necessary, and transportation expenses

Members of the Board shall serve without additional compensation but may be reimbursed for actual and necessary expenses not exceeding $100 per day, and for transportation expenses, while engaged in their duties on behalf of the Foundation.

(c) Quorum

A majority of the Board shall constitute a quorum.

(d) President of Foundation; appointment and compensation; employment of experts and consultants

(1) The Board of Directors shall appoint a president of the Foundation on such terms as the Board may determine. The president of the Foundation shall receive compensation at a rate not to exceed that provided for level IV of the Executive Schedule under section 5315 of title 5.

(2) Experts and consultants may be employed by the Board as authorized by section 3109 of title 5.

(e) Advisory council; membership; appointment considerations; consultations with council; compensation, travel, and other expenses

(1) The Board shall establish an advisory council to be composed of such number of individuals as may be selected by the Board from among individuals knowledgeable about development activities in Africa. The advisory council may include African recipients of grants, loans, or loan guarantees under this subchapter.

(2) The Board shall, at least once each year, consult the advisory council concerning the objectives and activities of the Foundation.

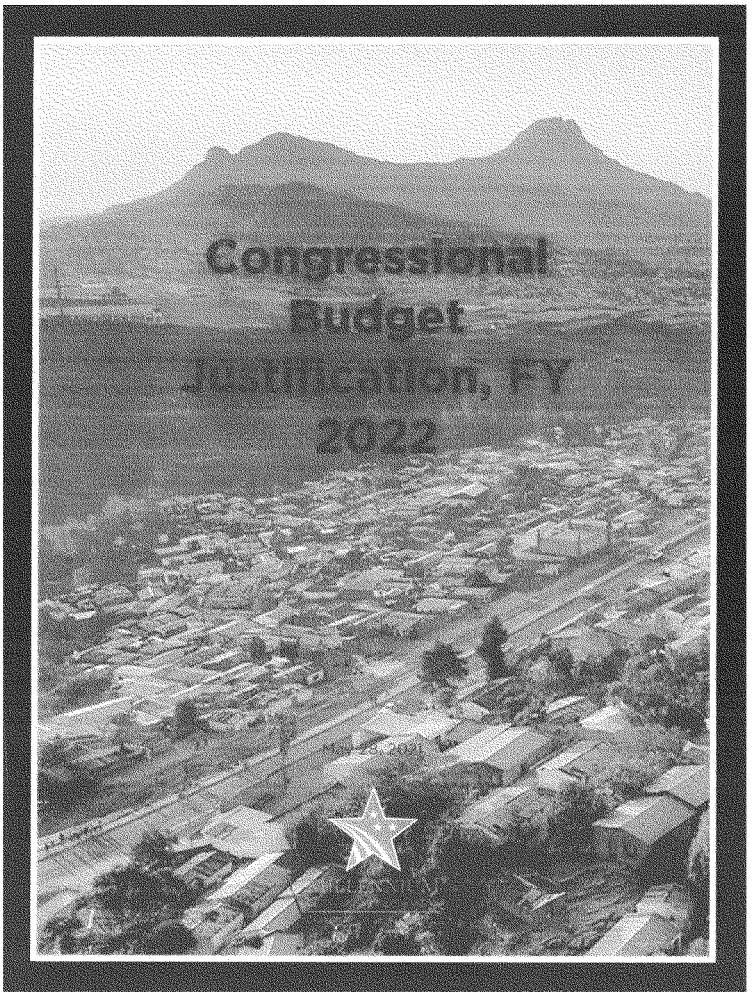
(3) Members of the advisory council shall receive no compensation for their services but may be allowed travel and other expenses in accordance with section 5703 of title 5, which are incurred by them in the performance of the functions under this subsection

Section 290h-6 - Government corporation control provisions applicable

The Foundation shall be subject to the provisions of chapter 91 of title 31 applicable to wholly owned Government corporations

Section 290h-7 - Limitation on spending authority

Any authority provided by this subchapter involving the expenditure of funds (other than the funds made available pursuant to section 290h-8 of this title) shall be effective for a fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.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Executive Summary

(in millions of $)	FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
Total Appropriation/Request	**905.0**	**912.0**	**912.0**
Total Compact Assistance	634.5	651.0	647.5
Threshold Programs	30.0	31.0	31.0
Compact Development/Oversight:	129.0	113.5	114.0
Compact Development Funding	36.0	30.0	30.0
Due Diligence	93.0	83.5	84.0
Administrative Expenses	107.0	112.0	115.0
Office of the Inspector General	4.5	4.5	4.5

Introduction

The Millennium Challenge Corporation (MCC) is requesting $912 million for fiscal year (FY) 2022 to deliver on its singular mission to reduce poverty through economic growth, including responding to opportunities in countries in the strategic areas of climate, inclusion and gender, and catalyzing private sector investment. With cost-effective projects, a dedicated staff of experts, and an evidence-based approach, MCC is a good investment for the American people.

Specifically, MCC is requesting $912 million for FY 2022 to support the following:

Programmatic work:

- Ongoing and projected compact implementations across 10 countries including Benin, Burkina Faso, Côte d'Ivoire, Ghana, Mongolia, Morocco, Nepal, Niger, Senegal, and Tunisia, as well as the development of seven compacts in Indonesia, Kosovo, Lesotho, Malawi, Mozambique, Sierra Leone, and Timor Leste;
- Two projected concurrent regional compact programs focused on trade facilitation across borders: (1) the Benin – Niger Regional Transport Integration Program and (2) the Côte d'Ivoire – Burkina Faso Regional Energy Interconnection Program;
- Ongoing threshold program implementation in Guatemala, Kosovo, and Togo, as well as the development of threshold programs in Ethiopia, The Gambia, Kenya, Kiribati, and Solomon Islands; and
- Development of any new compact or threshold program selections made in December 2021.

Administration, monitoring, and evaluation:

- Delivering on MCC's rigorous oversight model, including progress review of compact and threshold programs for any course corrections, adjustments of plans to leverage new opportunities,

modification of activities, or to eliminate programs or activities when deemed appropriate. Required changes could be identified by regular internal control systems, monitoring mechanisms, and oversight by MCC's Board of Directors;
- Managing MCC's competitive selection process—a data-driven, transparent method for determining where the agency uses its development dollars. For consideration, countries must first pass MCC's scorecard of 20 independent, third-party indicators that measure a country's policy performance in the areas of ruling justly, economic freedoms, investing in people; and
- Maintaining the unique evidence-based and rigorous approach to developing projects and assessing their impacts, including publishing MCC Evaluation Briefs and Star Reports, which consolidate critical programmatic information throughout the lifecycle of each compact and threshold program in areas such as performance, sustainability, and lessons learned.

MCC's operations are guided by its founding principles that remain as relevant today as at the time of the agency's inception 17 years ago. These principles are centered on a competitive selection process that reflect American values and the conditions for economic growth; a business-like approach with bedrock commitments to data, accountability, cost-benefit analysis and evidence-based decisions; and a laser-focus on creating the right circumstances for private investment. In short, MCC focuses on "what works." In addition, MCC is fully aligned with the Administration's priorities and has ambitious plans to advance and accelerate work on climate, inclusion and gender, and catalyzing the private sector.

MCC's mandate and business model of reducing poverty through economic growth is in line with a partnership model whereby the United States evolves the relationship with partner countries from aid to trade and investment. Since its inception in 2004, MCC has deployed $15 billion in compact and threshold grants across six continents. MCC's investments have successfully delivered over 180 projects in seven key sectors ranging from transportation and energy to agriculture and health, education, and community services. These projects are improving the lives of an estimated 188 million people in 29 low income and low middle-income countries.

MCC's financing is in the form of high-quality grants—grants that are predictable, multi-year and flexible, and do not add to a country's debt burden. The agency is able to make large grants which have ranged up to $700 million for five-year compacts and $50 million for threshold programs. These grants typically include substantial infrastructure investments complemented by critical institutional and policy reforms, which create an enabling environment for private investment and ensure that infrastructure investments have a sustainable impact. This approach allows MCC to effect systemic and long-lasting results.

Country ownership is a core MCC principle. MCC's engagement with a partner country often stands as a cornerstone of the U.S. economic relationship in that country—visible proof that U.S. economic assistance leads to tangible results—and helps to create a more attractive environment for private sector-led growth. Partner countries generally also make a financial and/or in-kind contribution, a signal of their commitment and ownership of the programs. In an increasingly globalized economy, these investments are a down payment on poverty reduction, increased growth, and stability as well as market opportunities for American businesses.

MCC's competitive selection process, using a "scorecard" with externally available metrics, assesses candidate countries in the three categories of Ruling Justly, Economic Freedoms, and Investing in People.

MCC thus works in countries that are committed to democratic governance, and rewards transparency and accountability. MCC directly supports the President's priority of incentivizing democratic values and reforms across the globe. Specifically, MCC's rigorous selection process creates an incentive for countries to improve their policy performance, while also targeting MCC's funding to those countries most likely to use it well. The MCC scorecard represents one of the many ways MCC is distinctive in how it works to reduce poverty through economic growth around the world.

To achieve maximum impact and value for money, MCC holds itself and its partners to a high standard of accountability for achieving results. MCC's focus on transparency and accountability for results has been consistently recognized. In December 2020, Results for America released the 2020 Invest in What Works Federal Standard of Excellence Report, an annual scorecard of how federal agencies are using evidence and data to achieve better results. For the fifth consecutive year, MCC received the highest score of all federal agencies featured in the report for having built the infrastructure necessary to be able to use data, evidence, and evaluation in budget, policy, and management decisions.

COVID-19

The health and economic impacts of the COVID-19 pandemic have been devastating globally. MCC has prioritized the health and safety of its staff and partners, consistent with the President's Executive Order on January 20 and OMB guidance. At the same time, MCC remains steadfast in its commitment to deliver on its mission and programs. MCC staff operates in maximum telework and work has progressed on all fronts despite the travel constraints and the extremely challenging situation around the world that has created stress and delays.

Throughout the pandemic, it has been clear that health and the economy are inextricably linked. MCC's investments have enabled many of its partner countries to better address the impacts of COVID-19, and they will be vital to countries' recoveries. Some MCC programs include strengthening a country's health system. More generally, programs tend to have indirect—but critical—impacts by tackling the underlying systems that are fundamental and complementary to direct health interventions. For example, MCC's work in the power sector and in water and sanitation indirectly improve a country's health outcomes.

MCC is also operationalizing the authority granted by Congress to extend compacts currently in force that have been adversely impacted and delayed by the COVID-19 pandemic. This welcome flexibility provides MCC and partner countries the ability to complete critical compact activities and to ensure the sustainability of MCC's investments. Specifically, MCC is working to extend compacts in five countries—Benin, Côte d'Ivoire, Ghana, Morocco, and Niger. MCC's country-led programs are structured to build capacity and invest in long-term, sustainable development—which generates the necessary conditions to promote economic revitalization and job creation once the COVID-19 pandemic subsides.

Diversity, Equity, and Inclusion

In FY 2022, MCC intends to continue to deepen its commitment to diversity, equity, and inclusion, which is key to having an engaged and productive workforce to deliver on programming. To do so, MCC recently established a new Office of Equal Opportunity, Diversity, and Inclusion within MCC's Office of

the Chief Executive Officer (OCEO), which reports directly to the CEO. By placing the office in the OCEO, MCC will further elevate these efforts within the agency, clarify reporting, and improve information flow. MCC is moving quickly to fill the lead position for this office. The agency also recently launched a new Executive Diversity Council, designed to institutionalize and empower employee feedback and input on diversity issues. The new council is sponsored by senior management, with interested staff given the opportunity to join through an open application process.

The following sections highlight the key programming priorities for MCC.

Climate

The impacts of climate change directly affect MCC's mission to reduce poverty through sustainable economic growth. Despite being the least responsible for global carbon emissions, developing countries are the most at risk from climate change and the least able to afford its consequences. Without significant interventions, climate change, combined with the economic fallout from the COVID-19 pandemic, will reverse significant development gains made in these countries and exacerbate global poverty and inequality. Indeed, reversal of development gains is already a reality, with the first increase in global poverty in 20 years. Investing in climate-smart development and sustainable infrastructure is critical to respond to countries' interest in enhancing their resilience to future crises, adapting to new climate realities, reducing emissions, and stimulating growth.

MCC was an early mover in addressing climate change and has a strong track record of integrating climate change resilience, adaptation, and mitigation considerations throughout its investment cycle. In the earliest stages, MCC considers how climate change affects the countries where it works and what risks climate change poses to the sector(s) considered for investment. As individual investments are explored, MCC considers potential risks facing the programs and develops measures to avoid or mitigate those risks. Key sectors of relevance often include energy, transportation, agriculture, and water.

Between FY15-FY20, MCC devoted $1.7 billion, or about 40 percent of the agency's program funds, to climate related activities. The Benin Power Compact, for example, has the potential to leverage $100 million in private investment and increase utility-scale and off-grid solar power generation, creating an enabling environment for independent power producers. This potential could deliver electricity to nearly 630,000 people in the poorest areas of Benin for the first time. In Indonesia, MCC reduced reliance on fossil fuels by expanding renewable energy, reduced land-based greenhouse gas emissions by improving land use practices and management of natural resources, and supported policy improvements through participatory land use planning.

Consistent with the Biden-Harris Administration policy that "climate considerations shall be an essential element of United States foreign policy and national security," and to further elevate its climate ambition, MCC will expand and deepen the emphasis on climate change across its investment portfolio and business operations. MCC has committed that more than 50 percent of its program funds will go towards climate-related activities over the next five years.

To achieve this, MCC will work with partner countries to promote climate-smart development and

sustainable infrastructure through its well-established model. Specifically, MCC has developed an agency-wide climate strategy to support climate-smart development and sustainable infrastructure with the following core objectives:

- *Strengthen the integration of climate and environmental considerations in the agency's suite of analytical tools and decision-making* important to program development, design, and implementation;
- *Fully integrate climate and related environmental considerations into all stages of program development and implementation* to support countries' transition away from fossil fuels. Maintain a coal-free policy across the investment portfolio and align programs with countries' nationally determined contributions (NDCs);
- *Support policy and institutional reforms to broaden the impact of investments,* including support to partner country sectoral, master, and investment planning to advance climate-resilient, lower emissions development as well as helping countries implement their NDCs;
- *Leverage blended finance to catalyze private capital for* climate adaptation, resilience, and mitigation;
- *Expand and deepen partnerships to further climate objectives* with other USG entities, funders and donors, finance institutions, industry, civil society, and academic institutions; and
- *Align MCC's internal operations with its climate aspirations,* looking at ways to reduce the agency's *carbon footprint* and strengthen its climate efficiency and resilience.

Inclusion and Gender

Promoting inclusion and addressing gender inequities is a key priority for MCC and is fundamental to achieving the agency's mission to reduce poverty through sustainable and inclusive economic growth.

With respect to MCC compact and threshold programs, in FY 2022, MCC will reinforce its data-driven model by enhancing its analytical and diagnostic tools to better assess and ensure that the needs of, and potential impact on, the poor, women, youth, and other marginalized groups are incorporated into the assessment, selection, design, and implementation of MCC programs. These efforts will help such groups overcome financial, legal, and cultural barriers that prevent them from fully engaging in their countries' economies. In doing so, MCC programs will better ensure that growth is broad-based, reinforcing the sustainability of growth and contributing to regional stability.

An example of this priority, and an area where MCC intends to deepen its commitment in FY 2022, is gender inclusion.

Building on its track record of prioritizing the incorporation of gender inclusion into its programming, MCC recently added gender-specific investment criteria to further advance and institutionalize how MCC prioritizes women's economic empowerment. MCC is also working to strengthen and expand its diagnostic tools to better account for gender inequities and gender-specific constraints to growth during early program development, which will allow an even greater focus on developing and implementing projects that advance women's economic empowerment.

Below are several examples of MCC's programs addressing inclusion and gender:

- The **Kosovo** Threshold Program's Reliable Energy Landscape Project is providing technical assistance and matching grants for female entrepreneurs to upgrade their enterprises through energy efficiency measures and other energy solutions.
- In September 2020, MCC concluded the **El Salvador** Investment Compact, which strengthened the adoption of inclusive teaching practices and other measures to eliminate inequalities and discrimination in schools. The compact supported the development of the Ministry of Education's Gender Policy and trained more than 1200 teachers and principals on gender equality.
- The **Mongolia** Water Compact, which entered into force in April 2021, is supporting the government to undertake tariff reform that addresses water affordability and the possible need to develop a customer assistance program, while also ensuring the municipal water utility's financial sustainability.
- Entering into force this year, the **Senegal** Power Compact will support the construction of electrical grid infrastructure in rural areas—including one of the country's poorest regions—and will facilitate access for women and youth to labor-saving devices and productive use of equipment.

MCC is also working with partners inside and outside the U.S. Government to enhance learning and accelerate progress on women's economic empowerment. MCC signed an inter-agency agreement with the U.S. Agency for International Development (USAID) to establish a women's data lab in Côte d'Ivoire to support female entrepreneurs with technology, training, and assistance in growing their companies. MCC is currently seeking a local partner to design and implement the activity and is collaborating with Microsoft to support a virtual network of digitally enabled female entrepreneurs within the country. Another partnership with the World Bank's Gender Innovation Lab will enhance MCC's capacity to integrate women's economic empowerment into program logics, project designs, and monitoring and evaluation plans. MCC has also partnered with Innovations for Poverty Action to leverage global expertise in identifying solutions for women's financial inclusion in upcoming programs in Lesotho and Indonesia.

Catalyzing Private Investment

Private sector investment is essential for sustainable poverty-reducing economic growth. The United Nations estimates that the annual financing gap to achieve the Sustainable Development Goals by 2030 currently sits at $2.5 trillion. While Official Development Assistance continues to play a key role, closing this gap will require development agencies to help unlock and direct finance from other sources towards development uses. This imperative is at the heart of MCC's blended finance work.

MCC has been practicing blended finance since its founding, through public-private partnerships (PPPs), grant facilities, and catalyzing private sector investment. The agency supported PPPs like the port of Benin and the wastewater treatment facility in Jordan. MCC also developed an innovative grant facility in Indonesia and has catalyzed private sector investment around programs in Ghana and El Salvador. Leveraging private sector investment to further MCC's mission has been consistently integrated into the agency's work.

MCC is well positioned to catalyze private investment through the strategic use of public funds to mobilize private resources in ways that support sustainable, long-term, economic development in developing countries. MCC has honed its ability to help its partner countries design, strengthen, and

harness private financial markets through a /range of tools, including capital structure grants, grant facilities, parallel investments, co-investments, public-private partnerships, and catalytic investment strategies that increase the impact and sustainability of MCC programs. MCC's blended finance tools also improve investor confidence and help overcome some of the impediments to private sector investment in challenging markets in its partner countries. MCC seeks to target its resources where commercial financing is not available for deployment towards development outcomes. MCC strives to catalyze private investment without subsidizing companies or crowding out private finance.

In FY 2022, MCC will work to expand and deepen its blended finance capacity, portfolio, and leverage by continuing to develop three new innovative blended finance initiatives:

American Catalyst Facility for Development, in collaboration with DFC: The BUILD Act charges the U.S. International Development Finance Corporation (DFC) with increased coordination and collaboration among U.S. development agencies, including USAID and MCC. MCC and DFC (and previously OPIC) have collaborated in the past, but opportunities were constrained by significant limitations on investment timing and alignment of business models. To overcome these limitations, MCC and DFC are working on a new MCC-funded blended finance mechanism, the American Catalyst Facility for Development (ACFD). The ACFD is being designed to leverage the strengths of both agencies and to enable coordinated catalytic investments in MCC's portfolio by providing strategic grants aimed at crowding-in the private sector and maximizing the overall impact of U.S. Government development efforts. MCC and DFC intend to initiate the ACFD in at least six of MCC's country programs currently in development: Indonesia, Tunisia, Malawi, Kosovo, Lesotho, and Solomon Islands. As MCC and DFC gain experience in the initial countries, the agencies will assess the results and continue to refine the approach and mechanisms to maximize the impact of the ACFD as new countries are added.

Millennium Impact for Infrastructure Accelerator (MIIA): MCC is collaborating with Africa50 to develop MIIA, with the goal of attracting impact capital by developing bankable infrastructure deals with measurable social and economic impacts. MIIA seeks to mobilize much-needed private capital to the most impactful infrastructure projects in the power, water, sanitation, health, education, and transport sectors. MIIA will attract impact capital by supporting tailored project preparation to develop innovative financing and project structures for bankable infrastructure projects and linking impact investors to bankable deals that meet their impact criteria.

Innovation Technology Program, in collaboration with SBA: MCC is collaborating with the U.S. Small Business Administration (SBA) to create the Innovation Technology Program (ITP). ITP will strengthen the role of innovation and technology in MCC compacts, while promoting more business-centric, market-based solutions. MCC and SBA, in partnership with other U.S. federal agencies participating in the Small Business Innovation Research/Small Business Technology Transfer programs, intend to deliver technologies with the potential for commercialization and developmental impact for inclusion in MCC compacts. ITP focuses on sourcing and adapting U.S. innovations and technologies to opportunities that have the potential to support growth in MCC partner countries.

Through this work, MCC seeks to contribute to an expanded and enhanced capacity among U.S. Government agencies to create jobs, expand markets and reduce poverty through economic growth, and

to support the effective transition of countries in the developing world from aid to trade and private sector-led economic growth.

Compact Assistance

(in millions of $)	FY 2020	FY 2021	FY 2022
	Enacted	Enacted	Request
Total Appropriation/Request	905.0	912.0	912.0
Total Compact Assistance	634.5	651.0	647.5

MCC requests $647.5 million in support of compacts anticipated to be signed in FY 2022 or early FY 2023, including Kosovo, Malawi, and Timor-Leste along with two concurrent compact programs for regional integration: Benin – Niger Regional Transport Integration Program and Côte d'Ivoire – Burkina Faso Regional Energy Interconnection Program.

The below chart provides a breakdown of the request and includes all compacts under development and not yet signed:

Countries and Appropriations Used (in millions of $)	Prior Years	FY 2021	FY 2022	Total
Timor-Leste	291	-	90	381
Kosovo	50	74	76	200
Malawi	27	243	80	350
Benin - Niger Regional Transport	-	300	150	450
Côte d'Ivoire - Burkina Faso Regional Energy			252	252
Tunisia	465	34	-	499
Lesotho	310	-	-	310
Indonesia				TBD
Mozambique				TBD
Sierra Leone				TBD
Total	1,143	651	648	2,441
Implementing Compact	57			57

Countries and Appropriations Used (in millions of $)	Prior Years	FY 2021	FY 2022	Total
Extensions/[1]				

Timor-Leste (Total Compact: $381 million)

MCC's Board of Directors selected Timor-Leste for a compact in December 2017. The Government of Timor-Leste and MCC are currently designing two proposed projects to address the human capital challenges that severely constrain the country's growth. The first project would reduce the country's disease burden and improve the health of people in Timor-Leste by removing major sources of fecal pathogens from the environment and water sources. The proposed project would curtail the disease burden by building the country's first piped sanitation system and rehabilitating the drainage system in the capital city of Dili. Improving the drainage system will also contribute to ongoing efforts to reduce flooding resulting from the increased intensity and frequency of heavy rains caused by climate change. In parallel with compact development, and in response to MCC's recommendations, the Government has already taken significant steps to reform the water and sanitation sector, including the establishment of the country's first water utility and regulator, which began operations early this year.

The second potential project would improve secondary education by training current and future secondary school teachers and school leaders in the country, thereby increasing opportunities for students to succeed in jobs and tertiary education. MCC and the Government are aiming to complete the necessary studies, finalize project design, and seek Board approval of the Compact by the end of 2021, subject to pandemic-related travel restrictions.

Kosovo (Total Compact: $200 million)

In December 2018, MCC's Board of Directors selected Kosovo to develop a compact program while the country continued to implement an ongoing threshold program. MCC and the Government of Kosovo updated and reaffirmed access to reliable and affordable energy as a constraint to Kosovo's economic growth. Over the past two years, MCC has worked with the Government and other stakeholders to develop a program focused on Kosovo's energy sector. MCC and the Government completed prefeasibility studies in 2020 to assess three proposed projects: the development of Kosovo's natural gas sector, creation of energy reserves for power system balancing, and improvement of electricity distribution. After review of the studies' results, the Government requested to move forward with gas sector development and energy reserves creation with the intent to facilitate renewables integration, relieve Kosovo's dependence on coal, and achieve decarbonization goals. MCC has been engaging the White House through the NSC team and will continue to evaluate the Kosovo compact program as it develops to identify the appropriate actions the agency can take to support the Biden Administration's fossil fuel policy objectives in the near term. Following Kosovo's parliamentary elections in February 2021, MCC is engaging with the new government to confirm Kosovo's continued commitment to the two proposed projects and further technical progress in program design to enable compact finalization in late 2021.

Malawi (Total Compact: $350 million)

Since the December 2018 selection of Malawi for a second compact, MCC has been working with the Government of Malawi to develop two projects. The agriculture and transport project aims to increase profits of smallholder farmers, women, micro, small, and medium enterprises, and larger agribusinesses through a more diverse and inclusive commercial agriculture sector and a transport sector characterized by more competition. Design and feasibility studies are ongoing for activities to lower the cost of road transport, establish a blended finance facility to de-risk increased private sector agriculture investments, and improve the agricultural enabling environment.

The land project aims to increase land efficiency as a critical production input for increased economic growth in Malawi. Project activities undergoing design and feasibility include strengthening estate sector management by renewing estate leaseholds or reallocating them for higher value use, achieving more productive use of land through better funded land administration in both rural and urban environments, and increasing productivity and opportunities for investment and development in lands held as customary estates. MCC plans to conclude the development of the program in summer 2022.

Results from Malawi's 2011 Compact

MCC's initial compact with Malawi closed in September 2018. The $350.7 million compact set the foundation for major improvements in the performance of the country's power sector and raised the potential for private sector participation. Through the compact, the Government of Malawi worked with 11 non-governmental organizations to pilot activities that will improve natural resource management along the Shire River, which supplies the country's hydropower plants. The Government also increased the generation capacity of its primary hydropower plant; installed its first high-voltage power line; and refurbished, upgraded, and modernized other portions of its power grid. With support from General Electric, the Government also introduced an automated management system that allows Malawi to monitor its grid in real-time. With substantial technical assistance provided through the compact, the Government adjusted electricity tariffs and amended power sector legislation to allow private investment and undertook its first-ever competitive solicitation for independent power producers. The Malawi Compact Star Report is linked here.

Benin – Niger Regional Transport Integration (Total: $450 million)

In 2019, MCC identified and reviewed three potentially viable concurrent compact programs. The most developed of these, an energy transmission line linking Ghana and Burkina Faso, was dropped from consideration in October 2019 after the Government of Ghana failed to meet a critical condition of the Ghana Power Compact and was not reselected as eligible to develop a concurrent regional compact in December 2020. As a result, MCC shifted its regional compact development focus to the Benin and Niger Regional Transport Program.

This potential program would involve rehabilitating road segments of the existing transport corridor between Cotonou in Benin and Niamey in Niger, one the most heavily traveled corridors in West Africa, while addressing institutional and market constraints that raise transportation costs. This potential

investment would have a clear link to the MCC investment at the Port of Cotonou through Benin's first compact, as well as the current MCC compact program in Niger, which is focused on agriculture and roads. The Governments of Benin and Niger have pledged to commit staffing resources to work with MCC in further developing this potential investment.

MCC is focused on three potential road segments—Bohicon-Dassa and Parakou-Gberouboue in Benin, and Dosso-Niamey in Niger—and the border crossing bridge. In addition, MCC is assessing critical institutional reforms. Key design elements under consideration include expanding road segments within Benin, improvements to traffic junctions, truck parking/rest areas, and toll stations, as well as improvements to protect pedestrians. In Niger, proposed work includes improvements to existing lanes to meet minimum technical requirements. At the border crossing, potential work may involve rehabilitation and widening of border bridges to improve safety and traffic. MCC is also exploring better coordination along the corridor through the institution of a governing highway authority between the two countries.

Côte d'Ivoire – Burkina Faso Regional Energy Interconnection (Total: $252 million)

MCC also is currently assessing a regional investment in a proposed electricity transmission line linking Ferkessédougou in northern Côte d'Ivoire with Bobo-Dioulasso in southern Burkina Faso and continuing to Burkina Faso's capital, Ouagadougou.

The proposed project is expected to include a new 330kv double circuit transmission line between Ferkessédougou and Bobo-Dioulasso per the West African Power Pool Master Plan. The proposed project also includes equipment on either end that will allow for more power trade between Burkina Faso and Côte d'Ivoire, as well as greater control and stability of the interconnected network. In addition, a detailed study of associated transmission lines between Bobo-Dioulasso and Ouagadougou and Bobo-Dioulasso and Sikasso will enable the team to assess whether these lines are in fact required for the interconnection's viability.

Due to the alignment of this proposed project with (1) the objectives of the current Burkina Faso compact, (2) the Government of Côte d'Ivoire's aim to become a net exporter of power in the region, and (3) a request by the Government of Burkina Faso for MCC to consider further study of this project, MCC included funding for a design feasibility study in the Burkina Faso Power Compact, signed on August 13, 2020. The results of this study would give MCC enough information to determine its suitability for further program development.

Tunisia (Total Project: $499 million)

In December 2016, MCC's Board selected Tunisia as eligible to develop a compact. Tunisia is a strategic ally for the U.S. in the Middle East and North Africa region and the only country to emerge from the Arab Spring with a successful democratic transition. Following its democratic gains, the Government of Tunisia is working to introduce a series of economic reforms to create an enabling environment for economic growth and job creation.

The proposed two-sector compact is designed to address the identified binding constraints to growth of both excessive market controls of goods and services and water scarcity in the interior regions of Tunisia. The Transport and Trade Project aims to reduce the time and cost for businesses to engage in trade in Tunisia, and particularly in Tunisia's principal Port of Rades to support Tunisia's nationally determined contribution (NDC) priority of redeveloping coastal industrial zones. This includes investments to improve management and expand infrastructure at Rades, as well as support the reduction, simplification, and digitalization of trade procedures and regulations in the transport sector. The proposed project would also support improved access to markets for women-owned enterprises. The Water Demand Management and Productivity project aims to achieve efficient and sustainable use of scarce groundwater resources while increasing the incomes of its users. This compact also includes key reforms to improve groundwater management and irrigation, in support of Tunisia's NDC priority sectors of water resources and agriculture. This proposed project would focus on policy and institutional reforms as well as the rehabilitation and modernization of public irrigated perimeters in four interior governorates of Tunisia.

Finally, the proposed compact also features the ACFD in Tunisia, a project that will catalyze and enable investment from the DFC and the private sector that supports or complements compact project objectives. MCC plans to complete compact negotiations with the Government of Tunisia in May 2021 and present the compact for MCC Board approval in June 2021.

Lesotho (Total Compact: $310 million)

In December 2017, MCC's Board of Directors selected Lesotho to continue the development of a compact, following a two-year hiatus in which the Board of Directors monitored the country's response to a series of governance and political stability concerns. The MCC team and its local counterparts identified the binding constraint to growth is ineffective policy planning, coordination, and execution, which prevents the Government of Lesotho from delivering public goods and services essential for private sector growth. MCC is developing a potential project with the Government designed to improve capital investment through policy and institutional reforms, a catalytic investment in irrigation infrastructure, and technical assistance to support small- and medium-sized enterprises; and a proposed project to strengthen the financial sustainability and accountability of the Ministry of Health through improved evidence-based decision-making and delivery of primary health care.

In June 2020, Lesotho was downgraded to Tier 3 on the State Department's annual Trafficking in Persons report. In response, MCC informed the Government that MCC will continue to explore potential projects as part of compact development, but that MCC will not present any proposed compact to its Board of Directors until Lesotho is removed from Tier 3. MCC expects to conclude development of the compact program in late 2021.

Results from Lesotho's 2007 Compact

MCC's initial compact in Lesotho closed in September 2013. The $362.5 million compact constructed or renovated 138 clinics and 14 outpatient facilities that supported the work of the President's Emergency Plan for AIDS Relief to mitigate the impacts of poor maternal health, HIV/AIDS, tuberculosis and other diseases; and funded the construction of a water treatment plant as part of the Metolong Dam project,

which provides clean water to the capital city, Maseru. Through the compact, the Government of Lesotho constructed over 29,000 latrines and 175 water systems, and after the end of the compact it completed another 75 water systems with its own funds. MCC expects approximately one million people to benefit from the compact investments. The Lesotho Compact Closed Compact Report is linked here.

Indonesia

In December 2018, MCC's Board of Directors selected Indonesia to develop a second compact. The Government of Indonesia convened a panel of experts to work closely with MCC on a constraints analysis, which revealed three primary constraints to Indonesia's economic growth: (1) barriers to export-oriented competitiveness, (2) barriers to the productivity and innovation of non-tradable sector firms, and (3) costly and underdeveloped financial intermediation.

Following an examination of the root causes of these constraints, the Government and MCC will consider opportunities to improve financial intermediation for sustainable infrastructure and for micro, small, and medium-sized enterprises (MSMEs), particularly those owned by women, as potential areas of focus for a compact. Projects target core problems on low supply of finance for transport and logistics infrastructure investments, as well as the inability of the infrastructure sector to absorb what finance is available; and the low supply of finance available to MSMEs, as well as the inability of MSME borrowers to access financial products.

In January 2021, the Government established a Steering Committee to help guide Indonesia's compact development efforts. This committee—which includes representatives from across government, civil society, academia, and the private sector—will provide critical input into the project proposals that the Government plans to present to MCC in May 2021. To help the Government prepare for this submission and to further define the proposed activities, MCC and the Government executed an $8 million Compact Development Funding Agreement in February 2021 that will support key studies and preparatory works. MCC expects to conclude compact development in FY 2023.

Results from Indonesia's 2011 Compact

MCC's initial compact in Indonesia closed in April 2018. During the five-year term of the compact program, the Government disbursed $474 million to support modernization of public procurement functions, improvements in health and nutrition, and sustainable energy and resource management. The nutrition project trained over 17,500 providers on prenatal health services; distributed medical supplies; and conducted over 4,200 community sanitation behavior change meetings across 64 districts to combat low birth weight, childhood stunting, and childhood malnourishment. The procurement modernization project trained over 1,000 procurement professionals (24 percent of whom are women) to apply modern procurement and management skills in the national and local governments in ways that will increase procurement quality and achieve substantial savings. The energy project established a market-responsive grants financing facility that supported 66 projects for renewable energy, peatland restoration, sustainable agriculture, and improved natural resource management. The project also trained over 127,000 farmers (including over 43,000 women) in climate-smart agriculture, natural resource management, social forestry, and renewable energy. The implementation of the compact program reinforced community

ownership and innovation through flexible, scalable approaches that allowed for emerging opportunities. The Indonesia Compact Star Report is linked here.

Mozambique

In December 2019, MCC's Board of Directors selected Mozambique to develop a second compact. In January 2020, the Government of Mozambique nominated the former Minister of Agriculture as National Coordinator for compact development. MCC signed an initial engagement agreement with the Government in July to provide funding to support the formation of a counterpart team. After completing the constraints to economic growth analysis and narrowing the binding constraints to the agriculture and transport sectors, MCC is now in the problem diagnosis phase of compact development and expects to complete compact development in 2023.

Results from Mozambique's 2008 Compact

MCC's first compact in Mozambique closed in September 2013. The $506.9 million compact aimed to increase the country's economic growth and reduce poverty by investing in four project areas: water and sanitation, roads, land tenure, and agriculture. Under the compact, project teams constructed more than 614 rural water points, upgraded and expanded two municipal drainage systems, and upgraded and expanded two urban water supply systems. The compact also funded the construction of 253 kilometers of improved road, the mapping of nearly 8.8 million rural hectares of land, and the formalization of nearly 150,000 urban land titles. Furthermore, the compact supported the training of 15,000 farmers in pest and disease surveillance and control and planted 780,000 disease-resistant seedlings. MCC anticipates the compact to benefit over 2,600,000 Mozambicans over 20 years. The Mozambique Compact Closed Compact Report is linked here.

Sierra Leone

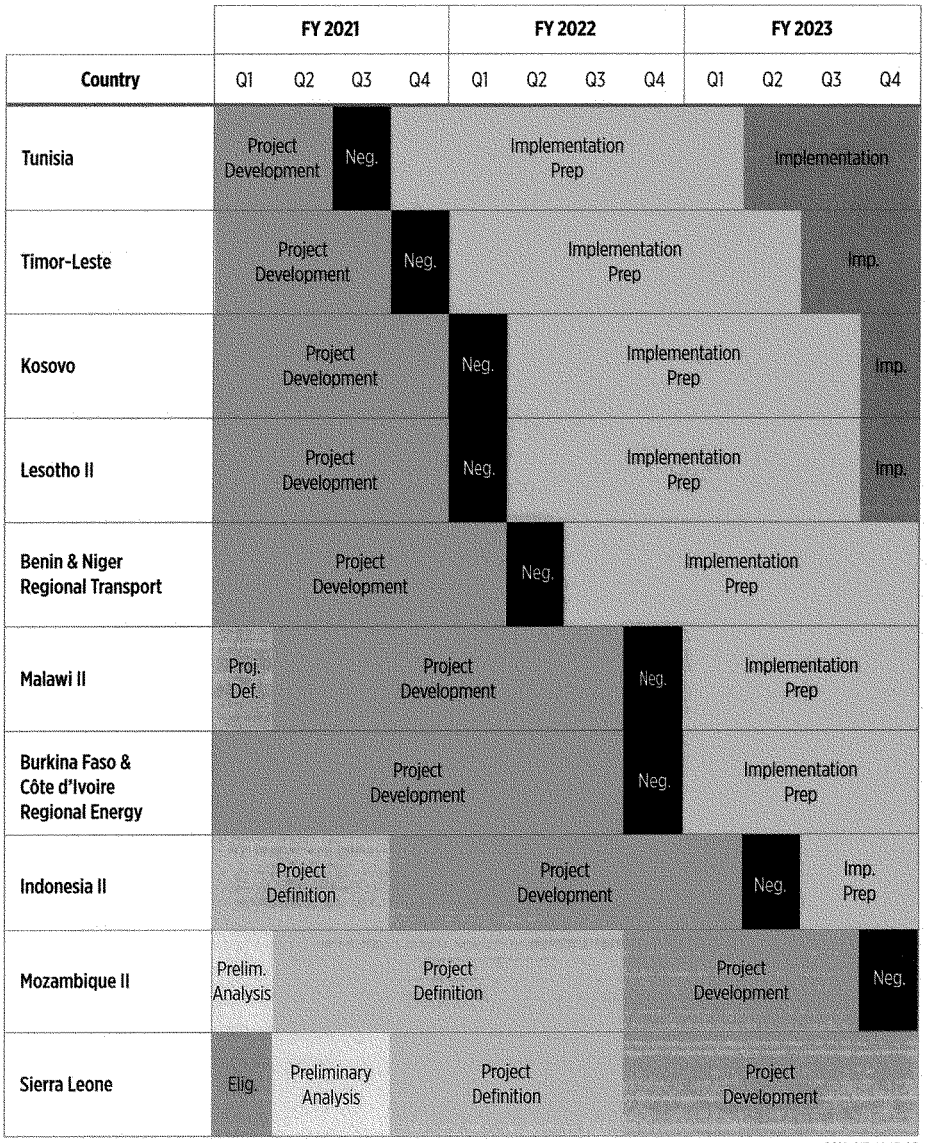
Since MCC's Board selected Sierra Leone as eligible to develop a compact at the December 2020 Board meeting, the Government of Sierra Leone has moved proactively to launch compact development. In January 2021, Vice President Mohamed Jalloh led a delegation to Senegal to learn best practices from its experience developing two MCC compacts. The Government set up its compact development team and is working with MCC to update the constraints to growth analysis completed in 2013. In April 2021, MCC and the Government signed an Initial Engagement Grant Agreement to support the Government's compact development team.

Compact Development Process Overview

	Preliminary Analysis	Problem Diagnosis	Project Definition	Project Development	Negotiation
Eligible Country	• Names a National Coordinator and puts together a compact development team • Analyzes constraints to economic growth, opportunities for private investment and poverty reduction • Undertakes broad consultations with stakeholders	• Expands compact development team • Analyzes key root causes of binding constraints • Defines, develops initial project ideas to address constraints • Submits Concept Notes	• Defines and scopes specific projects and activities • Builds strong project logic for proposed compact program • Identifies intended beneficiaries • Consults stakeholders on project design • Submits detailed Project Proposals	• Conducts feasibility, environmental and other studies • Measures expected economic impact • Identifies risks and mitigation measures • Begins establishing structures needed in implementation	• Finalizes monitoring and evaluation framework • Negotiates legal, financial, technical terms of program • Creates dedicated MCA unit for implementation
MCC	• Staffs a country team • Provides compact development guidance • Advises and assists with analyses	• Reviews, approves Concept Notes • Approves concept projects for futher development	• Reviews, approves Project Proposals • Approves projects for full development and appraisal	• May fund necessary preparatory studies • Oversees, manages procurements • Conducts thorough project appraisal • Makes final decision on projects	• Notifies Congress of intent to negotiate • Defines budget and commits funding • Obtains approval of MCC's Board • Signs agreements

2013-017-1246-05

Compact Portfolio Status Report



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Compact Development Stage	Description
Eligibility Notification	Initial notification of eligibilty, made annually at December MCC Board Meeting.
Preliminary Analysis	Country selects a core team, analyzes constraints to growth, completes a social and gender assessment as well as an investment opportunities assessment; conducts social and gender assessment and initiates broad public consultations.
Project Definition	Country prepares concept notes and subsequently more detailed concept papers for each proposed investment. MCC conducts initial project assessment.
Project Development	Country and MCC conduct feasibility and design studies as well as environmental and social impact assessments to contribute to the final scope, cost and conditions of the compact.
Negotiation	After completion of Investment Memo, the country and MCC engage in compact negotiations and the country team makes its presentation to the MCC board. This stage culminates with the signing of the compact.
Implementation Prep	Country stands up the MCA; establishes procurement and fiscal agents, IT systems and agreements; provides capacity building; and continues detailed design and planning.
Implementation	Five year period following the compact's date of entry into force, during which the compact is implemented.
CED	CED, or Compact End Date, is the last date of the compact term, representing the date the compact expires (five years after the date of entry into force) or the date the compact is terminated in accordance with its terms.
Close Out	120 day period following the Compact End Date, during which the program is closed, final invoices from contractors are submitted, final contract deliverables are reviewed and the Accountable Entity finalizes its accounting records and Final Financial Report.

Threshold Programs

(in millions of $)	FY 2020	FY 2021	FY 2022
	Enacted	Enacted	Request
Total Appropriation/Request	905.0	912.0	912.0
Threshold Programs	45.0	31.0	31.0

MCC is requesting $31 million in FY 2022 for threshold programs with new countries to be selected by MCC's Board of Directors in December 2021. MCC is currently developing threshold programs with Solomon Islands, The Gambia, Ethiopia, Kenya, and Kiribati.

MCC threshold programs seek to incentivize improved performance on MCC's eligibility criteria and to support positive policy and institutional reforms to address binding constraints to economic growth in selected candidate countries. The Board's selection of countries for new threshold programs or the transition of existing threshold programs under development to compact assistance may lead to future shifting of funds to/from this budget line item.

Background

MCC threshold programs assist candidate countries to become compact eligible by incentivizing them to demonstrate their commitment to just and democratic governance, economic freedom, and investments in their people. By advancing policy and institutional reforms to address the most binding constraints to economic growth in a country, threshold programs complement the incentive created by the scorecard (referred to as the "MCC Effect") and allow MCC to assess the opportunity for an impactful and cost-effective partnership before committing to a larger investment through a compact. MCC uses the same rigorous, evidence-based approach in threshold programs as it does in compacts, leading to high-quality investments that have the potential for creating systemic impacts and lay the foundation for larger investments.

Threshold programs help countries to reduce constraints to faster economic growth, increase transparency and accountability in the provision of public services, and provide MCC critical information about a government's political will and capacity to undertake the types of reforms that would have the greatest impact in compacts. The recently completed threshold program with Sierra Leone has helped to create the foundation for more effective and financially sustainable provision of clean water and reliable electricity, while incentivizing the country to strengthen its overall policy performance and become compact eligible. Ongoing programs are improving secondary education in Guatemala and fostering the use of data for more transparent and accountable governance in Kosovo. The Togo threshold program, which entered into force in November 2020, will support reforms to increase private sector participation in the telecommunications sector and to improve land tenure.

Countries with threshold programs are not guaranteed compact eligibility. However, successful implementation of a threshold program yields significant advantages for a potential future compact. For

example, a partner country will likely have enhanced its ability to design and implement investments that will generate the greatest results and have a head start on the work necessary to design a high-impact compact. Even if a country does not become compact eligible, threshold programs can help create the conditions for additional investment from the private sector or by other development partners. The programs also help governments to mobilize domestic resources, spend their budgets more transparently, deliver services more efficiently, and ultimately help countries finance their own development.

Developing and Future Threshold Programs

Solomon Islands

In December 2018, MCC's Board of Directors selected Solomon Islands for threshold program assistance. Despite travel limitations associated with the COVID-19 pandemic, MCC was able to successfully complete program development. In December 2020, the MCC Board of Directors approved a $23 million threshold program that would facilitate private investment for increased tourism and generate more reliable and sustainable benefits from the country's forest resources. Pending the conclusion of negotiations and signing of a threshold program grant agreement, MCC expects implementation to begin in early FY 2022.

The Gambia

In FY 2018, MCC's Board of Directors selected The Gambia for threshold program assistance. Program development was paused in FY 2020 due to The Gambia being placed on Tier 3 of the U.S. Department of State's Trafficking in Persons Report. The Gambia was moved to Tier 2 Watch List, from Tier 3, in FY 2021 and MCC has re-started program development with the Government. MCC plans to complete the design of an energy sector reform program and request Board approval and sign of a grant agreement in FY 2022.

Ethiopia

Since early 2019, MCC and the Government of Ethiopia have worked productively to develop a $53 million program aimed at enhancing Ethiopia's trade capabilities and diversifying and growing its exports. MCC expects all partner countries to demonstrate an ongoing commitment to MCC's eligibility criteria, which include the protection of human rights, civil liberties, rule of law, and freedom of information, among other items. MCC is monitoring the ongoing humanitarian and human rights crisis in the Tigray region of Ethiopia, coordinating with USG counterparts on these issues, and will determine if and when the program is presented to the MCC Board.

Kenya

MCC's Board of Directors selected Kenya as eligible to develop a second threshold program in December 2019. MCC and the Government of Kenya have completed the constraints analysis, which identified lack of connectivity in urban areas and crowding out of private sector financing as the binding constraints to economic growth. The MCC and government teams are analyzing the root causes of the urban connectivity constraint to develop project concepts. MCC expects to finish program development and

sign a threshold grant agreement in FY 2022.

Kiribati

The Pacific Islands country of Kiribati was selected for a potential threshold program in December 2020. MCC is in the early stages of a constraints analysis and is coordinating closely with other bilateral and multilateral development partners in the region.

Future Programs

The funding request for FY 2022 will support programs with countries that may be selected by MCC's Board of Directors in December 2021. The average program size for threshold programs is approximately $30 million, and the requested funding would allow MCC to begin development of threshold programs with new countries should promising candidates emerge in the annual selection process.

Compact Development and Oversight

Compact Development Funding and Due Diligence

(in millions of $)	FY 2020	FY 2021	FY 2022
	Enacted	Enacted	Request
Total Appropriation/Request	**905.0**	**912.0**	**912.0**
Compact Development/Oversight:	129.0	113.5	114.0
Compact Development Funding	36.0	30.0	30.0
Due Diligence	93.0	83.5	84.0

Compact development and oversight are composed of both Compact Development Funding, as authorized under Section 609(g) of the Millennium Challenge Act, and Due Diligence funding. These funds support pre-compact planning and assessment, oversight activities during implementation, and post-compact evaluations—activities that are critical to the success of MCC programs and ensure that the agency, partner countries, and the development community may take advantage of learning created through MCC programs.

For FY 2022, MCC requests $114 million for compact development and oversight, including $30 million for Compact Development Funding and $84 million for Due Diligence to support monitoring, programmatic oversight, and data collection and evaluation.

Compact Development Funding [2]

Compact Development Funding allows MCC to award contracts or grants to any eligible countries for the purposes of facilitating the development or implementation of a compact, as noted in section 609(g) of MCC's authorizing statute. Laying the groundwork for compact programs helps MCC improve the quality of its compact programs and the ability of its partner countries to implement compacts successfully. Such essential groundwork includes project design studies, feasibility studies, environmental impact assessments, engineering and geotechnical designs, economic baseline surveys, technical assessments of financial management and procurement capabilities, and other specialized analyses that help partner countries fully prepare projects that can be implemented within the fixed five-year timeframe, within budget, and achieve substantial results for compact programs.

Due Diligence

MCC utilizes due diligence funds at every stage of the compact and threshold program lifecycle. Due diligence funds allow MCC to obtain information that is necessary to evaluate, assess, and appraise proposed projects during compact and threshold development, to effectively oversee and monitor projects during implementation, and to evaluate the results after closeout. These funds are used to procure the

requisite technical expertise throughout the compact and threshold lifecycles, allowing MCC to right-size support based on the relative size and diversity of its portfolio. Due diligence funds are also used after compact closure to commission independent impact evaluations that use rigorous statistical methods to measure changes in beneficiary incomes related to MCC activities. In addition to offering valuable lessons on how MCC can improve, impact evaluations provide critical information about program successes that are also useful for the broader development community.

Due diligence funds also support data and technical expertise needed for calculating economic rates of return for compact projects. Through pre-compact economic modeling of expected economic rates of return, MCC chooses which projects are most likely to generate benefits—specifically with regard to increased income for program beneficiaries—and serves to refine program design to optimize results. Economic modeling after compact closeout helps to assess the cost effectiveness of the agency's programs.

Administrative Expenses

(in millions of $)	FY 2020 Enacted [3]	FY 2021 Enacted	FY 2022 Request
Total Appropriation/Request	**905.0**	**912.0**	**912.0**
Total Administrative Expenses	107.0	112.0	115.0
Human Capital	64.5	65.3	66.8
Training	0.3	1.0	1.0
Overseas Operations	9.0	11.3	11.7
Contracted Services	8.1	9.1	7.5
Information Technology	15.0	15.0	15.1
Rent, Leasehold & Improvements	6.3	6.9	6.9
Travel	3.4	3.5	6.0
Other Administrative Expenses	0.4	-	-

MCC is requesting $115 million to fund administrative functions in support of agency operations. MCC has been utilizing both prior year funds and newly appropriated funds to cover administrative expenses in support of the mission. Reliance on the availability of prior year funds to offset operating expenses for the past several years, coupled with a flat appropriation, forced the agency to limit support for new initiatives and modernization of its technology platforms. In the same timeframe, MCC has seen disproportionate growth in its overseas support costs and inflationary expenses. To mitigate significant changes and impacts to the administrative support functions in light of growing inflationary increases and overseas support costs, MCC is seeking an increase to the FY 2022 administrative expense cap.

The predominance of the administrative budget covers MCC's people, i.e., human capital, enabling the agency to successfully carry out its mission to reduce poverty through economic growth.

Additionally, administrative expenses cover critical mission support functions such as financial management and oversight, domestic and international security, human resource and overseas administrative support, contracts and grants acquisition, travel support, information technology and cybersecurity, risk management, internal controls, audit compliance, and facilities management and rent.

Finally, administrative expenses cover the costs of MCC personnel travel to overseas partner countries to collaborate on development, oversee and consult during implementation, and measure and assess the success of MCC programs. While travel expenses have remained lower in FY 2020 and FY 2021 due to COVID, it is expected that as risks diminish, travel will gradually ramp up to nearly pre-COVID levels. In addition, MCC recognizes that there could be an increase in travel costs in a post-COVID environment.

With this funding request, MCC will be able to support the FY 2022 portfolio through the retainment and

competitive recruitment of high-caliber staff, quality program oversight, digital advancement and maintenance, and continued assurance MCC complies with high standards and necessary regulations.

Human Capital

MCC achieves its mission largely through its highly effective workforce. During this fiscal year, the agency continued work on developing a comprehensive human capital management plan to ensure MCC is appropriately staffed to achieve its mission, strategic priorities, and operations support. Through more strategic management of human capital, MCC aims to identify core, leadership, and role-based technical competencies, determine the workforce necessary to achieve the mission and strategic priorities, and build a strategy to address differences between current workforce composition and staff competencies as well as forecasting the workforce or competency needs.

Within the administrative expenses budget line, the FY 2022 budget request includes $66.8 million for human capital expenses, including maintaining MCC's merit pay, or pay-for-performance framework, which incorporates pay raises based on performance metrics against established criteria for each position. Much like the General Schedule pay scale, MCC also includes moderate increases to the established pay bands. Both adjustments are in line with standard inflationary increases for full-time equivalent (FTE) civil servants and in FY 2022, MCC will continue to maintain appropriate funding levels in support of existing staff, assess positions that become vacant, and determine workforce requirements in support of carrying out the agency and administration's priorities.

Overseas Operations

MCC maintains a light but highly effective footprint in the countries where it operates. In FY 2022, MCC requests $11.7 million to continue supporting overseas administrative operations, including local-engaged staff salaries and benefits and resident country management team costs including rent, residential allowances, relocation expenses, travel, shipping, office and residential furniture, IT equipment, and official vehicles. MCC also contributes its cost share of the International Cooperative Administrative Support Services (ICASS) and Capital Security Cost Share (CSCS) administered by the Department of State. MCC anticipates a significant increase of roughly $1.3 million above the FY 2021 budget request to operate overseas, largely due to ICASS and CSCS managed by the Department of State. Although MCC continuously reviews the costs related to overseas operations in order to maximize the use of funding while providing adequate support towards our relatively small overseas presence (typically two FTE per country), MCC continues to see an upward trajectory in year over year ICASS and CSCS costs and anticipates potential necessity for enhanced security in support of MCC's portfolio of countries. In FY 2022, MCC will provide support for overseas operations in countries with compacts that were authorized an extension due to COVID-19.

Information Technology

MCC is planning $15.1 million for information technology (IT) support for FY 2022.

IT has an integral role in supporting agency-wide initiatives, including process automation, the

publication of procurement data, communication and cloud-based collaboration tools, and ongoing improvements for reporting grant disbursements for MCC's country partners. At the beginning of the COVID-19 pandemic, MCC was able to quickly pivot to maximum telework because the agency already had the necessary IT systems and hardware in place. MCC continues to upgrade infrastructure and systems through incremental deployments and uses a multi-year approach to address its technology backlog. Demand for digital services remains high, playing a central role in supporting MCC's mission-focused systems, and the funding requested would ensure efficiency and effectiveness can be delivered through secure, reliable applications and systems without stagnation in technology relevancy.

MCC controls equipment support costs by maintaining standardization across the enterprise. MCC has increased the use of shared services and FedRAMP-based solutions for supporting commodity-based IT requirements. IT plays an increasingly important role in supporting MCC's mission through mobility, online collaboration, and virtual training. Cybersecurity threats keep evolving, and overall risk remains high. MCC continues to enhance its monitoring and behavior analytics capabilities and is integrating them with its Security Operations Center. MCC participates in annual Federal Information Security Management Act audits conducted by the USAID Office of Inspector General (OIG), and reports to Congress and OMB on the findings and recommendations. MCC is also planning additional improvements to the Identify, Credential, and Access Management program. The agency remains committed to developing capabilities with the Department of Homeland Security Continuous Diagnostic Monitoring Program and has requested to participate in the Vulnerability Disclosure Program.

MCC recently designated a Chief Data Officer, in alignment with requirements under the Foundations for Evidence-Based Policymaking Act (2019) and will continue investing in leveraging data as a strategic asset and participating in open data and transparency initiatives. MCC is migrating millions of records to a cloud-based repository that will have controls compliant with National Archives and Records Administration policies and guidance. The agency is on track to migrate to Enterprise Infrastructure Services by the 2023 deadline.

Rent

The FY 2022 budget request reflects the nominal percentage increase within the occupancy agreement for office space at MCC's headquarters. MCC will continue to evaluate the use of its headquarters space, proactively using space planning technology for seat management as well as conference and meeting space requirements, maintaining a relatively small footprint.

Office of the Inspector General

(in millions of $)	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request
Total Appropriation/Request	**905.0**	**912.0**	**912.0**
Office of the Inspector General	4.5	4.5	4.5

The estimates for the funding level of the Office of Inspector General in this submission are based on the FY 2021 enacted appropriation and the current amount authorized in the Millennium Challenge Act of 2003, as amended, for this purpose. MCC and OIG establish an interagency agreement on an annual basis in support of oversight of MCC's program by the OIG.

Appendix: Annual Performance Report

Compact Amounts at Signing and Key Dates ($ millions)*

Compact Amounts at Signing and Key Dates ($ millions)*

Partner Country	Compact Amount	Signed	Entry Into Force	Compact End Date
Madagascar	$109.8	04/18/2005	07/27/2005	08/31/2009
Honduras	$215.0	06/14/2005	09/30/2005	09/30/2010
Cabo Verde	$110.1	07/05/2005	10/18/2005	10/18/2010
Nicaragua	$175.0	07/15/2005	05/26/2006	05/26/2011
Georgia	$395.3	09/12/2005	04/07/2006	04/07/2011
Benin	$307.3	02/22/2006	10/06/2006	10/06/2011
Vanuatu	$65.7	03/02/2006	04/28/2006	04/28/2011
Armenia	$235.7	03/27/2006	09/29/2006	09/29/2011
Ghana	$547.0	08/01/2006	02/16/2007	02/16/2012
Mali	$460.8	11/13/2006	09/18/2007	08/24/2012
El Salvador	$460.9	11/29/2006	09/20/2007	09/20/2012
Mozambique	$506.9	07/13/2007	09/22/2008	09/22/2013
Lesotho	$362.6	07/23/2007	09/17/2008	09/17/2013
Morocco	$697.5	08/31/2007	09/15/2008	09/15/2013
Mongolia	$284.9	10/22/2007	09/17/2008	09/17/2013
Tanzania	$698.1	02/17/2008	09/17/2008	09/17/2013
Burkina Faso	$480.9	07/14/2008	07/31/2009	07/31/2014
Namibia	$304.5	07/28/2008	09/16/2009	09/16/2014
Senegal	$540.0	09/16/2009	09/23/2010	09/23/2015
Moldova	$262.0	01/22/2010	09/01/2010	09/01/2015
Philippines	$433.9	09/23/2010	05/25/2011	05/25/2016
Jordan	$275.1	10/25/2010	12/13/2011	12/13/2016
Cabo Verde	$66.2	02/10/2012	11/30/2012	11/30/2017
Indonesia	$600.0	11/19/2011	04/02/2013	04/02/2018

Partner Country	Compact Amount	Signed	Entry Into Force	Compact End Date
Malawi	$350.7	04/07/2011	09/20/2013	09/20/2018
Zambia	$354.8	5/10/2012	11/15/2013	11/15/2018
Georgia	$140.0	07/26/2013	07/01/2014	07/01/2019
El Salvador	$277.0	09/30/2014	09/09/2015	09/09/2020
Liberia	$256.7	10/02/2015	01/20/2016	01/21/2021
Ghana	$498.2	08/05/2014	09/06/2016	
Benin	$375.0	09/09/2015	06/22/2017	
Morocco	$450.0	11/30/2015	06/30/2017	
Niger	$437.0	07/29/2016	01/26/2018	
Côte d'Ivoire	$524.7	11/07/2017	08/05/2019	
Mongolia	$350.0	07/27/2018	03/31/2021	
Senegal	$550.0	12/10/2018		
Nepal	$500.0	09/14/2017		
Burkina Faso	$450.0	08/13/2020		

* Please note that the values above are the signed compact amounts and do not reflect lower actual expenditures due to early terminations or funds for a compact not being fully spent. The table on the following page reflects the net obligations/commitments associated with each compact.

Compact Commitments, Obligations, and Plan

As of Second Quarter FY 2021

$'s in millions

	Fiscal Year of appropriation											
Country Program	**2012 & Prior**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**TOTAL**
El Salvador II	117	160	–	–	–	–	–	–	–	–	–	**$277**
Ghana II*	17	277	15	–	–	–	–	–	–	–	–	**$308**
Liberia	–	–	–	257	–	–	–	–	–		–	**$257**
Benin II	–	207	–	168	–	–	–	–	–	–	–	**$375**
Morocco II	114	1	169	166	–	–	–	–	–	–	–	**$450**
Niger	58	–	–	–	379	–	–	–	–	–	–	**$437**
Nepal	108	10	–	69	107	129	77	–	–	–	–	**$500**

	Fiscal Year of appropriation											
Country Program	**2012 & Prior**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**TOTAL**
Cote D'Ivoire	41	9	272	10	26	167	–	–	–	–	–	**$525**
Mongolia	100	–	–	1	–	95	154	–	–	–	–	**$350**
Senegal II	21	–	1	–	–	–	447	81	–	–	–	**$550**
Burkina Faso II	17	–	85	–	–	–	–	309	39	–	–	**$450**
Committed & Obligated	**$592**	**$664**	**$541**	**$671**	**$512**	**$391**	**$678**	**$390**	**$39**	**$ –**	**$ –**	**$4,479**
	Fiscal Year of appropriation											
Country Program	**2012 & Prior**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**TOTAL**
Tunisia	124	–	–	–	135	–	–	68	138	34		**$499**
Lesotho II	–	–	145	–	–	–	–	113	53	–		**$310**
Timor-Leste	–	–	–	–	–	–	–	–	291	–	90	**$381**
Malawi II	–	–	–	–	–	–	–	–	27	243	80	**$350**
Kosovo	–	–	–	–	–	–	–	50	–	74	76	**$200**
Regional Transport	–	–	–	–	–	–	–	–	–	300	150	**$450**
Regional Energy	–	–	–	–	–	–	–	–	–	–	252	**$252**
Indonesia II	–	–	–	–	–	–	–	–	–	–	–	**$ –**
Mozambique II	–	–	–	–	–	–	–	–	–	–	–	**$ –**
Sierra Leone	–	–	–	–	–	–	–	–	–	–	–	**$ –**
Compact Extensions*	37	–	–	–	–	–	–	–	21	–	–	**$57**
Planned	**$161**	**$ –**	**$145**	**$ –**	**$135**	**$ –**	**$ –**	**$230**	**$529**	**$651**	**$648**	**$2,498**

*Per the Consolidated Appropriations Act, 2021 (P.L. 116-260), MCC has been authorized to extend any compact in implementation as of January 29, 2020, for up to one additional year to account for delays related to the COVID-19 pandemic. Prior year funds are planned to be utilized to cover program administration, supervision, and oversight costs for the period of extension in support of five compacts currently undergoing implementation.

Closed Compacts

As of Second Quarter FY 2021

	Fiscal Year of appropriation									
Country Program	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**Total**
Armenia	–	177	–	–	–	–	–	–	–	$177
Benin	–	302	–	–	–	–	–	–	–	$302
Burkina Faso	–	–	–	–	475	–	–	–	–	$475

	Fiscal Year of appropriation									
Country Program	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**Total**
Cabo Verde	109	–	–	–	–	–	–	–	–	$109
Cabo Verde II	–	–	–	–	–	–	–	–	66	$66
El Salvador	–	–	362	88	–	–	–	–	–	$450
Georgia	290	24	–	17	56	–	–	–	–	$387
Georgia II	–	–	–	–	–	–	–	–	139	$139
Ghana	–	536	–	–	–	–	–	–	–	$536
Honduras	204	–	–	–	–	–	–	–	–	$204
Indonesia	–	49	–	–	–	–	–	425	–	$474
Jordan	–	–	–	–	–	55	218	–	–	$273
Lesotho	–	–	–	358	–	–	–	–	–	$358
Madagascar	86	–	–	–	–	–	–	–	–	$86
Malawi	–	–	–	–	–	–	208	137	–	$345
Mali	–	–	434	–	–	–	–	–	–	$434
Moldova	90	16	8	1	9	86	49	–	–	$259
Mongolia	–	–	–	269	–	–	–	–	–	$269
Morocco	–	72	578	–	–	–	–	–	–	$650
Mozambique	–	–	–	448	–	–	–	–	–	$448
Namibia	–	–	–	219	76	–	–	–	–	$296
Nicaragua	113	–	–	–	–	–	–	–	–	$113
Philippines	–	–	–	–	–	–	385	–	–	$385
Senegal	–	–	–	–	–	433	–	–	–	$433
Tanzania	–	–	–	–	695	–	–	–	–	$695
Vanuatu	–	65	–	–	–	–	–	–	–	$65
Zambia	–	–	–	–	–	–	–	–	332	$332
Closed Compacts	**$891**	**$1,242**	**$1,383**	**$1,400**	**$1,310**	**$574**	**$860**	**$561**	**$536**	**$8,758**

Threshold Program Amounts at Signing and Key Dates ($ millions)*

Country	Threshold Program Amount	Signed	Completed
Burkina Faso	$12.9	07/22/2005	09/30/2008
Malawi	$20.9	09/29/2005	09/30/2008
Albania	$13.9	04/03/2006	11/15/2008
Tanzania	$11.2	05/03/2006	12/30/2008
Paraguay	$34.6	05/08/2006	08/31/2009
Zambia	$22.7	05/22/2006	02/28/2009

Country	Threshold Program Amount	Signed	Completed
Philippines	$20.7	07/26/2006	05/29/2009
Jordan	$25.0	10/17/2006	08/29/2009
Indonesia	$55.0	11/17/2006	12/31/2010
Ukraine	$45.0	12/04/2006	12/31/2009
Moldova	$24.7	12/15/2006	02/28/2010
Kenya	$12.7	03/23/2007	12/31/2010
Uganda	$10.4	03/29/2007	12/31/2009
Guyana	$6.7	08/23/2007	02/23/2010
São Tomé & Principe	$8.7	11/09/2007	04/15/2011
Kyrgyz Republic	$16.0	03/14/2008	06/30/2010
Niger	$23.1	03/17/2008	12/31/2015
Peru	$35.6	06/09/2008	09/30/2012
Rwanda	$24.7	09/24/2008	12/31/2011
Albania	$15.7	09/29/2008	07/31/2011
Paraguay	$30.3	04/13/2009	07/31/2012
Liberia	$15.1	07/06/2010	12/15/2013
Timor-Leste	$10.5	09/22/2010	03/31/2014
Honduras	$15.7	08/28/2013	05/31/2019
Sierra Leone	$44.4	11/17/2015	03/31/2021
Guatemala	$28.0	04/08/2015	
Kosovo	$49.0	09/12/2017	
Togo	$35.0	02/14/2019	

* Please note that the values above are the signed threshold program amounts and do not reflect lower actual expenditures due to early terminations or funds for a threshold program not being fully spent.

Results of Recently-Closed Compacts and Threshold Programs

El Salvador Compact

El Salvador

Overview	MCC marked the end of the $277 million El Salvador Investment Compact on September 9, 2020. The compact focused on regulatory reforms, education, and logistical infrastructure, with the goal of promoting private investment and economic growth in the country. Through three interrelated projects, the compact: 1) helped Salvadorans better meet labor market demands by improving the quality of general education and technical and vocational training; 2) reduced transportation and logistics costs that impede regional trade by investing in physical and technological infrastructure; and 3) strengthened El Salvador's investment climate through regulatory and institutional reforms and introducing new partnership models with the private sector. The Human Capital Project's Education Quality Activity benefited over 73,000 students by rehabilitating 45 schools, increasing classroom time by nearly 60 percent (from 25 to up to 40 hours per week), and training over 5,600 instructors. To address gender imbalance and disparity, a Gender Policy was developed and implemented at the Ministry of Education, Science, & Technology. The activity also supported the creation of an education management system (SIGES). The system tracks student performance, gathers information, and helps monitor the education system nationally, for more relevant and efficient decision-making, design, and implementation of education projects. To strengthen the links between labor market demand and skill supply, the Technical Vocational Education & Training (TVET) Activity created El Salvador's first TVET Coordination Council that determined national skill requirements and developed certificates for trainees to set national standards for job qualifications. Over 470 people enrolled in MCC-supported trainings in nine different sectors. Additionally, MCC supported technical assistance to identify market trends and determine training needs that were not covered by the training institutes within the nine business chambers. Through the Investment Climate Project's (ICP) Partnership Development Activity, El Salvador introduced its first-ever public-private partnerships (PPP). In 2020, a $57 million contract to improve the cargo terminal at El Salvador's international airport was awarded and a procurement for a highway video lighting and surveillance concession was launched. The Compact also introduced a new model whereby the Government of El Salvador leveraged private sector funding by allocating its limited resources to strategic public sector investments. Nine investment agreements were signed between the public and private sectors, through which a $75 million combined investment from MCC and the Government leveraged $150 million in private investment to support two technical assistance projects, five water, sanitation, and irrigation projects, one border crossing, and one road bypass. The Regulatory Improvement Activity alleviated bureaucratic red tape to allow firms in El Salvador to carry out quicker and more profitable business transactions. This was achieved by creating a Regulatory

	Improvement Body (OMR), a National Registry of Procedures to help streamline required procedures and costs, and a framework for the Government to analyze its regulations and identify changes and reforms that would improve efficiency and increase transparency in the most common business processes. The Logistical Infrastructure Project expanded approximately 27 km of the coastal highway, one of El Salvador's most important highways for regional trade. MCC's investments supported infrastructure and technological work at the El Amatillo border crossing (Honduras) with the aim to reduce wait times at the border and ease the flow of regional trade. This compact was MCC's first program to close during the COVID-19 pandemic and was heavily impacted by its effects. While several project completion dates were delayed due to the pandemic, the Government demonstrated its commitment to country ownership and the shared investments and agreed to continue funding and managing the implementation of the remaining projects, which are estimated to be completed by mid-2021.

Policy Reforms	In order to maximize the success and sustainability of the El Salvador Ivestment Compact, MCC partnered with the Government to implemenet several reforms. **Human Capital Project** To maximize the sustainability of the investments and improve school management, the Human Capital Project supported policy reforms to improve oversight of schools and TVET programs. Through this project, the Ministry of Education, Science, and Technology (MINEDUCYT) created an operations and maintenance plan to oversee the 45 school clusters that benefited from the Compact. Other important reforms include: the incorporation of Vocational Technical Baccalaureates in each school cluster to expand the educational offerings; the management information system for education (SIGES); the creation of a Gender Unit within MINEDUCYT and the adoption of a gender policy; the development of a National Evaluation Unit, and an increase in the education budget. To strengthen the links between industry demand and the TVET skills supplied by the market, a Technical Education and Professional Training Coordination Council was created. This Council, comprised of MINEDUCYT, INSAFORP (Salvadoran Institute for Professional Training), and the Board of Sector Committees, coordinates education and job trainings and plans to establish national benchmarks for job qualifications. The Council will allow private and public sectors to bridge the gap between public education and job market demands. **Investment Climate Project** The reforms implemented through this project helped El Salvador better compete for foreign investments while improving business processes locally. The reforms focused on reducing bureaucracy and red tape and increasing trade facilitation by streamlining border crossing and customs procedures. Additionally, they supported increased transparency and alignment between local and national policies. **Logistical Infrastructure Project** To ensure longevity of MCC investments, the Government passed a financial reform in 2020 to increase funding to El Salvador's Road Conservation Fund (FOVIAL), a compact condition precedent. This reform ensures an annual allocation of funding for road maintenance, in line with international best practices.

Outputs (preliminary)	**Human Capital Project** • 5,709 instructors trained • 349 Fomilenio-supported schools used and recorded information in SIGES • Eight legal, financial, and policy reforms adopted • By the end of the compact, 37 educational facilities were constructed or rehabilitated • 13 new technical course options offered with each of the new technical baccalaureates • 1,312 teachers completed training on non-sexist practices • 44 action protocols on sexual violence incidents were socialized • Two agreements for internships with the private sector were developed • Defining indicators for TVET monitoring and planning completed on August 25, 2020 • A roadmap for the creation of a national qualifications' framework was completed on August 18, 2020 **Investment Climate Project** • Permanent institutionalization of the OMR was completed on August 27, 2019. • There was one competition in the PPP awarding process. • By the end of the compact, 96 people were trained on PPP skills. • One project was completed under the El Salvador Investment Challenge (ESIC). **Logistical Infrastructure Project** • Annual allocated road maintenance funding for FOVIAL amounted to $47,979,249.
Preliminary and Expected Outcomes	Improved labor force by providing better general and technical education, and professional training in skills that matched the demands of international trade firms. Increased competitiveness in trade and an increase in private investment by reducing bureaucracy in El Salvador's regulatory framework and building institutional capacity in the country. Reduced costs of transportation and necessary logistics and increased investment and productivity in the trade of goods and services, including relieving traffic at critical sections between the main border crossing with Honduras at El Amatillo, the Ports of La Union and Acajutla, and the international airport (SAL).

Evaluations	**Human Capital Project** The evaluation of the Education Quality Activity is comprised of two analyses. The first, a performance evaluation, will answer the following questions: how each component of the activity was implemented, were targets met, what helped and what hindered implementation of the activity, and what are the plans for sustainability. The second analysis, an impact evaluation, is focused on the Full-Time Inclusive Model Sub-Activity and compares outcomes for MCC-funded schools to outcomes for non-funded schools. The evaluation will measure the impact of the program on student dropout, academic performance, quality of education (as measured by time-on-task in the classroom), and other outcomes. The evaluation design report and baseline report can be found in MCC's evaluation catalog. The baseline report was completed in April 2019, and the final report is expected in 2023. The evaluation of the TVET System Reform Activity will answer, qualitatively, questions such as: which courses were implemented, how the courses were implemented and what the perceived benefits of these courses were for trainees and for firms. In addition, the evaluation will assess the sustainability of key activities, such as the establishment of the Sector Committees, the Board of Sector Committees, and the Coordination Council, as well as which courses did sectors implement after the compact and how was the FOMELENIO II-purchased equipment used. Also, the evaluation will assess trainees' perceived benefits from program participation, such as changes in their work responsibilities and tasks, perceived improvements in their work performance or work conditions, etc. The design report for this evaluation can be found in MCC's evaluation catalog. There is no baseline report, and the final report is expected in 2023. **Investment Climate Project** MCC published the interim report for the Investment Climate Project in June 2020, which includes early findings from all activities and sub-activities of the Investment Climate Project. The evaluation involves an analysis of data from affected institutions before and after the compact, surveys, interviews, and focus groups, to assess whether the program was implemented correctly, and its results and sustainability. The Key Findings of the Investment Climate Interim Evaluation Report (June 2020) include: • **Regulatory Improvement Activity:** During the project's first

	three years, key milestones were achieved to help establish a system to improve trade policies. • **Public-Private Partnerships (PPP) Sub-Activity of the Partnership Development Activity:** MCC's PPP investments—consisting of PPP training, coaching, and studies—have helped workers hone their skills in developing PPPs. Politics—more than technical or legal issues—impede MCC-supported PPPs. • **El Salvador Investment Challenge Sub-Activity of the Partnership Development Activity:** By mid-2019, the sub-activity had committed $75 million to funding public goods, meeting its funding target. Although the sub-activity's public goods have generated new private investment, the amount of investment is unclear. Some firms reported that they would have invested even in the sub-activity's absence, while several reported investing more or sooner than planned because of the Investment Challenge Fund. As of mid-2019, the newly established El Salvadoran Organization for Improved Regulation and its partner institutions had had mixed success in executing legal and administrative reforms. A final evaluation report that covers the full set of evaluation questions is underway and results will be available in 2024. **Logistical Infrastructure Project** The evaluation of the Logistical Infrastructure Project will utilize the Highway Development Model IV to assess the economic benefits of the road and border crossing improvements. The evaluation will cover the following research areas: • Project Implementation • Engineering Analysis and Economic Modeling • Road Maintenance • Road Usage and Changes in Road Usage • Transportation Market Structure • Border Crossing Infrastructure at El Amatillo • Border Crossing Infrastructure at Anguiatu A final evaluation report that covers the full set of evaluation questions is underway and results will be available in 2023.

Liberia Compact

Liberia Compact

Overview	On January 20, 2021, MCC concluded the Liberia Compact, with 92.1 percent of the $256.7 million budget disbursed. The Compact's Energy Project ($209 million) and Roads Project ($20 million) aimed to encourage economic growth and reduce poverty in Liberia by addressing the inadequate access to reliable and affordable electricity in the country and the poor quality of road infrastructure. The Energy Project is expected to benefit 528,000 Liberians over the long term by increasing the reliability and affordability of electricity. MCC's investment of $151.5 million in the Mount Coffee Rehabilitation Activity, added to $212 million from three European funders, resulted in the reconstruction of the Mount Coffee Hydropower Plant (MCHPP), which was destroyed during Liberia's 14-year civil war. Completed in 2018, the 88-megawatt MCHPP is the largest source of power and renewable energy supply for LEC, Liberia's public electric utility. MCHPP enabled LEC to provide more reliable and affordable power supply to over 76,000 homes, businesses, and other entities, a three-fold increase since 2015. The electricity tariff reduced by 37.5 percent. The $23.7 million Mount Coffee Support Activity aimed to provide additional support to the MCHPP Rehabilitation Activity in part to mitigate environmental and social impacts and ensure long-term sustainability. In addition to supporting small-scale community infrastructure, the Activity funded the construction of a new, larger 48-inch diameter Raw Water Pipeline to replace one damaged during the civil-war. By drawing water from the Mt. Coffee reservoir and using gravity to deliver it, the new pipeline's operation eliminated the need to pump water from downstream, where an up-river tidal flow would infuse salt water. The pipeline will save the Liberia Water and Sewer Corporation (LWSC) an estimated $780,000 annually in electricity costs. The $35.8 million Energy Sector Reform Activity complemented the rehabilitation of MCHPP by building the capacity of Liberia's national electric utility and investing in other reforms and capacity building to strengthen the power sector. Results from a three-year management services contract for the Liberia Electricity Corporation (LEC) included strengthened planning and operations utility wide, increased new customer connections, improved customer service, enhanced environmental performance, and the building of staff capacity. Interim independent evaluation findings have shown significant progress to stabilizing LEC. Operationally, since 2015, total electricity supply has increased almost fourfold from 4.2 million megawatt hours (MWh) to 18.5 million MWh in 2019. After prompting the passage of a law modernizing the electricity sector's legal framework, the compact also provided the seed money and technical assistance to stand-up the country's independent electricity regulator. The first commissioners and technical staff were trained and took up their duties in 2019. Regulations and other instruments have been approved and the regulator began issuing its first licenses in 2021.

	The $20 million Road Project advanced passage of new road network management laws and with the support of the U.S. Department of Transportation's Volpe Center, built a 5-year national road maintenance plan and supported a data driven approach to road maintenance. The Government, which faced grave fiscal challenges throughout the compact, was an active partner in meeting compact objectives. However, its commitment to policy reform was weak, particularly in regard to the Roads Project, where it failed to meet MCC conditions for disbursement of $15 million in matching funds for maintenance of Liberia's roads. Failure to remove a presidentially appointed utility manager complicit in electricity theft and untimely payments for its own use of electricity are examples of the Government's inconsistent support of Energy Project objectives.
Policy Reforms	The Liberia Compact achieved or made progress toward achieving key sector policy reforms in the energy and road sectors: • An independent electricity regulator is a key institutional feature of modern power sectors to increase private sector participation. After passage of the Liberia Electricity Law of 2015, the compact provided the seed money and technical assistance to stand-up operations of the Liberia Electricity Regulatory Commission. The first commissioners and technical staff were trained and took up their duties in 2019. Regulations and other instruments have been approved and the regulator began issuing its first licenses in 2021. • The Power Theft Act of 2019, which established penalties for illegal connections; tampering with meters, transmission and distribution lines; and theft of LEC assets including meters, light poles, wires and transformers. The Roads Sector Reform Activity aimed to kick-start reform of Liberia's system of national roads maintenance by strengthening the capacity of key institutions in road data collection, road asset management, and maintenance planning. An early condition for the funding of the Roads Project was the passage of a National Road Fund Act, which provided for a dedicated national fund for road maintenance, and the Axle Load Control Law, which set weight limits on trucks operating on the nation's roads.

Preliminary and Expected Outputs	**Energy Project** • Mount Coffee Hydropower Plant (MCHPP) was reconstructed and made operational, providing 88-megawatts of renewable power making it Liberia's single largest source of electricity. • The improved, modern design of the hydropower plant includes an emergency spillway to prevent reoccurrence of a catastrophic dam failure. • Transmission infrastructure from MCHPP to the electricity grid. • Construction of a health clinic, wells, bridges and sanitation facilities for 14 communities in the MCHPP area with wells in another 10 communities along the Raw Water Pipeline corridor. • Management Services Contractor (MSC) hired by the Liberia Electricity Corporation with activities and business plans to improve management capacity and operational performance that will help improve the financial standing of utility. Following the MCC-funded MSC, the World Bank is now poised to fund another 18-month extension of this management arrangement to help LEC in its journey to sustainability. • Equipment to improve access to electricity including transformers, meters, surge arrestors, specialized vehicles, spare parts for generators, utility poles, conductors, tools, and personal protective equipment. • Establishment of the Liberia Electricity Regulatory Commission (LERC), Liberia's independent energy regulator that published its first regulations in 2020 and issued its first licenses in 2021. • Construction of a 5-kilometer, 48-inch diameter, Raw Water Pipeline from MCHPP to the White Plains water treatment plant serving the capital, Monrovia. • Reconstructed LEC Customer Service Center to comfortably serve up to 100 customers, new offices for LEC staff, a call center equipped with better technological tools for tracking customer problems, additional rest rooms as well as facilities for physically challenged and disabled persons. **Roads Project** • 45 Ministry of Public Works (MPW) staff at the national and county levels and staff from other institutions trained in how to collect data and update the Highway Development and Management Software (HDM-4) used in the planning and preparation of the road maintenance plans. • Updated inventory, traffic, and condition data for all primary

	paved and unpaved roads, including provision of data collection manuals and provision of traffic. • Five-Year Road Maintenance Plan for 2019-2023 approved by the Inter-Ministerial Steering Committee (IMSC) in September 2018 and updated in 2019. • Developed Road Asset Management System (RAMS) application for storing and analyzing road network data and trained 25 MPW and National Road Fund (NRF) staff in its use.

Preliminary and Expected Outcomes	**Energy Project** • Increased quality and reliability of electricity • Increased consumption of electricity and increased customer base • Increased revenue and improved financial position of the Liberia Electricity Corporation • The Liberia Electricity Regulatory Commission improves the legal, economic and technical regulation of the electricity sector **Raw Water Pipeline Sub Activity** • Mitigated environmental and social risk of MCHPP • Increased quality and quantity of water to the LWSC service area • Increased consistency of water supply to the LWSC service area • Lower electricity costs for water utility **Roads Project** Short-Term Outcomes • Strengthened capacities of GOL staff in planning of road network maintenance and improvement decisions • Road maintenance programming—with prioritized maintenance projects—prepared by MPW • Strengthened capacities of GOL to consistently collect standardized road network data • Consistent collection of standardized road network data by GOL Strengthened capacities of GOL to add collected data to the Road Asset Management System (RAMS) • Routine addition of collected data on road network conditions to RAMS by GOL Medium & Long-Term Outcomes • Improved planning and execution of routine road maintenance • Improved planning and execution of periodic road maintenance • Improved planning and execution of emergency road maintenance

Evaluations	**Energy Project** MCC commissioned an independent performance evaluation of the Energy Project, which will cover the following: the Mt. Coffee Hydropower Plant Rehabilitation Activity, the Energy Sector Reform Activity, the Training Activity, and the Raw Water Pipeline sub-activity. The pre-post evaluation of the Mt. Coffee Hydropower Plant Rehabilitation and Energy Sector Reform Activities will look at outcomes at the grid level, energy sector level, utility level, and end users. Preliminary findings from these activities were published in September 2020. The design report and baseline/interim report for this evaluation can be found in MCC's evaluation catalog. Interim findings for this evaluation will be available in 2022 and final evaluation results will be published in 2025. The Training Center and Raw Water Pipeline evaluations will employ an ex-post evaluation methodology, and evaluation findings will be available in early 2022. **Roads Project** MCC commissioned a pre-post independent performance evaluation of the Roads Project. This evaluation will principally look at outcomes related to project implementation and the new road maintenance regime, with the possibility of measuring road-usage patterns and transportation market structure if certain targets are met. Engineering analysis and economic modeling will be done as part of an Evaluation Economic Rate of Return as part of the final report, expected no later than 2024. The design report for this evaluation can be found in MCC's evaluation catalog.

Sierra Leone Threshold Program

Sierra Leone

Overview	MCC and the Government of Sierra Leone signed a $44.4 million threshold program on November 17, 2015 with the primary goal of strengthening the Government's capacity to effectively deliver sustainable water and electricity services, with a focus on the greater Freetown area. All program activities ended March 31, 2021, with an administrative closeout period running through July 2021. The $8.3 million Regulatory Strengthening Project was designed to reinforce the Electricity and Water Regulatory Commission's role in governance and oversight of the electricity and water sectors to improve sector transparency, establish performance monitoring standards, and improve consumer engagement. The $15.7 million Water Sector Reform Project was designed to improve sector coordination, commercial practices, operational capacity, planning abilities, and customer service at the utility, the Guma Valley Water Company (GVWC). As part of the project, MCC supported the development of a sector roadmap that will inform future investments across Sierra Leone's water infrastructure and the establishment of two controlled district metering areas. The $12.1 million Electricity Sector Reform Project was designed to support operationalizing an institutional framework and market structure for Sierra Leone's electricity sector.

Preliminary and Expected Outputs	**Regulatory Strengthening Project (RSP)** • 25 people were trained in MCC supported regulatory capacity building activities. • 12 regulations were drafted and approved by the Parliament by December 2020. • $1,506,146 of results-based finance (RBF) incentive payments were disbursed. **Water Sector Reform Project (WSRP)** • The District Metering Area (which was the focus of infrastructure works under the WSRP) was established on March 30, 2018. • 10 water supply kiosks were built. • 786 customer meters were installed or replaced. • 2.3 kilometers of water pipes were installed, replaced or rehabilitated. • 91 people were trained in MCC supported water sector capacity building activities. **Electricity Sector Reform Project (ESRP)** • A financial sustainability plan for the electricity sector was approved by the sector Steering Committee on June 27, 2018. • A Revised Sector Roadmap approved by the Government of Sierra Leone on July 4, 2019. • The Power Purchase Agreement between the Electricity Distribution and Supply Authority and the Electricity Generation and Transmission Company was signed on February 16, 2021. • The Ministry of Energy planning unit was established by January 1, 2020. • 62 People were trained in MCC supported electricity sector capacity building activities

Preliminary and Expected Outcomes	Operationalized and increased core capacities at the Electricity and Water Regulatory Commission to ensure transparency, support the long-term financial sustainability of the water and electricity sectors, and improve overarching sector governance. Improved coordination in the water sector, strengthened commercial practices, operational independence, and planning capacity at GVWC, and enhanced transparency, accountability and customer service practices in order to improve financial viability, operational efficiency and customer satisfaction with water service. Improved financial viability of the electricity sector by operationalizing the emerging institutional framework and market structure in Sierra Leone's electricity sector, improving integrated planning capacity, and strengthening operational efficiency and corporate governance at targeted electricity sector institutions.

Evaluations	MCC has commissioned an independent evaluation of the threshold program which will assess the results of the RSP, WSRP and ESRP. There will not be a separate evaluation report for the RSP given that the project is linked to the program logics for the WSRP and the ESRP and integrated into those evaluations. While there is no baseline report, the interim evaluation report is expected later in 2021 and an endline report in 2023. **Water Sector Reform Project** The evaluation of the WSRP will examine the implementation of the project and assess the achievement of expected outcomes, namely the improved operational efficiency and financial viability of GVWC and the increased satisfaction of customers with the water service provide by GVWC. Results will be assessed through a performance evaluation of the Sector Coordination and Institutional Strengthening activities and related Regulatory Reform Project activities. The evaluation of the District Metering Area activity will include a performance as well as an impact evaluation (through a time series analysis of system level administrative, metering and customer billing data). In addition, household surveys and focus groups will be conducted in the areas targeted by the water project. The evaluation design report can be found in MCC's evaluation catalog. **Electricity Sector Reform Project** A performance evaluation will be conducted of the ESRP to assess the extent to which the project has had an impact on the strategic planning and business operations of the institutions and utilities as well as the financial viability and sustainability of transformations initiated for these entities. Data collection will include key informant interviews, process mapping, and administrative data. The evaluation design report can be found in MCC's evaluation catalog.

Compact Modifications

MCC employs a risk-based approach to the management of its portfolio and uses a number of mechanisms to manage projects that face potential major modifications, including the following:

- Quarterly portfolio reviews of all compacts, with a focus on high-risk projects and activities;
- Early identification of high-risk projects;
- Close collaboration with partner countries to develop plans to prevent, mitigate and manage project restructuring; and
- Approval of modifications at the appropriate level.

MCC also conducts due diligence on programs in advance of compact signing to increase the reliability of technical, cost, and other estimates. During compact development, MCC makes project design

modifications to mitigate potential completion risk, currency fluctuations and the potential for construction cost overruns.

	Project/Activity	Programmatic Change	Description
Benin	Electricity Distribution Project/Grid Strengthening Activities	$32.31 million increase to the Cotonou and Regional Grid Strengthening Activities, with funding drawn from each compact project, M&E, and Program Administration.	This increase provided funding for a critical works contract for the construction and rehabilitation of high-voltage substations that exceeded its previously budgeted amount as well as contingency funding.
Niger	Irrigation and Market Access Project / Irrigation Activity	Reallocate $29.1 million from the Ouna Kouanza and Sia construction budget to other components of the Irrigation and Market Access Project	Replace the development of Ouna-Kouanza (zones 4, 5, 6 and 7) and Sia (lower terrace) large-scale perimeters with the development of 640 hectares of small-scale irrigation in the Sia (lower terrace) area. Allow MCA-Niger to initiate identification of a small scale-irrigation component that will meet MCC investment criteria with the balance of the funds previously allocated to the construction budget for the Ouna Kouanza and Sia Perimeters.
Ghana			MCC is seeking an extension to the

	Project/Activity	Programmatic Change	Description
			overall compact term to June 6, 2022 and an increase of $8,225,250 in total funding due to the impacts of COVID-19. The amended compact memorializing the extension request is planned to be completed and signed by June 2021.

Projected Beneficiaries and Income Benefits by Compact

Under MCC's results framework, beneficiaries are defined as an individual and all members of his or her household who will experience an income gain as a result of MCC's interventions. MCC considers that the entire household will benefit from the income gain and counts are multiplied by the average household size in the area or country. The beneficiary standard makes a distinction between individuals participating in a project and individuals expected to increase their income as a result of the project. Before signing a compact, MCC estimates the expected long-term income gains through a rigorous benefit-cost analysis. MCC may reassess and modify its beneficiary estimates and/or the present value of benefits when project designs change during implementation.

Compact	Estimated Number of Beneficiaries	Estimated Net Benefits over the Life of the Project (Present Value)[3]
Armenia	428,000	$150,400,000
Benin	14,059,000	$140,400,000
Benin II	1,969,000	$24,800,000
Burkina Faso	1,181,000	($123,300,000)
Cabo Verde I	385,000	$84,600,000
Cabo Verde II	604,000	$72,000,000
El Salvador	706,000	$262,100,000
El Salvador II	6,446,000	N/A
Georgia	143,000	$166,000,000

Compact	Estimated Number of Beneficiaries	Estimated Net Benefits over the Life of the Project (Present Value)[3]
Georgia II	1,770,000	$18,200,000
Ghana	1,217,000	$520,400,000
Honduras	1,705,000	$252,500,000
Indonesia	1,700,000	$5,500,000
Jordan	3,000,000	$89,300,000
Lesotho	1,041,000	$75,500,000
Liberia	528,000	$8,000,000
Madagascar	480,000	$46,800,000
Malawi	983,000	$234,100,000
Mali	2,837,000	$136,300,000
Moldova	414,000	($66,700,000)
Mongolia	2,058,000	$54,500,000
Morocco	1,695,000	$610,200,000
Morocco II	828,000	N/A
Mozambique	2,685,000	$120,900,000
Namibia	1,063,000	$133,800,000
Nicaragua	119,000	$11,500,000
Niger	3,888,000	$238,700,000
Philippines	125,822,000	$159,700,000
Senegal	1,550,000	$110,600,000
Tanzania	5,425,000	$775,400,000
Vanuatu	39,000	N/A
Zambia	1,200,000	$62,200,000
Total for All Compacts	187,966,000	$4,314,926,000

Notes:

1. The table includes estimates for compacts that have entered into force and have economic rates of return (ERRs) from which income benefit calculations can be drawn. The Ghana II compact does not yet have published ERRs.

2. These estimates do not include the projected beneficiaries of projects or activities that have been terminated or suspended by MCC (Madagascar, Honduras, Nicaragua, Mongolia, and Armenia). In the case of Madagascar, the estimates account for the compact's early termination.

3. The Present Value (PV) of Benefits is the sum of all projected benefits accruing over the life of the project, typically 20 years, evaluated at a 10 percent discount rate. Estimates are reported in millions of dollars in the year that the ERR analysis was completed. Because the PV of benefits uses a discount rate, these figures cannot be compared directly to the undiscounted financial costs of MCC compacts but must be compared to the PV of costs instead.

4. Indonesia entries are currently available for only one of three projects. Liberia entries are currently available only for the energy project. Benin II entries are unavailable for the off-grid clean energy facility.

Column totals may not equal the sum of the individual rows due to rounding.

Evaluation-Based Economic Rates of Return

All MCC projects are independently evaluated, and these independent evaluations often include evaluation-based economic rates of return (ERRs). Independently calculated ERRs complement the closeout ERRs that MCC calculates at the end of the compact. Because independent evaluations occur two to five years after compact closure, evaluation-based ERRs offer an updated assessment of a project's costs and benefits post-compact. These ERRs still rely on forecasts for the later portion of MCC's cost-benefit analysis evaluation horizon, which spans 20 years. Nonetheless, independent evaluation-based ERRs complete the accountability loop in a way that is rare among donors. Two examples are below; MCC expects to have completed 25 evaluation-based ERRs by the end of FY 2021. [4]

Results of the Mozambique Farmer Income Support Project

MCC's Farmer Income Support Project (FISP) was designed to reduce damage to the incomes of 1.7 million Mozambican farmers due to Coconut Lethal Yellowing Disease (CLYD). This was to be accomplished through (i) short-term surveillance, control, and mitigation services, prompt eradication of diseased palms, and replanting with the less susceptible Mozambican Green Tall coconut variety; and (ii) technical advisory services to introduce crop-diversification options. Given forecast benefits to farmers' incomes and the costs of the program, MCC originally forecast a project ERR of 25.1 percent.

An independent evaluation of the FISP's impacts found that cutting trees and burning tree stumps in epidemic areas did reduce CLYD prevalence, but not to the degree originally forecast, resulting in lower than expected productivity impacts. Likewise, endemic area alternative crop uptake was lower than expected, likely due to insufficient input and output market linkages. The resulting updated, evaluation-based ERR estimate was 16.8 percent. Greater detail on the evaluation and lessons learned are available in MCC's public evaluation catalog. [5]

Results of the Nicaragua Transportation Project

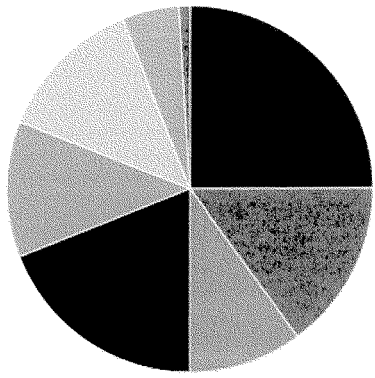
MCC's Nicaragua Transportation Project was designed to stimulate economic development and improve access to markets and social services by reducing transportation costs. It upgraded and rehabilitated 68 km of roads, consisting of two secondary roads and a trunk road. MCC originally forecast an ERR of 13.2 percent from the project based on reduced vehicle operating costs and travel time savings for road users, including new users expected to travel on the road due to improved road conditions resulting from the project.

The independent evaluation of this project estimated actual impacts using data from two years after the roads were completed. It found that road roughness, a key indicator of transport costs, decreased 80 percent on average, and traffic increased 12 percent on average over the two years to 3,062 vehicles per day.

At the same time, the capital costs for the road works came in on average 2.2 times higher than those estimated prior to implementation. Given this balance of measured benefits and costs, the resulting evaluation-based ERR fell to 2.1 percent, primarily due to these higher costs. Benefits were roughly consistent with ex-ante estimates. Greater detail on the evaluation and lessons learned are available in MCC's public evaluation catalog, [6] and MCC's Principles into Practice: Lessons from MCC's Investments in Roads. [7]

Compact Funding by Sector

As of First Quarter FY 2021



● Transport (Road, Water & Air) ● Agriculture ● Water Supply & Sanitation ● Energy
● Program Administration & Monitoring ● Health, Education & Community Services
● Governance & Land ● Financial Services

Results by Sector

As of First Quarter FY 2021

Sector	Indicator	Total Portfolio Actuals	Data points	Active and Completed Countries Tracked
	Indicators listed are MCC's common indicators, which are selected to aggregate sector results across countries.	*Cumulative value for the indicator for both closed and active compacts (2005-present).*	*Number of compacts with available data*	*Underlined text indicates compacts that are still active.*
ROADS	Temporary employment generated in road construction	52,472	7	Armenia, Burkina Faso, Cabo Verde, **Côte d'Ivoire,** El Salvador, El

Sector	Indicator	Total Portfolio Actuals	Data points	Active and Completed Countries Tracked
	Indicators listed are MCC's common indicators, which are selected to aggregate sector results across countries.	*Cumulative value for the indicator for both closed and active compacts (2005-present).*	*Number of compacts with available data*	*Underlined text indicates compacts that are still active.*
	Kilometers of roads completed	3,035	15	Salvador II, Georgia, Ghana, Honduras, Liberia, Mali, Moldova, Mongolia, Mozambique, Nicaragua, **Niger**, Philippines, Senegal, Tanzania, Vanuatu
AGRICULTURE & IRRIGATION	Farmers trained	405,482	15	Armenia, Burkina Faso, Cabo Verde, El Salvador, Georgia, Ghana, Honduras, Indonesia, Madagascar, Mali, Moldova, Morocco, **Morocco II**, Mozambique, Namibia, Nicaragua, **Niger,** Senegal
	Farmers who have applied improved practices as a result of training	126,693	11	
	Hectares under improved irrigation	203,963	8	
	Value of agricultural and rural loans	$87,074,694	9	
WATER & SANITATION	Temporary employment generated in water and sanitation construction	21,776	6	Cabo Verde II, El Salvador, Georgia, Ghana, Jordan, Lesotho, Mozambique,

Sector	Indicator	Total Portfolio Actuals	Data points	Active and Completed Countries Tracked
	Indicators listed are MCC's common indicators, which are selected to aggregate sector results across countries.	*Cumulative value for the indicator for both closed and active compacts (2005-present).*	*Number of compacts with available data*	*Underlined text indicates compacts that are still active.*
	People trained in hygiene and sanitary best practices	12,386	6	Tanzania, Zambia
	Water points constructed	1,191	4	
EDUCATION	Students participating	291,144	8	Burkina Faso, **Côte d'Ivoire,** El Salvador, El Salvador II, Georgia II, Ghana, Mongolia, Morocco, **Morocco II**, Namibia
	Facilities completed	844	7	
	Graduates from MCC-supported education activities	62,938	6	
LAND	Legal and regulatory reforms adopted	135	8	Benin, Burkina Faso, Cabo Verde II, Ghana, Indonesia, Lesotho, Madagascar, Mali, **Morocco II,** Mongolia, Mozambique, Namibia, Nicaragua, **Niger,** Senegal
	Stakeholders trained	78,064	12	
	Land administration offices established or upgraded	399	8	
	Parcels corrected or incorporated in land system	352,975	8	

Sector	Indicator	Total Portfolio Actuals	Data points	Active and Completed Countries Tracked
	Indicators listed are MCC's common indicators, which are selected to aggregate sector results across countries.	*Cumulative value for the indicator for both closed and active compacts (2005-present).*	*Number of compacts with available data*	*Underlined text indicates compacts that are still active.*
	Land rights formalized	320,722	7	
POWER	Kilometers of lines completed	5,467	7	**Benin II**, El Salvador, Georgia, Ghana, **Ghana II**, Indonesia, Liberia, Malawi, Mongolia, Tanzania

Common Indicators

As of First Quarter FY 2021

Agriculture & Irrigation Common Indicators

Agriculture & Irrigation Process Indicators							
Agriculture & Irrigation Common Indicators	**(AI-1) Value of signed irrigation feasibility and design contracts**	**(AI-2.1) Amount Disbursed**	**(AI-2) Percent disbursed of irrigation feasibility and design contracts**	**(AI-3) Value of signed irrigation construction contracts**	**(AI-4.1) Amount Disbursed**	**(AI-4) Percent disbursed of irrigation construction contracts**	**(AI-5)Temporary employment generated in irrigation**
Unit	USD		Percentage	USD		Percentage	Number
Classification	Cumulative		Level	Cumulative		Level	Cumulative
MCC Total	56,327,910.69	48,141,668.98	85%	729,022,019	635,387,639	87%	7,160
Gender							4,771
Female							252
Male							4,519
Country							
Armenia	4,601,073.00	4,601,073.00	100%	106,653,443	106,653,443	100%	2,389
El Salvador							
El Salvador II	X	X	X	X	X	X	X

Agriculture & Irrigation Process Indicators							
Agriculture & Irrigation Common Indicators	**(AI-1) Value of signed irrigation feasibility and design contracts**	**(AI-2.1) Amount Disbursed**	**(AI-2) Percent disbursed of irrigation feasibility and design contracts**	**(AI-3) Value of signed irrigation construction contracts**	**(AI-4.1) Amount Disbursed**	**(AI-4) Percent disbursed of irrigation construction contracts**	**(AI-5)Temporary employment generated in irrigation**
Georgia	1,155,881.00	617,380.00	53%	X	X	X	X
Honduras	X	-	X	X	X	X	X
Indonesia	X	-	X	X	X	X	X
Moldova	4,929,620.01	4,719,796.00	96%	84,239,288	61,489,674	73%	586
Nicaragua	0.00	0.00	X	X	X	X	X
Burkina Faso	17,268,474.00	12,910,517.60	75%	74,339,448	70,862,959	95%	2,414
Cabo Verde I	X	-	X	5,167,848	5,043,885	98%	X
Ghana	5,202,887.00	5,202,887.00	100%	13,009,963	13,009,963	100%	X
Madagascar	X	-	X	X	X	X	X
Mali	9,077,220.00	8,916,457.06	98%	148,951,503	146,354,137	98%	X
Morocco	X	-	X	111,353,027	110,239,497	99%	X
Mozambique	X	-	X	X	X	X	X
Namibia	X	-	X	X	X	X	X
Niger	4,402,582.39	2,811,590.61	64%	$30,596,850	$5,648,417	18%	252
Senegal	9,690,173.29	8,361,967.71	86%	154,710,649	116,085,665	75%	1,519

Agriculture and Irrigation Common Indicator Definitions:

(AI-1) Value of signed irrigation feasibility and design contracts: The value of all signed feasibility, design, and environmental contracts, including resettlement action plans, for agricultural irrigation investments using 609(g) and compact funds.

(AI-2) Percent disbursed of irrigation feasibility and design contracts: The total amount of all signed feasibility, design, and environmental contracts, including resettlement action plans, for agricultural irrigation investments disbursed divided by the total value of all signed contracts.

(AI-3) Value of signed irrigation construction contracts: The value of all signed construction contracts for agricultural irrigation investments using compact funds.

(AI-4) Percent disbursed of irrigation construction contracts: The total amount of all signed construction contracts for agricultural irrigation investments disbursed divided by the total value of all signed contracts.

(AI-5) Temporary employment generated in irrigation: The number of people temporarily employed or contracted by MCA-contracted construction companies to work on construction of irrigation systems.

Agriculture & Irrigation Output Indicators	Agriculture & Irrigation Outcome Indicators

(AI-6) Farmers trained	(AI-7) Enterprises assisted	(AI-8) Hectares under improved irrigation	(AI-9) Loan borrowers	(AI-10) Value of agricultural and rural loans	(AI-11) Farmers who have applied improved practices as a result of training	(AI-12) Hectares under improved practices as a result of training	(AI-13) Enterprises that have applied improved techniques
Number	Number	Hectares	Number	USD	Number	Hectares	Number
Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
405,482	4,224	203,963	1,195	87,074,694.40	126,693	42,252	1,016
299,368	520		1,187	14,504,981.00	57,838		105
92,542	107		121	924,102.00	17,660		20
206,826	413		1,066	13,580,879.00	40,178		85
45,639	227		1,008	13,133,200.00	26,424	X	178
15,363	281		29	4,598,748.00	11,520	X	163
X	1	X	X	X	X	X	X
X	291	X	X	19,880,003.00	X	X	X
7,265	464	400	X	17,100,000.00	6,996	X	X
129,142	X	X	X	X	X	X	X
6,569	334	11,526	62	11,702,981.00	2,452	7,279	77
9,104	X	X	X	X	9,104	X	X
12,307	278	2,240	96	2,802,000.00	8,237	3,369	28
553	X	13	X	617,000.00	106	X	X
66,930	1,724	514	X	16,740,762.40	59,060	X	535
31,366	324	X	X	X	1,892	X	1
1,308	X	97,503	X	500,000.00	801	X	X
40,863	114	53,376	X	X	X	31,578	34
28,830	186	X	X	X	X	X	X
9,238	X	X	X	X	X	X	X
1,005	X	–	X	X	101	26	X
X	X	38,391	X	X	X	X	X

Agriculture and Irrigation Common Indicator Definitions (cont.):

(AI-6) Farmers trained: The number of primary sector producers (farmers, ranchers, fishermen, and other primary sector producers) receiving technical assistance or participating in a training session (on improved production techniques and technologies, including post-harvest interventions, developing business, financial, or marketing planning, accessing credit or finance, or accessing input and output markets).

(AI-7) Enterprises assisted: The number of enterprises; producer, processing, and marketing organizations; water users associations; trade and business associations; and community-based organizations receiving assistance.

(AI-8) Hectares under improved irrigation: The number of hectares served by existing or new irrigation infrastructure that are either rehabilitated or constructed with MCC funding.

(AI-9) Loan borrowers: The number of borrowers (primary sector producers, rural entrepreneurs, and associations) who access loans for on-farm, off-farm, and rural investment through MCC financial assistance.

(AI-10) Value of agricultural and rural loans: The value of agricultural loans and rural loans disbursed for on-farm, off-farm, and rural investments.

(AI-11) Farmers who have applied improved practices as a result of training: The number of primary sector producers (farmers, ranchers, fishermen, and other primary sector producers) that are applying new production or managerial techniques introduced or supported by MCC training or technical assistance, such as input use, production techniques, irrigation practices, post-harvest treatment, farm management techniques, or marketing strategies.

(AI-12) Hectares under improved practices as a result of training: The number of hectares on which farmers are applying new production or managerial techniques introduced or supported by MCC, such as input use, production techniques, irrigation practices, post-harvest treatment, farm management techniques, or marketing strategies.

(AI-13) Enterprises that have applied improved techniques: The number of rural enterprises; producer, processing, and marketing organizations; water users associations; trade and business associations; and community-based organizations that are applying managerial or processing techniques introduced or supported by MCC.

Education Common Indicators

Education Common Indicators

	Education Process Indicators			Education Output Indicators			Education Outcome Indicators		
	(E-1) Value of signed educational facility construction, rehabilitation, and equipping contracts (USD)	Amount Disbursed (E-2.1)	(E-2) Percent disbursed of educational facility construction, rehabilitation, and equipping contracts	(E-3) Legal, financial, and policy reforms adopted	(E-4) Educational facilities constructed or rehabilitated	(E-5) Instructors trained	(E-6) Students participating in MCC-supported education activities	(E-7) Graduates from MCC-supported education activities	(E-8) Employed graduates of MCC-supported education activities
Unit	US Dollars		US Dollars	Number	Number	Number	Number	Number	Number
Classification	Level		Level	Level	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
MCC Total	$304,283,400	$271,777,895	89%	15	844	10,670	291,144	62,938	0
Gender*						10,670	212,469	58,230	
Female						6,202	108,596	37,091	
Male						4,468	103,873	21,139	
Country									
Burkina Faso	$22,758,211	$22,736,023	100%	X	396	557	31,065	4,035	X
Cote d'Ivoire*	-	-	-	2	-	-	-	-	-
El Salvador I	$9,857,585	$9,839,371	100%	X	22	378	30,672	4,285	X
El Salvador II	$59,449,148	$48,692,482	82%	7	7	5,709	73,407	-	-

	Education Process Indicators			Education Output Indicators			Education Outcome Indicators		
	(E-1) Value of signed educational facility construction, rehabilitation, and equipping contracts (USD)	Amount Disbursed (E-2.1)	(E-2) Percent disbursed of educational facility construction, rehabilitation, and equipping contracts	(E-3) Legal, financial, and policy reforms adopted	(E-4) Educational facilities constructed or rehabilitated	(E-5) Instructors trained	(E-6) Students participating in MCC-supported education activities	(E-7) Graduates from MCC-supported education activities	(E-8) Employed graduates of MCC-supported education activities
Georgia II	$42,742,227	$41,365,549	97%	X	91	604	2,577	727	X
Ghana	$18,689,747	$18,689,747	100%	X	250	–	41,019	X	X
Mongolia	$28,179,328	$27,490,984	98%	5	18	1,370	17,480	11,967	X
Morocco	$4,568,837	$3,480,627	76%	X	X	2,052	93,424	41,383	X
Morocco II	$21,748,018	$3,922,534	18%	1	–	–	X	–	X
Namibia	$96,290,298	$95,560,578	99%	X	60	X	1,500	541	X

‡ All MCC education programs have as their long-term end goal an increase in individual or household income and a corresponding decrease in poverty.

Education Common Indicator Definitions

(E-1) Value of signed educational facility construction, rehabilitation, and equipping contracts: The value of all signed construction contracts for educational facility construction, rehabilitation, or equipping (e.g., information technology, desks and chairs, electricity and lighting, water systems, latrines) using compact funds.

(E-2) Percent disbursed of educational facility construction, rehabilitation, and equipping contracts: The total amount of all signed construction contracts for education facility works or equipping divided by the total value of all signed contracts.

(E-3) Legal, financial, and policy reforms adopted: The number of reforms adopted by the public sector attributable to compact support that increase the education sector's capacity to improve access, quality, and/or relevance of education at any level, from primary to post-secondary.

(E-4) Educational facilities constructed or rehabilitated: The number of educational facilities constructed or rehabilitated according to standards stipulated in MCA contracts signed with implementers.

(E-5) Instructors trained: The number of classroom instructors who complete MCC-supported training focused on instructional quality as defined by the compact training activity.

(E-6) Students participating in MCC-supported education activities: The number of students enrolled or participating in MCC-supported educational schooling programs.

(E-7) Graduates from MCC-supported education activities: The number of students graduating from the

highest grade (year) for that educational level in MCC-supported education schooling programs.

(E-8) Employed graduates of MCC-supported education activities: The number of MCC-supported training program graduates employed in their field of study within one year after graduation.

Land Common Indicators

Land Common Indicators

	Land Output Indicators					
	(L-1) Legal and regulatory reforms adopted	(L-2) Land administration offices established or upgraded	(L-3) Stakeholders trained	(L-4) Conflicts successfully mediated	(L-5) Parcels corrected or incorporated in land system	(L-6) Land rights formalized
Unit	Number	Number	Number	Number	Parcels	Number
Classification	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
MCC Total	135	399	78,064	12,484	352,975	320,722
Gender			76,629.00			159,878
Female			21,747			54,903
Male			54,882			85,400
Joint						19,575
Location					299,679.00	280,725
Urban					200,922	156,232
Rural					98,757	124,493
Country						
Benin	X	X	50	X	X	X
Burkina Faso	54	78	61,057	1,364	18,490	4,793
Cabo Verde II	36	38	442	229	37,495	11,365
Ghana	4	3	427	23	1,481	X
Indonesia	X	X	4,463	X	X	X
Lesotho	11	1	575	151	53,296	19,325
Madagascar	4	237	X	X	X	X
Mali	X	1	1,354	X	X	X
Mongolia	6	15	3,920	10,639	18,336	20,672
Morocco II	1	X	-	X	X	-
Mozambique	X	26	1,516	X	205,005	251,556
Namibia	19	X	2,524	X	8,869	4,356
Nicaragua	X	X	X	X	X	X
Niger	X	X	96	-	-	-
Senegal	X	X	1,640	78	10,003	8,655

Land Common Indicator Definitions

(L-1) Legal and regulatory reforms adopted: The number of specific pieces of legislation or implementing regulations adopted by the compact country and attributable to compact support.

(L-2) Land administration offices established or upgraded: The number of land administration and service offices or other related facilities that the project physically establishes or upgrades.

(L-3) Stakeholders trained: The number of public officials, traditional authorities, project beneficiaries and representatives of the private sector, receiving formal on-the-job land training or technical assistance regarding registration, surveying, conflict resolution, land allocation, land use planning, land legislation, land management or new technologies.

(L-4) Conflicts successfully mediated: The number of disputed land and property rights cases that have been resolved by local authorities, contractors, mediators, or courts with compact support.

(L-5) Parcels corrected or incorporated in land system: The number of parcels with relevant parcel information corrected or newly incorporated into an official land information system (whether a system for the property registry, cadastre, or an integrated system).

(L-6) Land rights formalized: The number of household, commercial and other legal entities (e.g., NGOs, churches, hospitals) receiving formal recognition of ownership and/or use rights through certificates, titles, leases, or other recorded documentation by government institutions or traditional authorities at national or local levels.

(L-7) Percentage change in time for property transactions: The average percentage change in number of days for an individual or company to conduct a property transaction within the formal system.

(L-8) Percentage change in cost for property transactions: The average percentage change in dollars of out-of-pocket cost for an individual or company to conduct a property transaction within the formal system.

Power Common Indicators

Power Common Indicators

	Power Process Indicators						
	(P-1) Value of signed power infrastructure feasibility and design contracts	(P-2.1 Amount Disbursed	(P-2) Percent disbursed of power infrastructure feasibility and design contracts	(P-3) Value of signed power infrastructure construction contracts	(P-4.1) Amount Disbursed	(P-4) Percent disbursed of power infrastructure construction contracts	(P-5) Temporary employment generated in power infrastructure construction
Unit	USD		Percentage	USD		Percentage	Number
Classification	Cumulative		Level	Cumulative		Level	Cumulative
MCC Total	$93,857,178	$74,085,610	79%	877,274,243	529,192,590	60.3%	8,819
T&D							
Transmission							
Distribution							
Gender							4,776.00
Female							270
Male							4,506

	Power Process Indicators						
	(P-1) Value of signed power infrastructure feasibility and design contracts	(P-2.1 Amount Disbursed	(P-2) Percent disbursed of power infrastructure feasibility and design contracts	(P-3) Value of signed power infrastructure construction contracts	(P-4.1) Amount Disbursed	(P-4) Percent disbursed of power infrastructure construction contracts	(P-5) Temporary employment generated in power infrastructure construction
Grid							
On-grid							
Off-grid							
Tariff class							
Residential							
Commercial							
Industrial							
Country							
Benin II	$19,866,155.52	13,108,840.36	66%	224,100,168.59	32,431,531.97	14%	X
El Salvador	X		X	X	X	X	X
Georgia	X		X	X	X	X	X
Ghana	X	-	X	X	X	X	X
Ghana II	37,616,913.81	28,033,792.95	75%	121,275,084.04	55,085,244.89	45%	2,412
Indonesia	X	X	X	X	X	X	X
Liberia	X	X	X	144858722	144,858,722.00	100.0%	X
Malawi	$20,626,684	$15,837,791	77%	233,487,716	165,898,820	71.1%	2,334
Mongolia	X	X	X	X	X	X	X
Tanzania	$15,747,424	$17,105,186	109%	153,552,553	130,918,271	85.3%	4,073
Mainland	8,400,178	8,867,662		98,637,310	80,903,553		3,957
Morogoro							
Tanga							
Mbeya							
Iringa							
Dodoma							
Mwanza							
Kigoma							
Kigoma Solar	510,724	463,530		4,746,957	4,788,979		57
Zanzibar	6,836,522	7,773,994		50,168,285	45,225,739		59

Power Common Indicator Definitions

(P-1) Value of signed power infrastructure feasibility and design contracts: The value of all signed feasibility, design, and environmental impact assessment contracts, including resettlement action plans, for power infrastructure investments using 609(g) and compact funds.

(P-2) Percent disbursed of power infrastructure feasibility and design contracts: The total amount of all signed feasibility, design, and environmental impact assessment contracts, including resettlement action

plans, for power infrastructure disbursed divided by the total current value of signed contracts.

(P-3) Value of signed power infrastructure construction contracts: The value of all signed construction contracts for power infrastructure investments using compact funds.

(P-4) Percent disbursed of power infrastructure construction contracts: The total amount of all signed construction contracts for power infrastructure investments disbursed divided by the total current value of all signed contracts.

(P-5) Temporary employment generated in power infrastructure construction: The number of people temporarily employed or contracted by MCA-contracted construction companies to work on construction of new power infrastructure or reconstruction, rehabilitation, or upgrading of existing power infrastructure.

(P-6) Generation capacity added: Generation capacity added, measured in megawatts, resulting from construction of new generating capacity or reconstruction, rehabilitation, or upgrading of existing generating capacity funded with MCC support.

(P-7) Kilometers of transmission lines upgraded or built: The sum of linear kilometers of new, reconstructed, rehabilitated, or upgraded transmission lines that have been energized, tested, and commissioned with MCC support.

(P-8) Transmission throughput capacity added: The increase in throughput capacity, measured in megawatts, added by new, reconstructed, rehabilitated, or upgraded transmission lines that have been energized, tested, and commissioned with MCC support.

(P-9) Transmission substation capacity added: The total added transmission substation capacity, measured in mega volt-amperes, that is energized, commissioned, and accompanied by a test report and supervising engineer's certification resulting from new construction or refurbishment of existing substations that is due to MCC support.

(P-10) Kilometers of distribution lines upgraded or built: The sum of linear kilometers of new, reconstructed, rehabilitated, or upgraded distribution lines that have been energized, tested, and commissioned with MCC support.

(P-11) Distribution substation capacity added: The total added substation capacity, measured in mega volt amperes, that is energized, commissioned, and accompanied by a test report and supervising engineer's certification resulting from new construction or refurbishment of existing substations supported by MCC.

(P-12) Customers added by project: The number of new customers that have gained access to a legal connection to electricity service from an electrical utility or service provider as a direct output of an MCC-funded project or intervention.

(P-13) Maintenance expenditure-asset value ratio: Actual maintenance expenditures / total value of fixed

assets.

(P-14) Cost-reflective tariff regime: Average tariff per kilowatt-hour / long-run marginal cost per kilowatt-hour of electricity supplied to customers.

(P-15) Total electricity supply: Total electricity, in megawatt hours, produced or imported in a year.

(P-16) Power plant availability: Unweighted average across all power plants of the following: total number of hours per month that a plant is able and available to produce electricity / total number of hours in the same month.

(P-17) Installed generation capacity: Total generation capacity, in megawatts, installed plants can generate within the country.

(P-18) Transmission system technical losses: 1- [Total megawatt hours transmitted out from transmission substations / total megawatt hours received from generation to transmission substations]

(P-19) Distribution system losses: 1 – [Total megawatt hours billed / total megawatt hours received from transmission]

(P-20) Commercial losses: Total distribution system losses (P-19) minus distribution technical losses

(P-21) System Average Interruption Duration Index (SAIDI): Sum of durations, in customer-hours, of all customer interruptions in a quarter / total number of customers connected to network in the same quarter.

(P-22) System Average Interruption Frequency Index (SAIFI): Sum of customer-interruptions in a quarter / total number of customers connected to network in the same quarter.

(P-23) Total electricity sold: The total megawatt hours of electricity sales to all customer types.

(P-24) Operating cost-recovery ratio: Total revenue collected / total operating cost. Total operating cost is defined as operating expenses plus depreciation.

(P-25) Percentage of households connected to the national grid: Number of households that have access to a legal connection to electricity service from an electrical utility or service provider / total number of households in the country.

(P-26) Share of renewable energy in the country: Total installed generation capacity of on- or off-grid renewable energy, in megawatts / total installed generation capacity (P-17).

Transportation Common Indicators

Transportation Common Indicators

	Process Indicators									Output Indicators	Outcome Indicator
Transportation Common Indicators	**(R-1) Value of signed road feasibility and design contracts**	**(R-2.1) Value disbursed of road feasibility and design contracts**	**(R-2) Percent disbursed of road feasibility and design contracts**	**(R-3) Kilometers of roads under design**	**(R-4) Value of signed road construction contracts**	**(R-5.1) Value disbursed of roads construction contracts**	**(R-5) Percent disbursed of road construction contracts**	**(R-6) Kilometers of roads under works contracts**	**(R-7) Temporary employment generated in road construction**	**(R-8) Kilometers of roads completed**	**(R-11) Road traffic fatalities**
Unit	USD		Percentage	Kilometers	USD	USD	Percentage	Kilometers	Number	Kilometers	Number
Classification	Cumulative		Level	Cumulative	Cumulative	Cumulative	Level	Cumulative	Cumulative	Cumulative	Level
MCC Total	$149,178,209	$134,345,645	90%	4,773	$2,498,560,215	$2,142,107,370	86%	4,042.9	52,472	3035	655
Gender*									17,107		49
Female									1,460		4
Male									15,647		45
Road Type*	$115,356,798	$101,231,984	88%	4710	$2,223,462,366	$1,814,052,591	82%	3,348.2		2734	
Primary	$82,645,410	$70,906,112	86%	2183	$1,441,727,642	$1,148,246,014	80%	1,534.4		1178	
Secondary	$25,992,205	$22,767,400	88%	1591	$617,229,323	$526,845,893	85%	1,132.9		479	
Tertiary	$6,719,183	$7,558,472	112%	935	$164,505,401	$138,960,684	84%	681.0		1078	
Country											
Armenia	X	–	X	X	X	X	X	0.0	X	24	X
Burkina Faso	$8,339,651	$9,625,883	115%	536	$140,205,145	$142,457,135	102%	419.1	4,162	278	6
Cape Verde I	$3,520,000	$3,230,000	92%	63	$24,280,000	$24,279,171	100%	40.6	X	41	X
Cote d'Ivoire*	$15,506,313	$5,030,174	32%	30	–	–	–	–	–	–	–
El Salvador I	$18,321,410	$18,048,524	99%	223	$248,378,825	$240,211,648	97%	223.0	X	223	X
El Salvador II	X	X	X	10	$99,082,774	$58,739,536	59%	42.2	2,650	X	X
Georgia	$11,980,000	$11,868,449	99%	0	$197,299,030	$197,299,030	100%	220.2	X	220	X
Ghana	$5,549,044	$5,549,044	100%	943	$250,604,022	$250,604,022	100%	446.4	35,455	445	602
Honduras	$9,500,000	$7,163,000	75%	673	$179,400,000	$128,412,000	72%	673.0	X	610	X
Liberia	X	X	X	X	X	X	X	X	X	X	X
Mali	$0	$0	X	X	$42,918,038	$15,018,313	35%	81.0	X	79	X
Moldova	X	–	X	96	$100,807,443	$97,020,289	96%	96.0	1,309	96	4
Mongolia	$6,083,650	$5,421,254	89%	19	$73,108,907	$66,492,533	91%	176.4	X	176	X
Mozambique	$17,669,992	$15,049,358	85%	253	$132,240,55	$116,601,108	88%	253.0	2,308	253	X

	Process Indicators									Output Indicators	Outcome Indicator
Transportation Common Indicators	(R-1) Value of signed road feasibility and design contracts	(R-2.1) Value disbursed of road feasibilty and design contracts	(R-2) Percent disbursed of road feasibility and design contracts	(R-3) Kilometers of roads under design	(R-4) Value of signed road construction contracts	(R-5.1) Value disbursed of roads construction contracts	(R-5) Percent disbursed of road construction contracts	(R-6) Kilometers of roads under works contracts	(R-7) Temporary employment generated in road construction	(R-8) Kilometers of roads completed	(R-11) Road traffic fatalities
*					7						
Nicaragua	$0	$0	X	376	$56,507,526	$56,507,526	100%	74.0	X	74	X
Niger	$3,172,736	$3,091,229	97%	300	$53,518,819	-	-	83.0	-	-	X
Philippines	$15,235,623	$14,391,002	94%	222	$173,156,531	$139,529,147	81%	222.0	X	175	0
Senegal	$12,201,371	$12,444,412	102%	406	$271,128,882	$189,227,036	70%	375.0	2,757	X	43
Tanzania	$19,143,331	$20,478,228	107%	473	$399,926,666	$363,711,825	91%	468.3	3,831	190	0
Vanuatu	$2,955,088	$2,955,088	100%	150	$55,997,051	$55,997,051	100%	149.7	X	150	X

*Kilometers of road for Mozambique require verification through takeover certificates. However, takeover certificates were never provided and the number reported is not verified.

** According to the Common Indicator definition, a road is completed when official certificates are handed over and approved. In Senegal, this was taken to mean final acceptance of the road works, which typically happens after the end of the 1 year defects liability period which starts when the construction is completed and the roads are provisionally accepted. As part of its Compact, Senegal intended to rehabilitate 372 kilometers of national roads. By September 2015, when the Senegal Compact closed, no roads had achieved final acceptance, and therefore were not officially completed, per the common indicator definition. However, by the end of the Compact, 185km of roads had been fully rehabilitated and had received provisional acceptance. An additional 72km were provisionally accepted in November 2015, and the remaining 116km are anticipated to be provisionally accepted with the support of the Government of Senegal by mid-2016.

Transportation Common Indicator Definitions

(R-1) Value of signed road feasibility and design contracts: The value of all signed feasibility, design, and environmental contracts, including resettlement action plans, for road investments using 609(g) and compact funds.

(R-2.1) Value disbursed of road feasibility and design contracts: The value disbursed of all signed feasibility, design, and environmental contracts, including resettlement action plans, for road investments using 609(g) and compact funds.

(R-2) Percent disbursed of road feasibility and design contracts: The total amount of all signed feasibility, design, and environmental contracts, including resettlement action plans, for road investments disbursed divided by the total value of all signed contracts.

(R-3) Kilometers of roads under design: The length of roads in kilometers under design contracts. This includes designs for building new roads and reconstructing, rehabilitating, resurfacing, or upgrading existing roads.

(R-4) Value of signed road construction contracts: The value of all signed construction contracts for new roads or reconstruction, rehabilitation, resurfacing, or upgrading of existing roads using compact funds.

(R-5.1) Value disbursed of roads construction contracts: The value disbursed of all signed construction contracts for new roads or reconstruction, rehabilitation, resurfacing, or upgrading of existing roads.

(R-5) Percent disbursed of road construction contracts: The total amount of all signed construction contracts for new roads or reconstruction, rehabilitation, resurfacing, or upgrading of existing roads disbursed divided by the total value of all signed contracts.

(R-6) Kilometers of roads under works contracts: The length of roads in kilometers under works contracts for construction of new roads or reconstruction, rehabilitation, resurfacing, or upgrading of existing roads.

(R-7) Temporary employment generated in road construction: The number of people temporarily employed or contracted by MCA-contracted construction companies to work on construction of new roads or reconstruction, rehabilitation, resurfacing, or upgrading of existing roads.

(R-8) Kilometers of roads completed: The length of roads in kilometers on which construction of new roads or reconstruction, rehabilitation, resurfacing, or upgrading of existing roads is complete (certificates handed over and approved).

(R-9) Roughness: The measure of the roughness of the road surface, in meters of height per kilometer of distance traveled.

(R-10) Average annual daily traffic: The average number and type of vehicles per day, averaged over different times (day and night) and over different seasons to arrive at an annualized daily average.

(R-11) Road traffic fatalities: The number of road traffic fatalities per year on roads constructed, rehabilitated, or improved with MCC funding.

WASH Common Indicators

WASH Common Indicators

	WASH Process Indicators	WASH Output Indicators	WASH Output Indicators

	(WS-1) Value of signed water and sanitation feasibility and design contracts (USD)	Amount Disbursed	(WS-2) Percent disbursed of water and sanitation feasibility and design contracts	(WS-3) Value of signed water and sanitation constructio n contracts (USD)	Amount Disbursed	(WS-4) Percent disbursed of water and sanitation constructio n contracts	(WS-5) Temporary employmen t generated in water and sanitation constructio n	(WS-6) People trained in hygiene and sanitary best practices	(WS-7) Water points constructed	Residential population connnected to sewer system*	Residential population*
Unit	US Dollars		Percentage	USD		Percentage	Number	Number	Number	Number	Number
Classificatio n	Cumulative		Level	Cumulative		Level	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
MCC Total	54,337,691	$53,735,311	98.9%	816,963,219	763,548,856	93.5%	21,776	12,386	1,191	NA	NA
Gender							9,862				
Female							1,123	–			
Male							8,739	–			
Country											
Cabo Verde II	$783,369	$733,263	93.6%	$19,315,569	$18,827,292	97.5%	759	32	X	X	X
El Salvador	$4,983,800	$4,785,175	96.0%	$10,451,448	$10,188,837	97.5%	X	2,406	X	X	X
El Salvador II	X	X	X	X	X	X	X	X	–	X	X
Georgia	$266,865	$266,865	100.0%	$54,315,000	$51,178,716	94.2%	X	X	X	X	X
Ghana	$1,475,148	$1,475,148	100.0%	$13,949,465	$13,949,465	100.0%	X	778	392	X	X
Jordan	$0	$0	X	$238,732,246	$238,486,447	100%	3,825	X	X	X	X
Lesotho	X	–	X	$59,733,645	$47,189,579	79%	11,527	454	175	X	X
Mozambique	$35,076,009	$34,753,498	99.1%	$169,500,497	$148,359,134	87.5%	2,276	8,400	614	X	X
Tanzania	$6,861,280	$7,008,600	102.1%	$45,403,796	$36,801,560	81.1%	387	X	X	X	X
Zambia	$4,891,220	$4,712,762	96.4%	$205,561,552	$198,567,825	96.6%	3,002	316	10	X	X

* This is a monitoring indicator; any change over baseline data represents the current trend and does not represent the direct impact of the MCC-investment.

** Jordan's M&E Plan has, throughout the life of the compact, defined hours of supply as hours/week. As such all documentation is in this form. The value here has been divided by 7 here to accurately reflect supply hours per day.

***The current unit for volume of water produced has a discrepancy. MCC M&E is in the process of revising this common indicator to clarify and align with current industry standards.

WASH Common Indicator Definitions:

(WS-1) Value of signed water and sanitation feasibility and design contracts: The value of all signed feasibility, design, and environmental contracts, including resettlement action plans, for water and sanitation investments using 609(g) and compact funds.

(WS-2) Percent disbursed of water and sanitation feasibility and design contracts: The total amount of all signed feasibility, design, and environmental contracts, including resettlement action plans, for water and sanitation investments disbursed divided by the total value of all signed contracts.

(WS-3) Value of signed water and sanitation construction contracts: The value of all signed construction contracts for reconstruction, rehabilitation, or upgrading of water and sanitation works using compact funds.

(WS-4) Percent disbursed of water and sanitation construction contracts: The total amount of all signed construction contracts for construction, reconstruction, rehabilitation, or upgrading of water and sanitation works disbursed divided by the total value of all signed contracts.

(WS-5) Temporary employment generated in water and sanitation construction: The number of people temporarily employed or contracted by MCA-contracted construction companies to work on construction of water or sanitation systems.

(WS-6) People trained in hygiene and sanitary best practices: The number of people who have completed training on hygiene and sanitary practices that block the fecal-oral transmission route.

(WS-7) Water points constructed: The number of non-networked, stand-alone water supply systems constructed, such as: protected dug wells, tube-wells / boreholes, protected natural springs and rainwater harvesting / catchment system

(WS-8) Nonrevenue water: The difference between water supplied and water sold (i.e. volume of water "lost") expressed as a percentage of water supplied.

(WS-9) Continuity of service: Average hours of service per day for water supply.

(WS-10) Operating cost coverage: Total annual operational revenues divided by total annual operating costs.

(WS-11) Volume of water produced: Total volume of water produced in cubic meters per day for the service area, i.e., leaving treatment works operated by the utility and purchased treated water, if any.

(WS-12) Access to improved water supply: The percentage of households in the MCC project area whose main source of drinking water is a private piped connection (into dwelling or yard), public tap/standpipe, tube-well, protected dug well, protected spring or rainwater.

(WS-13) Access to improved sanitation: The percentage of households in the MCC project area who get access to and use an improved sanitation facility such as flush toilet to a piped sewer system, flush toilet to a septic tank, flush or pour flush toilet to a pit, composting toilet, ventilated improved pit latrine or pit latrine with slab and cover.

(WS-14) Residential water consumption: The average water consumption in liters per person per day.

(WS-15) Industrial/Commercial water consumption: The average amount of commercial water consumed measured in cubic meters per month.

(WS-16) Incidence of diarrhea: The percentage of individuals reported as having diarrhea in the two weeks preceding the survey.

FY 2022 Corporate Goals/Priorities

For FY 2022, MCC's new leadership is undertaking a review of MCC's corporate goals and priorities, as reflected in the priorities identified in the Executive Summary—namely, climate change, inclusion and gender, and catalyzing private sector investment. This may also include additional priorities focused on MCC's organizational health and business operations, as well as future opportunities to maximize MCC's mission.

Under MCC's previous leadership team, MCC established four specific goals for FY2021 that informed annual department and division goal setting (as well as individual performance plans):

1. Human Capital: empower our people for optimal performance

   MCC worked to develop a more comprehensive approach to human capital to better align MCC's hiring practices, existing resources, and learning tools with the agency's mission to ensure that MCC is appropriately staffed to achieve its strategic priorities and implement programs.

2. Innovation: establish a culture of creativity that encourages smart risk

   MCC made further progress on operationalizing the concurrent compact authority

3. Private Investment: crowd-in and enable private investment

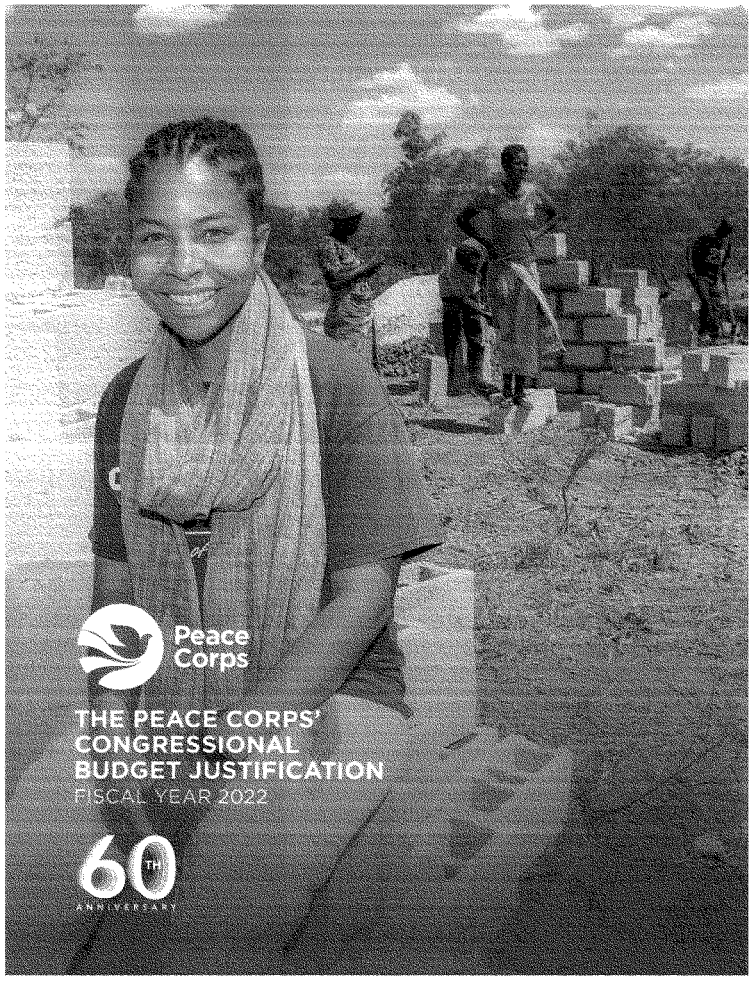
   MCC developed a strategy to expand and deepen MCC's blended finance capacity, portfolio, and leverage, and a partnerships strategy to increase impact, innovation, scale, and sustainability of MCC programs through partnerships

4. Accountability: hold ourselves and partners accountable for results. MCC is continuing to make progress in each of these areas

   MCC continued to intensify its focus on data and evidence-driven results. In FY21 MCC issued two Star Reports, public-facing narratives of MCC's assistance for a country from selection through project evaluation, and 22 Evaluation Briefs, summaries of the key results and learning from MCC's independent evaluations in a user-friendly, four-page packet.

Endnotes

1. Per the Consolidated Appropriations Act, 2021 (P.L. 116-260), MCC has been authorized to extend any compact in implementation as of January 29, 2020, for up to one additional year to account for delays related to the COVID-19 pandemic. Prior year funds are planned to be utilized to cover program administration, supervision, and oversight costs for the period of extension in support of five compacts currently undergoing implementation.
2. Previously referred to as 609(g) funding.
3. MCC was granted additional funding flexibility under the Coronavirus Aid, Relief, and Economic Security (CARES) Act in Fiscal Year 2020. The legislation raised the cap on administrative expense funds to $107 million for unanticipated expenses in response to COVID-19. The provision does not increase overall resources for MCC as offsets were applied against Due Diligence funds.
4. Evaluation-based ERRs are reported in MCC's Evaluation Briefs, available at: https://www.mcc.gov/our-impact/evaluation-briefs
5. https://data.MCC.gov/evaluations/index.php/catalog
6. https://data.MCC.gov/evaluations/index.php/catalog
7. https://www.MCC.gov/our-impact/principles-into-practice


Peace
Corps
THE PEACE CORPS'
CONGRESSIONAL
BUDGET JUSTIFICATION
FISCAL YEAR 2022
60TH
ANNIVERSARY

Peace Corps

FISCAL YEAR 2022
Congressional Budget Justification

FISCAL YEAR 2018—2022 STRATEGIC PLAN

FY 2022 ANNUAL PERFORMANCE PLAN

Paul D. Coverdell Peace Corps Headquarters
1275 First Street NE, Washington DC 20526

This report is available at **peacecorps.gov/docs**
Send comments or questions to **peacecorps.gov/contactus**
or to the mailing address above.

Peace Corps

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BUDGET OF THE U.S. GOVERNMENT

PEACE CORPS FISCAL YEAR (FY) 2022 BUDGET REQUEST

The Peace Corps' budget request is $410,500,000. The FY 2022 budget request will enable the Peace Corps to support returning American Volunteers to service in up to 60 countries worldwide.

THE DIRECTOR OF THE PEACE CORPS
WASHINGTON, D.C.

Dear Member of Congress:

I am pleased to submit the Peace Corps' Fiscal Year 2022 budget request of $410,500,000. This funding level provides a cost-effective investment in strengthening the United States and its impact across the world by promoting peace and friendship through international service.

Now in the Peace Corps' 60th year, the agency's three goals – to help the people of interested countries in meeting their need for trained men and women; to help promote a better understanding of Americans on the part of the peoples served; and to help promote a better understanding of other peoples on the part of Americans – are more relevant and important than ever. The global COVID-19 pandemic, which forced the evacuation of all Volunteers by March 2020, has set back years of development progress, exacerbated existing inequalities, and strained ties between and within societies.

That is why the primary focus of the Peace Corps in FY 2022 will be to safely send Volunteers to the countries and communities in which the agency had a presence before the evacuation, where we know that their development and people-to-people efforts will have the most positive impact. At the same time, the Peace Corps mission continues to attract interest from other countries, demonstrated by invitations from potential host governments. For example, in FY 2022, the Peace Corps plans to expand to Viet Nam and is making arrangements to re-establish its operations in El Salvador and Solomon Islands.

The communities that Volunteers will support have been changed, as have those in our own country, by the experience of the pandemic. Peace Corps service will look different, with increased mitigation measures being put into place to protect the health and safety of our Volunteers, host country staff, and host communities. The agency is developing plans for future programming through the lens of COVID-19, including Volunteer assignments that directly respond to host country needs under the pandemic, and is exploring alternate service models, including virtual service, where appropriate. The Peace Corps is also reviewing what steps Volunteers can take to address climate change, another threat that knows no borders, as part of their service abroad.

As an agency with a focus on intercultural competence, the Peace Corps is redoubling its commitment to service that promotes diversity, equity, and inclusion. The Peace Corps is in the process of reviewing our structures, programs and policies to identify how we can best recruit and support a diverse cohort of Volunteers and staff, representing the breadth and depth of America to the world, while promoting a safe and inclusive environment for all.

The values of the Peace Corps—respect, collaboration, and acceptance of others—are more important than ever, both at home and abroad. The skills and experiences that Volunteers gain through their Peace Corps service are invaluable assets to America's workforce, whether in the federal government, local governments, non-profit or faith-based organizations, corporate boardrooms, and on college and university campuses. The investment this budget request makes in Volunteers and their service around the world is one that helps our nation grow and prosper.

On behalf of the Peace Corps, the hundreds of thousands of returned Volunteers, our staff, and our overseas partners that make achievement of this great mission possible, thank you for your consideration and support.

Sincerely,

Carol Spahn
Acting Director

EXECUTIVE SUMMARY

MISSION & GOALS

For 60 years, the Peace Corps has been the premier international service opportunity for Americans motivated by its mission of promoting world peace and friendship. Since the agency's founding in 1961, over 241,000 Peace Corps Volunteers have proudly represented the United States in 143 counties. They have been welcomed by host communities abroad, working tirelessly to address the needs and challenges of their partners, and developing skills and knowledge that strengthen America once they return home.

As an independent agency of the U.S. government, the Peace Corps does not engage in diplomacy or promote a specific foreign policy agenda. Instead, in an ever-changing world, Volunteers embody American ideals of compassion, ingenuity, and hard work in service to others. In doing so, the Peace Corps continues to pursue the agency's three goals, which are as relevant today as they were at its founding:

1. To help the people of interested countries in meeting their need for trained men and women.
2. To help promote a better understanding of Americans on the part of the peoples served.
3. To help promote a better understanding of other peoples on the part of Americans.

The COVID-19 pandemic continues to significantly impact Peace Corps domestic and overseas staff and operations across the globe. Almost 7,000 Peace Corps Volunteers and Trainees were evacuated from more than 60 countries in early 2020 and safely returned to their homes of record. The agency also repatriated nearly all overseas American staff after the issuance of a State Department global authorized departure and reduced the physical presence of domestic staff in its facilities to less than 5 percent of its workforce. After the State Department lifted its authorized departure in December 2020, overseas staff have largely returned to their posts, where they continue to plan and prepare for the eventual return of Volunteers. Domestic operations continue with roughly 5 percent of staff regularly reporting to work at headquarters in Washington, D.C., to maintain critical functions. The balance of domestic staff continue to work remotely. The Peace Corps is presently in Phase One of its COVID-19 Continuity of Operations Plan. The Peace Corps actively monitors both domestic and overseas operations and continuously evaluates opportunities and risks associated with measured but deliberate steps toward a return of Volunteers to the field and normal operating status.

The world has changed as a result of the pandemic, as has the U.S., which makes the mission of the Peace Corps even more relevant today, and the agency is continuing to find innovative ways to serve. For example, even with no Volunteers abroad, the Peace Corps is assisting host communities overseas through a Virtual Service Pilot program, and in May 2021 the agency deployed approximately 160 Volunteers inside the U.S. (for only the second time in Peace Corps history) to assist the Federal Emergency Management Agency with pandemic relief efforts. As a global leader in volunteerism, the Peace Corps can significantly impact global challenges far beyond what the agency could do in its early years. Addressing these challenges begins with getting Volunteers back into service overseas and building on the partnerships and successes that have made Peace Corps Volunteers valued partners and collaborators around the world.

As the Peace Corps began FY 2020, it had 6,893 Volunteers serving in 62 countries. Each Volunteer was engaged in one of the following program sectors: Agriculture, Community Economic Development, Education, Environment, Health, and Youth in Development. Most Peace Corps Volunteers served for 27 months. During that

time, they worked on projects in collaboration with their host community partners to address the developmental needs identified by their host country. Prior to the global evacuation, Peace Corps Volunteers made a significant impact on the global challenges our partner countries encounter.

In Colombia, the Peace Corps partnered with Servicio Nacional de Aprendizaje (SENA), the national training service, to promote inclusion of rural communities in small-scale productive economic activities. This collaboration specifically targeted rural women, who comprise 67 percent of program participants. Peace Corps Volunteers worked alongside SENA instructors to co-plan and co-deliver community training sessions. Sessions focused on enhancing participants' skills in entrepreneurship, business management, and financial literacy. The Los Andes women's bakery cooperative in Nueva Granada, Magdalena, attributes its success in accessing new markets for its baked goods to the Peace Corps Volunteer who facilitated their enrollment in the program and provided ongoing technical assistance after the training had concluded.

In the aftermath of a devastating November 2019 earthquake, Peace Corps Volunteers in Albania provided child trauma management trainings. With financial support from the Peace Corps' international partner World Connect, 45 Volunteers worked from December 9, 2019 to February 6, 2020, to facilitate 129 Training of Trainer sessions in 52 training sites around the country. The sessions provided best practices and strategies to Albanian teachers working with students traumatized by the earthquake.

In Senegal, a Peace Corps Volunteer encouraged female gardeners in her community to take advantage of both the economic and nutritional benefits of vegetables through the establishment of kitchen-garden training sessions. The sessions combined instruction on practical garden-building skills and water conservation methods. Working under the umbrella of the Peace Corps Senegal Food Security Initiative, a Feed the Future effort funded through the U.S. Agency for International Development, the women who had invested in their garden spaces reported greater access to fresh, nutritional foods.

As the Peace Corps celebrates its 60th anniversary, the agency exemplifies the best of America. When facing the difficult decision to evacuate thousands of Volunteers and Trainees worldwide, the Peace Corps acted swiftly and efficiently in the best interest of its Volunteers/Trainees, staff, host communities, and host countries. Now, as the agency works to return Volunteers to service, the Peace Corps looks forward to once again being an agent of peace and prosperity in a changing and challenging world.

While the Peace Corps is a forward-thinking agency, now more than ever focused on its mission of world peace and friendship, it is still grounded and driven by the words of its first Director:

"The Peace Corps represents some, if not all, of the best virtues in this society. It stands for everything America has ever stood for. It stands for everything we believe in and hope to achieve in the world."

— Sargent Shriver,
founding Peace Corps Director

KEY INITIATIVES FOR THE PEACE CORPS FY 2022 BUDGET REQUEST:

The Peace Corps budget request for FY 2022 is $410,500,000. In FY 2022, the Peace Corps will focus on the following key initiatives.

Return to Service: Continuing our Mission and Returning Volunteers to their Global Presence

Immediately following the successful evacuation of Peace Corps Volunteers and Trainees around the globe, the Peace Corps turned its full attention

to safely resuming operations abroad. Since the global evacuation, the Peace Corps has developed a robust re-entry strategy to return Volunteers to host countries as soon as the health and safety of Volunteers, staff, and host communities can be assured. The strategy involves a comprehensive process for evaluating each Peace Corps post based on medical, security, programmatic, administrative, and logistical criteria that allow the agency to determine when conditions are conducive to the return of Volunteers to service. The agency is working closely with the U.S. State Department and the governments of each host country to protect the health and safety of Peace Corps Volunteers in the communities where Volunteers will live and work.

More than 1,000 evacuated Peace Corps Volunteers remain interested in returning to Peace Corps service through the agency's expedited application process. The agency is also recruiting and building a new Volunteer base eager to serve abroad and determined to support the Peace Corps mission.

FY 2022 funds will allow the agency to return to operations abroad and to continue to recruit, train and support Volunteers and Trainees. With an added emphasis on assisting host communities in combating the COVID-19 pandemic and addressing the impacts of climate change, the Peace Corps and its Volunteers know that their return will be very important to the countries in which they serve, and ultimately, to the United States. The world will be watching and welcoming as the Peace Corps returns to full strength, enabling Americans and their host communities to once again learn from each other and develop together.

Opening Historic Operations in Viet Nam and Re-Opening in El Salvador and Solomon Islands

Even as the Peace Corps focuses its energy on returning to countries from which it evacuated in 2020, the agency continues to explore opportunities to expand its engagement by partnering with new countries and reviving past cooperation.

On July 17, 2020, the Peace Corps signed an historic Implementing Agreement with the Government of Viet Nam. This engagement is a sign of the continued strengthening of relations between our two nations in recent years. It reflects the unique people-to-people and development abilities of the Peace Corps, and is a clear embodiment of the agency's mission of promoting peace and friendship.

The Peace Corps is currently establishing its post, hiring staff, and developing its program, and the inaugural group of Volunteers – the first cohort to ever serve in Viet Nam – is expected to arrive in the summer of 2022. Before beginning their two-year assignments as English language teachers, Volunteers will undergo three months of comprehensive cultural, language, and technical training.

The Peace Corps is also planning to return to El Salvador in FY 2022. From 1962-2016, more than 2,300 Americans served as Peace Corps Volunteers in the country, working in the areas of Community Economic Development and Youth in Development. The post was suspended in January of 2016 for safety and security reasons.

After assessments focused on safety and security, medical infrastructure, programmatic opportunities, and administrative feasibility, the Peace Corps is well positioned to re-establish its operations in El Salvador. The agency anticipates opening its El Salvador post in FY 2022 and placing Volunteers as soon as the pandemic and other health and safety conditions allow. Trainees and Volunteers going to El Salvador will receive specialized training to address security concerns and will be placed in communities with lower risk profiles.

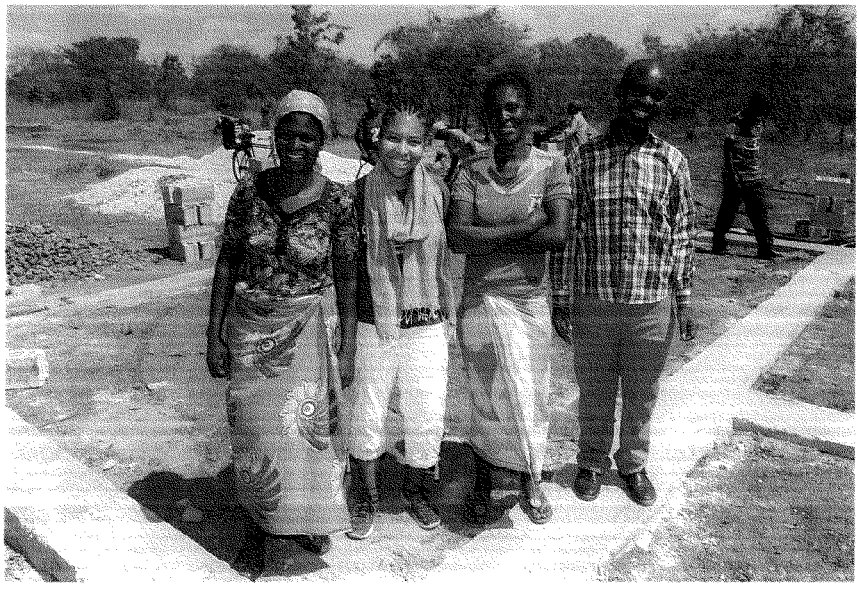
In 2019, before the pandemic started, the Peace Corps had begun the process of re-opening its program in Solomon Islands. This process

continues, and the Peace Corps is currently renegotiating its Country Agreement with the Government of Solomon Islands. Once the new agreement is finalized and signed, anticipated in FY 2022, the Peace Corps will re-establish its operations there, reflecting an expansion of the agency's programs in the Pacific.

Advancing Intercultural Competence, Diversity, Equity, and Inclusion

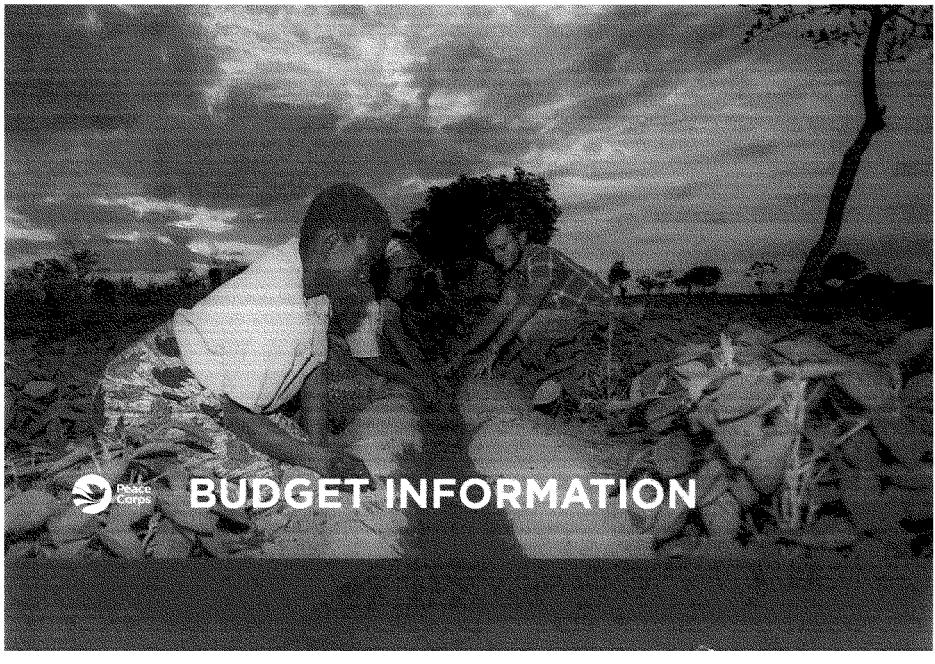
On January 20, 2021, President Biden signed Executive Order (EO) 13985, On Advancing Racial Equality and Support for Underserved Communities Through the Federal Government. The Peace Corps is committed to reviewing agency structures, policies, and programs to ensure they promote intercultural competence, diversity, equity, and inclusion (ICDEI). The Peace Corps mission of advancing world peace and friendship cannot be pursued without ICDEI, both in the U.S. and abroad. The agency is committed to recruiting and supporting a diverse cohort of Volunteers and staff, representing the full tapestry of American culture, and ensuring a safe and inclusive environment for all.

The Peace Corps is carrying out several efforts to ensure a comprehensive approach in implementing EO 13985. The agency has been developing an ICDEI framework to align agency operations to ICDEI principles and will ensure these principles are included in the agency's FY22-26 strategic plan. The agency is also conducting a barrier analysis to identify, address, and remove barriers to Volunteer service for members of underserved communities. The ICDEI framework and barrier analysis are both scheduled to conclude in FY 2021 and the agency will focus on implementation of recommendations in FY 2022.



PEACE CORPS APPROPRIATIONS LANGUAGE
PEACE CORPS (INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of the Peace Corps Act (22 U.S.C. 2501 et seq.), including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States, $410,500,000, of which $6,330,000 is for the Office of Inspector General, to remain available until September 30, 2023: *Provided*, That the Director of the Peace Corps may transfer to the Foreign Currency Fluctuations Account, as authorized by section 16 of the Peace Corps Act (22 U.S.C. 2515), an amount not to exceed $5,000,000: *Provided further*, That funds transferred pursuant to the previous proviso may not be derived from amounts made available for Peace Corps overseas operations: Provided further, That of the funds appropriated under this heading, not to exceed $104,000 may be available for representation expenses, of which not to exceed $4,000 may be made available for entertainment expenses: *Provided further*, That in addition to the requirements under section 7015(a) of this Act, the Peace Corps shall consult with the Committees on Appropriations prior to any decision to open, close, or suspend a domestic or overseas office or a country program unless there is a substantial risk to Volunteers or other Peace Corps personnel: *Provided further*, That none of the funds appropriated under this heading shall be used to pay for abortions: *Provided further*, That notwithstanding the previous proviso, section 614 of division E of Public Law 113-76 shall apply to funds appropriated under this heading.



PEACE CORPS BUDGET REQUEST BY PROGRAM OPERATIONS FY 2022 PRESIDENT'S BUDGET (IN THOUSANDS OF DOLLARS)

DIRECT VOLUNTEER OPERATIONS	FY2020 Enacted	FY2021 Enacted	FY2022 Request
Overseas Operations	**170,200**	**170,800**	**189,500**
Africa	70,600	73,500	79,200
Europe, Mediterranean, and Asia	48,700	46,900	54,400
Inter-America and The Pacific	50,900	50,400	55,900
Overseas Operational Support	**109,900**	**108,800**	**116,100**
Overseas Operational Support Offices	70,300	78,200	78,200
Volunteer Readjustment Allowance	10,300	—	6,400
Federal Employees' Compensation Act	11,500	12,000	12,000
Reimbursements to Department of State (ICASS)	17,800	18,600	19,500
Foreign Currency Centralization	**(1,300)**	**—**	**—**
SUBTOTAL, DIRECT VOLUNTEER OPERATIONS	**278,800**	**279,600**	**305,600**
AGENCY SUPPORT SERVICES	**125,400**	**124,600**	**98,600**
Agency Support Services Offices	122,500	117,800	87,800
Rental Payments to GSA	2,900	6,800	10,800
SUBTOTAL, TOTAL AGENCY EXCLUDING INSPECTOR GENERAL	**404,200**	**404,200**	**404,200**
INSPECTOR GENERAL	**6,300**	**6,300**	**6,300**
GRAND TOTAL, AGENCY	**410,500**	**410,500**	**410,500**

PEACE CORPS RESOURCE SUMMARY
(IN THOUSANDS OF DOLLARS)

AVAILABLE RESOURCES	FY 2020 Enacted	FY 2021 Enacted	FY 2022 Request
Budgetary Resources Available for Obligation			
Unobligated balance brought forward, October 1	41,800	85,300	62,700
New budget authority (Agency)	404,200	404,200	404,200
New budget authority (Office of the Inspector General)	6,300	6,300	6,300
Supplemental	88,000	—	—
Congressional Rescission	—	(30,000)	—
Recoveries of prior year obligations	10,600	10,000	10,000
Congressional Rescission	4,300	9,500	7,000
Total direct obligations (Agency)	394,400	400,000	419,000
Total direct obligations (Office of the Inspector General)	5,900	6,300	6,300
Total direct obligations (Supplemental)	67,400	10,000	10,600
Total direct obligations (Reimbursable Programs)	2,200	6,300	6,300
UNOBLIGATED BALANCE CARRIED FORWARD, END OF YEAR	**85,300**	**62,700**	**48,000**

PEACE CORPS AUTHORIZATIONS AND APPROPRIATIONS

FY 1962 – FY 2022 (IN THOUSANDS OF DOLLARS)

Fiscal Year	Authorized	Budget Request[a/]	Appropriated[a/]	Trainee Input	Volunteers and Trainees On Board[b/]
1962	$ 40,000	$ 40,000	$ 30,000	3,699	N/A
1963	63,750	63,750	59,000[c/]	4,969	N/A
1964	102,000	108,000	95,964[c/]	7,720	N/A
1965	115,000	115,000	104,100[c/]	7,876	N/A
1966	115,000	125,200	114,000	9,216	N/A
1967	110,000	110,500	110,000	7,565	N/A
1968	115,700	124,400	107,500	7,391	N/A
1969	112,800	112,800	102,000	6,243	N/A
1970	98,450	109,800	98,450	4,637	N/A
1971	94,500	98,800	90,000	4,686	N/A
1972	77,200	71,200	72,500	3,997	6,632
1973	88,027	88,027	81,000	4,821	6,194
1974	77,000	77,000	77,000	4,886	6,489
1975	82,256	82,256	77,687	3,296	6,652
1976	88,468	80,826	81,266	3,291	5,825
Transition Qtr.	27,887	25,729	24,190	—	—
1977	81,000	67,155	80,000	4,180[d/]	5,590
1978	87,544	74,800	86,234	3,715	6,017
1979	112,424	95,135	99,179	3,327	5,723
1980	105,000	105,404	99,924	3,108	5,097
1981	118,531	118,800	105,531	2,729	4,863
1982	105,000	121,900	105,000	2,862	4,559
1983	105,000	97,500	109,000	2,988	4,668
1984	115,000	108,500	115,000	2,781	4,779
1984/5 Supp	2,000	2,000	2,000	—	—
1985	128,600	115,000	128,600	3,430	4,828
1986	130,000	124,400	124,410[e/]	2,597	5,162
1987	137,200	126,200	130,760	2,774	4,771
1987/8 Supp	7,200	—	7,200	—	—
1988	146,200	130,682	146,200	3,360	4,611
1989	153,500	150,000	153,500	3,218	5,214
1990	165,649	163,614	165,649[f/]	3,092	5,241
1991	186,000	181,061	186,000	3,076	4,691
1992	—	200,000	197,044	3,309	4,927
1993	218,146	218,146	218,146	3,590	5,414

PEACE CORPS AUTHORIZATIONS AND APPROPRIATIONS
FY 1962 – FY 2022 (IN THOUSANDS OF DOLLARS) CONT.

Fiscal Year	Authorized	Budget Request[a/]	Appropriated[a/]	Trainee Input	Volunteers and Trainees On Board[b/]
1994	219,745[g/]	219,745	219,745[h/]	3,541	5,644
1995	234,000	226,000	219,745[i/ j/]	3,954	5,884
1996	—	234,000	205,000[k/ m/]	3,280	6,086
1997	—	220,000[l/]	208,000[n/]	3,607	5,858
1998	—	222,000	222,000[o/]	3,551	5,757
1999	—	270,335	240,000[o/]	3,835	5,729
2000	270,000[p/]	270,000	245,000[r/]	3,919	7,164
2001	298,000	275,000	267,007[s/ t/]	3,191	6,643
2002	327,000	275,000	278,700[u/ v/]	4,047[w/]	6,636
2003	365,000	317,000	297,000[x/]	4,411	7,533
2004	—	359,000	310,000[y/]	3,812	7,733
2005	—	401,000	320,000[z/]	4,006	7,810
2006	—	345,000	322,000[aa/ ab]	4,015	7,628
2007	—	336,642	319,700[ac/]	3,964	7,875
2008	—	333,500	333,500[ad/]	3,821	7,622
2009	—	343,500	340,000	3,496	7,332
2010	—	373,440	400,000	4,429	8,256
2011	—	446,150	375,000[ae/]	3,813	8,460
2012	—	439,600	375,000	3,177	7,315
2013	—	374,500	356,015	2,861	6,400
2014	—	378,800	379,000	3,108	6,010
2015	—	380,000	379,500	3,140	6,099
2016	—	410,000	410,000	3,790	6,377
2017	—	410,000	410,000	3,429	6,591
2018	—	398,221	410,000	3,595	6,629
2019	—	396,200	410,500	3,426	6,648
2020	—	396,200	410,500	1,000	—[af/]
2020 Supp	—	88,000	—	—	—
2021	—	401,200	410,500[ag/]	—[ah/]	—[ah/]
2022	—	410,500	—	3,500[ai/]	3,500[ai/]

NOTES

a/ Starting in FY 1992, funds to remain available for two years.

b/ For FY 1972 through FY 1999, this is the average number of Volunteers through the year. For FY 2000 through the fiscal year of the President's budget, this is the number of trainees and Volunteers on board on September 30 of the fiscal year, including Peace Corps Response, funded through Peace Corps' appropriation.

c/ Includes reappropriated funds in 1963 ($3.864 million), 1964 ($17 million) and 1965 ($12.1 million).

d/ Includes Trainee Input from Transition Quarter.

e/ Excludes $5.59 million sequestered under the Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177).

f/ Excludes $2.24 million sequestered under the Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177) and a $725,000 reduction related to the Drug Initiative (P.L. 101-167).

g/ Authorization included report language of a $15 million transfer to the Peace Corps from assistance funds for the Newly Independent States (NIS).

h/ In addition, the Peace Corps received a transfer of $12.5 million for assistance to the NIS.

i/ In addition, the Peace Corps received a transfer of $11.6 million for assistance to the NIS.

j/ Appropriation of $219,745,000 was later reduced by a rescission of $721,000.

k/ In addition, the Peace Corps received a transfer of $13 million for assistance to the NIS. An additional $1 million of NIS funds, intended for FY 1996, was received in FY 1997.

l/ In addition, the President requested a transfer of $5 million for assistance to the NIS.

m/ Appropriation of $205 million was later reduced by a rescission of $296,000.

n/ In addition, the Peace Corps received a transfer of $12 million for assistance to the NIS. An additional $1 million of NIS funds, originally intended for FY 1996 in addition to the $13 million received that year, was received in FY 1997.

o/ In addition, the Peace Corps received a base transfer of $3,581,000 from the U.S. Department of State for the Peace Corps' participation in International Cooperative Administrative Support Services.

p/ Appropriation of $240 million was later reduced by a rescission of $594,000. In addition, the Peace Corps received a transfer of $1,269,000 from Economic Support Funds for security; $7.5 million from the FY 1999 Emergency Appropriations Act ($7 million for security and $500,000 related to the Kosovo conflict); $6 million from the Central American and Caribbean Disaster Recovery Fund; and $1,554,000 from the Business Continuity and Contingency Planning Fund for Y2K preparedness.

q/ Four-year authorization bill by Congress, FY 2000 of $270 million, FY 2001 of $298 million, FY 2002 of $327 million and FY 2003 of $365 million.

NOTES
CONT.

r/ Appropriation of $245 million was reduced by a rescission of $931,000.

s/ Appropriation of $265 million was reduced by a rescission of $583,000.

t/ The Peace Corps received a transfer of $2.59 million of Emergency Response Fund monies in support of program evacuations in four countries and the relocation of the New York City regional recruiting office.

u/ The Peace Corps received a transfer of $3.9 million of Emergency Response Fund monies in support of potential future evacuations.

v/ Appropriation of $275 million was reduced by a rescission of $200,000.

w/ Due to the September 11th events, the departure of 417 trainees was delayed from late FY 2001 to early FY 2002.

x/ Appropriation of $297 million was reduced by a rescission of $1,930,500. OMB later reallocated $1.2 million in Emergency Response Fund monies from the Peace Corps to another U.S. government agency.

y/ Appropriation of $310 million was reduced by a rescission of $1,829,000.

z/ Appropriation of $320 million was reduced by a rescission of $2.56 million.

aa/ Appropriation of $322 million was reduced by a rescission of $3.22 million.

ab/ In addition, Peace Corps received $1.1 million supplemental for Avian Flu Preparedness.

ac/ Revised Continuing Appropriations Resolution, 2007 (H.J. Res. 20).

ad/ Appropriation of $333.5 million was reduced by a rescission of $2,701,000.

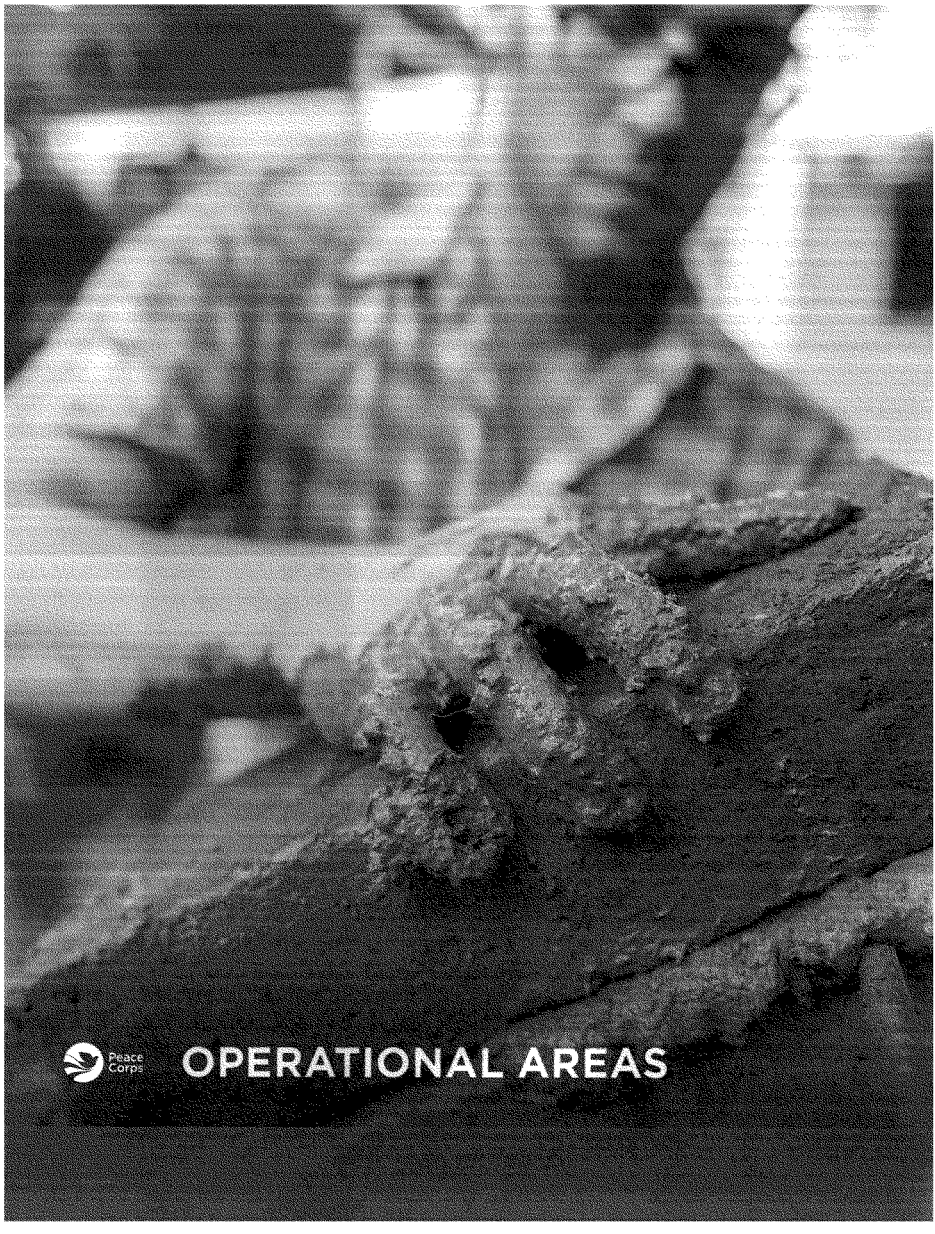
ae/ Appropriation of $375 million was reduced by a rescission of $750,000.

af/ No Volunteers were on board on September 30, 2020 because of worldwide Volunteer evacuations due to the COVID-19 global pandemic. Nearly 7,000 Volunteers were evacuated at the time.

ag/ Appropriation was reduced by a rescission of $30,000,000.

ah/ The Peace Corps is continuously evaluating the potential for returning Volunteers to the field in FY2021 and will do so once host countries meet agency health and safety criteria.

ai/ All Volunteer projections are rounded to the nearest hundred, and imply the center of a range representing the total Volunteer Corps. At any point, it is reasonable to estimate that the range can fluctuate five to ten percent from the indicated number.


Peace Corps
OPERATIONAL AREAS

DIRECT VOLUNTEER OPERATIONS

Direct Volunteer Operations includes offices that manage and oversee the recruitment and placement of applicants and provide Volunteer training and support. Direct Volunteer Operations also includes components related to overseas post management.

OVERSEAS OPERATIONS

The Office of Global Operations (OGO) manages and coordinates the agency's strategic support to the Peace Corps' overseas operations, ensuring that all Volunteers have a safe and productive experience. These accounts fund overseas operations and staff who work directly with Peace Corps Volunteers, as well as staff at Peace Corps headquarters, and provide general oversight and direction to Peace Corps country programs. These accounts also fund costs for Volunteers including training, travel, and a monthly allowance to cover housing, utilities, household supplies, food, clothing, and transportation.

OVERSEAS OPERATIONAL SUPPORT OFFICES

Overseas Operational Support Offices include the following offices: Office of Global Operations, Peace Corps Response, Overseas Programming and Training Support, Office of Global Health and HIV, Office of Volunteer Recruitment and Selection, Office of Health Services, Office of Victim Advocacy, Office of Safety and Security, as well as equipment and supplies for Volunteers.

VOLUNTEER READJUSTMENT ALLOWANCE

A readjustment allowance is provided to Volunteers upon termination of service to assist them when they return to the United States.

FEDERAL EMPLOYEES' COMPENSATION ACT

Under the Federal Employees' Compensation Act, the Peace Corps reimburses the Department of Labor for disability payments and medical costs for returned Volunteers and staff who experience service-related injuries or sickness. The vast majority of these costs relate to Volunteers' claims; staff claims are minimal.

REIMBURSEMENTS TO THE DEPARTMENT OF STATE (INTERNATIONAL COOPERATIVE ADMINISTRATIVE SUPPORT SERVICES)

These are payments the Peace Corps makes to the Department of State for administrative support. Some financial management support is also included through these payments, although the Peace Corps has directly provided financial management support to its overseas posts since the end of FY 1998.

FOREIGN CURRENCY CENTRALIZATION

Gains or losses realized from the fluctuation of foreign currency.

AGENCY SUPPORT SERVICES

Agency Support Services include administrative offices to support the agency in its mission as well as supporting Volunteers and Returned Peace Corps Volunteers in helping achieve the Peace Corps mission and three goals.

AGENCY SUPPORT SERVICES OFFICES

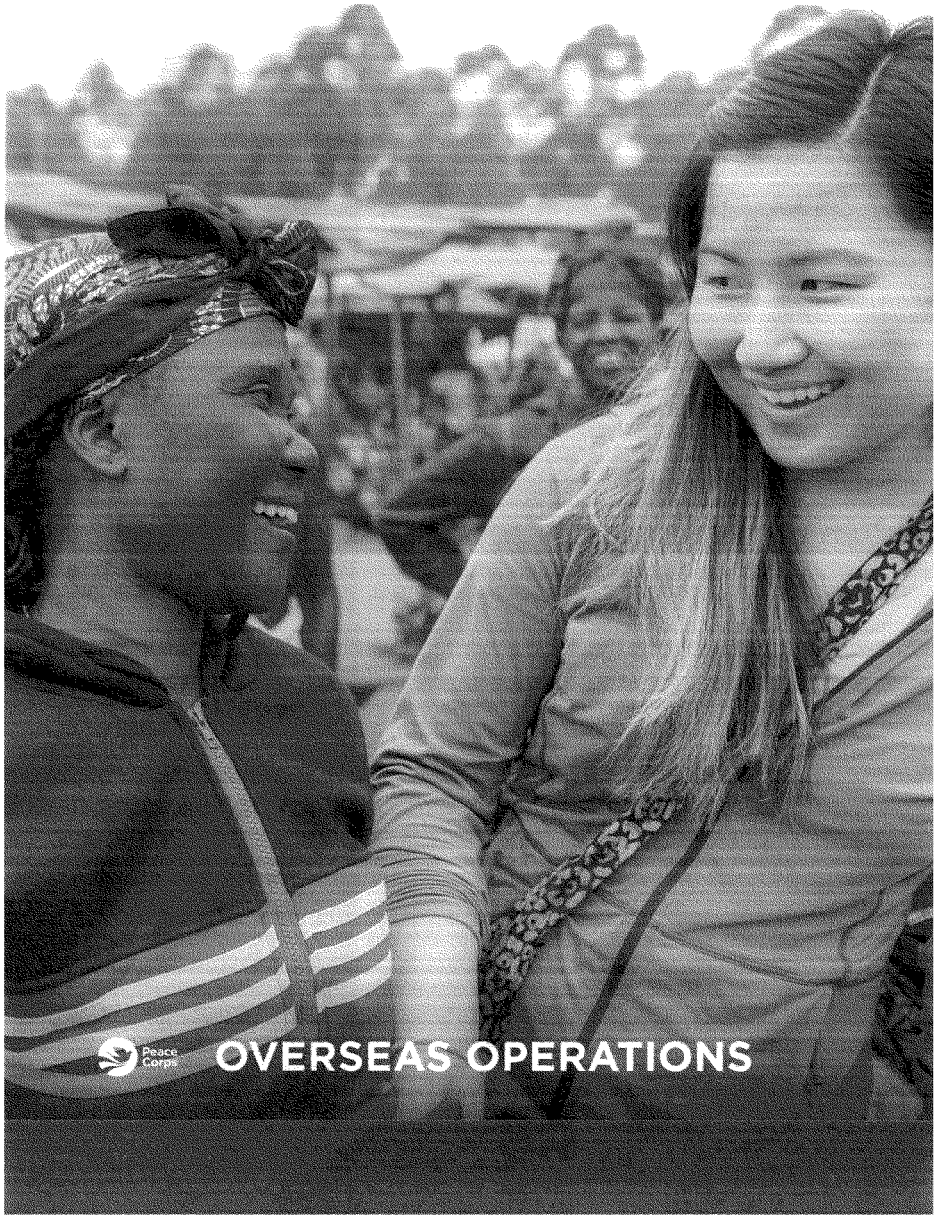
Offices in this category are: Office of Third Goal and Returned Volunteer Services, Office of the Director, Office of External Affairs, Office of Strategic Information, Research, and Planning, Office of the General Counsel, Office of Human Resources, Office of Management, Office of the Chief Financial Officer, and Office of the Chief Information Officer. This category also includes centrally managed resources for agency-wide expenses such as vehicles and information technology.

RENTAL PAYMENTS TO GSA

GSA rent for the Peace Corps headquarters and regional offices.

OFFICE OF INSPECTOR GENERAL

The Office of Inspector General provides independent oversight in accordance with the Inspector General Act of 1978, as amended. Through audits, evaluations, and investigations, the Office of Inspector General prevents and detects waste, fraud, abuse, and mismanagement; provides advice and assistance to agency management, as appropriate; and promotes efficiency, effectiveness, and economy in agency programs and operations.


Peace Corps
OVERSEAS OPERATIONS

VOLUNTEERS AND PROGRAM FUNDS BY POST

	Volunteers and Trainees on Board on September 30[1]		Program Funds ($000)	
REGIONS	**FY 2021**	**FY 2022**	**FY 2021**	**FY 2022**
Africa	—	1,320	$73,500	$79,200
Europe, Mediterranean, and Asia	—	1,130	$46,800	$54,300
Inter-America and the Pacific	—	1,040	$50,400	$56,000
Country Programs	—	**3,490**	**$170,700**	**$189,500**

	Volunteers and Trainees on Board on September 30[1]		Program Funds ($000)	
PEACE CORPS POSTS	**FY 2021**	**FY 2022**	**FY 2021**	**FY 2022**
Albania	—	40	$1,900	$2,600
Armenia	—	30	$2,100	$2,500
Belize	—	30	$1,800	$1,900
Benin	—	60	$4,400	$4,600
Botswana	—	40	$2,000	$2,100
Cambodia	—	70	$2,200	$2,700
Cameroon	—	40	$4,300	$4,500
China	—	—	$800	—
Colombia	—	90	$2,700	$3,200
Comoros	—	30	$1,400	$1,600
Costa Rica	—	90	$3,200	$3,800
Dominican Republic	—	80	$3,500	$3,800
East Caribbean	—	60	$2,400	$2,700
Ecuador	—	90	$4,900	$5,400
El Salvador	—	—	—	$900
Eswatini	—	50	$1,500	$1,600

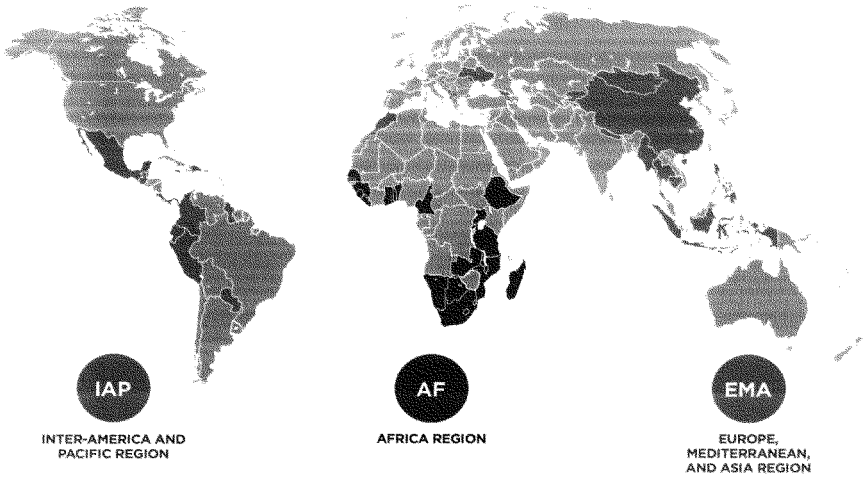
OVERSEAS OPERATIONS

PEACE CORPS POSTS (CONT.)	Volunteers and Trainees on Board on September 30[1]		Program Funds ($000)	
	FY 2021	FY 2022	FY 2021	FY 2022
Ethiopia	—	60	$4,300	$4,600
Fiji	—	40	$1,700	$2,000
Gambia, The	—	20	$2,000	$2,100
Georgia	—	70	$2,100	$2,500
Ghana	—	60	$2,700	$3,000
Guatemala	—	70	$4,500	$4,900
Guinea	—	80	$3,200	$3,400
Guyana	—	40	$2,200	$2,500
Indonesia	—	80	$3,000	$3,200
Jamaica	—	30	$2,300	$2,600
Kenya	—	20	$3,600	$3,400
Kosovo	—	40	$1,900	$2,000
Kyrgyz Republic	—	50	$2,000	$2,300
Lesotho	—	40	$1,900	$2,000
Liberia	—	40	$4,200	$4,600
North Macedonia	—	50	$2,400	$2,600
Madagascar	—	90	$2,400	$2,900
Malawi	—	50	$2,800	$3,000
Mexico	—	60	$1,700	$2,000
Moldova	—	60	$2,100	$2,400
Mongolia	—	70	$2,900	$3,200
Montenegro	—	10	$200	$200

PEACE CORPS POSTS (CONT.)	Volunteers and Trainees on Board on September 30[1]		Program Funds ($000)	
	FY 2021	FY 2022	FY 2021	FY 2022
Morocco	—	110	$4,200	$4,700
Mozambique	—	60	$3,700	$4,000
Myanmar	—	40	$1,900	$2,500
Namibia	—	50	$2,500	$2,700
Nepal	—	50	$1,900	$2,400
Panama	—	100	$5,100	$5,500
Paraguay	—	90	$4,200	$4,400
Peru	—	110	$5,500	$5,800
Philippines	—	110	$3,100	$3,900
Rwanda	—	70	$3,100	$3,300
Samoa	—	—	$1,300	$1,300
Senegal	—	130	$6,700	$7,400
Sierra Leone	—	60	$2,200	$2,400
South Africa	—	40	$3,400	$3,600
Sri Lanka	—	50	$2,000	$2,100
Tanzania	—	40	$2,900	$3,100
Thailand	—	60	$3,000	$3,900
Timor-Leste	—	—	$2,000	$2,200
Togo	—	50	$2,800	$3,100
Tonga	—	30	$1,000	$1,200
Uganda	—	50	$2,300	$2,600
Ukraine	—	140	$3,900	$4,400
Vanuatu	—	30	$2,400	$2,700
Viet Nam	—	20	$1,300	$2,100
Zambia	—	70	$3,200	$3,600
Total	—	3,490	$170,800	$189,500

1 This data represents the projected number of trainees and Volunteers on board on September 30 of the fiscal year, including Peace Corps Response, funded through the Peace Corps' appropriation.

WHERE PEACE CORPS VOLUNTEERS SERVED IN FY2020



Caribbean
Dominican Republic
Eastern Caribbean:
- Dominica
- Grenada and Carriacou
- St. Lucia
- St. Vincent and the Grenadines

Jamaica

Central and South America
Belize
Colombia
Costa Rica
Ecuador
Guatemala
Guyana
Mexico
Panama
Paraguay
Peru

Africa
Benin
Botswana
Cameroon
Comoros
Eswatini
Ethiopia
Ghana
Guinea
Lesotho
Liberia
Madagascar
Malawi
Mozambique
Namibia
Rwanda
Senegal
Sierra Leone
South Africa
Tanzania
The Gambia
Togo
Uganda
Zambia

North Africa and the Middle East
Morocco

Eastern Europe and Central Asia
Albania/Montenegro:
- Albania
- Montenegro

Armenia
Georgia
Kosovo
Kyrgyz Republic
North Macedonia
Moldova
Ukraine

Asia
Cambodia
China
Indonesia
Mongolia
Myanmar
Nepal
Philippines
Thailand
Timor-Leste

Pacific Islands
Fiji
Samoa
Tonga
Vanuatu

Due to COVID-19, Peace Corps temporarily suspended Volunteer operations at all Peace Corps posts in March 2020. China Volunteers evacuated in February 2020.

AFRICA REGION

Sahel	Senegal, The Gambia
Coastal West and Central Africa	Benin, Cameroon, Ghana, Guinea, Liberia, Sierra Leone, Togo
Eastern Africa	Comoros, Ethiopia, Kenya,[2] Madagascar, Malawi, Mozambique, Rwanda, Tanzania, Uganda
Southern Africa	Botswana, Eswatini, Lesotho, Namibia, South Africa, Zambia

2 Following Congressional Notification in June of 2019, Peace Corps approved re-entry into Kenya. Peace Corps plans to resume its program there in FY 2022 with Health and Education Volunteers.

AFRICA

Since the Peace Corps was established in 1961, more than 86,000 Peace Corps Volunteers have served in Africa. At the time of the FY 2020 global evacuation of Volunteers and Trainees, 2,463 Volunteers, or 39 percent of Peace Corps Volunteers worldwide, were serving in 23 countries across the continent. Volunteers in Africa work in some of the poorest nations in the world and primarily live in rural areas.

To effectively integrate into their host communities, promote cross-cultural understanding, and implement development interventions focusing on capacity building and sustainable change, Volunteers in Africa—collectively—learn more than 150 local languages. Programs in Africa focus on some of the continent's most pressing development challenges and encompass all six of the agency's sectors: Agriculture, Community Economic Development, Education, Environment, Health, and Youth in Development. Volunteers engage in a wide range of projects, including combating malaria, promoting food security, girls' education, women's economic empowerment, and preventing the spread of HIV/AIDS in the region.

Education is the largest Peace Corps sector in Africa, encompassing over 39 percent of the region's Volunteers at the time of the FY 2020 global evacuation of Volunteers. Education Volunteers serve as classroom teachers and support capacity building of local teachers. They increase student achievement in literacy and numeracy, math and science, and teach English as a foreign language (TEFL). These interventions equip and empower host country teachers in their classrooms and promote gender-equitable, evidence-based best practices to improve academic achievement.

Due to high rates of malaria, HIV/AIDS, and under-five mortality, due to pneumonia, diarrhea, measles, and other childhood diseases, Volunteers in Africa work on a number of health initiatives, including supporting the President's Malaria Initiative (PMI) through the Africa Region's Stomping Out Malaria program. The program trains communities on the use of insecticide-treated bed nets, malaria prevention and treatment education, and vector control.

Peace Corps' HIV/AIDS programs align with the U.S. President's Emergency Plan for AIDS Relief (PEPFAR). Volunteers play a critical role in PEPFAR by working with youth leaders, clinical service providers, and community influencers to help prevent new infections among youth. Volunteers in this program also work to improve care, support, and treatment services provided to those living with, and affected by, HIV and AIDS. One important example of how Volunteers make a difference across the continent is their support of the PEPFAR-led DREAMS (Determined, Resilient, Empowered, AIDS-free, Mentored, and Safe) public-private partnership, through which they target priority populations for prevention interventions.

Volunteers in Africa also promote good nutrition, clean water and sanitation, and improved health outcomes for mothers and children. The goal of this program is to realize a world where every child lives to celebrate his or her fifth birthday and no woman dies as a result of pregnancy or childbirth. Volunteers promote good nutrition, work on efforts to make sure caretakers seek early treatment for children who suffer from malaria or infectious diseases, and educate pregnant women about seeking early antenatal care.

In accordance with the Global Food Security Act, which reinforces the U.S. Government's successful approach to increasing food security and nutrition, Peace Corps Africa Region is proud to be a part of Feed the Future. Together with

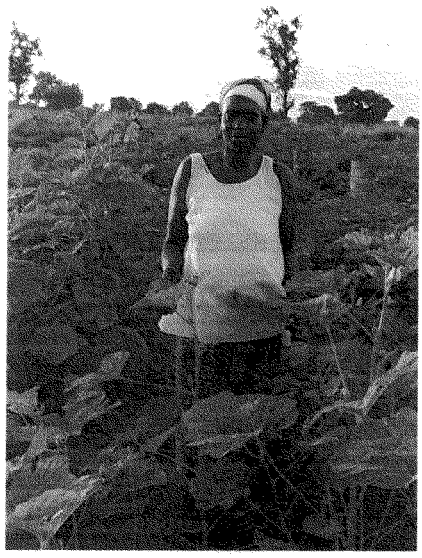
other federal government partner agencies, Peace Corps Volunteers ensure the United States is committed to empowering smallholder producers—especially women—improving nutrition, and strengthening communities and economies through agricultural development and resiliency to climate-related shocks.

PEACE CORPS VOLUNTEERS' ACCOMPLISHMENTS IN AFRICA

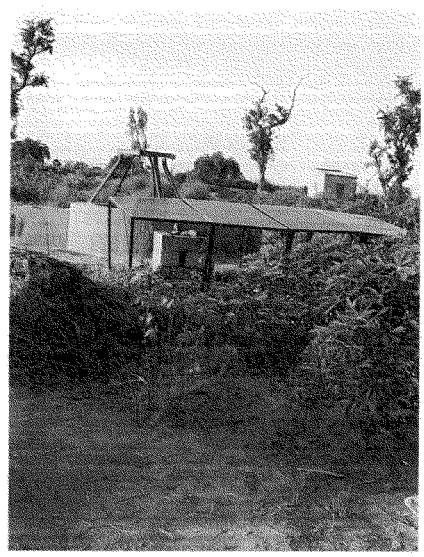
Senegal - Kitchen Gardens Provide Fresh Food, New Opportunities for Senegalese Women

After growing everything from okra to eggplants, small-town vegetable gardeners in Senegal go door-to-door or set up market stalls to show off their produce. At the end of the day, many go home with a little extra money in their pockets, but not food in their bowls. These growers often value the economic potential of the nutrient-packed vegetables they sell more than they value the benefits these foods might bring to their own health, overlooking the long-term costs of malnutrition.

To encourage some of the female gardeners in her community to take advantage of both the economic and the nutritional benefits of vegetables, Peace Corps Volunteer Sabrina worked with community partners Lamine and Suleiman to organize kitchen garden training. These training sessions combined instruction on practical garden-building skills and water conservation methods with the message that eating the vegetables does not have to mean losing out financially. The work they did emphasized the fact that savings from



The President of the Women's group standing in an Okra field



Solar panels installed in the field to power a solar water pump

growing vegetables for household consumption and nutrition can more than make up for lost profits.

The Peace Corps Senegal Food Security Initiative, a Feed the Future project funded through USAID/Senegal, supported Sabrina and her counterparts. The project provides training for PCVs and counterparts on sustainable techniques for vegetable gardening and nutrition and high-quality vegetable seed extension.

Using local materials and a simple model promoted by local agriculture extension agents, Sabrina, Lamine, and Suleiman worked with women's groups in the community to build gardens and train female gardeners. All told, five kitchen gardens were built and over 50 women were trained. Following up with the women later, Sabrina saw a consistent theme: each woman who had invested in her garden space reported greater access to fresh foods in her household. The close proximity and smaller size of the kitchen gardens encouraged direct household consumption, enabling these women to put their family's health first.

In one particularly memorable conversation, a first-time gardener told Sabrina: "Before I had this garden, I had never grown anything. Now [our family] has so much lettuce, okra, and *bissap* (hibiscus) that we do not have to buy any from the market." With a simple kitchen garden, the hard-working female gardeners of a small community in Tambacounda are improving their families' nutrition and saving money—all while staying in their own backyards.

Madagascar - Increasing Girls' Access to School

Equal access to education and attainment of educational qualifications is necessary to ensure that women participate fully in the process of social, economic, and political development under equal conditions. To encourage girls' equal access to education, Molly, an Education Volunteer on the east coast of Madagascar, spearheaded a project to bring girls back to school. When starting at her site, she noticed her middle school frequently cancelled classes due to its poor condition. The school used one big classroom—divided into three parts—to teach three different classes. As a result, the school was crowded and noisy. Moreover, the room's roof was old. When it rained, the room would flood, making it necessary to cancel classes. Girls were especially impacted by this poor learning environment because in Madagascar, girls are more frequently harassed or unable to find a place to sit in crowded classrooms. Moreover, discouraged by frequent cancellations, parents were more likely to keep their daughters at home permanently to help with household chores. Molly recognized that expanding the school itself would have a positive impact on girls' attendance.

Therefore, to enhance the students' learning process by improving the teaching and learning environment, Molly worked with her community to construct three new classrooms at her school. This project solved the problem of school overcrowding and improved the learning conditions for all students. Perhaps more importantly, it prompted a significant boost in girls' enrollment in the school. Now, 100 of the 153 students at the school are girls.

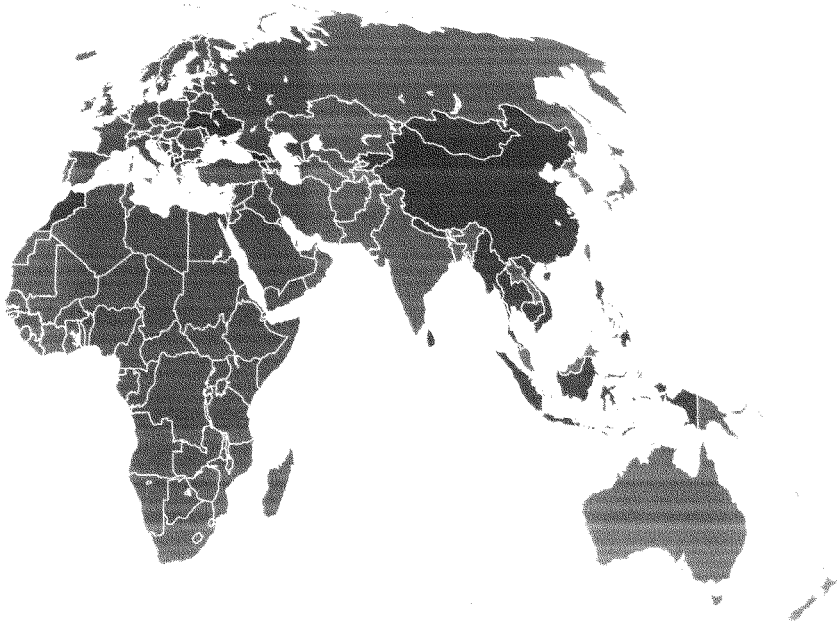
As part of this project, Molly also worked with fellow teachers to hold gender-equitable training on teaching methods. These sessions educated both male and female students about the importance of gender equity inside and outside of the classroom. The training created an educational and social environment where girls and boys are treated equally and encouraged to achieve their full potential. The positive impact of the training on the school community is expected to continue, as is the increased enrollment and retention rate of girls. By facilitating girls' education in Madagascar, Molly helped to better the girls' future.

AFRICA – LANGUAGES TAUGHT TO VOLUNTEERS IN FY 2020

Country	Languages
BENIN	Adja, Bariba, Kotokoli, Dendi, Ditamari, Fon, French, Lokpa, Mahi, Yom, Idaasha
BOTSWANA	Setswana
CAMEROON	French, Fulfulde
COMOROS	Shimwali, Shindzwani, Shingazidja
ESWATINI	Siswati/IsiSwati
ETHIOPIA	Afan Oromo/Oromo, Amharic, Tigrigna
GHANA	Dagaari, Dagbani, Ewe, Ghanaian Sign Language, Gurune, Mampruli, Twi
GUINEA	French, Kissi, Lele, Malinke, Pulaar, Soussou
LESOTHO	Sesotho/Suthu, Phuthi
LIBERIA	Bassa, Gbandi, Gio, Gola, Kissi, Kpelle, Liberian English, Lorma, Mandi, Mano, Vai
MADAGASCAR	Antandroy, Malagasy (Antakarana), Malagasy (Antanosy), Malagasy (Antemoro), Malagasy (Betsileo), Malagasy (Betsimisaraka), Malagasy (Sakalava Boina), Malagasy (Standard)
MALAWI	Chichewa, Chitonga, Chitumbuka
MOZAMBIQUE	Chichewa/Cinyanja, Chimanyika, Cichangana, Cicopi, Portuguese, Cindau, Cinyungue/ Cinyungwe, Citewe, Citswa, Ciyao, Echuabo, Ekoti, Elomwe, Emakwa, Gitonga
NAMIBIA	Afrikaans, Khoekhoegowab, Oshikwanyama/Kwanyama, Oshindonga/Ndonga, Otjiherero/Herero, Rukwangali, Rumanyo, Silozi
RWANDA	Kinyarwanda
SENEGAL	Fulakunda, Jaxanke, Mandinka, Pulaar du Nord, Pulafuta, Seereer, Wolof
SIERRA LEONE	Krio, Mandingo, Mende, Temne, Limba, Susu, Fula, Kono
SOUTH AFRICA	IsiZulu, Sepedi, Venda/TshiVenda, IsiNdebele
TANZANIA	Swahili/Kiswahili
THE GAMBIA	Jola, Mandinka, Pulaar, Sarahule, Wolof
TOGO	Adja, Akebou, Bassar, Ewe, French, Ikposso, Kabiye, Nawdum, Konkomba, Tchamba, Tem, Lamba, Adele , Koussountou
UGANDA	Ateso, Dhopadhola, Lango, Luganda, Lusoga, Lumasaaba
ZAMBIA	Bemba, Chitonga, Kaonde, Lenje/Chilenje, Lunda, Mambwe-Lungu, Nyanja, Tumbuka

EUROPE, MEDITERRANEAN, AND ASIA REGION

Balkans	Albania, Kosovo, Montenegro, North Macedonia
Central and Eastern Europe	Moldova, Ukraine
North Africa and the Middle East	Morocco
The Caucasus	Armenia, Georgia
Central Asia	Kyrgyz Republic
Asia	Cambodia, China,[3] Indonesia, Mongolia, Myanmar, Nepal, Philippines, Sri Lanka,[4] Thailand, Timor-Leste, Viet Nam[5]



3 In January 2020, a Congressional Notification was sent stating Peace Corps' intent to permanently close its post in China. The Peace Corps is not planning to return Volunteers to China in FY2022.

4 Following Congressional Notification in September 2017, the Government of Sri Lanka and the Peace Corps signed a new bilateral agreement in February 2018 to re-establish a program there. Deployment of Volunteers was delayed for several reasons, including the pandemic, so Volunteers are slated to begin their service there in FY 2022.

5 In July 2020, Peace Corps notified Congress that Peace Corps and the Government of Viet Nam had signed an agreement to officially establish a Peace Corps program in Viet Nam. Education Volunteers are expected to arrive in FY2022.

EUROPE, MEDITERRANEAN, AND ASIA

Since the Peace Corps was established in 1961, over 64,000 Volunteers have served in the Europe, Mediterranean, and Asia (EMA) region. At the time of the FY 2020 global evacuation of Volunteers and Trainees, 1,949 Volunteers, or 31 percent of Peace Corps Volunteers worldwide, worked in 19 countries across the region—including a new country, Montenegro. In addition, in FY 2022, the EMA region will establish the first-ever program in Viet Nam, where Volunteers will be teaching English. An agency virtual assessment is also underway in Uzbekistan.

Volunteers in the EMA region work in the agency's six program sectors: Agriculture, Community Economic Development, Education, Environment, Health, and Youth in Development. Across the sectors, Volunteers address issues related to information technology, environment, food security, gender equity, HIV/AIDS education, and volunteerism. The majority of Volunteers actively engage youth in their activities.

In Ukraine, the Peace Corps serves as an implementing agency of the PEPFAR program. Volunteers work with community partners and clinical service providers to help prevent new infections and ensure linkage to care and treatment for people living with HIV, especially youth.

More than 55 percent of EMA Volunteers work in Education, with classroom-based teaching of English as a foreign language as their primary activity. Volunteers are part of national efforts to strengthen English teaching in primary, secondary, and university education through classroom instruction, professional development for teachers, and school and community resource development.

Volunteers in the EMA region were trained in nearly 50 languages in FY 2020. In addition to language training, Volunteers receive intensive cross-cultural, safety and security, and technical training, all of which enable them to integrate successfully into the communities where they live and work.

PEACE CORPS VOLUNTEERS' ACCOMPLISHMENTS IN EMA

Albania - Volunteers Provide Training as Part of Earthquake Response

In response to the post-traumatic stress experienced by Albanian communities following the November 26, 2019 earthquake, Peace Corps Albania Volunteers and their counterparts partnered with local organization "Qendra Marrëdhëniet" to provide Albanian teachers with "Child Trauma Management Training." These training sessions were based on "A teacher's guide to psychological support for children after an earthquake," designed by Qendra Marrëdhëniet.

With financial support from Peace Corps' international partner, World Connect, 45 Volunteers worked from December 9, 2019 to February 6, 2020, to facilitate 129 Training of Trainer sessions in 52 training sites throughout the country to provide best practices and strategies to Albanian teachers who were working with traumatized students in the aftermath of the November 26 earthquake. Each training consisted of approximately 60-90 minutes of instruction with two distinct lessons. The first lesson provided technical information about earthquakes, taught teachers how to identify common manifestations of trauma in different age groups, and taught them how to effectively communicate with traumatized students. The second lesson focused on healthy coping mechanisms for both students and service providers.

As a result of this joint effort, Volunteers and their counterparts trained 2,347 representatives from 897 schools and worked with each of the 51 regional educational offices in Albania.

The feedback teachers and students gave about the sessions was excellent. The sessions

demonstrated both the demand for such projects and training throughout the country, and the ability of the Peace Corps and Peace Corps Volunteers to respond to such emergencies with skill and commitment.

One of the teachers who participated at an event in Bathore (just outside of Tirana) shared her thoughts about how valuable the experience was for her professionally and personally. As she said, "I thought I knew a lot about earthquakes and how to react before training, but in reality, a lot of information provided on the preventive measures and managing panic or actions under panic were new. I was very glad to learn this information, which will help me and my family personally but also the students that I teach. The most valuable lesson was that we need to work beforehand with ourselves and the students on how to react in such situations, how to protect ourselves, how to maintain calm and avoid panic. For this reason, we need to refresh this information for our students and family members and do frequent drills. As for me personally, my family members know now very well what to do in such cases, how to shelter, how to evacuate the building, and how to meet with others after such events."

Kyrgyz Republic - Teacher Training Webinars Prepare English Teachers for Online Teaching

Volunteers in the Kyrgyz Republic use their educational expertise to support local English language educators. Although Volunteers are placed in schools, they also support their communities to develop English-language resources and learn more about American culture.

One Volunteer with an extensive teaching background partnered with a U.S. Embassy-sponsored American cultural center that needed an experienced Teaching English as a Foreign Language instructor to conduct teacher trainings. From November 2019 to March 2020, the Volunteer conducted trainings on communicative teaching methodology, organized activities to celebrate American holidays, started the Kid's English Club, and helped with the local spelling bee.

Evacuation has not deterred the Volunteer from her service. From her home in the United States, she has continued to offer teacher training webinars online once a week. The Volunteer is participating in the Virtual Service Pilot (VSP) program and is planning to join the next VSP cohort in order to provide additional teacher training during the summer school holidays. Her work includes observing classes and providing feedback to her co-teacher. Since April 2020, she has conducted more than 20 sessions and covered topics such as innovative teaching methods, communicative language teaching, and adapting teaching materials to online formats, online resources, and other topics. She is also co-planning and co-facilitating a Saturday English club for students. In addition to her work in VSP she has continued to do weekly workshops with the American cultural center.

More than 25 Kyrgyz teachers of English have been joining the webinars. One participant said, "The topics of the webinars are interesting and useful. Thanks to these online webinars, I learned how to conduct online lessons and found a common language with students."

The Volunteer has also continued to benefit from the continuation of her activities virtually. She said, "I was initially very excited to be offered this opportunity as it has kept me in contact with the community, but as the pandemic is continuing I see just how important these workshops have become as the face of education is changing in Kyrgyz Republic."

EMA – LANGUAGES TAUGHT TO VOLUNTEERS IN FY 2020

Country	Languages
ALBANIA	Albanian
ARMENIA	Armenian
CAMBODIA	Khmer
CHINA	Chinese (Mandarin)
GEORGIA	Georgian, Armenian, Azeri
INDONESIA	Bahasa Indonesia
KOSOVO	Albanian, Serbian
KYRGYZ REPUBLIC	Kyrgyz
MOLDOVA	Romanian, Russian
MONGOLIA	Kazakh, Mongolian
MONTENEGRO	Montenegrin
MOROCCO	Arabic (Morocco Darija), Tamazight, Tashelheet
MYANMAR	Burmese
NEPAL	Gurung, Magar, Nepali, Tamang, Doteli
NORTH MACEDONIA	Albanian, Macedonian
THAILAND	Thai (Central), Thai (North Eastern Dialect), Thai (Northern Dialect), Thai (Southern Dialect)
PHILIPPINES	Cebuano, Hiligaynon, Kinaray-a, Ilokano, Tagalog, Waray-Waray
TIMOR-LESTE	Tetun
UKRAINE	Ukrainian, Russian

INTER-AMERICA AND THE PACIFIC REGION

Central America	Belize, Costa Rica, El Salvador,[6] Guatemala, Mexico, Panama
Caribbean	Dominican Republic, Eastern Caribbean (Dominica, Grenada, St. Lucia, St. Vincent and the Grenadines), Jamaica
South America	Colombia, Ecuador, Guyana, Paraguay, Peru
Pacific	Fiji, Samoa, Solomon Islands,[7] Tonga, Vanuatu

6 In November of 2020, a Congressional Notification was sent to announce Peace Corps intent to re-establish operations in El Salvador.

7 Following Congressional Notification in September 2019, the Peace Corps announced it intends to re-establish operations in Solomon Islands. Peace Corps and the Government of Solomon Islands are currently re-negotiating the country agreement.

INTER-AMERICA AND THE PACIFIC

More than 90,000 Volunteers have served in the Inter-America and the Pacific (IAP) region since the founding of the Peace Corps in 1961. At the time of the FY 2020 global evacuation of Volunteers and Trainees, 1,867 Volunteers, or 30 percent of Peace Corps Volunteers worldwide, were working across 20 nations (one IAP post covers four countries).

In the IAP region, the Peace Corps provides training in 21 languages—enhancing Volunteer effectiveness and integration into local communities. Using the agency's integrated project planning and management system, Volunteers address community-defined priorities through work in all six of the agency's programmatic sectors: Agriculture, Community Economic Development, Education, Environment, Health, and Youth in Development.

A large proportion of IAP region Volunteers work with schools supporting teachers, promoting the construction of libraries, creating resources for hands-on learning, and teaching literacy and English. Across the sectors, Volunteers also address issues related to food security and gender equity. They actively involve youth in their activities.

Volunteers prioritize working with youth because the under-25 cohort comprises a majority of the population in many IAP countries. Volunteers conduct a wide range of activities, including organizing youth groups that facilitate life and leadership skills development and strengthen self-esteem, decision making, and communication. Youth programs promote civic engagement and enhance economic futures for participating youth and their families and communities.

Access to basic health services, education, and sanitation systems remains problematic for many communities in the region. Volunteers work to improve the health of communities, families, and schoolchildren by training service providers and building community awareness about the importance of basic hygiene, maternal and child health, nutrition, disease prevention, and clean water. Volunteers also support local health clinics with health education and outreach efforts.

Deforestation and environmental degradation negatively affect air and water quality, increase flooding risks, and threaten the sustainability of natural resources in the region. Volunteers who work on environmental projects engage local youth, communities, and partner agencies in promoting environmental education and conservation. Some Volunteers also foster income generation for local communities through ecotourism, eco-business, and protected land management.

PEACE CORPS VOLUNTEERS' ACCOMPLISHMENTS IN IAP

Fiji – Leveraging Host Country Engagement

When the Peace Corps ordered the global evacuation, staff in Fiji were heartbroken to see their 64 talented, committed Volunteers leave so suddenly. At the same time, they recognized that this period of time without Volunteers presented a rare opportunity to refine their operations and programming.

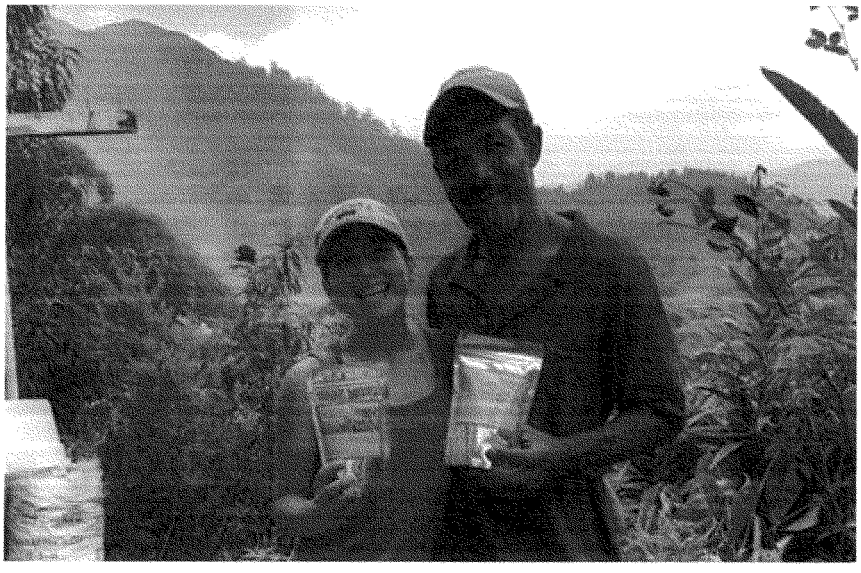
The post commenced with a focus on developing or refining elements critical to the office's Standard Operating Procedure (SOPs), handbooks, training sessions, and other internal processes. When Fiji reached "COVID-19-contained" status just a few months later, staff began traveling to evacuated Volunteer villages, which spanned eight disparate islands. During these visits, they facilitated meaningful iTatau (farewell) ceremonies with the communities, aiding with processing the sudden evacuation and offering some closure. Along the way, staff completed their most thorough collection of community feedback by methodically

gathering qualitative data about Peace Corps Fiji's work and the impact Volunteers had on over 500 villagers. At the same time, staff further deepened and broadened their relationships with government partners by sitting down with every level of leadership—from village Mayors and Chiefs, to Prime Minister Bainimarama.

The result is a Peace Corps post that is leveraging rejuvenated partnerships and community-based data to ensure a more streamlined, impactful, and genuinely responsive program that meets the needs of their nation. This will enable even more effective and impactful Volunteer engagement with communities once they are able to return.

Jamaica – Coffee Growers Association

While Volunteering in Jamaica, Mary worked with and supported a coffee farmers group, helping them in becoming a registered Jamaican business, (Cascade Coffee). As a registered business, Cascade Coffee was able to apply for funding and begin working alongside the Jamaican Coffee Growers Association. Mary worked with group members and the wider community to make plans for renovating an abandoned building in the community to be used for processing coffee and to serve in the future as a cafe and tourist destination. Mary also supported her community in re-establishing a Rural Agriculture Development Association (RADA) group in Cascade focused on intercropping vegetables among coffee trees. By supporting her host organization in reaching their goals of processing their community's coffee for profit, Mary helped them eliminate middlemen and enabled farmers to be paid directly for their high quality product. The group was able to advance their agricultural and economic priorities in the time Mary was with them.



IAP – LANGUAGES TAUGHT TO VOLUNTEERS IN FY 2020

COUNTRY	LANGUAGES
BELIZE	Kriol (Belizean), Q'eqchi (Maya), Spanish
COLOMBIA	Spanish
COSTA RICA	Spanish
DOMINICAN REPUBLIC	Spanish
EASTERN CARIBBEAN	Grenadian Creole, Kweyol (E. Caribbean), Vincentian Creole
ECUADOR	Spanish, Kichwa
FIJI	Fijian, Hindi
GUATEMALA	Spanish, Mam, K'iche, Kaqchikel, Ixil
GUYANA	Creolese (Guyana)
JAMAICA	Jamaican Patois
MEXICO	Spanish
PANAMA	Ngabere, Spanish
PARAGUAY	Guarani, Spanish
PERU	Quechua, Spanish
SAMOA	Samoan
TONGA	Tongan
VANUATU	Bislama

VOLUNTEER WORK BY SECTOR

AGRICULTURE

Peace Corps Agriculture Volunteers help host country communities develop their agriculture sectors to sustainably increase and ensure food and nutrition security and advance and support resilient local livelihoods. By focusing on expressed national priorities and community needs, Peace Corps' agriculture projects are designed to increase productivity, diversity, and sustainability of smallholder agricultural production; generate new or increased sales and income from agriculture-based activities; and improve household nutrition.

Working in local languages, Agriculture Volunteers provide technical assistance to individuals and groups, including men, women, and youth, through one-on-one teaching and group training. When appropriate, Volunteers also use other proven extension methods such as facilitating farmer-to-farmer technical exchanges and Farmer Field School.

With their counterparts, Agriculture Volunteers promote the use of appropriate, adapted, sustainable, and low-cost farming practices and technologies. These can include bio-intensive gardening; integrated pest management; improved post-harvest management and storage; optimized use of agricultural inputs (including improved seed varieties and fertilizers); soil conservation and soil fertility management (to increase soil organic matter) including use of compost, no-till cultivation, use of nitrogen-fixing cover crops. Technologies and practices also include use of more efficient water capture and delivery technologies like water harvesting and micro-irrigation. By adopting these "climate-smart" agriculture techniques and practices that intensify production while maintaining ecosystem services and improving the natural resource base, farm systems adapt to less predictable and more intense environmental conditions and increase carbon sequestration. In this way, Volunteers assist smallholder farming communities to become climate resilient.

Agriculture Volunteers also support smallholder farmers and other community-based producer groups by conducting training and coaching in income generation and basic business skills, marketing, and organizational development—including forming savings and lending associations, project design and management, and use of digital technology. All Agriculture Volunteers promote proper preparation and consumption of diverse, nutrient-rich crops through household-level nutrition education. This focuses, in particular, on improving the nutrition of women of reproductive age and infants during their first 1,000 days of life.

At the time of the FY 2020 global evacuation of Volunteers and Trainees, there were 695 Agriculture Volunteers worldwide.[8]

Examples of Agriculture Volunteer work:

- Improving traditional cropping systems by introducing farmers to improved seed varieties and improved practices and technologies like conservation agriculture (e.g., no tillage, use of permanent soil cover using organic mulch, green cover crops, crop rotation) and agroforestry strategies (e.g., alley cropping, planting windbreaks and living fences, incorporation of leguminous and multi- purpose trees).
- Encouraging creation of home and school gardens while raising awareness of the nutritional advantages in producing and consuming a variety of vegetables and fruits, particularly those with high nutritional value such as Vitamin A-fortified orange-fleshed

8 In addition to the Volunteer totals listed for each sector, 152 Peace Corps Response Volunteers entered on duty in FY 2020, and served in all six Peace Corps program sectors, across all three regions.

sweet potato, mushrooms, iron-fortified beans, and dark green leafy vegetables.

- Increasing knowledge and skills needed to profitably establish and manage household-scale small-animal husbandry operations for poultry, rabbits, fish, or bees.
- Improving sales and profits of smallholder cash crop producers and producer groups, many of whom are women, through improved nursery production and out-planting (e.g., cashew, cacao, shea, moringa, grafted fruit varieties), more efficient use of production inputs, improved post-harvest management and value-added processing, and more effective market strategies including use of digital technologies to connect with buyers and better time sales.

COMMUNITY ECONOMIC DEVELOPMENT

Peace Corps Community Economic Development Volunteers help build community members' capacity to improve their economic opportunities and advance local development efforts. Community Economic Development projects primarily focus on economic development and community and organizational development. Within these two areas, individual projects are adapted to local conditions, priorities, and host country development strategies. Furthermore, each Community Economic Development project identifies specific community members and/or organizations (e.g., women, farmers, youth, artisan groups, municipal offices) that are the primary beneficiaries of Volunteers' capacity-building efforts. Community Economic Development projects frequently work with the most economically marginalized groups and communities in a host country (e.g., women, youth, rural communities, and indigenous populations).

Projects focusing on economic development enable host country households to achieve economic security and upward economic mobility. By delivering training and workshops, providing ongoing technical assistance, teaching in the classroom, and organizing youth clubs, Volunteers build the capacity of individuals to adopt personal money management strategies, increase savings and access to affordable credit, pursue entrepreneurial opportunities, apply fundamental business skills to their small-scale economic activities, increase their digital literacy, and demonstrate key employability skills to secure employment. Volunteers may also work with organized groups or entire communities to improve market linkages for local businesses and support the management of community-run businesses.

Projects focusing on community and organizational development enable both community organizations and civil society actors to collaboratively advance local development efforts—whether through improvements in health, education, livelihoods, civic engagement, or other critical aspects of human and community development. By implementing an organizational capacity assessment and assisting with the resultant action planning, training, guided learning, and organizing of various outreach campaigns and events, Volunteers help community-based organizations increase their organizational capacity to achieve their missions. They also help to increase organizations' engagement and collaboration with key stakeholders and expand opportunities for civic engagement and volunteerism in the community. Volunteers also work with these organizations to improve marketing and advocacy campaigns, raise funds and resources, design and manage organizational-level projects, network, improve client services, and use technology more effectively.

At the time of the FY 2020 global evacuation of Volunteers and Trainees, there were 591 Community Economic Development Volunteers worldwide.

Examples of Community Economic Development Volunteer work:

- Supporting youth with business plan development and participation in business plan competitions at the local, regional, and national levels

- Increasing business owners' digital literacy in order to market products and services online, and access new economic opportunities
- Organizing youth clubs to increase civic engagement and volunteerism in the community
- Helping artisan cooperatives find new markets for their handmade goods and improve quality control
- Advising women's groups on value-added strategies for increasing the profitability of their agriculture-based products
- Strengthening organizational systems, processes, and learning so that organizations can move from a project-based focus to a more sustainable program-based focus
- Fostering the creation of sustainable, independent, community-managed savings, and loan associations
- Working with local civil society groups to improve their outreach and implement awareness campaigns

EDUCATION

Education is the agency's largest sector, and 84 percent of Peace Corps posts have Education projects. Education Volunteers work in one of three Education project areas: childhood literacy, math and science, and teaching English as a foreign language. Education Volunteers work on projects that focus on building teacher capacity, increasing student achievement, and helping communities to advocate for and support educational initiatives. All Education Volunteers work in alignment with the national priorities of their host countries.

Education Volunteers focusing on childhood literacy and early grade reading promote improvement of students' basic literacy and numeracy skills and help teachers develop strategies for teaching reading and comprehension. They pay special attention to students at risk of failing. This work takes place principally in the early primary grades, but also targets upper grade students in need of remedial literacy support. Projects emphasize communities of practice in which students, community members, and parents address supporting reading and literacy development at home and in community settings.

The math and science projects focus on middle school or secondary students. Projects include training on working in low-resource settings and engaging students, particularly girls, by using real-life applications of these subjects with a Science, Technology, Engineering, and Mathematics approach. Projects promote communities of practice, particularly with other math, science, and information and communication technologies teachers, to share teaching and assessment techniques.

Teaching English as a foreign language is the largest project area in the Education Sector. Seventy-one percent of Education projects involve teaching English as a foreign language. The project focuses on helping host country counterparts' professional development, including improving their English proficiency and teaching skills, which in turn leads to improved English language instruction and increased English proficiency for students. Besides formal classroom instruction, Volunteers participate in informal activities such as teaching adults English as a foreign language and English clubs and camps. Nine posts are Teaching English as a Foreign Language Certificate posts. In these places, based on 120 hours of training and two years of supervised teaching experience, Volunteers can earn a teaching certificate during service.

Education Volunteers use a gender empowerment approach in their work. Volunteers start after-school clubs, work with teachers to integrate gender-equitable practices, collaborate with school administrators and parents to promote student-friendly schools, and provide other support networks through youth programs that include girls and boys—both together and separately.

At the time of the FY 2020 global evacuation of Volunteers and Trainees, there were 2,692 Education Volunteers worldwide.

Examples of Education Volunteer work:

- Facilitating communities of practice among teachers
- Engaging in mutual peer observation with counterparts to build trust and develop strategies for teacher improvement. Volunteers work with counterparts to use information and communications technology (ICT) to cultivate the four skills of speaking, listening, reading, and writing in their classrooms
- Developing hands-on projects in science and math classes and demonstrating real-world application of classroom concepts
- Facilitating learner-centered and competency approaches to literacy in classrooms and teacher training
- Creating community and school-based resource centers and libraries
- Advising school-community organizations, parent-teacher groups, and community development projects
- Facilitating camps or clubs related to the Volunteer's teaching focus
- Organizing activities such as spelling bees, Drop Everything and Read events, Model United Nations meetings, math and science fairs, essay contests, field trips, and other extracurricular activities that promote community involvement in student learning
- Starting after-school literacy tutoring programs pairing older youth with primary school children
- Demonstrating and integrating gender-equitable teaching practices in schools.
- Working with administrators and communities to find alternative discipline techniques
- Developing classroom assessments to measure student achievement
- Supporting special-needs classes, such as deaf education, and promoting general community awareness of children with disabilities

ENVIRONMENT

Volunteers in the Environment sector collaborate with host country partners to help protect the environment and help communities become more resilient to environmental shocks and stresses. Volunteers promote environmental education and awareness, strengthen capacities of individuals and organizations in natural resource planning and management, and intertwine environment, poverty reduction, and gender equity issues by supporting environmentally sustainable income-generating activities.

Environment Volunteers encourage sustainable natural resource planning and management by facilitating efforts to expand and sustain the use of healthy conservation practices, including producing and cultivating trees to improve soils, conserving water, and protecting fields from erosion. Effective management of natural resources and habitats requires local government, organization, community, and individual cooperation. Volunteers work to build the organizational capacity of partners to plan, manage, lead, and advocate for protecting the local environment. Volunteers help develop income-generating activities that create incentives for natural resource conservation, such as ecotourism and crafts creation. They also address the quickening pace of deforestation by introducing more fuel-efficient cook stoves to local communities.

Volunteers are increasingly engaged in environmental education to raise awareness and build cross-generational support required to initiate and sustain action on environmental issues. Volunteers train local teachers to integrate more interactive, environment-focused teaching methods into their curricula. They also collaborate with schools to promote environmental education through extracurricular activities, including clubs, camps, and awareness campaigns.

At the time of the FY 2020 global evacuation of Volunteers and Trainees, there were 473 Environment Volunteers worldwide.

Examples of Environment Volunteer work:

- Fostering environmental awareness and education through community-based eco-clubs
- Combating soil erosion and climate change by planting gardens and establishing tree nurseries with local counterparts
- Implementing school recycling programs in conjunction with classes in environmental education
- Helping to run environmental camps and clubs and sponsoring special events such as Earth Day activities
- Strengthening the organizational and planning capacities of environmental non-governmental organizations
- Providing technical assistance to farmers in employing natural resource management methods in agro-pastoral systems
- Introducing innovative soil fertility and water conservation methods to adapt to increasingly arid climates
- Promoting sustainable management of coastal fisheries
- Promoting income-generating activities, such as sustainable ecotourism
- Slowing rates of deforestation through the introduction of fuel-efficient cook stoves

HEALTH

Peace Corps' Health sector is the agency's second-largest Volunteer sector. Volunteers work with local partners to improve health outcomes in communities where individuals tend to have the least access to health information and services. Volunteers help introduce innovations and technology while also using appropriate resources to address health needs and help individuals adopt positive health-seeking behaviors.

The Peace Corps is a fully integrated partner in implementing PEPFAR. As a result, a large number of Volunteers work on HIV/AIDS initiatives. All aspects of Volunteer work on HIV programs have a focus on youth. Volunteers also support programs targeting orphans, vulnerable children, and other at-risk youth. Volunteers work to support the President's Malaria Initiative (PMI), combating malaria by distributing bed nets and providing education on prevention, diagnosis, and treatment. Health Volunteers also contribute to efforts to improve maternal, newborn, and child health services, and promote healthy behaviors for youth. Volunteers are frequently assigned to nongovernmental organizations working in health-related fields to help increase their technical, managerial, and administrative capacities. When Volunteers return to service, Peace Corps will seek opportunities to address the urgent need due to the global burden of COVID-19. Volunteers will support the implementation of activities to prevent, prepare for, and respond to COVID-19, including mitigating the global impacts of COVID-19.

At the time of the FY 2020 global evacuation of Volunteers and Trainees, there were 1,021 Health Volunteers worldwide.

Examples of Health Volunteer work:

Health Volunteers work with community members to co-facilitate:

- Groups to promote comprehensive antenatal care visits among pregnant women to increase healthy pregnancy, safe delivery, and healthy newborns
- Groups of mothers and caregivers to keep children under five healthy through promotion of effective nutrition, malaria prevention, and improved hygiene practices
- Sexual reproductive health/HIV prevention education at youth camps and clubs
- Caregiving support groups for orphans, vulnerable children, and caregivers
- Clubs, camps, and classroom curriculum that provide essential health information to youth 10-19 years of age
- Activities that build capacity of health workers and school-based staff to facilitate health and life skills curricula and access to youth-friendly services

YOUTH IN DEVELOPMENT

Youth in Development Volunteers work to help young people successfully complete school and transition into adult roles in the family, workforce, and community. The aim of all Peace Corps Youth in Development projects is to foster young people's life skills and leadership abilities so they become productive and engaged citizens. Youth in Development Volunteers also support four complementary areas of holistic youth development: youth community engagement, youth professional development, implementation of positive youth development programming by youth service providers, and supporting parents with teaching skills to better communicate with their children.

Volunteers work to help youth develop life skills, including promoting self-esteem and positive personal identity, effective emotional management, communication, decision-making, problem-solving, and goal-setting skills. Volunteers also help young people prepare for the workforce by conducting training in employability and financial literacy—including résumé development workshops, career-planning, mock interview sessions, English instruction, and digital literacy training. Volunteers help the next generation become active citizens by mobilizing them to improve their communities by promoting volunteerism and facilitating service-learning activities. Volunteers also work with youth service providers and youth-serving organizations to help implement high-quality youth programs. Volunteers and their partners also encourage parents and other adults in the community to play essential roles in supporting youth.

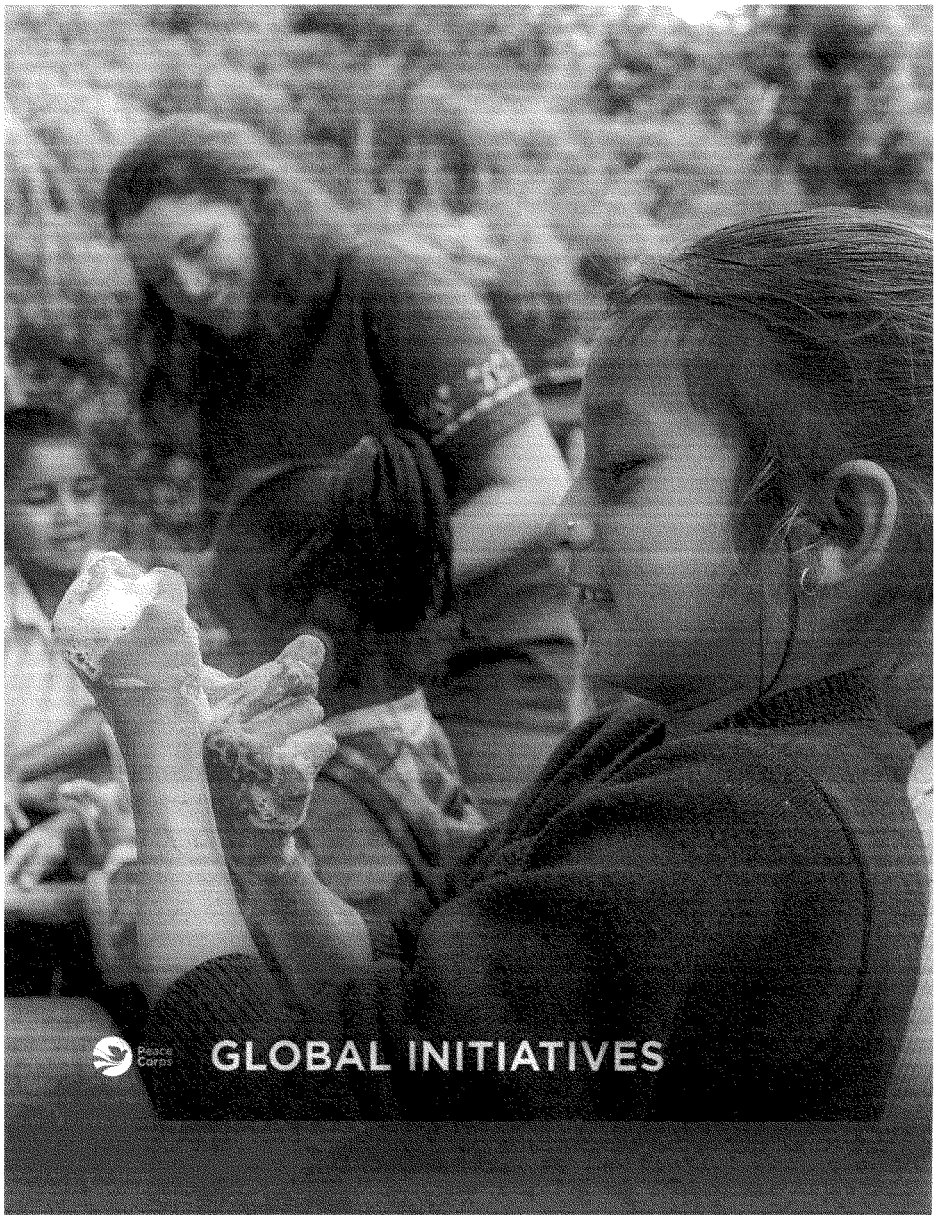
Volunteers and their community partners mentor young people to take an active role in planning for their own futures and the futures of their communities and countries. Volunteers promote extracurricular clubs and activities, including sports and exercise, health, wellness, and nutrition activities. They also work to improve emotional well-being and resiliency in young people.

At the time of the FY 2020 global evacuation of Volunteers and Trainees, there were 686 Youth in Development Volunteers worldwide.

Examples of Youth in Development Volunteer work:

- Teaching youth life and leadership skills to promote self-esteem, positive identity, effective emotional management, effective communication, goal setting, problem-solving, and action planning

- Conducting workshops in career planning, financial literacy, résumé writing, entrepreneurship, computer and Internet usage, and conversational English
- Facilitating youth participation in service-learning projects and other community volunteering activities
- Supporting youth service providers to implement programs that promote positive youth development
- Training parents and caregivers in techniques to improve communication with youth and take a greater role in supporting their development


Peace Corps
GLOBAL INITIATIVES

VOLUNTEERS WORKING IN HIV/AIDS ACTIVITIES IN FY 2020

As noted previously, the Peace Corps has been an integral partner of PEPFAR since its creation in 2003. Peace Corps Volunteers play a role in implementing the PEPFAR Strategy for Accelerating HIV/AIDS Epidemic Control and in the PEPFAR-led DREAMS public-private partnership. Volunteers implement targeted prevention interventions with priority populations, focusing on adolescent girls and young women, supporting people infected with and affected by HIV (including orphans and vulnerable children), and creating an enabling environment by addressing gender norms, stigma, and discrimination in the communities where they live.

In FY 2020, the Peace Corps used PEPFAR funds for activities in 12 countries (bolded below), and worked together with host governments, local organizations, and other U.S. government agencies to achieve HIV epidemic control. Most importantly, all Volunteers play a special role because their contributions to this initiative include their ability to reach remote communities and institute sustainable programs in coordination with local leaders and change agents. Volunteers work on HIV/AIDS prevention beyond the PEPFAR program by integrating HIV prevention activities into other programs, like sexual and reproductive health (SRH) programs, maternal, newborn and child health (MNCH) program, to name a few.

The tables below list the number of Volunteers funded by appropriations and PEPFAR who report implementing HIV-related activities.[9]

AFRICA	VOLUNTEERS	EUROPE, MEDITERRANEAN, AND ASIA	VOLUNTEERS	INTER-AMERICA AND THE PACIFIC	VOLUNTEERS
Benin	29	Albania	1	Belize	8
Botswana	103	Moldova	1	Dominican Republic	9
Cameroon	68	Mongolia	1	Ecuador	10
Eswatini	49	Morocco	1	Fiji	1
Ethiopia	15	Thailand	7	Panama	3
Ghana	16	**Ukraine**	1	Paraguay	1
Guinea	4			Vanuatu	1
Lesotho	65			Peru	1
Liberia	11				
Madagascar	2				
Malawi	83				
Mozambique	2				
Namibia	41				
Rwanda	4				
Sierra Leone	1				
South Africa	2				
Tanzania	85				
Togo	75				
Uganda	2				
Zambia	17				
Subtotal	471	Subtotal	12	Subtotal	34
GRAND TOTAL	**517**				

9 Volunteers were globally evacuated mid-March, 2020 due to the COVID pandemic, therefore FY20 data only reflects results from Oct 1, 2019 – mid-March, 2020 (specific date depends on the country). Additionally, during the evacuation, not all Volunteers were able to submit data prior to departing post which may result in under-reporting.

VOLUNTEERS WORKING IN FOOD SECURITY IN FY 2020

The Peace Corps is a key partner in Feed the Future and the U.S. Government's Global Food Security Strategy to address poverty, hunger, and undernutrition in over 40 countries worldwide. Each year[10] since 2012, around 1,200 Peace Corps Volunteers contribute to the initiative by promoting community-led approaches that build local capacity of individuals and groups to address food insecurity and increase resilience at both household and community levels. The Peace Corps trains and equips Volunteers and their counterparts with context-appropriate and evidence-based practices and technologies that sustainably ensure food availability, accessibility, and utilization at all times. Volunteers from all six sectors use a variety of proven methods to implement food security-related activities that increase agricultural productivity, sustain and improve the natural resource base, improve health and nutrition, or increase economic opportunities, particularly for women and youth, in the communities they serve.

POST NAME	NUMBER OF VOLUNTEERS REPORTING ON FOOD SECURITY INDICATORS	POST NAME	NUMBER OF VOLUNTEERS REPORTING ON FOOD SECURITY INDICATORS
Benin	26	Morocco	1
Botswana	1	Mozambique	3
Cameroon	19	Namibia	2
East Timor	1	Nepal	45
Ecuador	2	Panama	19
Ethiopia	11	Paraguay	13
Gambia	28	Rwanda	21
Ghana	7	Senegal	78
Guatemala	17	Sierra Leone	13
Guinea	18	Tanzania	39
Indonesia	1	Thailand	1
Jamaica	7	Togo	19
Lesotho	3	Uganda	34
Liberia	3	Zambia	50
Madagascar	12		
Malawi	12		
		GRAND TOTAL	**506**

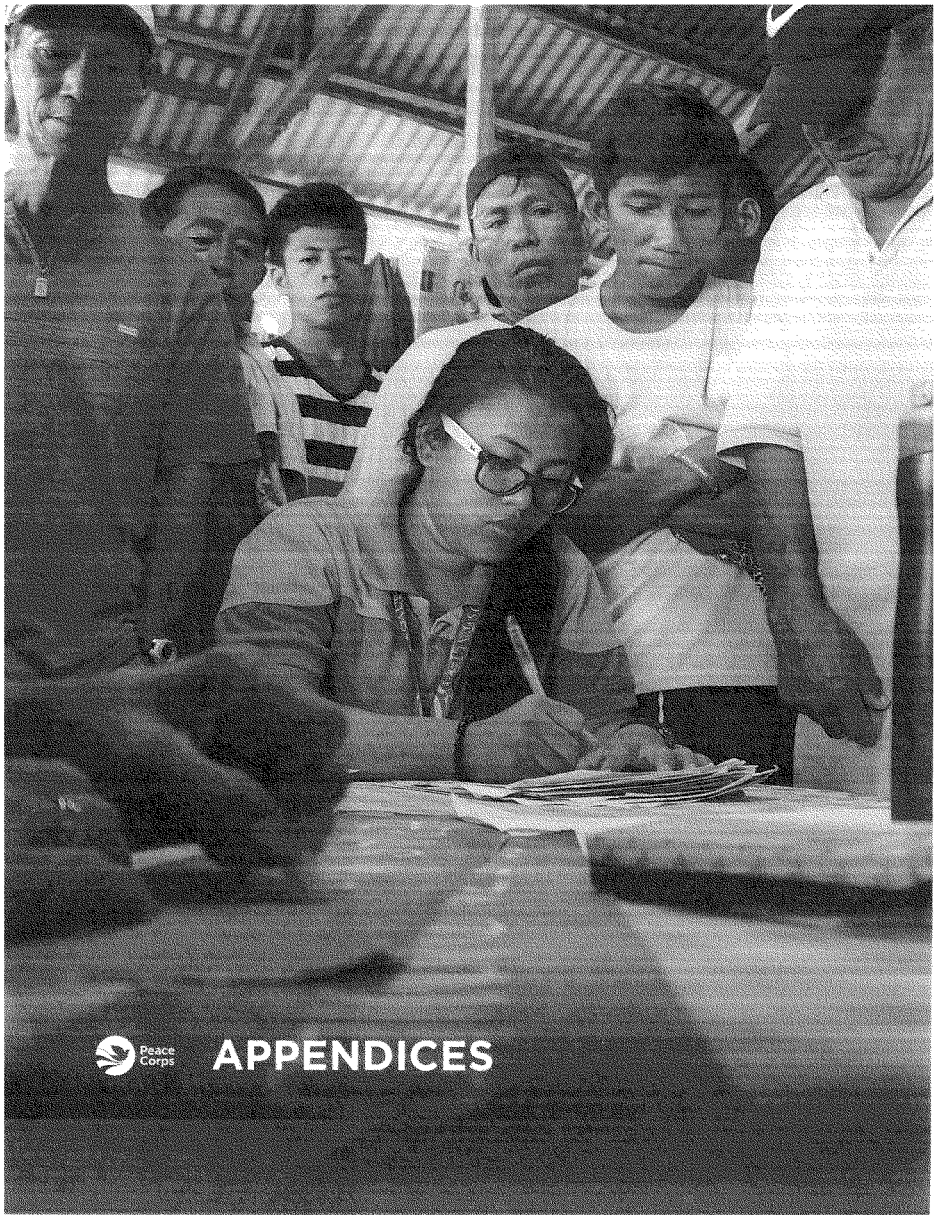
10 In the first 6 months of FY20, prior to the COVID-19 influenced global evacuation of all PCVs, 506 PCVs in 30 countries reported food security activities.

VOLUNTEERS WORKING IN MALARIA PREVENTION IN FY 2020

Peace Corps Volunteers are advancing the President's Malaria Initiative through the agency's Stomping Out Malaria in Africa initiative. Volunteers in 18 Peace Corps programs across Africa are collaborating to help eradicate malaria by carrying out malaria prevention, diagnosis, and treatment education campaigns at the community level. In areas where the program is involved in mosquito-net distribution, Volunteers collaborate with the President's Malaria Initiative and local community leaders to ensure that the mosquito nets are used, maintained, and repaired as necessary, thereby maximizing U.S. government investments in malaria prevention. Volunteers also engage in behavior-change outreach to advocate for early interventions and strengthen community health worker networks' capacity to rapidly diagnose and treat malaria. In FY 2020, the Peace Corps continues to focus its malaria programming and training to support the respective priorities of National Malaria Control Programs and for country-specific malaria program needs. Despite the evacuation of Peace Corps Volunteers due to the COVID-19 pandemic, Peace Corps health programming staff continue to coordinate with partner organizations and support malaria control activities.[11]

POST NAME	NUMBER OF VOLUNTEERS IMPLEMENTING MALARIA ERADICATION ACTIVITIES
Benin	15
Cameroon	15
Ethiopia	3
Gambia	7
Ghana	4
Guinea	13
Liberia	18
Madagascar	8
Malawi	11
Mozambique	15
Rwanda	15
Senegal	9
Sierra Leone	4
Tanzania	4
Togo	10
Uganda	7
Zambia	39
GRAND TOTAL	**197**

11 Volunteers were globally evacuated mid-March, 2020 due to the COVID pandemic, therefore FY20 data only reflects results from Oct 1, 2019 – mid-March, 2020 (specific date depends on the country). Additionally, during the evacuation, not all Volunteers were able to submit data prior to departing post which may result in under-reporting.



APPENDICES

APPENDIX A

ON-BOARD STRENGTH SUMMARY

On-Board Data in this report are based on evacuated Volunteers/Trainees in FY2020 and reflect those funded by the Peace Corps appropriation and PEPFAR. Due to the global evacuation in response to the COVID-19 pandemic, no Volunteer/Trainee was in service on September 30, 2020.

On-Board Strength Summary Statistics

Fiscal Year 2020

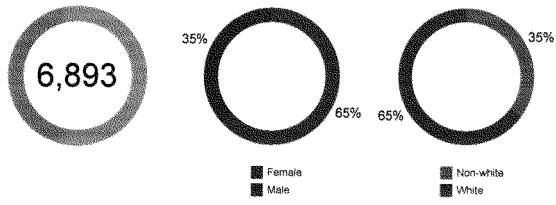
Last updated October 26, 2020

Source: PCVDBMS, DOVE, and Odyssey

Funding Source
Appropriated

Region
All

Post Name
All

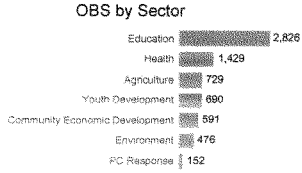


*Excludes 1,7 Volunteers and Trainees (funded through any source) who did not disclose their race or ethnicity. All Volunteers and Trainees who reported Hispanic ethnicity are included in the minority statistic.

Race/Ethnicity Counts

Race	Hispanic or Latino	Not Hispanic	Not Specified	Grand Total
White	511	4,440	18	**4,969**
Two or more races	97	435	115	**647**
Black or African American	52	537	3	
Asian or Pacific Islander	20	369		**389**
American Indian or Alaskan Native	63	11		**74**
Not Specified	205	13	4	**222**
Grand Total	**948**	**5,805**	**140**	**6,893**

OBS by Sector

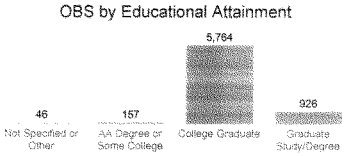


Age Distribution*

Age group	Number of Records	% of Grand Total
20-29	5,906	85.7%
30-39	648	9.4%
40-49	107	1.6%
50+	232	3.4%

Average = 27, Median = 26, Youngest = 20, Oldest = 81
* Volunteer/Trainee age on the last day of the Fiscal Year

OBS by Educational Attainment



OBS by Marital Status

APPENDIX B

PEACE CORPS APPLICATION PROCESS AND PHASES OF VOLUNTEER SERVICE

PEACE CORPS APPLICATION PROCESS

The Peace Corps application process typically takes six to 12 months. Peace Corps posts quarterly application deadlines and "Know-By" dates that help applicants plan and make decisions based on their own schedules and needs. All applicants are notified—at least four months before their anticipated departure date — as to whether they are invited to serve or not.

Application

The first step toward becoming a Peace Corps Volunteer is to complete an application at www.peacecorps.gov/apply. The application process usually takes about one hour. An individual can apply to a specific opening (country/sector) or to serve where needed most. Once an individual submits an application, they are then asked to complete a health history form.

Interview

The next step is an interview to further assess the applicant's suitability for service. Via videoconference, the applicant has the opportunity to highlight their skills, interests, and suitability for service with a Peace Corps staff member. Personal Attributes such as flexibility, adaptability, social and cultural awareness, motivation, and commitment to Peace Corps service are evaluated. This is also an opportunity for the applicant to ask questions and explore with the interviewer whether the Peace Corps is a good match for the individual.

Invitation

Applicants who are among the best qualified for a particular assignment receive invitations to serve. The invitation includes the date of departure, the program assignment, a welcome packet with details about the country where they will serve, the Volunteer Handbook, and more. An invitation to serve is contingent on the invitee obtaining both medical and legal clearance.[12]

Medical Clearance

All invitees are required to complete a physical and dental examination. At a minimum, the physical examination includes a medical exam conducted by a doctor, basic lab work and immunizations necessary for each assignment, as well as dental X-rays. The Peace Corps offers cost-sharing reimbursement according to a fee schedule.

Legal Clearance

The Peace Corps completes a background investigation of each candidate who accepts an invitation to serve, to ensure that the individual's enrollment as a Peace Corps Volunteer is consistent with U.S. national interests.

Preparation for Departure

Prior to departure, applicants complete online activities in preparation for service and apply for a passport and visa.

12 During the COVID-19 pandemic, Peace Corps continues to receive and assess applications, but is not yet issuing invitations to Peace Corps service

Departure for Service

Trainees meet at their designated departure city, participate in staging activities, receive additional information about their country of service, and travel as a group to their assigned country to begin in-country training.

PHASES OF VOLUNTEER SERVICE

Trainee

Pre-Service Training: Upon arrival to their country of service, trainees undergo three months of training in language, technical skills, and cross-cultural, health, and personal safety and security issues. After successful completion of training and testing, trainees are sworn in as Volunteers.

Volunteer

Volunteer Assignment: The Volunteer is assigned to a project, designed by Peace Corps staff, to help meet the development needs of the host country.

Site Selection: Peace Corps' in-country staff ensures that Volunteers have suitable assignments and adequate and safe living arrangements.

Living Allowance: The Peace Corps provides Volunteers with a monthly allowance to cover housing, utilities, household supplies, food, clothing, and transportation.

Health: The Peace Corps' in-country medical officers provide Volunteers with health information, immunizations, and periodic medical exams.

Service Extension: A limited number of Volunteers who have unique skills and outstanding records of service may extend for an additional year.

RETURNED VOLUNTEER

Readjustment Allowance: At the end of service, Volunteers receive $375 per month served ($475 per month for a Volunteer's third year of service) to help finance their transition to careers or further education.

Health Insurance: Volunteers are covered by a health insurance plan for the first month after service and can continue the plan at their own expense for up to two additional months.

Returned Volunteer Services: The Peace Corps provides career, educational, and transitional assistance to Volunteers when they complete their Peace Corps service. Returned Volunteers are also encouraged to further the Peace Corps' Third Goal by sharing their experiences abroad with fellow Americans and to assist the Peace Corps in documenting the domestic dividend accrued to the United States via the skills and competencies gained by a Volunteer during their service.

Peace Corps Response: Peace Corps Response (PCR) staff recruits and places experienced Americans, including returned Volunteers, in short-term, high-impact assignments.

Paul D. Coverdell Fellows: The Peace Corps partners with universities and colleges to provide graduate school benefits for returned Volunteers.

APPENDIX C

FY 2020 HOME STATES OF PEACE CORPS VOLUNTEERS

Counts of Peace Corps Volunteers, Trainees, and PCR Volunteers from all funding sources in Fiscal Year 2020. Due to the global evacuation in response to the COVID-19 pandemic, no Volunteers were serving on September 30, 2020. Therefore, only evacuated Volunteers are included in this table. This analysis includes U.S. territories and the District of Columbia. Not included among the evacuated Volunteers are 82 Volunteers who have an overseas home address or no address on file. Report completed October 16, 2020, by OSIRP. Source: PCVDBMS.

STATE / TERRITORY	FY 2020 ON-BOARD STRENGTH	TOTAL SINCE 1961[13]	STATE / TERRITORY	FY 2020 ON-BOARD STRENGTH	TOTAL SINCE 1961
Alabama	39	1,254	Montana	45	1,524
Alaska	16	1,048	Nebraska	32	1,486
Arizona	135	3,893	Nevada	37	1,091
Arkansas	30	1,031	New Hampshire	48	1,826
California	817	31,891	New Jersey	157	5,434
Colorado	215	7,678	New Mexico	37	2,289
Connecticut	78	3,608	New York	395	14,550
Delaware	17	554	North Carolina	217	4,773
District of Columbia	124	2,523	North Dakota	7	596
Florida	306	8,625	Ohio	223	7,776
Georgia	193	3,927	Oklahoma	40	1,422
Guam	1	81	Oregon	167	6,595
Hawaii	26	1,488	Pennsylvania	271	8,705
Idaho	41	1,471	Puerto Rico	15	443
Illinois	274	9,312	Rhode Island	31	1,111
Indiana	110	3,553	South Carolina	71	1,751
Iowa	84	2,515	South Dakota	8	677
Kansas	46	1,871	Tennessee	75	1,990
Kentucky	59	1,712	Texas	352	8,227
Louisiana	50	1,231	Utah	36	1,221
Maine	46	1,987	Vermont	49	1,633
Maryland	255	6,542	Virgin Islands	1	89
Massachusetts	241	8,812	Virginia	355	8,354
Michigan	199	7,775	Washington	241	10,009
Minnesota	171	7,090	West Virginia	21	720
Mississippi	24	540	Wisconsin	154	6,440
Missouri	117	3,628	Wyoming	12	553

13 Includes FY 2018 data corrections.

APPENDIX D

THE PEACE CORPS' EDUCATIONAL PARTNERSHIPS IN THE UNITED STATES

The Peace Corps partners with hundreds of colleges and universities through four programs:

- Paul D. Coverdell Fellows: A graduate school benefit program that offers returned Peace Corps Volunteers financial assistance and professional internships in underserved communities while they pursue their graduate degrees.
- Peace Corps Prep: An interdisciplinary certificate program that combines coursework with community service to prepare undergraduate students for intercultural fieldwork such as Peace Corps service.
- Strategic Campus Recruiters: An opportunity through which universities contract with the Peace Corps to hire part-time, campus-based recruiters. Currently, there are strategic campus recruiters at more than 34 colleges and universities.
- Campus Ambassadors: An internship-like opportunity for undergraduate students to serve as peer-to-peer brand ambassadors, extending Peace Corps recruiters' reach to those who may have less awareness of opportunities to serve. Currently, Peace Corps has 57 campus ambassadors on 51 college campuses around the nation.

STATE/ TERRITORY	PAUL D. COVERDELL FELLOWS PROGRAM COLLEGES AND UNIVERSITIES	PEACE CORPS PREP COLLEGES AND UNIVERSITIES
Alabama	The University of Alabama, Birmingham	Alabama A&M University Troy University Tuskegee University The University of Alabama, Birmingham
Arizona	Arizona State University Northern Arizona University The University of Arizona	Arizona State University Northern Arizona University The University of Arizona
Arkansas	University of Arkansas, Fayetteville	Hendrix College Southern University Arkansas University of Arkansas, Fayetteville University of Arkansas at Pine Bluff
California	California State University, Fullerton California State University, Long Beach Loma Linda University Middlebury Institute of International Studies at Monterey	California State University, Channel Islands California State University, Sacramento San Diego State University University of California, Education Abroad Program (All UC Undergraduate Campuses) • University of California, Berkeley • University of California, Davis • University of California, Irvine

STATE/ TERRITORY	PAUL D. COVERDELL FELLOWS PROGRAM COLLEGES AND UNIVERSITIES	PEACE CORPS PREP COLLEGES AND UNIVERSITIES
California (Cont.)	Pacifica Graduate Institute University of San Diego University of San Francisco University of Southern California	• University of California, Los Angeles • University of California, Merced • University of California, Riverside • University of California, San Diego • University of California, Santa Barbara • University of California, Santa Cruz University of La Verne Whittier College
Colorado	Colorado State University Regis University University of Colorado, Denver University of Denver Western Colorado University	Colorado College Colorado School of Mines University of Colorado, Boulder University of Colorado, Denver Western Colorado University
Connecticut	University of Bridgeport Yale University	Fairfield University University of Bridgeport
Delaware	University of Delaware	
District of Columbia	American University Catholic University of America The George Washington University Georgetown University	American University Gallaudet University
Florida	Florida Institute of Technology Florida State University University of Central Florida University of South Florida	Eckerd College Florida Atlantic University Florida Gulf Coast University Florida International University Florida State University Stetson University University of Florida University of North Florida University of South Florida University of West Florida

STATE/ TERRITORY	PAUL D. COVERDELL FELLOWS PROGRAM COLLEGES AND UNIVERSITIES	PEACE CORPS PREP COLLEGES AND UNIVERSITIES
Georgia	Emory University Georgia College & State University Georgia State University Kennesaw State University	Fort Valley State University Georgia Gwinnett College Kennesaw State University Mercer University Savannah State University University of Georgia University of North Georgia
Hawaii		University of Hawaii at Manoa
Idaho		Boise State University Idaho State University
Iowa	Iowa State University	Iowa State University St. Ambrose University
Illinois	The Chicago School of Professional Psychology DePaul University Illinois State University Loyola University Chicago Western Illinois University	Aurora University Illinois State University Illinois Wesleyan University Knox College Monmouth College Southern Illinois University Western Illinois University
Indiana	Indiana University, Bloomington University of Notre Dame	Earlham College Indiana University, Bloomington Purdue University
Kansas		Pittsburg State University
Kentucky		Murray State University Transylvania University University of Kentucky
Louisiana	Tulane University Xavier University of Louisiana	Louisiana State University, Baton Rouge Tulane University

STATE/ TERRITORY	PAUL D. COVERDELL FELLOWS PROGRAM COLLEGES AND UNIVERSITIES	PEACE CORPS PREP COLLEGES AND UNIVERSITIES
Maine	University of Maine, Orono	
Maryland	Johns Hopkins University Norte Dame of Maryland University University of Maryland, Baltimore University of Maryland, Baltimore County University of Maryland, College Park	Morgan State University University of Maryland, Baltimore County University of Maryland, Eastern Shore
Massachusetts	Boston University Brandeis University Clark University Mount Holyoke College Springfield College Suffolk University University of Massachusetts, Boston	University of Massachusetts, Boston Westfield State University
Michigan	Eastern Michigan University Michigan Technological University University of Michigan, Ann Arbor	Michigan Technological University University of Michigan, Ann Arbor Western Michigan University
Minnesota	St. Catherine University University of Minnesota	St. Catherine University
Missouri	Washington University Rutgers University St. Louis University of Missouri, Columbia University of Missouri, Kansas City	Fontbonne University Missouri State University, Springfield Park University Truman State University University of Central Missouri University of Missouri, Columbia
Montana	University of Montana	Montana State University, Billings Montana State, Bozeman University of Montana
Nevada	University of Nevada, Reno	
New Hampshire	Antioch University New England (including Los Angeles, CA campus) Southern New Hampshire University University of New Hampshire	University of New Hampshire

STATE/ TERRITORY	PAUL D. COVERDELL FELLOWS PROGRAM COLLEGES AND UNIVERSITIES	PEACE CORPS PREP COLLEGES AND UNIVERSITIES
New Jersey	Monmouth University Rutgers University-Camden Rutgers University-New Brunswick Seton Hall University	Monmouth University
New Mexico	New Mexico State University Western New Mexico University	New Mexico State University University of New Mexico, Albuquerque
New York	Bard College Columbia University Teachers College, Columbia University Cornell University Fordham University Manhattanville College New York University The New School University at Albany, SUNY University of Rochester	Hartwick College Lehman College Stony Brook University University at Albany, SUNY
North Carolina	Appalachian State University Duke University Elon University Wake Forest University	Appalachian State University Elon University Fayetteville State University North Carolina Central University The University of North Carolina, Pembroke The University of North Carolina, Wilmington
North Dakota	University of North Dakota	University of North Dakota

STATE/ TERRITORY	PAUL D. COVERDELL FELLOWS PROGRAM COLLEGES AND UNIVERSITIES	PEACE CORPS PREP COLLEGES AND UNIVERSITIES
Ohio	Bowling Green State University Case Western Reserve University University of Cincinnati	Antioch College Baldwin Wallace University Bowling Green State University The College of Wooster Hiram College Kenyon College Ohio University Walsh University Wilmington College Wittenberg University
Oklahoma		The University of Oklahoma
Oregon	University of Oregon Willamette University	University of Oregon
Pennsylvania	Carnegie Mellon University Chatham University Drexel University Duquesne University Seton Hill University Shippensburg University The Pennsylvania State University University of Pennsylvania University of Pittsburgh Villanova University	Arcadia University Cheyney University of Pennsylvania Moravian College The Pennsylvania State University Shippensburg University Ursinus College
Puerto Rico		Universidad del Sagrado Corazón
Rhode Island		The University of Rhode Island
South Carolina	University of South Carolina	University of South Carolina University of South Carolina Upstate
Tennessee	East Tennessee State University The University of Tennessee, Knoxville	East Tennessee State University The University of Tennessee, Knoxville
Texas	Texas A&M University Texas A&M University, Corpus Christi Texas State University	Austin College St. Edward's University Texas State University

STATE/ TERRITORY	PAUL D. COVERDELL FELLOWS PROGRAM COLLEGES AND UNIVERSITIES	PEACE CORPS PREP COLLEGES AND UNIVERSITIES
Texas (Cont.)	University of North Texas The University of Texas at El Paso	Texas Tech University University of Houston University of North Texas University of Texas, Austin University of Texas, Dallas University of Texas, El Paso The University of Texas, Rio Grande Valley
Utah		Brigham Young University
Vermont	Marlboro College SIT Graduate Institute Saint Michael's College University of Vermont	Saint Michael's College University of Vermont
Virginia	College of William and Mary University of Mary Washington	George Mason University James Madison University University of Mary Washington University of Virginia Virginia Commonwealth University Virginia State University
Washington	University of Washington, Seattle	Pacific Lutheran University Saint Martin's University University of Puget Sound Washington State University
West Virginia	Future Generations University	West Virginia University
Wisconsin	Marquette University University of Wisconsin–Milwaukee	University of Wisconsin, Eau Claire University of Wisconsin, La Crosse
Wyoming		University of Wyoming

APPENDIX E

FOREIGN CURRENCY FLUCTUATIONS ACCOUNT

In FY 2020 the Peace Corps did not transfer funds to the Foreign Currency Fluctuations Account from the operating expenses account.

APPENDIX F

OBLIGATIONS OF FUNDS FROM OTHER GOVERNMENT AGENCIES BY PEACE CORPS

	FY2019	FY2020
Total Reimbursable	$4,845,776	$2,231,057
Total PEPFAR	$35,110,213	$28,053,110

APPENDIX G

OIG BUDGET REQUEST

Office of Inspector General's Fiscal Year 2022 Budget Request

The Inspector General Reform Act (Pub. L. 110-409) was signed by the President on October 14, 2008. Section 6(f)(1) of the Inspector General Act of 1978, 5 U.S.C. app. 3, was amended to require certain specifications concerning Office of Inspector General (OIG) budget submissions each fiscal year.

Each Inspector General (IG) is required to transmit a budget request to the head of the establishment or designated Federal entity to which the IG reports specifying the:

- aggregate amount of funds requested for the operations of the OIG,
- the portion of this amount that is requested for all OIG training needs, including a certification from the IG that the amount requested satisfies all OIG training requirements for that fiscal year, and
- the portion of this amount that is necessary to support the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

The head of each establishment or designated Federal entity, in transmitting a proposed budget to the President for approval, shall include:

- an aggregate request for the OIG,
- the portion of this amount for OIG training,
- the portion of this amount for support of the CIGIE, and
- any comments of the affected IG with respect to the proposal.

The President shall include in each budget of the U.S. Government submitted to Congress:

- a separate statement of the budget estimate (aggregate funds requested) submitted by each IG.
- the amount requested by the President for each IG,
- the amount requested by the President for training of OIGs,
- the amount requested by the President for support of the CIGIE, and
- any comments of the affected IG with respect to the proposal if the IG concludes that the budget submitted by the President would substantially inhibit the IG from performance of the OIG's duties.

Following the requirements as specified above, the Office of Inspector General (OIG) of the Peace Corps submits the following information relating to the OIG's requested budget for fiscal year 2022:

the aggregate budget request for the operations of the OIG is $ 6,330,000
the portion of this amount needed for OIG training is $59,000 and
the portion of this amount needed to support the CIGIE is $22,788 (.36% of $6,330,000).

I certify as the IG of the Peace Corps that the amount I have requested for training satisfies all OIG training needs for fiscal year 2022.

Kathy A. Buller
Inspector General

September 3, 2020
Date

Peace Corps Office of Inspector General
1275 First Street, NE, Washington, DC 20526 · 202.692.2900 · OIG@peacecorps.gov

APPENDIX H

OPEN RECOMMENDATIONS FOR GAO-IG ACT COMPLIANCE

Project Code	Fiscal Year	Project Name	Recommendation
IG-11-01-E	FY 11	PC/Volunteer Delivery System	18. That the agency systematically collect and analyze data to determine whether Volunteer medical accommodations pose an undue hardship on the operation of the Peace Corps or any component thereof.
IG-12-05-E	FY 12	PC/Five-Year Rule	2. That the Director identify which function should be subject to periodic turnover to meet the needs of the agency, and implement a process to manage turnover so that the agency retains qualified personnel on the basis of merit and performance.
IG-12-05-E	FY 12	PC/Five-Year Rule	3. That the Director identify the agency's core business functions and positions that currently suffer from frequent staff turnover and lack of continuity, and determine and implement a process for acquiring and retaining qualified personnel to perform those functions on the basis of merit and performance.
IG-13-01-SR	FY 13	Capstone: Medical Inventory	03. That the Office of Health Services enhance the monitoring of medical supply inventories to include conducting additional analysis, requiring explanations for significant discrepancies, and assisting posts that continue to struggle with implementing procedures.
IG-13-01-SR	FY 13	Capstone: Medical Inventory	02. That the Office of Health Services track the total procurement of the different classifications of medical supplies: controlled, specially designated, and other. Additionally, that the Office of Health Services use this information to monitor the amount of medical supplies covered by the policies, to determine what is included in the list of specially designated medical supplies, and to establish appropriate controls for the different classifications.
IG-14-01-A	FY 14	PC/Overseas Staffing	9. That the Office of Global Operations, in coordination with the Office of Human Resource Management, determine how to overcome the timing differences between the Annual Volunteer Survey and annual written appraisals to better match the performance appraisal period and provide timely Annual Volunteer Survey results for inclusion in the annual written performance appraisals.
IG-14-01-A	FY 14	PC/Overseas Staffing	10. That the Office of Human Resource Management provide bi-annual training and guidance to all post rating officials on their role in conducting performance appraisals and the level of detail needed to provide adequate feedback.

Project Code	Fiscal Year	Project Name	Recommendation
IG-14-01-A	FY 14	PC/Overseas Staffing	11. That the Office of Global Operations develop guidance and provide oversight of post senior staff performance appraisals to verify that each performance element is consistently addressed in the appraisal.
IG-14-01-A	FY 14	PC/Overseas Staffing	13. That the Office of Global Operations, in coordination with the Office of Human Resource Management, issue guidance and provide support to regional directors on how to handle performance issues and, when required, termination of country directors.
IG-14-02-E	FY 14	PC/Peace Corps Volunteer Sexual Assault Policy	7. That the agency develop and communicate expectations for training newly hired overseas staff, including training methods and deadlines.
IG-14-02-E	FY 14	PC/Peace Corps Volunteer Sexual Assault Policy	8. That the agency develop and implement a method to track training records to verify that it is meeting the requirements of the Kate Puzey Act.
IG-14-07-E	FY 14	PC/Overseas Staff Training	04. That the director for human resource management maintain a complete list of supervisors and provide initial and refresher supervisor training to all staff in a supervisory role, regardless of employment classification.
IG-14-07-E	FY 14	PC/Overseas Staff Training	05. That the director for human resource management develop and implement a method to track supervisor training for overseas staff and hold staff accountable for completion of the training.
IG-14-07-E	FY 14	PC/Overseas Staff Training	8. That the AD for global operations develop and implement an approach that ensures that overseas American staff has the language skills they need for their jobs.
IG-14-07-E	FY 14	PC/Overseas Staff Training	14. That the chief acquisition officer establish and implement a formal verification and follow-up process to ensure purchase cardholders and approving officials are receiving required training.
IG-14-07-E	FY 14	PC/Overseas Staff Training	21. That the chief of staff develop and implement a process to conduct staff training needs assessments on an ongoing basis.
IG-14-07-E	FY 14	PC/Overseas Staff Training	24. That the chief of staff conduct a comprehensive assessment of the applicability and relevance of federally mandated trainings to overseas staff and develop training requirements and training programs as necessary.
IG-16-01-E	FY 16	OIG Follow-Up Evaluation of Medical Care PC Morocco	8. That the associate director of the Office of Health Services ensure that all root cause analyses include key components (system focus, cause/effect, action plan and measures).

Project Code	Fiscal Year	Project Name	Recommendation
IG-16-01-E	FY 16	OIG Follow-Up Evaluation of Medical Care PC/Morocco	9. That the associate director of the Office of Health Services improve staff understanding of best practices for selecting sentinel events for review and for carrying out root cause analyses.
IG-16-01-E	FY 16	OIG Follow-Up Evaluation of Medical Care PC.Morocco	22. That the associate director of the Office of Health Services, the associate director forGlobal Operations, and the chief of staff in the Office of the Director address the causes of Peace Corps medical officer job dissatisfaction, including compensation, workload, professional development opportunities, and communication between health unit and other units at post, to improve Peace Corps medical officer morale and retention.
IG-16-01-E	FY 16	OIG Follow-Up Evaluation of Medical Care PC/Morocco	23. That the associate director of the Office of Health Services assess staffing configurations at posts and regional medical hubs and develop a plan to provide health units with sufficient clinical and administrative support staff.
IG-16-02-A	FY 16	PC/Healthcare Benefits Administration Contract	6. That the chief acquisition officer direct the contracting officer to modify the present contract to correctly identify the contract type.
IG-16-02-A	FY 16	PC/Healthcare Benefits Administration Contract	7. That the chief acquisition officer implement policy to ensure that the Peace Corps' contacting officers follow Federal Acquisition Regulation Subpart 16.1, "Selecting Contract Types."
IG-16-02-A	FY 16	PC/Healthcare Benefits Administration Contract	10. That the chief acquisition officer direct the contracting officer to calculate the overpayment of the network costs and seek a refund from the contractor for Peace Corps' overpayment that resulted through non-use of the MDR benchmark over the period October 1, 2005 through August 31, 2015.
IG-16-02-A	FY 16	PC/Healthcare Benefits Administration Contract	12. That the Office of Health Services associate director, ensure that the contracting officer's representative develop a detailed plan for reviewing and testing sufficient selected data supporting contractor invoices submitted to the Peace Corps for payment. The plan should be designed to achieve better assurance that the amounts billed are accurate, fully supported, and authorized by the contract.
16-03-SR	FY 16	MAR: Site History Files	1. That the Associate Director for Safety and Security, the Associate Director of Global Operations, and Regional Directors collaborate to strengthen oversight mechanisms to improve the completeness, organization, and use of site history files for site development and selection.

Project Code	Fiscal Year	Project Name	Recommendation
16-03-SR	FY 16	MAR: Site History Files	2. That the Associate Director for Safety and Security collaborate with the Associate Director of Global Operations and Regional Directors to provide clear, easily accessible and explicit agency-wide guidance to posts on the processes and procedures for maintaining site history files.
16-03-SR	FY 16	MAR: Site History Files	3. That the Associate Director for Safety and Security, the Associate Director for Global Operations, Regional Directors, and the Chief Information Officer collaborate as needed to provide systems for post for maintaining site history files.
IG-17-01-E	FY 17	PC/SARRR Evaluation	2. That the Director improve the presentation of crimes and risks information (including qualitative information on the risk of sexual harassment) for applicants by making this information more accessible to all applicants and easier to understand.
IG-17-01-E	FY 17	PC/SARRR Evaluation	16. That the Director establish a process to gather information on Volunteers' use of risk reduction and response skills taught in the training, and use it to make improvements to the training.
IG-17-01-E	FY 17	PC/SARRR Evaluation	18. That the Director develop and implement mental health access to care timeliness standards for victims of sexual assault with a mechanism to notify management when these standards are not met.
IG-17-01-E	FY 17	PC/SARRR Evaluation	26. That the Director expand the monitoring and evaluation plan for the sexual assault risk reduction and response program to include sexual assault risk reduction measures.
IG-17-01-E	FY 17	PC/SARRR Evaluation	29. That the Director dedicate additional administrative support to maintain accurate, up-to-date, centralized, and easily accessible overseas staff sexual assault risk reduction and response training records.
IG-17-01-E	FY 17	PC/SARRR Evaluation	35. That the Director develop specific guidance to Peace Corps medical officers to clarify the standards and expectations for the provision of counseling services, and communicate that guidance to Volunteers.
16-EVAL-03	FY 17	PC/South Africa	2. That the Office of Health Service in consultation with the Country Director and Peace Corps Medical Officers in South Africa take into account the nature of service in the country when making decisions about placing and supporting medically accommodated Volunteers, especially those with mental health accommodations.

Project Code	Fiscal Year	Project Name	Recommendation
17-AUD-05	FY 17	PC/Zambia	19. That the Office of the Chief Financial Officer/Acquisition and Contract Management issue a policy requiring post management to enter in to a contract with the auctioneer as warranted by the nature of the auction arrangement.
18-EVAL-01	FY 18	PC/Uganda	4. That the director of programming and training improve the post's practices during site identification and approval to collect information about transportation options at each site, including the physical distances from Volunteers' houses and work sites to a standard form of transportation.
18-EVAL-01	FY 18	PC/Uganda	7. That the director of programming and training create a plan to develop, implement, and communicate a more standardized and effective site identification, preparation, and approval process.
IG-18-01-SR	FY 18	MAR: Volunteer Drug Use	1. That the Director of the Peace Corps provide country directors with additional support to resolve allegations of drug involvement under manual section 204, 3.5.1 and specifically consider the efficacy of reasonable suspicion drug testing as a means of doing so.
IG-18-01-SR	FY 18	MAR: Volunteer Drug Use	2. That the Office of General Counsel review the evidentiary standard required to administratively separate a Volunteer suspected of involvement with drugs to determine whether the standard, and its application, is consistent with promoting the integrity of the program and continues to serve the policy interest of the Peace Corps.
IG-18-01-SR	FY 18	MAR: Volunteer Drug Use	3. That the Director of the Peace Corps make necessary changes to policies, procedures, and forms related to Volunteer resignations and administrative separations, so that Volunteer files and early termination statistics include accurate information regarding unauthorized drug use
IG-18-01-SR	FY 18	MAR: Volunteer Drug Use	4. That the Director of the Peace Corps take effective steps to ensure ongoing compliance and consistency in implementation of the Volunteer separation recordation processes.
IG-18-01-SR	FY 18	MAR: Volunteer Drug Use	5. That the Director of the Peace Corps gather and analyze continuous information on the prevalence of, and factors contributing to, unauthorized drug use in the context of Volunteer service, through the Annual Volunteer Survey or another data gathering tool.

Project Code	Fiscal Year	Project Name	Recommendation
IG-18-02-SR	FY 18	MAR: Managing the Suspension of Peace Corps/Kenya	1. That the Director develop guidelines and a process for staff to periodically assess the suitability of staffing levels at suspended posts, and to make timely reduction in staff decisions. The process should include, at minimum, staff from the Director's office, Regional Operations Office, Office of Safety and Security, Office of Global Operations, Congressional Relations, General Counsel, Office of the Chief Financial Officer.
IG-18-02-SR	FY 18	MAR: Managing the Suspension of Peace Corps/Kenya	2. That the Director maintain adequate documentation of key decisions and recommendations related to opening,closing, and suspending any overseas office or country program.
IG-18-03-SR	FY 18	MAR: Purchase Card Review	2. That the Office of the Chief Financial Officer develop, provide and track Peace Corps-specific training for all purchase card program participants including obligating, reallocating, and approving procedures. Further, ensure that this training complies with OMB guidelines for both initial and refresher training.
IG-18-03-SR	FY 18	MAR: Purchase Card Review	3. That the Office of the Chief Financial Officer ensure appropriate oversight over the purchase card program to include monitoring of transactions, the use of available data analytics tools and ensuring that follow-up processes receive sufficient staffing and oversight, in both ACM and GAP.
IG-18-03-SR	FY 18	MAR: Purchase Card Review	4. That the Office of the Chief Financial Officer: • develop controls to ensure the APC monitors, identifies and follows-up potential split purchases. • ensure rejected transactions are monitored and resolved in a timely manner. • develop procedures for the APC to monitor auto-closed Citibank monthly statements and review transactions on auto- closed statements to verify for adequate support and authorization • remind cardholders and approving officials to comply with Peace Corps policy for retaining supporting documents for appropriate period.
IG-18-03-SR	FY 18	MAR: Purchase Card Review	5. That the Office of the Chief Financial Officer review the need to ratify the items purchased over micro-purchase limits.
IG-19-01-SR	FY 19	Management Advisory Report: Seed Global Health Services	1. That the Director of the Peace Corps require the Chief Acquisition Officer to implement procedures and practices that ensure proper segregation of duties to avoid potential conflicts and appearances of favoritism in the cooperative agreement award process.

Project Code	Fiscal Year	Project Name	Recommendation
IG-19-01-SR	FY 19	Management Advisory Report: Seed Global Health Services	2. That the Director of the Peace Corps establish comprehensive agency policy and procedures on cooperative agreements with non-governmental entities. At minimum, such policy should address the need for competition, circumstances where competition is not required, justifications for noncompetitive awards, and appropriate limitations on cooperative agreement extensions.
IG-19-01-SR	FY 19	Management Advisory Report: Seed Global Health Services	3. That the Director of the Peace Corps require the Chief Acquisition Officer to implement a record management system for cooperative agreements, to include maintaining specific written documentation to justify all future non-competitive agreements in the agreement file that will assist other staff in substantiating decisions made by former staff.
IG-19-01-SR	FY 19	Management Advisory Report: Seed Global Health Services	4. That the Director of the Peace Corps require the Chief Acquisition Officer to submit to GSA's Catalog of Federal Domestic Assistance complete and accurate information regarding all grants and cooperative agreements with Peace Corps.
IG-19-01-SR	FY 19	Management Advisory Report: Seed Global Health Services	5. That the Director of the Peace Corps require the Chief Acquisition Officer to review relevant Peace Corps contracts, grants, and agreements to ascertain that each file contains the proper anti-lobbying certification, in compliance with applicable laws and regulations and report to OIG the failure of any entity to submit required certifications.
IG-19-02-A	FY 19	PC/eSwatini	26. That the country director and director of management and operations consult with the Office of the Chief Financial Officer on the corrections necessary regarding this purchase and follow their guidance, as necessary.
IG-19-02-A	FY 19	PC/eSwatini	27. That the director of management and operations follow the PEPFAR guidance for allocating funds.
IG-19-02-A	FY 19	PC/eSwatini	28. That the director of management and operations implement post specific controls to record and track the use of fuel for generators.
IG-19-03-E	FY 19	PC/Comoros	2. That the chief of operations for the Africa Region work with post leadership to develop a plan to implement the post's transition to a new staffing model and clarify staff roles and responsibilities.
IG-19-03-E	FY 19	PC/Comoros	3. That the country director and the program manager work with the agency's education specialist to modify the TEFL training sessions in both pre-service and in-service training to incorporate more information about teaching in Comorian schools.

Project Code	Fiscal Year	Project Name	Recommendation
IG-19-03-E	FY 19	PC/Comoros	4. That the country director and the program manager improve the model school experience during pre-service training to provide trainees with a more relevant practicum that reflects what Volunteers will face in a typical Comorian classroom.
IG-19-03-E	FY 19	PC/Comoros	5. That the country director and the program manager improve training for any temporary technical trainer to ensure thathe or she is well prepared to present the TEFL technical training during pre-service or in-service training events.
IG-19-03-E	FY 19	PC/Comoros	8. That the country director implement the trainee assessment portfolio to provide formative assessments to trainees, determine which trainees will be allowed to swear in, and document the assessment process.
IG-19-03-E	FY 19	PC/Comoros	11. That the country director develop standard operating procedures for the post's site history files.
IG-19-03-E	FY 19	PC/Comoros	13. That the country director improve the processes post uses to install mosquito screens in Volunteer homes prior to occupancy, and ensure that screens have been installed at the housing of currently serving Volunteers.
IG-19-03-E	FY 19	PC/Comoros	15. That the country director and Peace Corps medical officer update medical site selection criteria and trainprogramming staff who use it when carrying out site identification activities.
IG-19-03-SR	FY 19	Management Advisory Report: Comoros	1. That the Director deploy atleast two qualified medical officers to Comoros and assess the need to have a minimum of two qualified medical officers at posts with an active Volunteer population, prioritizing in the short term those posts with just one medical officer and additional vulnerabilities or factors (e.g. a medical officer with limited clinical expertise, a remote archipelago with inadequate local medical facilities) that complicate the agency's ability to meet Volunteers' health care needs.
IG-19-03-SR	FY 19	Management Advisory Report: Comoros	7. That the Peace Corps Medical Officer(s) in Comoros institute a process to track and provide Volunteers with malaria chemoprophylaxis on a schedule that makes it possible for Volunteers to rigorously adhere to their antimalarial medication requirement, and adminstratively separate Volunteers who fail to adhere to their malaria prophylaxis schedules.
IG-19-04-A	FY 19	PC/Fiji	10 .That the Office of the Chief Financial Officer/Acquisition and Contract Management issue a policy requiring post management to enter in to a contract with the auctioneer as warranted by the nature of the auction arrangement.

Project Code	Fiscal Year	Project Name	Recommendation
IG-19-04-A	FY 19	PC/Fiji	1. That the country director work with the Office of General Counsel to initiate negotiations as called for in the country agreement, with the goal of achieving tax exempt status on certain purchases.
IG-19-04-E	FY 19	PC/Paraguay	1. That the director of programming and training work with staff and Volunteers to integrate training on harassment into language, cultural, and other aspects of trainings so that Volunteers in Paraguay learn appropriate and practical ways to mitigate and respond to harassment they may experience.
IG-19-04-E	FY 19	PC/Paraguay	5. That the country director and director of programming and training develop a plan to improve management and oversight of a more consistent and efficient site identification and selection process.
IG-19-04-E	FY 19	PC/Paraguay	3. That the director of programming and training improve collaboration between the programming and training teams inthe design and delivery of technical training for Volunteers.
IG-19-04-E	FY 19	PC/Paraguay	10 .That the country director and Peace Corps medical officers adhere to Technical Guideline 510, and clarify to medicalstaff and Volunteers the referral process for providing mental health counseling support to Volunteers.
IG-19-04-E	FY 19	PC/Paraguay	5. That the country director and director of programming and training develop a plan to improve management and oversight of a more consistent and efficient site identification and selection process.
IG-19-04-E	FY 19	PC/Paraguay	6. That the director of programming and training develop, document, and implement site identification criteria that help the post select suitable host families, counterparts, organizations, and communities.
IG-19-05-E	FY 19	Homestay Impact Evaluation	1. That the deputy director of the Office of Strategic Information, Research, and Planning collaborate with the Office of Safety and Security to develop a plan to assess the impact of homestay requirements on Volunteer safety using Interrupted Time Series analysis or a similarly robust approach.
IG-19-05-E	FY 19	Homestay Impact Evaluation	2. That the deputy director of the Office of Strategic Information, Research, and Planning collaborate with the Office of Overseas Programming and Training Support to develop a plan to assess the impact of homestay requirements on Volunteer language proficiency using Interrupted Time Series analysis or a similarly robust approach.

Project Code	Fiscal Year	Project Name	Recommendation
IG-19-05-E	FY 19	Homestay Impact Evaluation	3. That the associate director of the Office of Global Operations issue guidance to posts that describes how and why to emphasize both privacy and support when training host families.
IG-19-05-E	FY 19	Homestay Impact Evaluation	4. That the associate director of the Office of Global Operations provides guidance to posts about initiating, increasing, and implementing homestay requirements in order to mitigate the challenges associated with these policies.
IG-19-05-SR	FY 19	New Country Entry Guidance for Conflict-Affected Environments	3. OIG recommended that the associate director of the Office of Global Operations provide guidance regarding the use of internally and externally available data sources to understand the conflict context during assessments.
IG-19-05-SR	FY 19	New Country Entry Guidance for Conflict-Affected Environments	6. OIG recommended that the associate director of the Office of Global Operations centralize and consolidate reports, notes, and information collected during new country assessments.
IG-19-05-SR	FY 19	New Country Entry Guidance for Conflict-Affected Environments	7. OIG recommended that the country director ensure that screens are properly installed and functioning on doors and windows of all Volunteer residences.
IG-19-05-SR	FY 19	New Country Entry Guidance for Conflict-Affected Environments	8. OIG recommended that the associate director of the Office of Global Operations revise the "New Country Entry Guide" to include additional provisions for the training and support needs of staff working in conflict-affected environments.
IG-19-05-SR	FY 19	New Country Entry Guidance for Conflict-Affected Environments	9. OIG recommended that the associate director of the Office of Global Operations revise the "New Country Entry Guide" to provide for longer timelines, where appropriate, and additional resource requirements to support staff involved in completing start-up activities in conflict-affected countries.
IG-19-05-SR	FY 19	New Country Entry Guidance for Conflict-Affected Environments	10. OIG recommended that the associate director of the Office of Global Operations revise the "New Country Entry Guide" to include more guidance related to the appropriate use of regional staff or other temporary duty staff to assist with start-up operations in conflict-affected countries.
IG-19-05-SR	FY 19	New Country Entry Guidance for Conflict-Affected Environments	11. OIG recommended that the associate directors for the Offices of Volunteer Recruitment and Selection, Global Operations, and Peace Corps Response develop focused Volunteer recruitment protocols and pre-departure communications for conflict-affected environments which inform invitees about challenges of service.

Project Code	Fiscal Year	Project Name	Recommendation
IG-19-05-SR	FY 19	New Country Entry Guidance for Conflict-Affected Environments	12. OIG recommended that the associate director of the Office of Global Operations revise the "New Country Entry Guide" to provide guidance on Volunteer training competencies for conflict- affected environments.
IG-19-05-SR	FY 19	New Country Entry Guidance for Conflict-Affected Environments	13. OIG recommended that the associate director of the Office of Overseas Programming and Training Support create, collect, and make available appropriate references and trauma-informed training materials for conflict-affected posts.
IG-19-05-SR	FY 19	New Country Entry Guidance for Conflict-Affected Environments	14. OIG recommended that the associate director of the Office of Global Operations revise the "New Country Entry Guide" to include guidance related to the use of external local resources to assist with training Volunteers about the conflict.
IG-19-07-E	FY 19	PC/Tanzania	1. That the country director ensures there are sufficient funds at the post available to improve housing when communities are unable to pay for necessary upgrades.
IG-19-07-E	FY 19	PC/Tanzania	2. That the director for programming provide sufficient oversight to ensure that the process of site development is well- planned and organized and staff are appropriately documenting and sharing information about the progress of each site..
IG-19-07-E	FY 19	PC/Tanzania	3. That the director for programming revise the timeline for site development to conform with the Programming, Training, and Evaluation Guidance that the site identification process should begin a year before Volunteers arrive at site.
IG-19-07-E	FY 19	PC/Tanzania	4. That the country director ensure that site and housing criteria checklists are accurately completed and approved before Volunteers move into their permanent sites.
IG-19-07-E	FY 19	PC/Tanzania	5. That the country director develop and implement a post site history file standard operating procedure which conforms with the requirements of Safety and Security Instruction 401.
IG-19-07-E	FY 19	PC/Tanzania	9. That the country director create a standard operating procedure which designates responsibilities and procedures for different functions in the Volunteer information database application (Version 2.0).
IG-19-07-E	FY 19	PC/Tanzania	11. That the Peace Corps safety and security officer conduct a full country risk assessment for the post.

Project Code	Fiscal Year	Project Name	Recommendation
IG-19-07-E	FY 19	PC/Tanzania	12. That the country director and director of management and operations work with Volunteers to increase settling-in allowance survey participation and the post's understanding of Volunteer settling-in challenges.
IG-19-07-E	FY 19	PC/Tanzania	13. That the country director and director of management and operations evaluate whether settling-in allowances should be changed to reflect different living situations.
IG-19-07-E	FY 19	PC/Tanzania	14. That the country director clarify and communicate the process for obtaining reimbursement for additional settling-in expenses.
IG-19-07-E	FY 19	PC/Tanzania	17. That the country director establish more active and regular engagement with project advisory committees.
IG-19-07-E	FY 19	PC/Tanzania	18. That the country director revise the post staffing structure to a more conventional director of programming and training, and deputy director of programming and training.
IG-19-07-E	FY 19	PC/Tanzania	21. That the Africa regional director provide resources for team building and conflict mediation between the programming and training units and United States direct hire staff.
IG-19-08-E	FY 19	PC/Kyrgyz Republic	1. That the Europe, Mediterranean, and Asia regional director develop a strategy to deploy to the post a leadership teamwith sufficient experience and expertise to support and facilitate effective communication and collaboration with staff, Volunteers, and stakeholders.
IG-19-08-E	FY 19	PC/Kyrgyz Republic	3. That the country director implement a procedure to annually review and update an earthquake checklist with the safety and security manager and incorporate the checklist into the emergency action plan.
IG-19-08-E	FY 19	PC/Kyrgyz Republic	6. That the director of programming and training ensure sexual assault and harassment training includes practical response techniques.
IG-19-08-E	FY 19	PC/Kyrgyz Republic	9. That the safety and security manager ensure relevant safety and security information is included in all site history files.
IG-20-01-A	FY 20	The Peace Corps' Compliance with the Digital Accountability and Transparency Act	2. That the Director develop a risk profile in alignment with the agency's enterprise risk management policy and OMB Circular No. A-123, Management Responsibility for Enterprise Risk Management and Internal Control. This should include risks associated with the controls over the source systems and reporting for the Digital Accountability and Transparency Act of 2014.

Project Code	Fiscal Year	Project Name	Recommendation
IG-20-01-A	FY 20	The Peace Corps' Compliance with the Digital Accountability and Transparency Act	3. That the chief financial officer develop and implement a data quality plan that aligns with the requirements of OMB memorandum 18-16 and outlines the risk and mitigating controls the agency has in place to demonstrate that the data submitted is of high quality.
IG-20-01-A	FY 20	The Peace Corps' Compliance with the Digital Accountability and Transparency Act	4. That the chief financial officer require all quality review steps, outlined in the data quality plan, be performed prior to the senior accountable officer certification of the quarterly submissions for the Digital Accountability and Transparency Act of 2014.
IG-20-01-E	FY 20	PC/Panama	1. That the director of programming and training align the health project goals with national development goals and the work Volunteers can realistically accomplish as part of the agency's programming, training, and evaluation realignment process.
IG-20-01-E	FY 20	PC/Panama	6. That the country director and the safety and security manager conduct consolidation tests to improve Volunteer awareness of their consolidation point.
IG-20-01-E	FY 20	PC/Panama	9. That the director of management and operations improve the administration of allowance surveys to raise theVolunteer response rate.
20-EVAL-01	FY 20	PC/Eastern Caribbean	2. That the country director develop a plan to improve management of key aspects of the post's Response program, including: identification and vetting of Response Volunteer assignments, selection and preparation of work sites and partners, training of Response Volunteers on local language and culture, and staff communication and collaboration to support the program.
20-EVAL-01	FY 20	PC/Eastern Caribbean	3. That the country director swear-in Volunteers based on staff's completed assessment of trainees' readiness to serve and qualifications.
20-EVAL-01	FY 20	PC/Eastern Caribbean	4. That the director of programming and training provide more oversight of staff's completion of trainee assessments, per the post's trainee assessment portfolio guidelines.
20-EVAL-01	FY 20	PC/Eastern Caribbean	5. That the director of programming and training incorporate more opportunity for education project trainees to practice teaching before going to their permanent sites, and ensure staff observe, assess, and document trainees' acquisition of teaching skills prior to their swearing-in.

Project Code	Fiscal Year	Project Name	Recommendation
20-EVAL-01	FY 20	PC/Eastern Caribbean	6. That the director of programming and training ensure that the post adheres to its standard operating procedure for the collection, documentation, recordation, and proper utilization of site history files.
20-EVAL-01	FY 20	PC/Eastern Caribbean	8. That the director of management and operations train staff on how to conduct market-basket surveys and have staff conduct a market-basket survey for each island, as required by Manual Section 221.
20-EVAL-01	FY 20	PC/Eastern Caribbean	10. That the country director work with relevant headquarters offices and post staff to improve and assess employee engagement in decision-making and foster an environment that supports better communication, collaboration, and information sharing among staff.
20-EVAL-01	FY 20	PC/Eastern Caribbean	11. That the country director establish processes and practices that improve communication lines between staff, including those across different islands.
20-EVAL-01	FY 20	PC/Eastern Caribbean	12. That the country director develop a memorandum of understanding or similar agreement for the literacy project withthe appropriate ministry or national-level government partner for each country.
20-EVAL-01	FY 20	PC/Eastern Caribbean	13. That the country director establish a project advisory committee for each country.
20-EVAL-01	FY 20	PC/Eastern Caribbean	14. That the country director develop and implement a plan to address staff training needs.
20-AUD-01	FY 20	PC/Thailand	2. That the Office of Health Services develop training on maintaining and protecting personal health information in accordance with Manual Section 294 Policy and Procedures.
20-AUD-01	FY 20	PC/Thailand	5. That the country director and the director of management and operations work with the Royal Thai Government to create a new memorandum of understanding regarding host country contributions.
20-AUD-01	FY 20	PC/Thailand	7. That the director of management and operations ensure cash collection is only performed by the cashier.
IG-20-01-SR	FY 20	Management Advisory Report: Peace Corps PEPFAR Financial Guidance	1. OIG recommended that the Office of the Chief Financial Officer, in collaboration with the Office of Global Health and HIV, develop comprehensive guidance that fully defines: a. the roles and responsibilities of post and headquarters staff for the financial management of PEPFAR funds; and b. the documentation required to support PEPFAR payments.

Project Code	Fiscal Year	Project Name	Recommendation
IG-20-01-SR	FY 20	Management Advisory Report: Peace Corps PEPFAR Financial Guidance	2. OIG recommended that the Office of Global Health and HIV train voucher examiners on the requirements of the use of PEPFAR funds to ensure proper oversight of PEPFAR payments.
IG-20-01-SR	FY 20	Management Advisory Report: Peace Corps PEPFAR Financial Guidance	3. OIG recommended that the Office of Global Health and HIV train post financial staff in the documentation required to support PEPFAR payments for the full range of costs and expenses payable with PEPFAR funds.
IG-20-01-SR	FY 20	Management Advisory Report: Peace Corps PEPFAR Financial Guidance	4. OIG recommended that the Office of the Chief Financial Officer identify any other authority allowing for the use of VAT refunds of PEPFAR funding towards non-PEPFAR programs, and, should no other authority be available, review past practices regarding the crediting and use of VAT refunds of PEPFAR funding to identify related Purpose Statute or Anti-deficiency Act violations and make any required reporting.
IG-20-01-SR	FY 20	Management Advisory Report: Peace Corps PEPFAR Financial Guidance	5. OIG recommended that the Office of the Chief Financial Officer ensure that PEPFAR funds are not co-mingled with other sources of funds, or, if an authority is identified pursuant to recommendation 4, seek written permission to co-mingle funds pursuant to the Memorandum of Agreement.
IG-20-01-SR	FY 20	Management Advisory Report: Peace Corps PEPFAR Financial Guidance	6: OIG recommended that the Office of the Chief Financial Officer ensure that the PEPFAR value added tax that was incorrectly refunded to the general fund be transferred back to the PEPFAR account.
IG-20- 04-A	FY 20	PC/Ghana	4. That the country director ensure that the cash movement policy contains all the requirements listed in OFMH 13, is approved by the RSO, revised annually, and maintained as part of the cashier's files.
IG-20- 04-A	FY 20	PC/Ghana	10. That the director of management and operations ensure that the training center sub-cashier's passthrough accounts is fully operational.
IG-20- 04-A	FY 20	PC/Ghana	11. That the director of management and operations apply due diligence in collecting approximately $3,379 USDE in overpaid living allowances.
IG-20- 04-A	FY 20	PC/Ghana	12. That the director of management and operations apply due diligence in returning approximately $820 in over-collected living allowances and uncollected bank account balances to Volunteers.
IG-20- 04-A	FY 20	PC/Ghana	19. That the director of management and operations work with the U.S. Embassy to correct all erroneous vehicle registrations.

Project Code	Fiscal Year	Project Name	Recommendation
IG-20- 04-A	FY 20	PC/Ghana	20. That the director of management and operations work with the post's asset management team to correct records identified as erroneous or missing in the agency's asset management system.
IG-20- 04-A	FY 20	PC/Ghana	22. That the director of management and operations make an effort to obtain itemized records of all property auctions from FY 2018 and FY 2019 and take action to correct asset management system records accordingly.
IG-20- 04-A	FY 20	PC/Ghana	25. That the country director evaluate the need for a process of reconciling monthly phone bills for personal usage that includes the prevention of unauthorized phone line additions.
IG-20- 04-A	FY 20	PC/Ghana	43. That the director of management and operations review all users of Peace Corps information technology systems and update their forms to ensure that they have proper access to these systems.
IG-20- 04-A	FY 20	PC/Ghana	49. That the overseas contracting officer at the post ensure that all contract modifications executed at post are well supported in the contracting file and that increases in the price of the contract are detailed and also include an explanation on how the increased cost is fair and reasonable to the Peace Corps.
IG-20- 04-A	FY 20	PC/Ghana	51. That the director of management and operations ensure that the obligations under this guard-service contract are properly closed.
IG-20- 04-A	FY 20	PC/Ghana	52. That the Office of Acquisition and Contract Management ensure that overseas contracting officers are trained in the process for exercising option years for existing contracts, including the need to update the Delegation of Additional Procurement Authority.
IG-20-05-A	FY 20	PC/Ethiopia	2. That the director of management and operations implement a procedure to manage the withdrawal of funds from Volunteer bank accounts, including tracking of funds withdrawn and compliance with the agency's policies for bills of collection and imprest funds.
IG-20-05-A	FY 20	PC/Ethiopia	3. That the Office of the Chief Financial Officer issue guidance to manage withdrawals of funds from Volunteer bank accounts where the post does not have power of attorney over them
IG-20-05-A	FY 20	PC/Ethiopia	4. That the director of management and operations instruct the post staff to follow OFMH guidance for fuel purchases from travel advances.

Project Code	Fiscal Year	Project Name	Recommendation
IG-20-05-A	FY 20	PC/Ethiopia	7. That the country director and the director of management and operations work with the Offices of the Chief Financial Officer and the General Counsel to resolve the open grants and the amounts withheld from the prior grants coordinator.
IG-20-05-A	FY 20	PC/Ethiopia	10. That the director of management and operations ensure that staff obtain signed contractor's releases from vendors.
IG-20-05-A	FY 20	PC/Ethiopia	13. That the Office of Health Services modify medical technical guidelines to provide reasonable assurance that the Peace Corps complies with all laws and customs of host countries when importing, prescribing, and dispensing medication.

DFC CONGRESSIONAL BUDGET JUSTIFICATION

Fiscal Year 2022

DFC U.S. International Development Finance Corporation

dfc.gov

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Executive Summary

The United States International Development Finance Corporation (DFC) is the official development finance institution (DFI) of the United States. DFC is an independent Executive Branch agency that partners with the private sector to finance solutions to the most critical challenges facing the developing world today. DFC's private sector tools provide a critical bridge between federal resources and dynamic private sector driven development.

DFC requests a Fiscal Year 2022 budget of $450 million in program funds and $148.0 million for administrative expenses and project-specific transaction costs. The $450 million in program funds will be flexibly allocated across credit subsidy, equity, technical assistance, and grants or other special projects and programs. This level of resources reflects the scale and complexity of the issues facing the developing world, including climate change and responding to and recovering from the COVID-19 pandemic. DFC will engage and mobilize the private sector to meet these challenges as part of a whole-of-government approach. DFC lays a foundation for sustainable economic growth grounded in American values: transparency, respect for the environment, economic inclusivity, and good governance. As global development and investment become increasingly competitive and other nations invest aggressively, DFC is key to ensuring that our model – underpinned by support for private sector investment that advances development – wins out. From microfinance, to secure telecommunications, to infrastructure, DFC's programs ensure that private sector investment meets its full potential for creating opportunity and growth in the developing world.

Program Priorities

The FY 2022 budget request will enable DFC to grow its portfolio by addressing the significant unmet financing needs in key sectors and regions that align with United States development and foreign policy objectives. DFC's budget request will allow the agency to continue working in coordination with the Department of State (State), the United States Agency for International Development (USAID), the Millennium Challenge Corporation (MCC), and others to advance the following core DFC and Administration priorities.

- **Climate:** DFC will use its investment tools to support projects that help mitigate climate change-causing greenhouse gas emissions and those that boost adaptation and resilience in the most vulnerable global communities.

- **Health:** DFC will support the international response to COVID-19, build more resilient healthcare supply chains, and expand access to healthcare professionals, facilities, and lifesaving treatments. DFC will work to expand access to clean drinking water and improved sanitation in schools and healthcare facilities. It will also seek to strengthen global agricultural value chains by investing in projects that help farmers increase yields, reduce food waste, and expand exports.

- **Gender Equity:** DFC, through its 2X Initiative, will invest in women and girls globally to address their unique needs and unlock opportunities through financial services, support for small businesses, and projects run by and directly targeted especially to women.

- **Inclusive Growth:** DFC will prioritize projects with high developmental impact in low-income and lower middle-income countries with a focus on accelerating economic growth in indigenous and underserved communities to reduce extreme poverty and income inequality.

- **Information and Communications Technology:** DFC will support information and communications technology projects that have the potential to drive additional opportunity and growth in developing markets where increased connectivity can help spur transformative opportunities.

- **Regional Focus Areas:** DFC will seek to grow its portfolio of catalytic investments especially in Africa, Southeast Asia, and the Northern Triangle to drive broad-based, values-driven, private sector-led growth that expands economic opportunity and advances U.S. development objectives.

Administrative Budget

The budget request of $148.0 million for administrative expenses and project-specific transaction costs is critical to implementing innovative and effective programs and partnerships, to fostering an effective and efficient DFC organization, and to maintaining a fiscally responsible agency both now and for the future. This request is a 24% increase over the FY 2021 enacted level of $119.0 and will primarily support increased staffing and other support costs needed to advance the President's Climate Change agenda.

DFC seeks to maintain and expand partnerships with USAID, State, MCC, and other federal agencies to foster a whole-of-government approach to development. There are also critical efforts at DFC to strengthen partnerships with other DFIs, international finance institutions (IFIs), non-governmental organizations (NGOs), and think tanks to maximize cooperation and development impact.

DFC is committed to all efforts to foster an effective, efficient, and inclusive organization. DFC seeks to empower staff to create a productive and positive work environment, and the organization is committed to attracting and retaining the skilled personnel it needs to achieve its development and foreign policy objectives. DFC will direct administrative resources toward expanding stakeholder engagement and increasing the number of women and minority-owned U.S. businesses that receive DFC project support and financing. Administrative resources will enable the agency to strengthen management and oversight structures for complex transactions, ensuring that DFC can identify risks, make prudent decisions, monitor results, and maximize the policy and financial value of DFC's portfolio.

At the same time that DFC is managing its internal operations, DFC is focused on expanding its client base and identifying new private sector partners. By ramping up business development efforts and providing effective customer service to project sponsors, DFC will be a leader on the global development stage. DFC is committed to taking on the most critical challenges facing the developing world today, and the scale of DFC's resources must match the challenges it seeks to address. This budget request is our blueprint for the resources that are realistically required for DFC to make the impact that the Administration and Congress envisioned with the passage of the BUILD Act.

Inspector General

The Budget also requests $2.8 million for a dedicated Inspector General to provide robust inspection, oversight, and evaluation.

DFC Goals

Confront the climate crisis

President Biden has appropriately called climate change the existential threat of our time and called on DFC to support investment in climate mitigation, resilience, and adaptation in the developing world. While climate change impacts all countries, emerging economies are often particularly vulnerable because they lack the infrastructure, insurance, and agricultural technology to protect against severe weather.

DFC is a leader in financing projects that help countries generate clean energy, including solar, wind, hydro, geothermal and biomass. The agency has increased its focus on the global climate crisis with a series of bold commitments, including achieving net-zero emissions across its portfolio by 2040, focusing one-third of all new investments on climate by 2023, increasing technical support for climate projects, and issuing calls for applications for climate-focused funds and Distributed Renewable Energy projects.

Support the global COVID response

COVID-19 has presented a global health emergency and exposed a staggering need for improved healthcare infrastructure in the developing world. Even as the United States sees progress in administering vaccines and reducing cases, many developing countries continue to suffer severe outbreaks and vaccine shortages.

DFC is playing a key role in the Biden Administration's efforts to build permanent, sustainable, and diversified manufacturing capacity around the world to help developing countries access more vaccines and prepare for future pandemics. The agency is also working to expand access to critical therapeutics, introduce medical equipment designed for low-resource environments, and bolster liquidity to help struggling small businesses continue to operate.

DFC's financing tools can mobilize private sector resources to help counter the devastating economic consequences of the pandemic. DFC will continue to seek opportunities to increase liquidity through onlending institutions to businesses impacted by shutdowns.

Advance women's economic empowerment

DFC will also increase its commitments to projects that empower women. Under the Agency's 2X Women's Initiative, DFC has catalyzed more than $7 billion of investments in projects that are owned by women, led by women, or provide a product or service that empowers women. In 2020, DFC committed to catalyzing an additional $6 billion of private sector investment in global women's economic empowerment over the next three years. Women drive growth and foster stability in their homes, communities, and economies. Yet women face extreme barriers to achieving full participation in and contribution to their economies and to society as a whole. DFC will use the power of its investments to advance gender equity.

Maximize Development Impact

DFC is committed to investing in projects that address the biggest challenges the world faces, with a strong focus on low-income and lower middle-income countries and underserved communities. This work encompasses a broad range of issues, from food insecurity to energy poverty to causes of migration. DFC works to expand access to healthcare, technology, modern infrastructure, and financial services.

Serving the most vulnerable populations is core to DFC's mission and at the heart of DFC's investment goals. DFC is expanding its approach to business development by building on strong relationships with existing clients while focusing additional efforts on stakeholder engagement to bring in new clients to pursue the most developmental opportunities.

When DFC was created through the BUILD Act, it was directed to create a modernized development impact measurement tool. In 2020 DFC launched the Impact Quotient (IQ) framework to monitor and measure the development impact of every project it supports, across multiple categories including growth to the local economy, inclusion of underserved populations, and the innovation that is supported through the introduction of new products, services, or the financial structure of the deal.

DFC will look for ways to expand the uses of its IQ framework to monitor and measure the development impact of every project it supports over the life of the project, to assess the long-term impact, and to use the data it collects to make adjustments to individual projects and inform future investments to further advance DFC's development objectives.

Drive Private Capital Toward U.S. Foreign Policy Objectives

DFC investment in critical sectors like climate, food security, agriculture, and global health not only helps improve livelihoods for those most in need, but also has direct implications for the health and security of Americans themselves. By investing in vaccine manufacturing around the world, we will help countries be more prepared for epidemics that might otherwise become global pandemics. By investing in climate solutions, we can help communities mitigate and adapt to extreme weather that might otherwise lead to displacement and migration. Achieving economic and political stability in less developed countries is inextricably intertwined with increasing private sector investment. DFC's focus on development in low and lower middle-income countries helps to promote global stability and offer an alternative to predatory development models. For example, DFC's efforts to support private sector-led development in the Northern Triangle region of Central America are an important component of the whole-of-government effort to address the root causes of migration by creating broad-based, sustainable economic opportunity in the region.

DFC's investments advance American values including transparency, respect for the environment, economic inclusivity, and good governance. We work with like-minded investment partners and the private sector to develop projects that are financially sustainable, and we coordinate directly with other U.S. government agencies, including NSC, State, and USAID, to ensure that we are supporting U.S. foreign policy priorities. DFC adheres to the high standards of international financial institutions related to governance. DFC operates transparently, ensures debt sustainability, and respects internationally recognized environmental and social safeguards.

Growing the Quality and Quantity of Our Investments

DFC is increasing its portfolio size in terms of the number of projects supported, as well as dollars invested or insured. With more flexibility granted through the BUILD Act, DFC is positioned to deploy more capital and to have an even greater impact in the developing world.

Equity Investments

Equity is a key authority for achieving developmental and strategic outcomes. Equity is often an effective investment tool for earlier stage companies that offer a solution or innovative technology, but are not in a position to take on debt. Potential equity investments come from at least four sources: (1) co-investment rights in most or all funds in which we invest, (2) reviewing our loan and insurance portfolios for companies or projects that are good candidates for equity investment, (3) referrals from other DFI partners; and (4) direct business development opportunities.

Mobilize private investment

Private capital mobilization in support of sustainable, broad-based economic growth, poverty reduction, and development advances U.S. foreign policy interests. Through demand-driven partnerships with the private sector, DFC leverages private-sector resources to promote economic growth in developing countries, helping to extend American influence and to reinforce American values, such as the rule of law, transparency, and fair business practices. Emerging market trading partners that adhere to free-market principles and promote transparent, rules-based governance today will provide robust markets for American goods and services tomorrow.

DFC offers financing and other innovative financial products that drive private capital investment in challenging emerging markets to address local needs. DFC offers loans, guarantees, equity investments, political risk insurance and feasibility studies to catalyze significant amounts of private capital into emerging markets. This backing is essential to mobilizing government and private resources into supporting key sectors such as infrastructure, power, water, and health. These investments improve the quality of life for millions, laying the groundwork for modern economies, and helping provide financing for women or others who have lacked sufficient—or any—access to commercial financing.

Collaborate with Partners to Maximize Impact

DFC is creating valuable partnerships with other U.S. federal agencies, development finance institutions, NGOs, think tanks, and the private sector to maximize development impact. DFC recognizes that non-government stakeholders play a critical advisory and partnership role.

DFC leverages the expertise and thought leadership that outside stakeholders provide to advance its development mandate. DFC and many foundations share a common mission but bring different resources and tools to the table. DFC will continue to leverage expertise and grant funding from foundations to expand its impact. DFC values the resources non-government stakeholders bring to the table including research, sector expertise, and regional presence.

FY 2022 DFC Budget Request

DFC requests $148.0 million for administrative expenses including project-specific transaction costs. In addition, DFC requests $450.0 million in program funds, to be flexibly allocated among credit subsidy, grants, technical assistance, and special projects and programs. DFC proposes continued broad flexibility to transfer funds to DFC from multiple accounts. This amount is requested as an uncapped transfer authority in order to provide flexibility to the interagency collaboration. New in FY 2022, the Administration is proposing language to transfer funding from MCC to DFC.

Summary of Budget Authority
$ in thousands

	FY 2020 Enacted	FY 2021 Enacted	FY 2022 President's Request	
Program Appropriation				
Equity	150,000	-	-	
Credit Subsidy, TA/Feasibility Studies	30,000	-	-	
Combined Program Budget (Equity, FCRA)		450,000	450,000	
Programs - Total	**180,000**	**450,000**	**450,000**	1
Administrative Expenses	**119,000**	**119,000**	**148,000**	
Total, Gross New Budget Authority	**299,000**	**569,000**	**598,000**	
Offsetting Collections	(420,144)	(450,818)	(472,411)	
Total, Net Budget Authority	**(121,144)**	**118,182**	**125,589**	
Memo:				
Maximum Lending Limit	*8,000,000*	*8,000,000*	*10,000,000*	
Program Transfers Limitation	*50,000*	*50,000*	-	2

[1] The combined $450 million program request for FY 2022 will provide combined funding for all of DFC's authorities.

[2] For FY2022, the administration is requesting no cap to transfers (Sec 7009).

Administrative Expenses

As DFC builds towards its authorized portfolio of $60 billion, DFC requires substantial administrative support in order to properly manage the exposure and complex risks involved in DFC's program.

DFC continues scaling up its program, both in terms of portfolio size and extending into new products such as foreign currency and equity. The agency requires administrative funding to fully utilize the development finance capabilities of the U.S. Government, as both a development and a foreign policy tool in coordination with the private sector.

DFC will continue to work closely with USAID missions to provide the financing tools that are a critical complement to USAID's objective of promoting a path to a recipient country's self-reliance and resilience. The Mission Transaction Unit (MTU) within DFC's Office of Development Credit works with

USAID mission officers to identify projects that help achieve the country's development goals, and MTU then executes the financing transaction on the mission's behalf. At the same time, DFC will leverage the broader footprint of U.S. embassies and missions around the world to engage with in-country partners, while increasing the impact of its portfolio and more effectively monitoring and adjusting its global project portfolio throughout the world.

The FY 2022 budget request, for Administrative Resources, is $29.0 million (or 24%) above the FY 2021 Budget Appropriation of $119.0 million, for a total of $148.0 million. The increase in funding is detailed below and will primarily support increased staffing and other support costs needed to advance the President's Climate Change agenda.

Table I: Summary of requested budget increases for FY2022

$ in millions

	FY 2022 Increase
Transaction Origination Resources	17.8
Implementing Resources	2.9
Development Monitoring and Evaluation	5.7
Legal	1.5
Grants and Technical Assistance	0.9
Total	**29.0**

The request assumes hiring an estimated 51 new employees to sustain existing work and allow for increases for financing, insurance and equity activities; evaluation and monitoring activity—both in support of development and portfolio monitoring; interagency coordination; operational implementing resources; and responding to new reporting requirements mandated by the BUILD Act such as the statutorily mandated offices of Chief Risk Officer, Chief Development Officer and Accountability Mechanism. Additionally, this will support efforts to enhance corporate governance flowing from the Inspector General and collaborative functions created by the BUILD Act.

Table II: Summary of requested headcount increases for FY2022

	FY 2020 Actual	**FY 2021 Projected**	**FY 2022 Request**
Full Time Equivalent	322	430	481

Transaction Origination Resources

DFC's goal is to leverage the tools in the BUILD Act fully and to increase the level of investment it supports by growing the portfolio in regions and sectors that are key to the Administration's development and foreign policy objectives. To meet these goals, DFC is working to scale up existing transaction capacity and controls. The increased portfolio authorization and addition of modern investment tools equip DFC to mobilize substantial capital to advance development and promote inclusive economic growth in the world's least developed countries.

In FY 2022 DFC will scale up its existing equity, direct loan and loan guarantee capabilities, in order to originate, manage, and exit investments. The FY 2022 budget request will support continued implementation of the authority to make direct loans in local currencies – enabling DFC to mobilize local resources.

The FY 2022 request also supports staffing increases for DFC to develop new centers of climate expertise, along with the State Department, to reestablish U.S. leadership on climate change. To lead the agency climate agenda, DFC has hired its first-ever dedicated Chief Climate Officer who will lead DFC's efforts to confront the climate crisis, including leading execution of the agency's recently announced plan to reach net zero emissions by 2040 and focus one-third of all new investments on climate by 2023. The agency will establish a team to coordinate its nature-based solutions efforts with USAID and the State Department. Hiring staff with experience and expertise in nature-based solutions will be essential, as the agency does not have inherent expertise in carbon sequestration. Nature based solutions, i.e., forestry projects, will be critical to sequester carbon, and structuring transactions in this area requires technical expertise. Additionally, an increase in climate-focused investments will require staffing increases during the pre-commitment diligence process to support a larger volume of transactions requiring social and environmental policy review in accordance with International Finance Corporation's Performance Standards.

To meet the agency's bold new climate targets, DFC will also need additional resources for business development and overseas personnel to facilitate greater climate finance investments.

Implementing Resources

DFC's growing business scale and complexity requires supporting people, processes, and technology to maintain and grow its ability to prudently manage its portfolio and efficiently execute on new project activity. To responsibly implement the planned increase in climate related transactions, this FY 2022 budget proposal requests additional resources and staffing needed to advance the Corporation's prudent management of the project workload and the related functions that must be performed, once the debt, equity and insurance projects have been committed, documented and disbursed. These include the full range of support functions, from acquisitions to accounting, budget and financial management. They include all the credit monitoring and portfolio servicing activities, risk management and internal controls, and data gathering, analysis and reporting. In short, this request will provide the resources needed to keep pace with portfolio growth and perform effective oversight of the financial performance of the projects.

Development Monitoring and Evaluation

To be an effective development bank, DFC is committed to continuing to build its monitoring, evaluation, impact assessment, and learning capacity so that it can collect data on the impact of the projects it supports. As set forth in the BUILD Act, DFC must assess the development performance of individual transactions, as well as its overall portfolio. This is a new area of focus for the agency, and we need to substantially invest in our capacity to measure and communicate development outcomes.

DFC's monitoring, evaluation, impact assessment, and learning capabilities will also need additional resources. Contract support will be required, including for conducting climate risk analysis to understand potential consequences or responses to impacts of climate change and to de-risk investments over the lifespan of the project.

Legal

With a planned increase in environmentally focused transactions in FY 2022, additional resources for both legal staff and contract support will be necessary. This requirement is directly driven by the commercial nature of DFC's transactions and the complex nature of collateral and risk sharing structures. Long after the transactions are originated, legal resources are required for monitoring and contract enforcement.

Grants and Technical Assistance

DFC's grants and technical assistance program funds technical assistance, feasibility studies, and training that implement DFC's mission of mobilizing private capital to advance development and support of U.S. foreign policy objectives. Grants and technical assistance are designed to increase the development impact or improve the commercial sustainability of a project that has received, or may receive, DFC financing or insurance support. This assistance will be designed to complement, but does not duplicate, work funded by other agencies or sources of financing.

The new Climate Action Facility will provide $50 million over the next five years for feasibility studies and technical assistance to support the identification, design, and implementation of DFC's climate portfolio. To support this initiative, DFC will need additional Technical Development Program team members to design climate-focused technical assistance and feasibility study activities, as well as contract support.

Funding DFC's Programmatic Authorities

DFC requests $450 million to support its credit, equity, technical assistance, and other special projects activities. This request will allow DFC to scale up to meet the challenges the Administration and Congress sought to tackle with the establishment of DFC through the BUILD Act. It will allow DFC to continue the expansion of the classic financing and insurance work of OPIC and DCA and will further establish and grow the new business lines authorized by the BUILD Act, such as equity finance and project specific technical assistance. As DFC expands its financing, loans and guarantees, these tools are likely to require incrementally more credit subsidy because of the greater focus DFC will have on less developed countries. Current global conditions make the equity program more important than ever. DFC is already building on its well-established funds products and expanding in new directions to reach a broader set of partners, including through direct equity investments. As DFC continues to launch new products and partnerships and to focus in new markets, DFC's mix of business will naturally be in flux. A combined programmatic request allows flexibility to use the most appropriate tool for each situation.

Technical Assistance and Feasibility Studies

Technical assistance and feasibility studies designed to complement DFC programming will cover a wide range of activities tailored to the specific needs of individual DFC transactions in order to develop projects for DFC investment and improve existing DFC projects.

Early support for planning and project development enables more well-planned projects to get off the ground. By lifting specific projects to the level where DFC's investment tools can scale the project, DFC technical assistance and feasibility studies are able to help enhance developmental impact. Among other things, and as noted above, DFC will fund technical assistance and feasibility studies to support the identification, design, and implementation of DFC's climate portfolio. This work will help DFC meet its climate mitigation, adaptation, and resilience investment goals. In addition, DFC technical assistance will increase the developmental impact of existing DFC deals. This will include helping DFC clients measure development impact and incentives for development additionality. Regular interactions between DFC and the interagency will ensure that this programing will not duplicate programming done by USAID, MCC, USTDA, or other agencies.

Equity Program Funding

While debt financing and political risk insurance remain foundational programs, one of the central components of the BUILD Act is the equity authority that allows DFC to play a new and catalytic role in mobilizing private sector capital to help meet foreign policy and development goals. The challenge is that funding for equity operations requires a significant commitment in the budget.

DFC sees direct equity investment as an invaluable tool to drive highly developmental and highly strategic investment over time, where more traditional lending or insurance products may not work as a commercial matter or may not provide the same medium to long-term benefits.

DFC continues to identify a robust number of potential equity investments from at least four sources: (1) co-investment rights in most or all invested funds, (2) reviewing loan and insurance portfolios for companies or projects that are good candidates for equity investment, (3) referrals from other DFI partners and (4) direct business development opportunities.

DFC's equity business is building on its long-standing processes to select managers and funds. Equity investing into funds makes DFC a more attractive partner to other DFIs, and as a result, offers another means to grow the agency's portfolio and expand its impact. DFC is selecting experienced and successful fund managers to promote broad U.S. foreign policy and strategic goals including climate mitigation and adaptation, the global COVID response, women's economic empowerment and investing in less developed countries in key policy areas and on strategic sectors that are important to U.S. interests. Further, with the funding necessary to properly use DFC's equity authority, DFC will be able to invest on the same basis alongside the development finance institutions of close allies (e.g., the United Kingdom's CDC, Germany's DEG, France's Proparco) and private sector partners (U.S. pension funds and financial institutions).

FY 2022 Policy Priorities

DFC's priorities for FY 2022, as outlined above, envision a set of sectors and regions within which DFC will especially deploy its tools and resources. Whether DFC is supporting investment in Africa, the Indo-Pacific, Eurasia and Eastern Europe, or the Western Hemisphere, DFC makes America a stronger and more competitive leader on the global development stage. It increases the ability of the United States to partner with allies on transformative projects that offer a sustainable, democratic, and inclusive approach to development.

Regional Priorities

DFC is authorized to invest in more than 100 countries in Africa, Asia, Eastern Europe, Eurasia, Latin America, and the Middle East to address a broad range of challenges these regions face. Some of these regions targeted for close focus include sub-Saharan Africa, Southeast Asia, and the Northern Triangle region of Central America—all of which are home to both persistent development challenges and growing opportunities for potentially transformative private sector-led economic growth.

Sector Priorities

Climate

DFC will pursue an ambitious plan to increase the amount of investments in climate mitigation, resilience, and adaptation. Pursuing clean energy projects will allow DFC to address two of the most pressing problems facing the developing world today: the climate crisis and lack of access to reliable energy. DFC prioritizes energy access to ensure that there is a just transition from carbon-based energy sources without undercutting the critical development goal of rapidly expanding access to energy. Our efforts will contribute to economic growth and improved livelihoods and help position the United States as a global leader on climate action.

DFC has committed to invest 33% of its overall commitments on climate-linked projects beginning in FY 2023, achieve a net zero emissions investment portfolio by 2040 (the earliest of any G7 country), and launch a $50 million technical development effort toward climate finance. The agency has already hired its first Chief Climate Officer and issued its first call for proposals for climate-focused investment funds. DFC's development strategy will be renewed to include climate for the first time and to incorporate these clean energy targets. These efforts support the broader Biden-Harris Administration U.S. Climate Finance Plan, developed pursuant to President Biden's Executive Order on *Tacking the Climate Crisis at Home and Abroad* (E.O. 14008).

As DFC increases the composition of clean energy projects in its portfolio and phases out carbon-intensive projects, DFC will continue to consider certain highly developmental fossil fuel electricity generation projects in instances where utilizing clean energy sources is not feasible or commercially viable. In all instances, greenhouse gas emissions for DFC projects will be accounted for and will not impede the agency's attainment of its portfolio emissions reductions targets. DFC anticipates that commercially viable clean energy alternatives will become increasingly competitive with fossil fuel projects and that DFC will be able to gradually expand investments in natural climate solutions projects to sequester carbon.

Healthcare

In FY 2022, DFC will build on the progress of its Global Health and Prosperity Initiative, which launched in FY 2020 and aims to invest $2 billion in projects that bolster health systems, support infrastructure

development, and expand access to clean water. Development finance can strengthen global health systems by helping mitigate health risks and vulnerabilities through addressing ancillary factors that impact global health such as water, sanitation, and hygiene (WASH) and food and nutrition. To create more sustainable and resilient health systems, DFC will prioritize expanding digital health and IT, including telemedicine, data analytics, and contact tracing for communicable disease in developing countries, with a focus on low and lower middle-income countries.

DFC seeks to increase investments focused on the manufacturing, production, and distribution capacity for vaccines and boosters, including the COVID-19 vaccine, to help increase vaccination rates and protect communities around the world thereby helping to accelerate the end of the pandemic. DFC seeks to strengthen the vaccine supply chain and last-mile logistics efforts to get health products to recipients in the most efficient manner including providing insurance coverage for shippers and others in the supply chain for vaccines.

Financial Inclusion and Gender Equity

In FY 2022, DFC's 2X Women's Initiative is committed to addressing the unique challenges women face globally and working to unlock the multi-trillion dollar opportunity they represent. DFC is a global leader on gender equity. Through U.S. leadership, other G7 countries have partnered through the 2X Challenge to drive additional investment, together catalyzing more than $4.5 billion of investment in the world's women to date. In FY 2022, DFC will continue to seek opportunities to do more with its global partners as well as apply a gender lens to projects it considers ensuring that women will benefit.

In August 2020, DFC announced a new, ambitious commitment to mobilize an additional $6 billion in businesses that meaningfully advance gender equity in emerging markets to support women and girls, including those from marginalized communities and those who live in fragile and post-conflict settings.

To support these robust goals, DFC aims to prioritize investments in women-owned and women-led firms, as well as partner with companies that intentionally incorporate gender-inclusive practices into their operations or products, including in the infrastructure sector. Additionally, DFC will continue to prioritize investments that improve the livelihoods and economic resilience of women and girls in marginalized communities through greater access to finance; off-grid and mini-grid energy systems; food security; water, sanitation, and hygiene systems; quality health care; education; and access to digital services.

DFC is working to improve the measurement and evaluation of the qualitative impact of investments on women and girls by strengthening DFC's pre-investment screening and post-investment evaluations. Additionally, DFC will establish a 2X technical assistance product in FY 2022 and increase investment partnerships that leverage outside donor funds for technical assistance.

To further institutionalize gender inclusive practices, DFC is developing a robust agency-wide gender-lens training for all investment officers as well as hiring additional 2X staff to assist in expanding DFC gender equality work.

Information and Communications Technology

Research shows that investments in affordable, reliable, and trusted technologies are a powerful engine of prosperity and stability in the developing world. Trusted technologies enhance connectivity by helping expand access to healthcare, education, and food, and make business more efficient and secure. Yet many

developing countries face a substantial digital divide due to the high costs of services and devices. DFC is committed to supporting private sector investment in internet and mobile service operators, telecommunications towers, fiber optic and subsea cables, and data centers as well as projects that are leveraging technology to tackle other challenges such as limited access to financial services.

By providing a transparent alternative to opaque financing avenues, DFC's investments in infrastructure are helping our partner countries build prosperous, sustainable futures free from malign influences.

Inclusive Growth

DFC prioritizes projects with high developmental impact in low-income and lower middle-income countries with a focus on accelerating economic growth in indigenous and underserved communities to reduce extreme poverty and income inequality. Fostering inclusive economic growth requires addressing a major inhibitor of social and economic development: limited access of individuals and MSMEs (micro, small and medium enterprises) to financial services and capital. In many low and lower middle-income countries, women, microenterprise owners, indigenous communities, rural populations, and other financially disadvantaged populations lack the documentation or collateral needed to open bank accounts and obtain credit.

As a result, traditional financial institutions are often unable to provide services to these groups, or are required to develop new risk assessment tools, such as creative balance sheet financing, assessments of digital records, and detailed questionnaires, to consider them as customers.

Consequently, developing countries face a considerable credit gap that prevents many small businesses and especially women entrepreneurs from reaching their full potential. DFC has a long track record of providing loans to women and other underserved populations, including rural populations and youth previously working in the informal sector, to help them start and grow businesses.

DFC consistently has been able to help increase access to credit for housing, education, agriculture, healthcare, and other development needs, as well as expand access to loans for MSMEs, and it will continue to do so.

Financial Service Technologies for Underserved Populations

Throughout the developing world, financial technology (fintech) has already begun to transform the financial services industry and expand access to financial services in developed and developing economies. In lowering costs, eliminating biases, and removing procedural and geographical challenges of traditional service delivery models, digital technologies open up new opportunities to previously unbanked populations, and they enable many MSMEs to transition to the formal sector, increase payment rates, and reduce their cost of capital more easily. DFC can help expand the reach of the financial sector and increase self-reliance in developed and less developed countries by investing in fintech solutions that address the needs of underserved populations.

Food Security & Global Supply Chain

DFC is committed to the principle that agricultural growth is one of the most effective pathways out of poverty. It generates income and demand for locally produced goods and services, strengthens supply chains and makes food and other necessities more affordable. Helping farmers earn a fair return, involving them in value-added processing, and linking them to global markets helps them emerge from

poverty and gives them an incentive to stop farming elicit crops that drive the global drug trade and create insecurity in less developed countries.

However, farmers, especially in the developing world, are faced with systemic risks in supply chains, financiers with limited ag-specific knowledge, and unsupportive regulations and financial infrastructure. Additionally, the COVID-19 pandemic has diminished recent gains in food security and disrupted global supply chains more broadly. To help address this, DFC will prioritize supporting private sector investment to achieve the U.S. goal of a world free from hunger, malnutrition and poverty, as set forth in the *Global Food Security Act,* reauthorized in 2018, and will continue to actively contribute to U.S. whole-of-government initiatives, such as Feed the Future, that work with the private sector to modernize and transform food systems.

Summary and Conclusion

As discussed above, DFC respectfully submits its FY 2022 budget request of $450 million in program funds and $148 million for administrative expenses including project-specific transaction costs. The $450 million in program funds will be flexibly allocated across credit subsidy, equity, technical assistance, and grants or other special projects and programs. This level of resources reflects the scale and complexity of the issues facing the developing world, and DFC's need to engage and mobilize the private sector in meeting the challenges.

This request will allow DFC to help lead U.S. and like-minded partner efforts to remain the global leader in economic development and to provide financially sound alternatives to unsustainable state-directed initiatives. DFC is more essential than ever as a leading development finance institution and an increasingly vital instrument of U.S. policy, DFC is more essential than ever. As the developing world tries to recover from the impacts of COVID-19 and address the global threat of climate change, DFC's presence is urgently needed to mobilize catalytic investments that drive inclusive and sustainable growth.

Appendices

Appendix A: Appropriations Language

Corporate Capital Account

The United States International Development Finance Corporation (the Corporation) is authorized to make such expenditures and commitments within the limits of funds and borrowing authority available to the Corporation, and in accordance with the law, and to make such expenditures and commitments without regard to fiscal year limitations, as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the programs for the current fiscal year for the Corporation:
Provided, That for necessary expenses of the activities described in subsections (b), (c), (e), (f), and (g) of section 1421 of the BUILD Act of 2018 (division F of Public Law 115-254) and for administrative expenses to carry out authorized activities and project-specific transaction costs described in section 1434(d) of such Act, $598,000,000: Provided further, That of the amount provided--

(1) $148,000,000 shall remain available until September 30, 2024, for administrative expenses to carry out authorized activities (including an amount for official reception and representation expenses which shall not exceed $25,000) and project-specific transaction costs as described in section 1434(k) of such Act, of which $1,000,000 shall remain available until September 30, 2026;

(2) $450,000,000 shall remain available until September 30, 2024, for the activities described in subsections (b), (c), (e), (f), and (g) of section 1421 of the BUILD Act of 2018, except such amounts obligated in a fiscal year for activities described in section 1421(c) of such Act shall remain available for disbursement for the term of the underlying project: Provided further, That if the term of the project extends longer than 10 fiscal years, the Chief Executive Officer of the Corporation shall inform the appropriate congressional committees prior to the obligation or disbursement of funds, as applicable:

Provided further, That amounts made available under this paragraph may be paid to the "United States International Development Finance Corporation--Program Account" for programs authorized by subsections (b), (e), (f), and (g) of section 1421 of the BUILD Act of 2018:

Provided further, That funds may only be obligated pursuant to section 1421(g) of the BUILD Act of 2018 subject to prior notification to the appropriate congressional committees and the regular notification procedures of the Committees on Appropriations:

Provided further, That in fiscal year 2022 collections of amounts described in section 1434(h) of the BUILD Act of 2018 shall be credited as offsetting collections to this appropriation:

Provided further, That such collections collected in fiscal year 2022 in excess of $598,000,000 shall be credited to this account and shall be available in future fiscal years only to the extent provided in advance in appropriations Acts:

Provided further, That in fiscal year 2022, if such collections are less than $598,000,000, receipts collected pursuant to the BUILD Act of 2018 and the Federal Credit Reform Act of 1990, in an amount equal to such shortfall, shall be credited as offsetting collections to this appropriation:

Provided further, That funds appropriated or otherwise made available under this heading may not be used to provide any type of assistance that is otherwise prohibited by any other provision of law or to provide assistance to any foreign country that is otherwise prohibited by any other provision of law:

Provided further, That the sums herein appropriated from the General Fund shall be reduced on a dollar-for-dollar basis by the offsetting collections described under this heading so as to result in a final fiscal year appropriation from the General Fund estimated at $125,588,226.

Program Account

Amounts paid from "United States International Development Finance Corporation--Corporate Capital Account" (CCA) shall remain available until September 30, 2024: Provided, That amounts transferred to this account pursuant to section 1434(j) of the BUILD Act of 2018 (division F of Public Law 115-254) shall be merged with and available for the same time period and purposes as provided herein: Provided further, That up to $500,000,000 of amounts paid to this account from CCA or transferred to this account pursuant to section 1434(j) of the BUILD Act of 2018 (division F of Public Law 115-254) shall be available for the costs of direct and guaranteed loans provided by the Corporation pursuant to section 1421(b) of such Act: Provided further, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such amounts obligated in a fiscal year shall remain available for disbursement for the following 8 fiscal years: Provided further, That the total loan principal or guaranteed principal amount shall not exceed $10,000,000,000

Transfer of Funds Authority

7009. (b) AVAILABLITY OF FUNDS FOR THE DEVELOPMENT FINANCE CORPORATION.—
(1) Funds appropriated by this Act and prior Acts making appropriations for the Department of State, foreign operations, and related programs and transferred to the United States Development Finance Corporation pursuant to section 1434(j) of the BUILD Act of 2018 (division F of Public Law 115–254) shall be paid to the United States International Development Finance Corporation Program Account.
(2) Funds appropriated under the heading "Economic Support Fund" directed to implement the Nita M. Lowey Middle East Partnership for Peace Act by application of section 7019 of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2021 (Fiscal Year 2021 Act) shall be excluded from the limitation on transfers pursuant to section 1434(j) of the BUILD Act of 2018 (division F of Public Law 112–54) contained in section 7009(c) of the Fiscal Year 2021 Act.
(3) Whenever, in coordination, the Chief Executive Officer of the Millennium Challenge Corporation determines that it is in furtherance of the purposes of Millennium Challenge Act of 2003 (title VI of division D of Public Law 108–199, as amended), and the Chief Executive Officer of the United States International Development Finance Corporation determines that it is in furtherance of the purposes of the BUILD Act of 2018 (division F of Public Law 115–254), funds appropriated under the heading Millennium Challenge Corporation in this or prior Acts may be transferred to and merged with amounts under the heading United States International Development Finance Corporation—Program Account: Provided, That, when so transferred and merged, such funds shall be available for the costs of loans and guaranties provided by the United States International Development Finance Corporation pursuant to section 1421(b) of the BUILD Act and shall be subject to the limitations provided in the second, third, and fifth provisos under the heading United States International Development Finance Corporation—Program Account found in Public Law 116–260: Provided further, That such funds shall not be available for administrative expenses of the United States International Development Finance Corporation: Provided further, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That the transfer authority provided in this section is in addition to any other transfer authority provided by law.

Appendix B: Fiscal Year 2020 in Review

Areas of Focus

Sectors

Critical Infrastructure, including ICT

DFC made catalytic investments in critical infrastructure, including information and communications technology (ICT), to create jobs and foster economic growth. Examples of investments in critical infrastructure include roads, ports, power plants, transmission lines and port and harbor operations.

DFC is a key agency in the whole-of-government effort to improve connectivity and cybersecurity and supported targeted measures, including in the Indo-Pacific, to expand U.S. support. For example, DFC provided a $190 million loan to Trans Pacific Networks (TPN) to support the construction and operation of a 15,200 kilometer telecommunications cable directly connecting Singapore, Indonesia, and the United States and serving other markets in Southeast Asia and the Pacific. The TPN cable, with financing from DFC, will be the longest telecommunications cable in the world.

Table I: Examples of DFC investments in critical infrastructure, including ICT, in FY 2020

Project Name	Country	Product	Amount	Description
Nouakchott Container Terminal	Mauritania	Insurance	$24.8 M	Development, construction, and operation of a new container and oil terminal in the port of Nouakchott expanding infrastructure capacity
Frontiir	Myanmar	Finance	$40.0 M	Expansion of a fixed wireless broadband network to provide internet service to households and SMEs improving ICT infrastructure in country
Asia Partners	Asia Regional	Equity	$25.0 M	Fund will invest in businesses introducing innovative technology platforms in Southeast Asia; investments will help reduce costs for SMEs, facilitate trade, and foster innovation

Energy

DFC investments in FY 2020 facilitated access to reliable and affordable energy and improved quality of life, business activity, food production, and access to healthcare and education. Coverage by DFC's support of to the Solar Energy Transformation Fund for up to $6 million facilitated financing for the solar power production of telecommunication towers across the low-income country of the Central African Republic. A $50 million loan commitment by DFC is funding the development and construction of a 100-megawatt solar power project in Rajasthan, India. DFC energy projects, whether in sub-Saharan Africa, central Asia, or other locales around the globe, critically contribute to long-term social and economic development goals. Access to energy is integral to economic growth and inclusion in all countries.

Table II: Example of DFC investments in energy in FY 2020

Project Name	Country	Product	Amount	Description
Gigawatt Global Burundi	Burundi	Insurance	$12.4	Construction and operations of a 7.5 MW solar power plant; country's first utility-scale solar plant by country's first independent producer

Healthcare

DFC is focused on creating a healthier world by investing in projects that help to address persistent healthcare challenges in the developing word. DFC worked in FY 2020 to mobilize private investment in hospitals, health clinics, and other projects expanding access to healthcare, clean water, and sanitation.

The Health and Prosperity Initiative is a new effort started by DFC in May 2020. The launch included a call for proposals from private sector entities seeking DFC support for health-related investments in developing countries. DFC seeks to invest between $5 million and $500 million per eligible project and commit up to an aggregate $2 billion across eligible projects through the Health and Prosperity Initiative. DFC also aims to mobilize an additional $3 billion in private sector capital alongside its investments.

DFC is supporting projects that support the global COVID-19 response through the Health and Prosperity Initiative and broader agency efforts to mitigate the impact of this unprecedented global pandemic. In addition, many of DFC's portfolio projects support efforts to address the impacts of COVID-19. For example, OPIC financed a $4 million special lending vehicle to Azure Source Capital in FY 2018, and Azure, during the FY 2020 global pandemic, supported loans to small cities and rural communities for investments in water pumps, pipelines, and storage tanks to improve water supply and accessibility.

Table II: Examples of DFC investments in healthcare in FY 2020

Project Name	Country	Product	Amount	Description
Gamma Knife Center	Ecuador	Finance	$3.2 M	Acquisition and expansion of clinic with Gamma Knife radiosurgery to treat cancer
Gradian Health Systems	Africa Regional	Finance	$1.4	Guaranty to support distribution, installation, training, and servicing of medical devices for low-resource health clinics in Africa

Regions

Investment in the Western Hemisphere

The U.S. Government seeks to catalyze private sector investment in infrastructure in Latin America and the Caribbean through a whole-of-government approach channeling the resources and expertise of many U.S. government agencies to help countries attract investment. These efforts aims to spur sustainable and

inclusive growth in these vital regions and also help address directly the root causes of irregular migration.

DFC investments in FY 2020 supported these efforts. A DFC loan of $200 million was approved in July 2020 for Banco Industrial in Guatemala. The loan will enable Banco Industrial to expand lending to Guatemala's SMEs which face a $14 billion credit gap limiting abilities to expand, increase revenues, or create jobs. The project will dedicate at least 30 percent of loan proceeds to women, and there will be a special emphasis on expanding capital access to rural borrowers across Guatemala.

Table I: Examples of FY 2020 DFC investments supporting investment in the Western Hemisphere

Project Name	Country	Product	Amount	Description
Itaú Unibanco 2020	Brazil	Finance	$400 M	Loan proceeds to support expansion of SME loan portfolio with 35% to economically disadvantaged regions and 30% to 2X businesses
Banco Davivienda	Colombia	Finance	$250 M	Tier 2 subordinated loan to support lending to SMEs and low income housing with at least 30% of loan proceeds as 2X loans

Indo-Pacific

DFC is committed to advancing a free and open Indo-Pacific. DFC investments in the Indo-Pacific in FY 2020 contributed to advancements in trade, innovation, and technology and are actively helping the region transform into a global leader.

DFC investments in the Indo-Pacific in FY 2020 included a $190 million loan to the Nevada-based Trans Pacific Network (TPN). The loan is helping finance the world's longest telecom cable connecting Singapore, Indonesia, and the United States and improving digital connectivity across the Indo-Pacific. DFC is committed to investments in secure telecommunications infrastructure in the Indo-Pacific.

DFC is helping shape the digital landscape in Southeast Asia through an up to $25 million investment in FY 2020 to support Asia Partners I LP. Asia Partners I LP is a fund investing in businesses introducing innovative technology platforms in Indonesia, Vietnam, the Philippines, and Malaysia. The investments by Asia Partners, supported by DFC, will reduce costs for SMEs, facilitate trade, and foster innovation.

DFC supported food security in the Indo-Pacific region in FY 2020 through a $10 million loan to Milk Mantra, a dairy company working with small farmers in northeast India. An additional $371 thousand was contributed by DFC to the Milk Mantra project for technical assistance (TA) to enhance the impact of the DFC loan. The TA will include farmer training, cattle health services, and a financial services program.

Table II: Examples of DFC investments in healthcare in FY 2020

Project Name	Country	Product	Amount	Description
Milk Mantra	India	Finance	$10.0 M	Expansion of a dairy company committed to ethical sourcing from smallholder farmers in northeast India
Goyol Cashmere	Mongolia	Finance	$5.0 M	Loan to help local producer of wool and cashmere knitwear construct a new factory and purchase equipment to expand production

Africa

DFC worked in FY 20 to continue and expand its focus on Africa, including by deploying seven officers to the continent to launch the Africa Investment Advisors Program and by deepening its partnerships with the interagency Prosper Africa and Power Africa initiatives.

DFC made several commitments under the Prosper Africa initiative in FY 20, including a $14 million loan guaranty to World Business Capital that will expand lending to SMEs in Nigeria and an investment of up to $25 million to support SPE AIF I LP, a fund which will invest in expanding access to healthcare and education, strengthening supply chains, and streamlining logistics in North and Sub-Saharan Africa. As a part of the mission to support Prosper Africa's goals, in July DFC launched the Africa Investment Advisor Program, which establishes our regional team based in Africa. The team equips DFC to more proactively advance investments and expand its portfolio in this priority region, enhancing deal sourcing and interagency coordination particularly as Africa continues to respond to both the health and economic fallout from the COVID-19 pandemic.

DFC also continued its leading support for Power Africa in FY 20. Among DFC's Power Africa transactions in FY 2020 was one in Kenya, a where only 60 percent of the rural population has access to electricity. DFC provided a direct loan of $20 million to support a $65 million financing mechanism from Solar Frontier Capital enabling local supply of solar home systems. By providing continued access to sustainable local currency financing, this Brighter Life Kenya project will bring affordable energy to 270,000 households in Kenya and about 1.2 million people.

DFC also worked on a Power Africa partnership transaction in FY 2020 in the Republic of Burundi. DFC is providing reinsurance to support the development and operation of Burundi's first utility-scale solar power plant by Burundi's first independent power producer. The reinsurance is provided to Liberty to increase underwriting capacity and support development in countries where investors have difficulty obtaining PRI. The Gigawatt Global Burundi project is expected to add 14 percent additional power generation capacity for the country, an especially important contribution because lack of steady and affordable electricity is viewed as a primary impediment to economic development in the country.

Gender

2X Women's Initiative

The DFC, 2X addresses the many barriers which women in emerging markets and developing countries face in fully participating in their local economies.

DFC's 2X Women's Initiative has mobilized more than $3 billion in capital to businesses and funds owned by, led by, or supporting women. In 2020, DFC committed $2.5 billion of investment in projects that advanced the 2X Women's Initiative. Since its inception, 2X has catalyzed $7 billion towards gender-smart investments

COVID-19 Response

In the months after DFC launched, COVID-19 presented an unprecedented health and liquidity crisis that left developing countries particularly vulnerable. While many communities lacked healthcare infrastructure or even running water, stay-at-home orders and border closings made it difficult for businesses to operate and choked supply chains of food and other essential goods. DFC launched a swift and multi-pronged approach to preserve both lives and livelihoods. DFC launched a $4 billion rapid response liquidity facility and took other steps to provide additional support to portfolio projects impacted by the pandemic. A tier-2 capital loan of up to $250 million made through this facility is helping Africa Finance Corporation (AFC) continue serving new and existing borrowers across the continent as a low-cost source of financing in the wake of COVID-19.
DFC also launched a Global Health and Prosperity Initiative to provide up to $2 billion in financing for health projects and targeting an additional $3 billion in private-sector investment. DFC financing through a Citi framework agreement is helping New York-based Gradian Health Systems, Inc. distribute ventilators and anesthesia machines designed with long-duration battery power for safe and effective use in challenging settings with limited access to electricity and medical oxygen.

Table II: Examples of DFC 2X investments in FY 2020

Project Name	Country	Product	Amount	Description
Root Capital	Worldwide	Finance	$35 M	Loan portfolio guaranty for agricultural cooperatives and SMEs supporting COVID-19 response efforts in countries worldwide
Banco Pichincha	Ecuador	Finance	$150 M	An up to $150 million direct loan to expand lending to MSMEs owned by, led by, or supporting women.
SEAF COVID-19 Emergency Loan Finance LLC	Worldwide	Finance	$20 M	Global loan facility to support emergency lending to SMEs in DFC-eligible countries that meet the 2X Women's Initiative criteria

Appendix C: Budget by Object Class

Budget Object Class	FY2020 Actuals	FY2021 Projected	FY2022 Budget
Personnel Compensation & Benefits	59,578,409	72,961,581	76,111,153
Travel and transportation of persons	2,534,832	4,484,678	8,725,842
Rental payments to others	8,624,383	9,583,975	8,471,049
Communications	1,015,788	1,222,383	1,505,247
Printing and reproduction	48,570	246,552	241,552
Other contractual services	15,763,105	19,329,781	14,101,858
Advisory and assistance services	10,245,032	13,922,167	16,291,150
Representation Expense	3,208	25,000	25,000
Other goods and services from Federal sources	421,992	400,000	354,097
Operation and maintenance of facilities	27,770	610	159,150
Operation and maintenance of equipment	16,206,153	21,506,960	19,316,442
Supplies and materials	2,089,429	2,348,545	1,945,077
Equipment			623,854
Land and structures			128,530
Total	**116,558,670**	**146,032,233**	**148,000,000**

[1] Carry-Forward balances from prior fiscal years enable obligations greater than the current year appropria

U.S. Trade and Development Agency

FISCAL YEAR 2022
CONGRESSIONAL BUDGET JUSTIFICATION

U.S. Trade and Development Agency

Executive Summary

The United States faces growing national security and geopolitical challenges that require an ambitious, direct and innovative response. This is why President Biden has focused his Administration on tackling the global climate crisis, keeping the American middle class at the center of our foreign policy, and promoting U.S. competitiveness in the face of China's unfair trade practices and global ambitions.

In support of these policy goals, the Administration requests $79,500,000 for the U.S. Trade and Development Agency (USTDA) for Fiscal Year 2022.

USTDA helps companies create U.S. jobs through the export of U.S. goods and services for priority infrastructure projects in emerging economies. USTDA links U.S. businesses to export opportunities by funding project preparation and partnership building activities that develop sustainable infrastructure and foster economic growth in partner countries. This unique dual mandate allows the Agency to respond directly to the Administration's top domestic and international priorities.

USTDA also provides a proven return on taxpayer dollars. In 2020 every $1 USTDA programmed generated $112 in U.S. exports. USTDA has facilitated $74 billion in U.S. exports since its founding in 1992. The Administration's funding request for USTDA represents the promise of a foreign policy that works for the American middle class, a restoration of America's global leadership and a means toward putting the world on a sustainable climate pathway. A commitment to USTDA is also a commitment to building back better both at home and abroad.

A Targeted And Timeless Mission

Since its creation in the *Jobs Through Exports Act* of 1992[1], USTDA has helped to usher in a new American paradigm of foreign assistance. The Agency's dual mission is unique among Federal agencies: at the same time the Agency promotes outcomes in infrastructure and economic development overseas, USTDA is mandated to help create American jobs through exports.

The U.S. Trade and Development Agency links U.S. businesses to priority infrastructure projects in emerging economies, helping to create U.S. jobs through the export of U.S. goods and services in sectors critical to economic growth in partner countries. By funding project preparation and partnership building activities, USTDA supports the development of infrastructure projects that can be financed, implemented, and sustained. USTDA's assistance bridges a critical funding gap that provides the

[1] Congress explicitly pulled USTDA out of a larger foreign assistance agency nearly 30 years ago, recognizing the needed flexibility for its program and that its job-supporting mission was lost in USAID's mission and culture of international and humanitarian assistance.

comprehensive analysis that modern, sustainable infrastructure projects need to move from concept to implementation.

Agile, Equipped and Effective

As a small, independent agency, USTDA serves as an agile and fast-moving entity, responsive to the targeted needs of U.S. industry and overseas partners to deliver a diversity of solutions. The Agency does not advance a traditional "donor" aid model, nor is it a development finance institution (DFI). Rather, USTDA uses its early-stage grant funding to advance infrastructure projects prioritized by its overseas partners; deploy U.S. private sector solutions; and catalyze investment from a multitude of international sources, thereby increasing the likelihood of project implementation. The success of this model has been driven, in part, on the Agency's utilization of small and minority-owned businesses to achieve its mission, which is advancing the Administration's Executive Order on *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*. For example, in the most recent fiscal year, 72 percent of all FAR contracts were with small businesses and of those contracts 43 percent were with small minority-owned businesses, far exceeding SBA's minority-owned benchmarks.

This model enables critical development outcomes in our partner countries, but in a way that positions American companies for long-term global partnerships that expand U.S. exports and support good-paying American jobs. It authentically transforms the traditional foreign assistance paradigm "from aid, to trade" — that is, it reorients the position of the United States from aid donor to partner in mutually beneficial, trade and commercially focused relationships.

USTDA targets strategic industry sectors and emerging markets to achieve maximum effectiveness and return on taxpayer funds. USTDA's sectoral focus comes directly from its authorizing statute, which mandates that the Agency "promote United States private sector participation" in global infrastructure projects and concentrate on "economic sectors with significant United States export potential, such as energy, transportation, telecommunications, and environment." Recognizing the effectiveness of this focused approach, the Agency has further narrowed its work to a group of "priority countries," those with the economic, political, and regulatory environments most conducive to trade and commercial engagement with the United States. The result is a distinct, sharply focused program that helps U.S. businesses compete —and win— against foreign competition.

A Record of Results

The return on investment from USTDA's program is proven through the Agency's "export multiplier," currently representing $112 in U.S. exports generated for every $1 programmed by USTDA. The current export multiplier is an all-time high, demonstrating the Agency's continued effectiveness and important role in opening foreign markets for

the export of U.S.-manufactured goods and services amid competition from economic and geopolitical rivals such as China.

$112
U.S. exports generated for each dollar programmed

$1.1 B
New U.S. exports identified in FY 2020

390
Project evaluations in FY 2020

$74.1 B
Total U.S. exports generated by USTDA's program

Supporting Climate-Smart Infrastructure

"Nations that work together to invest in the cleaner economy will reap rewards for their citizens. The United States is committed – we are committed to making those investments to grow our economy here at home while connecting with markets around the world. For example, we are launching a new Global Partnership for Climate-Smart Infrastructure. This will create good-paying jobs here in America by supporting development of new, clean infrastructure in our partner countries. These are the sort of partnerships that are going to be good for all of us."

President Joseph R. Biden Jr.
April 23, 2021

USTDA's mission and program are wholly aligned with President Biden's vision of climate as an essential component of American foreign policy and national security. With nearly three decades of experience supporting clean energy and climate-smart infrastructure in emerging markets, USTDA is well positioned to help its overseas partners transition to net-zero economies in accordance with the President's January 27, 2021 Executive Order on Tackling the Climate Crisis at Home and Abroad.

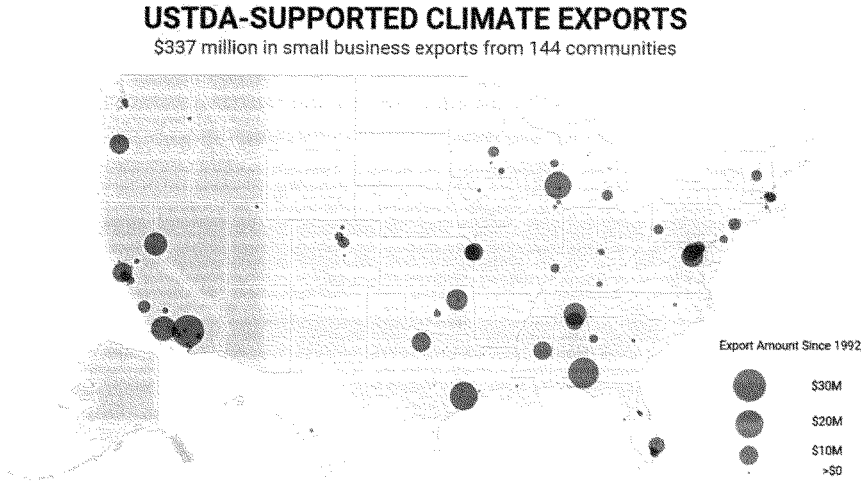
To achieve this objective, USTDA created the Global Partnership for Climate-Smart Infrastructure, which President Biden launched during the 2021 Leaders Summit on Climate. Under this initiative, USTDA is bringing U.S. industry together to advance major clean energy and transportation infrastructure projects in emerging markets.

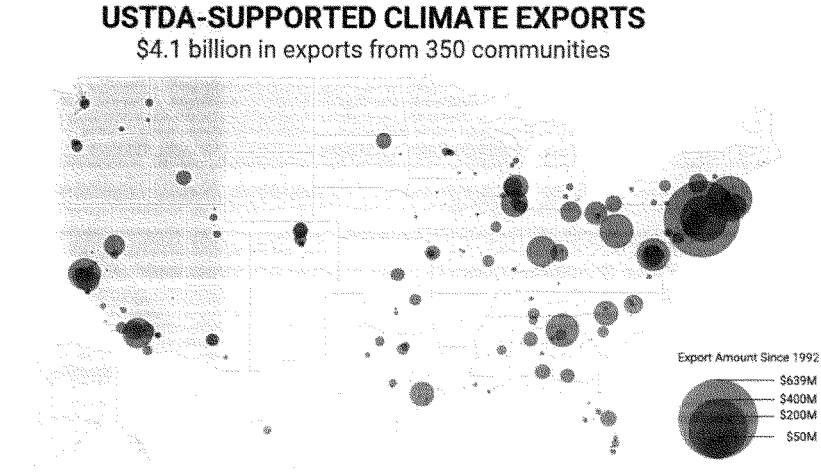
The Global Climate Partnership leverages USTDA's project preparation expertise as well as partnership-building activities to support the use of U.S. technologies and services in overseas climate-smart infrastructure projects. The initiative supports the rebuilding of the American middle class through the export of U.S.-manufactured goods and services, while enhancing economic recovery through climate-smart infrastructure development for our partners and allies globally.

In FY 2022, the Global Climate Partnership will focus on resilient and low-carbon infrastructure solutions to drive the adoption of transformational energy and transportation sector technologies that reduce greenhouse gas emissions and support resiliency to climate change. This initiative will create economic opportunities at home and abroad by leveraging public and private sector finance to catalyze the net-zero transition and help vulnerable countries and communities respond to climate impacts.

U.S. Trade and Development Agency

The Global Climate Partnership is built upon USTDA's existing record of success generating $4.1 billion in U.S. climate technology exports in the clean energy and transportation sectors, including $337 million in small business exports from 144 communities across the United States.





Building the Capacity for Best-Value Procurement Practices

American products and services are the most competitive in the world and when given a fair opportunity, U.S. companies can compete on quality – and win – anywhere. But too often, our products and workers are blocked by unfair trade barriers that limit market access, or the procurement rules are written in a way that only the cheapest solutions can win.

USTDA was one of the first assistance agencies to address the detrimental impacts of poor project planning in emerging markets and the reliance on lowest-cost procurement methods to implement infrastructure projects. Since 2009 the Agency has required all of its studies to include a life cycle cost analysis to help its project sponsors understand the total cost of ownership for their projects. For over a decade, USTDA prioritized quality and value for money in its infrastructure development program, becoming a global leader in the field.

USTDA built upon these foundational efforts to launch the *Global Procurement Initiative: Understanding Best Value* (GPI) in 2013. Since then, the GPI has trained public officials in emerging markets on how to establish procurement practices and policies that integrate life cycle cost analysis and best value determination in a fair, transparent manner. The GPI helps countries acquire high-quality, long-lasting technologies while building smart, sustainable infrastructure with overall savings to their government. The goal of the GPI is to provide partner countries with the skills they need to move away from low-cost, low-quality solutions that have impeded their infrastructure development and economic growth.

Working in collaboration with its U.S. government partners, five multilateral development banks, and bilateral partners including Japan and Australia, USTDA will continue to provide training and grant assistance to emerging partner countries using all of the Agency's existing tools, to help address the shortcomings of individual country procurement systems.

Moving Overseas Partners toward American 5G Solutions

USTDA will continue to support project preparation activities that enable, develop, and deploy secure and sustainable 5G networks. The Agency's 5G-related project preparation activities provide comprehensive analyses of technology options and requirements, including pilot projects that test commercially viable U.S. technology.

In addition to project preparation, USTDA will continue to employ a wide range of tools to enhance the international competitiveness of American 5G solutions through training grants, reverse trade missions, and technical workshops and conferences that connect U.S. companies to next generation network developers in emerging markets.

Philippines: Promoting American 5G

USTDA is advancing American 5G solutions in the Philippines by funding training to help PLDT, Inc., the Philippines' largest telecommunications company, build the technical and managerial capacity needed to deploy U.S.-based next generation technologies throughout the country.

In the 5G space in particular, U.S. firms often face an uneven playing field and competitive disadvantages in international tenders due to non-U.S. firms whose governments offer incentives to host country decision-makers that exceed the tender requirements. USTDA can help level the playing field in these circumstances by offering the host country specialized training assistance that is conditioned on the selection of American-made solutions. In addition to these efforts, USTDA will support U.S. competitiveness through reverse trade missions that bring foreign project sponsors to the United States to observe the design, manufacture and operation of U.S. products and services that support their infrastructure goals.

Regional Programming

Advancing a Free and Open Indo-Pacific Region

China's Belt and Road Initiative (BRI) continues to pose serious economic and geopolitical challenges for the United States and numerous emerging economies across the globe. In recognition of this reality, USTDA ceased funding new program activities within its China portfolio in FY 2019. To better respond to China's expansion, USTDA has redeployed resources toward other regions to counter China's aggressive push into developing markets via the BRI and other initiatives.

The Indo-Pacific region is a principal recipient of USTDA's programmatic rebalancing as the Agency focuses on activities that challenge China's growing development assistance presence. Through comprehensive partnerships borne out of nearly three decades of experience in the region, USTDA is actively supporting the development of modern and sustainable infrastructure across the Indo-Pacific. While most Indo-Pacific countries are eligible for USTDA assistance, the Agency prioritizes markets that are most compelling for U.S. companies including India, Indonesia, the Philippines, Thailand and Vietnam.

Vietnam: Smart Grids

USTDA funded an information technology roadmap that is helping Vietnam's National Power Transmission Corporation better manage power sector growth and increase the efficiency of its national grid. USTDA's activity resulted in six American firms supplying advanced smart grid technology solutions that are strengthening resilience, reducing load losses and improving energy efficiency.

USTDA's mission, experience and robust track record supporting sustainable climate-smart infrastructure positions the Agency well to advance the Administration's goal of addressing the ongoing climate crisis. In particular, USTDA will prioritize programming for renewable energy, energy access, smart grid, smart city and transportation projects. These activities are helping the region build

resilient net-zero economies and directly support USTDA's Global Climate Partnership.

Similarly, USTDA will also continue supporting early-stage ICT infrastructure development across the region. These activities provide a direct alternative to a Chinese-centric approach to deployment of ICT resources. USTDA programming will advance critical connectivity and cybersecurity projects, which open markets, create U.S. jobs through exports and support the development of open, interoperable, reliable and secure communications in the Indo-Pacific region.

Delivering for a More Prosperous Africa

Over the past two decades, China has been ubiquitous in the financing of African infrastructure projects, bankrolling an estimated one in five projects and constructing one in three. In September 2018, at the annual Forum on China-Africa Cooperation, Chinese President Xi Jinping pledged $60 billion to African governments and their state-owned enterprises under the BRI. Through USTDA's support for the whole-of-government Prosper Africa and Power Africa initiatives, as well as the Agency's own Access Africa initiative, USTDA is actively counteracting China's growing ambitions across sub-Saharan Africa through cooperation with U.S. industry and like-minded private and public sector African entities that look to the United States as their global partner of choice.

Sub-Saharan Africa: Weather Forecasting

USTDA is supporting new resilience strategies across sub-Saharan Africa through a reverse trade mission that connected decision makers from 16 sub-Saharan African countries with U.S. firms in the weather services sector. The visit helped finalize multiple contracts for U.S. firms that are helping to modernize weather forecasting systems and advance climate resilience across the region.

Prosper Africa

USTDA is a key supporter of Prosper Africa, the whole-of-government initiative to substantially increase two-way trade and investment between the United States and Africa. Prosper Africa coordinates the full range of U.S. government resources to connect U.S. and African businesses with new buyers, suppliers, and investment opportunities. Under Prosper Africa USTDA has aligned resources to facilitate transactions that build sub-Saharan Africa's infrastructure using American-made goods and services.

Power Africa

Launched in 2013, Power Africa is a U.S. government-led initiative that addresses one of the most pressing challenges to sustainable economic growth and development in sub-Saharan Africa: access to electrical power. Under the initiative, USTDA has built a vibrant portfolio of clean energy, energy efficiency and other climate-smart activities to benefit millions of residents and businesses across the continent.

Access Africa

Access Africa is a forum for discussion between USTDA and U.S. industry leaders to support the development of quality ICT infrastructure and services across sub-Saharan Africa. USTDA launched Access Africa in June 2019 at the U.S. Africa Business Summit, with an accompanying call for proposals to facilitate USTDA support for U.S. industry's top ICT priorities across the continent. As part of the Access Africa initiative, USTDA designs targeted programming to advance inclusive, secure and sustainable connectivity. In addition to project preparation activities, Access Africa will significantly increase the Agency's event programming, including more reverse trade missions that allow African developers to meet with U.S. ICT companies and better understand U.S. technology offerings to meet their specific needs, and workshops focused on commercial and industrial standards for the ICT sector in Africa.

Nigeria: Internet Connectivity

In July 2020 USTDA funded a feasibility study for the Nigerian company Backbone Connectivity Network that will lead to faster, more reliable connectivity for millions of residents and corporate customers in Port Harcourt and the neighboring coastal communities of Nigeria's South-South region.

Maintaining U.S. Leadership in Latin America and the Caribbean

The coronavirus pandemic has created a challenging period for the Latin America and Caribbean region, bringing to the surface several important infrastructure priorities that USTDA is well positioned to support. For example, numerous markets are looking to diversify their economies beyond tourism or commodity exports by bridging their digital communications divide. Using its complete toolkit, USTDA will support the region's infrastructure priorities by linking U.S. exporters to these emerging opportunities. Key to this effort will be strengthening its strategic relationships with important regional lenders including the Inter-American Development Bank, CAF-Development Bank of Latin America and Brazil's National Bank for Economic and Social Development. These partners are likely sources of financing for implementation of USTDA supported projects across the region.

Brazil: ICT Resilience

The State of Ceará in northeast Brazil has placed a high priority on ICT to fuel economic growth and provide new opportunities to its citizens. USTDA-funded assistance helped the state develop a broadband network that is one of Brazil's largest and fastest, providing a variety of public services including telemedicine, distance education, digital television and videoconferencing to nearly 90 percent of Ceará's urban population. Built with American technology, this network has enhanced Ceará's economic resilience during the COVID-19 pandemic.

Bilateral and multilateral commercial diplomacy will continue to underpin USTDA's engagement in the region. In Mexico and Central America, USTDA will prioritize its programming on improving infrastructure to foster greater investment, thereby strengthening the local economies and helping to mitigate the societal impacts of the global pandemic. In line with the Administration's efforts to address root causes of migration from the

Northern Central American countries, USTDA is prioritizing opportunities to support priority infrastructure projects in the energy, transportation, and ICT sectors. In line with these efforts, USTDA will build upon its digital connectivity training series to familiarize stakeholders in Costa Rica, El Salvador, Guatemala, and Honduras on U.S. best practices and technologies in the ICT sector. In addition, USTDA will continue to support the Administration's efforts to promote development in southern Mexico. Through direct engagement with leaders in southern Mexico, USTDA intends to support transportation, communications, and water sector activities that will have concrete developmental and economic impacts locally while connecting the U.S. private sector to this important region.

The Caribbean continues to face challenges with respect to energy security, lack of economic diversity and vulnerability related to natural disasters. Under the Administration's Small and Less Populous Island Economies (SALPIE) Initiative, USTDA is prioritizing its collaboration with island countries and territories in the Caribbean to promote economic recovery and development in the region. USTDA will play an instrumental role in addressing these concerns by helping to support the development of more sustainable and resilient infrastructure. COVID-19 has significantly impacted Caribbean countries whose economies are heavily reliant on tourism. Disruptions in the tourism sector due to travel restrictions are also compounded by natural disaster threats. Now more than ever, a regional approach is needed to ensure infrastructure resilience in the Caribbean. To address this regional challenge, USTDA is considering a region-wide emergency management, preparedness and response initiative, which would be particularly instrumental in fostering the development of resilient infrastructure in the Caribbean.

Advancing Greater Stability in the Middle East and North Africa

China has been substantially increasing its footprint throughout the Middle East and North Africa in recent years. China also sees opportunity for investment in the region and has made it a key piece of its Belt and Road Initiative. In response, USTDA intends to expand its investments in the region and continue its critical role supporting infrastructure projects that lead to broad-based economic growth. Egypt remains one of Africa's major energy economies and a driver of economic growth and job creation. After many years of restrictions on operating in Egypt, USTDA has developed a robust program focused on energy development, which marries the strength of U.S. energy companies with Egypt's efforts to modernize its broader energy sector. In FY 2022, USTDA will

Jordan: Improving Healthcare

USTDA assistance helped Jordan grow an e-health pilot project at three clinics into a nationwide program that now manages over six million registered electronic patient records using U.S. American technology. USTDA's assistance also helped enhance the quality and resilience of Jordan's healthcare management systems during some of the most challenging periods of the COVID-19 pandemic. Its platform has contributed to nationwide contact tracing efforts to help control the spread of the virus and allowed patients an easy online option to request recurring medications.

diversify its programming in Egypt to focus on cleaner and more renewable activities and develop other sector engagements that will deepen the U.S.-Egypt commercial and economic relationship. Similarly, USTDA will continue to prioritize activities in Turkey and Jordan to maintain U.S. leadership in the region while opening markets for the export of U.S-manufactured goods and services.

Priority Countries and Sectors

USTDA targets its programming toward priority infrastructure projects in emerging markets that offer opportunities for significant exports of U.S. goods and services. These fast-growing, dynamic markets are eager for the kind of high-quality solutions that U.S. firms offer, but they are also some of the most competitive global markets where Chinese and European competitors regularly obtain significant support from their respective governments to tilt the playing field in their favor. USTDA concentrates its resources on a limited number of priority countries and sectors where it will have the greatest impact on U.S. competitiveness, exports and overseas economic development.

In FY 2022, USTDA expects to target several key regions and markets, including:

Sub-Saharan Africa:

- Cote d'Ivoire
- Ethiopia
- Ghana
- Kenya
- Nigeria
- Senegal
- South Africa
- Uganda

Indo-Pacific:

- India
- Indonesia
- Malaysia
- Philippines
- Thailand
- Vietnam

Middle East / North Africa:

- Egypt
- Jordan
- Turkey

Latin America / Caribbean:

- Brazil
- Colombia
- Ecuador
- Mexico
- Jamaica

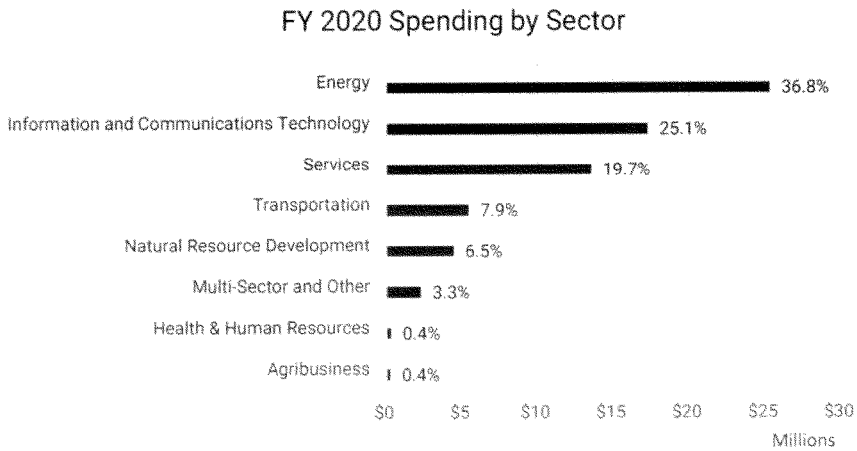
USTDA's five priority sectors include clean energy, transportation, ICT, healthcare infrastructure and agribusiness. These are the industries where U.S. technologies are most competitive and likely to generate exports to the Agency's priority countries. USTDA uses the expertise of its in-house industry sector teams to track developments in these key sectors and utilizing this information, USTDA makes better informed decisions on that account of the greatest opportunity for growth in U.S. exports.

Regional and Sector Projected Breakout

The table below represents amounts of all available core and transfer funds obligated in FY 2020. The FY 2022 amounts represent the anticipated allocation of FY 2022 core funds requested in this budget request.

Region	FY 2020		FY 2022 (Requested)	
	Amount	% of Total	Amount	% of Total
Indo-Pacific	$16,933,482	25%	$15,000,000	25%
Latin American and the Caribbean	$7,448,334	11%	$11,000,000	18%
Middle East and North Africa/Europe	$8,518,502	12.5%	$7,500,000	12%
Sub-Saharan Africa	$22,974,186	34%	$19,000,000	32%
Worldwide/Global Procurement Initiative	$11,875,580	17.5%	$8,000,000	13%
Total	**$67,750,084**	**100.0%**	**$60,500,000**	**100%**

The following chart represents the Agency's spending in FY 2020 by sector.



Operating Expenses

USTDA requests $19,000,000 in operating expenses for FY 2022, an amount that is consistent with the Agency's historical proportionate share of administrative overhead to programmatic funding,

IMPROVING MANAGEMENT THROUGH IT MODERNIZATION AND INVESTING IN SHARED SERVICES

USTDA will continue to invest in efforts to modernize and integrate its operations to increase functionality and usability, leveraging shared services where available. USTDA has multiple initiatives upcoming in FY 2021-2022 that will modernize and improve the ability of USTDA to focus on mission, service and stewardship. USTDA will finalize FY 2020 initiatives including the rollout of Microsoft Enterprise level solutions and the Security Center Configuration Manager (SCCM). These improvements, as well as the recently completed implementation of a real-time security assessment solution, provide enhanced security, further identify and provide guidance for mitigating vulnerabilities, and further harden USTDA IT defenses.

Additional projects in the upcoming year include the continued development of the USTDA Privacy Program and further implementation of Insider Threat Program components. USTDA has worked hard in recent years to modernize its IT infrastructure and inoculate itself against network vulnerabilities, by laying strong foundations and keeping pace with expanded federal security requirements.[2] USTDA has prioritized the investment in shared services. For example, historically, USTDA has obtained many services through shared services agreements with other Federal government agencies, including the Department of State, the General Services Administration, the Department of the Interior, and the Department of Homeland Security. USTDA continues to host its external website on OMB's MAX platform. USTDA has included funding in the proposed budget to continue its active utilization of shared services and will work to identify new areas to increase shared services in FY 2022.

REPRESENTATIONAL FUNDS

In addition to its operating expenses, USTDA requests a representational fund of $5,000. As a foreign assistance agency, it is essential that USTDA's representational funds be sufficient to allow the Agency to operate appropriately in diplomatic environments. These funds support the extensive work the Agency engages in overseas, as well as local outreach and related programs that bring emerging economy decision-makers together with the U.S. business community in fulfillment of the Agency's mission.

[2] Cybersecurity Act of 2015, OMB's Circular A-130, OMB Memorandums M-08-05 and M-11-11, HSPD-12, 2014 and FISMA 2014.

USTDA's Mission and Tools

Mission Statement

The U.S. Trade and Development Agency helps companies create U.S. jobs through the export of U.S. goods and services for priority development projects in emerging economies. USTDA links U.S. businesses to export opportunities by funding project preparation and partnership building activities that develop sustainable infrastructure and foster economic growth in partner countries.

USTDA's "toolbox" of targeted activities and programs help achieve the Administration's top priority of increasing U.S. exports in support of domestic job growth.

Feasibility Studies And Pilot Projects

Getting It Right from the Start

USTDA-funded and U.S.-led feasibility studies link foreign project sponsors with U.S. businesses at the critical early stages when technology options and project requirements are defined. These studies provide the comprehensive analysis required for major infrastructure investments to achieve financing and implementation.

In some cases, export opportunities depend on a demonstration of the U.S. seller's goods, services or technologies in the foreign buyer's setting.

Agency-funded pilot projects demonstrate the effectiveness of U.S. solutions and provide the analysis, evaluation and empirical data needed for potential foreign projects to secure funding. Pilot projects have proven to be an excellent tool for showcasing U.S. capabilities.

Technical Assistance

Creating a Favorable Business and Trade Environment

USTDA funds technical assistance that supports legal and regulatory reform, the establishment of industry standards and other activities that create a more transparent market for U.S. companies to engage. These programs, which often bridge gaps in the project development life cycle and shepherd projects through to financing, help facilitate favorable business and trade environments for U.S. goods and services.

Reverse Trade Missions

Making Connections

USTDA's specially tailored reverse trade missions provide unique opportunities to foster business relationships between U.S. companies and overseas project sponsors. The Agency brings foreign project sponsors to the United States to observe the design, manufacture and operation of American products and services that best support their infrastructure development goals. These visits help to shine a spotlight on the Administration's commitment to U.S. job creation, as each visit is targeted to inform foreign decisions-makers of U.S. solutions as they consider their upcoming procurement decisions.

Conferences And Workshops

Identifying Opportunities, Showcasing Technologies

USTDA organizes sector and region-specific events to connect U.S. firms with foreign buyers, highlights upcoming infrastructure projects overseas and showcases U.S. goods and services. These events, which are held in the United States and overseas, help U.S. companies build partnerships and identify export opportunities by providing them with vital knowledge on specific projects and activities.

Organizational Structure

USTDA maintains a lean structure that supports the Agency's goal of functioning as an agile and responsive organization. The Agency's executive team includes the Director, Chief Operating Officer, General Counsel, Director for Program Management, and Director for Management and Operations. Program staff, organized by geographic region, prioritizes business development in markets and sectors with the highest U.S. export and developmental potential, thereby positioning U.S. companies to achieve exceptional results.

To develop actionable recommendations for effective programming, USTDA's Office of Monitoring and Evaluations continuously reviews ongoing and past performance. Additionally, the Agency's size and structure allow its executive team, with input from the Director of Program Evaluations, to review and approve every dollar of program funding before it is obligated – thus ensuring empirical, evidence-based decisions and broad accountability.

Programmatic, operational and administrative support is provided by the Offices of General Counsel, Congressional and Public Affairs, Monitoring and Evaluations, Finance, Acquisition Management, Information Technology and Administration. These positions

are limited, however, and shared servicing agreements are utilized for support functions wherever possible. This structure allows USTDA to maximize its resources in support of the Agency's statutory, programmatic mission.

ANNUAL REPORT ON CALENDAR YEAR 2020

BUDGET JUSTIFICATION
FISCAL YEAR 2022

Commission on Security and Cooperation in Europe

117th Congress

Legislative Branch Commissioners

United States Senate

Benjamin L. Cardin, Maryland
Chairman

Ranking Member Roger F. Wicker, Mississippi
Richard Blumenthal, Connecticut
John Boozman, Arkansas
Marco Rubio, Florida
Tina Smith, Minnesota
Jeanne Shaheen, New Hampshire
Thom Tillis, North Carolina
Sheldon Whitehouse, Rhode Island

United States House of Representatives

To Be Appointed
Co-Chairman

Ranking Member Joe Wilson, South Carolina
Robert B. Aderholt, Alabama
Emanuel Clever, II, Missouri
Steve Cohen, Tennessee
Brian Firzpatrick, Pennsylvania
Richard Hudson, North Carolina
Gwen Moore, Wisconsin
Marc Veasey, Texas

Executive Branch Commissioners

Department of State, to be appointed
Department of Commerce, to be appointed
Department of Defense, to be appointed

EXECUTIVE SUMMARY

The Commission on Security and Cooperation in Europe (commonly called the U.S. Helsinki Commission) was created on June 3, 1976, pursuant to Public Law 94-304, codified as 22 U.S.C. 3001, et. seq. This statute authorizes and directs the commission ". . . to monitor the acts of the signatories which reflect compliance with or violation of the articles of the Final Act of the Conference on Security and Cooperation in Europe, with particular regard to the provisions relating to human rights and Cooperation in Humanitarian Fields." Information on the Commission's activities for calendar year 2020 is submitted pursuant to the provisions of 22 U.S.C. 3006.

As an independent Commission of the U.S. Government, the Commission seeks to advance the United States' values and foreign policy interests relating to comprehensive security among the 57 participating States in the Organization for Security and Cooperation in Europe (OSCE). It is composed of twenty-one Commissioners, nine each from the U.S. Senate and the U.S. House of Representatives, appointed respectively by the President of the Senate and the Speaker of the House. In addition, there are three Commissioners from the executive branch: one each from the Departments of State, Defense, and Commerce, appointed by the President of the United States.[1] At the beginning of each odd-numbered Congress, the President of the Senate designates a Senator as Chairman and the Speaker designates a House Member as Co-Chairman. At the beginning of each even-numbered Congress, the Speaker designates a House Member as Chairman and the President of the Senate designates a Senate Member as Co-Chairman.[2] (See Appendix (A) for a list of Commissioners in 2020.)

The Commission's staff consists of 16 permanent positions. Over the years, the Department of State has detailed a senior Foreign Service Officer to the Commission on a full-time basis. The Government Printing Office has detailed a printing clerk to the Commission on a full-time basis.

Since its establishment, the Commission has maintained a small but highly specialized professional staff. (See Appendix (B) for a list of staff in 2020.) In addition to their expert knowledge of the countries and regions of the OSCE, they are also authorities on human rights and democracy, military security, and the economic issues of the Helsinki process. Current staff members include proficiency in all official languages of the OSCE: English, German, French, Italian, Spanish, and Russian.

Moreover, due to the extensive service of Commission staff and their primary focus on OSCE issues, the Commission provides continuity and an unmatched reservoir of institutional knowledge within the U.S. government, and helps contribute to the development of a consistent and principled policy in keeping with its statutory mandate. This institutional knowledge is used by Congress and U.S. Government agencies, especially the Department of State in its preparation for and participation in a wide variety of OSCE meetings, negotiations, and policy making.

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[1] 22 USC 3003(a).

[2] 22 USC 3003(c) and (d).

Commission staff serve as an expert resource for training diplomats and other government officials at the Department of State's Foreign Service Institute and at human rights training workshops for Embassy reporting officers. The Commission has also shared its expertise on issues such as Global Magnitsky sanctions and anti-corruption measures with other OSCE participating States considering similar tools to protect human rights and advance good governance.

OSCE senior officials and representatives of participating States have recognized the Commission's unique leadership, knowledge, and talent, and consult with Commission staff in preparation for meetings, drafting and negotiating documents, and other OSCE-related initiatives. Non-governmental organizations, private sector institutions, and think tanks rely on Commission staff expertise regarding the OSCE as an organization, human rights and democracy, military and political security, corruption and good governance, and the countries and regions that fall within the scope of the OSCE.

The Commission seeks to use its expertise to make a difference regarding issues that potentially threaten peace, security, and stability in the expansive OSCE region stretching from Vancouver to Vladivostok. Commission engagement at home and abroad offers a unique avenue for promoting U.S. national interests in the security, economic, and human dimensions. The Commission's unique composition allows it to shape U.S. foreign policy and advance congressional support for specific policies, while its expert practice of public diplomacy vigorously advances U.S. values and foreign policy interests.

To facilitate its role in advancing those priorities and principles, the Commission:

- Supports the engagement of members of Congress with the OSCE and through the OSCE Parliamentary Assembly
- Participates in official U.S. delegations to the OSCE and OSCE election monitoring teams
- Convenes public hearings featuring foreign and domestic policymakers and individuals directly affected by human rights violations in the region
- Holds staff-led briefings featuring renowned authorities on diverse foreign policy issues
- Advances legislation building on Helsinki Commission expertise
- Implements strategic communications programs to actively engage with members of the press and the public
- Publishes reports, articles, and other materials
- Broadcasts a monthly podcast

Details on Commission hearings and briefings are in Appendix (C). Publications and podcasts are listed in Appendix (D).

In accordance with section 3 of Public Law 99-7 (March 27, 1985), codified as title 22 U.S.C. 3007(a), there are authorized to be appropriated to the Commission for each fiscal year such sums as may be necessary to enable it to carry out its duties and functions. For fiscal year 2022, the Commission requests an appropriation of $2,908,000 for salaries and expenses in keeping with the President's FY22 budget request.

BACKGROUND

In 1975, the United States and 34 other nations signed the Helsinki Final Act, establishing for the first time an explicit link between economic well-being, military transparency and human rights as the essential components of security—i.e., comprehensive security. Subsequently, in 1976, Congress created the U.S. Helsinki Commission to observe the activities of the OSCE participating States, take actions that move them toward fulfillment of their commitments under the Helsinki Final Act, and promote effective U.S. policy regarding the OSCE that protects and advances U.S. interests.

The states that emerged as a result of the breakup of the USSR, Czechoslovakia, and Yugoslavia subsequently joined the Helsinki process, at which time each new participating State signed the Helsinki Final Act and explicitly and unconditionally agreed to all commitments of the Helsinki process. Albania joined as a fully participating State in 1991 and Mongolia joined the OSCE as a fully participating State in 2012, bringing OSCE membership to 57 countries.

Algeria, Egypt, Israel, Jordan, Morocco, and Tunisia are OSCE Mediterranean Partners for Cooperation, and Afghanistan, Australia, Japan, the Republic of Korea, and Thailand are Asian Partners for Cooperation. (See Appendix (E) for a list of OSCE participating States and Partners).

The Organization for Security and Cooperation in Europe Parliamentary Assembly (OSCE PA) was created in 1991 as a parliamentary counterpart to the multilateral diplomacy which takes place under the auspices of the OSCE.

MONITORING AND ADVOCACY THROUGH MULTILATERAL DIPLOMACY

The Commission plays a particularly active role in the development of policy, legislation and other initiatives regarding:

- U.S. policy in the OSCE
- U.S. engagement in the OSCE Parliamentary Assembly
- The annual OSCE Ministerial Council and other key OSCE negotiations
- Human rights, rule of law, and democracy, including:
    - Combating anti-Semitism, racism, and intolerance
    - Freedom of the media
    - Political prisoners
    - Elections
    - Religious freedom
    - Migration, refugees, and displaced persons
    - Human trafficking
- Military security, emerging threats to security, and conflict zones in the OSCE region, including:
    - Russian aggression against Ukraine and Georgia
    - Counterterrorism
    - Cyber threats

- Good governance, corruption, and the fight against kleptocracy
- OSCE Partners for Cooperation and Mediterranean Partners

The Commission pays particular attention to those OSCE participating States where persistent violations of human rights or democratic norms occur (especially states where authoritarian regimes cling to power or are resurgent); where there is potential, ongoing or residual conflict; where developments open windows of opportunity to advance human rights and democracy; or where there is marked deterioration. Priority areas for the Chairman and Co-Chairman in 2020 included parliamentary diplomacy; principled foreign policy; human rights at home; safe, inclusive, and equitable societies; confidence and security building measures; military aspects of security; and territorial integrity.

A substantial amount of the Commission's work is driven by breaking developments that emerge over the course of any given year, both with respect to human rights as well as emerging conflicts or escalating inter-state tension. The Commission is most effective when it has the flexibility to respond to these issues as they arise. Successful outcomes on human rights cases are often the result of sustained advocacy over multiple years.

The Commission is an active and highly effective public diplomacy actor, reaching out to the private sector, think tanks, media, public groups, and individuals to explain and promote the principles of the Helsinki Final Act and other OSCE commitments, and to engage both organizations and individuals in the promotion of democracy, human rights, and the rule of law as essential components of regional security and cooperation. In 2020, Chairman Alcee L. Hastings and U.S. Ambassador to the OSCE James S. Gilmore III published an article in *Just Security* on the OSCE as a bulwark against authoritarianism.

Commission staff author articles, briefing papers and reports, available on its website (Appendix D), that are used by Congressional offices, journalists, academic institutions, think tanks, and civil society. During this reporting period, the Commission published reports and articles on the work of Commissioners in the OSCE Parliamentary Assembly, inclusion initiatives, regional security, and economic and environmental developments within the OSCE.

The Commission also produces a monthly podcast, "Helsinki on the Hill," a series of conversations hosted on human rights and comprehensive security in the OSCE region (Appendix D). The monthly podcast tells the human stories behind the commission's work to promote human rights, military security, and economic cooperation in North America, Europe, and Central Asia. Reflecting its impact and reach in 2020, Helsinki on the Hill was chosen by podcast aggregator PlayerFM as one of the best podcasts on Eurasia. Of the more than 8,000 government podcasts, Helsinki on the Hill is in the top 200 (#182), among the top 3 percent.

COVID-19

On March 13, 2020, President Trump declared a national emergency because of the coronavirus pandemic. The outbreak of the novel coronavirus prompted governments around the world to declare states of emergency or invoke similar legal measures in the interest of public health and safety. Often such measures enabled governments to enact large-scale social distancing

policies and suspend economic activity to save lives and preserve the capacity of national public health infrastructure to respond to the spread of infections. At the same time, the breadth of some emergency measures raised concerns over possible government abuse of those powers, undue restrictions on civil liberties, and increased potential for corruption.

The Commission maintained robust activities across the spectrum of its work, including at the OSCE and the OSCE Parliamentary Assembly, raising and responding to the far-reaching impact of the health crisis.

PARLIAMENTARY DIPLOMACY: THE HELSINKI COMMISSION AND THE OSCE PARLIAMENTARY ASSEMBLY

The OSCE Parliamentary Assembly (OSCE PA) allows the U.S. Helsinki Commission to go beyond its well-established relationship with the State Department and the executive branch in shaping U.S. policy toward the OSCE. Through the Assembly, the Commission has been able to exercise its mandate and further advance U.S. interests through engagement with parliamentarians from across the OSCE region.

While overshadowed by the direct and significant impact of the COVID-19 pandemic on virtually every global development of note, leading issues discussed under OSCE PA auspices in 2020 included Russian aggression against Ukraine and its other neighbors; the bogus elections and subsequent brutal crackdown in Belarus; the resumption of hostilities between Armenia and Azerbaijan over the Nagorno-Karabakh region; counter-terrorism; energy security; human trafficking; climate change; corruption; migration; attacks—at home and abroad—on critics and opponents of the political leadership in Russia, Turkey, and several other countries; the assault on democratic institutions and practices in countries like Hungary; and threats to the integrity of free and fair elections throughout the entire OSCE region. The OSCE PA observed the November 3, 2020, general elections in the United States.

The OSCE PA consists of 323 parliamentarians from 57 participating States, extending from United States and Canada, across Europe, including Russia, the Caucasus, Central Asian countries, and Mongolia. Representation is proportional to a participating State's size. The United States holds 17 seats in the Assembly, more than any other participating State, allowing it to exercise considerable influence. Moreover, Assembly declarations are considered, amended, and adopted based on a majority vote, rather than a consensus decision as required in OSCE diplomacy, allowing the OSCE PA to reflect the dominant sentiments in the region rather than the lowest common denominator among the participating States. That, in turn, has been used to press for greater action by the OSCE itself.

U.S. representation in the OSCE PA is guided by U.S. law, which, among other provisions, specifies that a Member of the Senate leads the U.S. Delegation in odd-numbered years, and a Member of the House leads in even-numbered years. Given its expertise on the OSCE, as well as its bicameral and bipartisan composition, the Helsinki Commission has sought to ensure a robust representation at OSCE PA meetings as an expression of Congressional commitment to maintaining and strengthening transatlantic ties, particularly during times of tension and uncertainty.

2020 Winter Meeting

In February, Rep. Alcee L. Hastings, the Helsinki Commission's Chairman, led a bicameral, bipartisan congressional delegation to the OSCE PA's 19th Winter Meeting in Vienna, Austria. The 11-member delegation was among the largest U.S. delegations ever to attend the annual gathering, which attracted more than 300 parliamentarians from 53 OSCE participating States. Chairman Hastings, a former president of the OSCE PA, was joined by Commissioners Sen. Roger Wicker, Rep. Joe Wilson, Rep. Emanuel Cleaver, Rep. Gwen Moore, Rep. Steve Cohen, Rep. Robert Aderholt, and Rep. Richard Hudson, as well as by Rep. Gregory Meeks, Rep. Lloyd Doggett, and Rep. Andy Harris. The delegation benefited from the active support of Ambassador James Gilmore, the U.S. Representative to the OSCE.

U.S. Delegates spoke in most of the official meetings of the OSCE PA's three general committees, as well as its executive Standing Committee and two ad hoc committees. During a special debate on confronting anti-Semitism and other forms of intolerance in the OSCE region, Sen. Ben Cardin delivered introductory remarks by video. On the margins of the Winter Meeting's official sessions, members of Congress met with the Ukrainian OSCE PA delegation to discuss U.S. support for Ukraine's territorial integrity and sovereignty in the face of unrelenting Russian aggression. Delegation members also met with OSCE Secretary General Thomas Greminger, Office for Democratic Institutions and Human Rights Director Ingibjörg Sólrún Gísladóttir, Special Representative and Coordinator for Combatting Trafficking in Human Beings Valiant Richey, and High Commissioner for National Minorities Lamberto Zannier.

Improvising Engagement Through a Pandemic

The COVID-19 pandemic that struck in the immediate aftermath of the Winter Meeting confronted the OSCE PA with numerous challenges. The pandemic forced the cancellation of all remaining meetings for the year, including the Annual Session scheduled for Vancouver and the Autumn Meeting scheduled for San Marino. The OSCE PA, moreover, had no provisions in its rules of procedure to respond to such a situation. Elections for OSCE PA officers scheduled for the Annual Session, for example, could not be conducted remotely, leaving the Assembly leadership little alternative but to extend expiring terms by one year, absent any objections. Some parliamentarians were, in fact, less than comfortable with this decision but agreed on an exceptional basis given the lack of any viable alternative and a need to maintain continuity. Similarly, the Assembly adapted a "silence procedure," like that used by OSCE decision-making bodies, to obtain approval of the Assembly budget. New provisions to amend the rules of procedure were drafted that would allow statutory OSCE PA meetings and elections to take place in 2021, even if remotely.

Meanwhile, in place of cancelled meetings, the OSCE PA Secretariat sought to maintain inter-parliamentary engagement by organizing a series of "Parliamentary Web Dialogues," or webinars, on a variety of important topics from April into November, along with frequent meetings of the OSCE PA leadership. Through the dialogues, parliamentarians maintained contact and discussed the impact of the pandemic on economic security; human rights and democratic norms during states of emergency; regional conflicts; environmental protection; migrants and refugees; gender; social cohesion in diverse societies; counterterrorism efforts; the Arctic and climate

change, and journalists exposing corruption. At least one Member of Congress, often more, participated in each of these webinars, contributing to discussions that were summarized in a comprehensive document in lieu of an annual declaration. Commissioners Chairman Hastings, Co-Chairman Wicker, Senators Cardin and Whitehouse, Representatives Cleaver, Hudson, Moore and Veasey, participated in one or more events as did Representative Chris Smith.

Helsinki Commissioners and staff also participated in some additional OSCE PA events conducted virtually, including one commemorating the 30th anniversary of the Paris Charter, meetings of ad hoc committees on migration and on counter-terrorism, and almost one dozen meetings of the two leadership bodies, the Bureau and Standing Committee. Commissioners were able to engage with featured speakers including Albanian Prime Minister and 2020 OSCE Chair-in-Office Edi Rama, Executive Director David Beasley of the Nobel Prize-winning World Food Programme, and Belarusian opposition leader Sviatlana Tsikhanouskaya.

The Commission actively participated in a process the OSCE PA began during the year to encourage participating States to use the OSCE more effectively, raise public awareness of the organization and seek ways to make it more effective. This process started in response to a political impasse within the OSCE in mid-2020, which led to a failure to reappoint the organization's Secretary General, Director of the ODIHR, Representative on Freedom of the Media and High Commissioner on National Minorities. In September, Chairman Hastings, Co-Chairman Wicker and Rep. Hudson wrote to the OSCE PA President supporting the initiative and providing some suggestions for action, including holding recalcitrant governments to account and having greater transparency in OSCE deliberations. In December, this effort culminated in the Parliamentary Assembly's release of an "OSCE Call for Action: Reaffirming a Common Purpose" signed by over 50 former Chairs-in-Office, OSCE PA Presidents (including Chairman Hastings), Secretaries General and heads of OSCE institutions. Sen. Cardin addressed an event held in tandem with the OSCE Ministerial Council, affirming strong bipartisan support in the U.S. for the OSCE and recognizing the OSCE as a vital forum to promote security, defend human rights and encourage democratic development in all OSCE countries.

Congressional Representation in OSCE Parliamentary Assembly Leadership

Beyond attendance at the primary meetings of the OSCE PA, Members of Congress are represented in the Assembly's leadership and ongoing activities with Helsinki Commission support. Sen. Roger Wicker serves as one of the nine OSCE PA Vice Presidents, first elected to this position at the 2017 Annual Session in Minsk, Belarus, after serving for two years as a committee chairman. Rep. Richard Hudson was appointed to fill the vacant position of Chair of the General (First) Committee on Political Affairs and Security, and he also serves as a Vice-Chair on the OSCE PA Ad Hoc Committee on Countering Terrorism. Sen. Ben Cardin serves as the OSCE PA Special Representative on Combating Anti-Semitism, Racism and Intolerance, while Rep. Chris Smith serves as the Special Representative on Human Trafficking Issues. Rep. Gwen Moore and Rep. Sheila Jackson Lee both serve as members of the Ad Hoc Committee on Migration. Commission staff also provide support to members in these leadership positions.

Facilitating U.S. Engagement with Other OSCE PA Leaders

The Helsinki Commission helped facilitate the visit in February of OSCE PA President George Tsereteli of Georgia and Secretary General Roberto Montella of Italy, which included meetings with Helsinki Commissioners and other Members of Congress, State Department and White House officials, and the Helsinki Commission staff.

During their visit, the Commission convened a hearing to encourage inter-parliamentary dialogue and examine the role parliamentary diplomacy can play in responding to current challenges facing the OSCE and NATO. In addition to Tsereteli, Acting President of the NATO Parliamentary Assembly Attila Mesterhazy of Hungary testified. Chairman Rep. Alcee L. Hastings chaired the hearing and was joined on the dais by Co-Chairman Sen. Roger Wicker, Sen. Ben Cardin, and Reps. Joe Wilson and Filemon Vela, the latter a member of the U.S. delegation to the NATO Parliamentary Assembly who joined the OSCE PA Delegation in 2018. The hearing provided insight on the parallels of multilateral engagement within the OSCE Parliamentary Assembly and the NATO Parliamentary Assembly. Commissioners and panelists were able to address various issues facing transatlantic security and remain hopeful for the future of parliamentary diplomacy and cooperation. Montella and Secretary General of the NATO Parliamentary Assembly Ruxandra Popa of France similarly joined Commission staff for a "Helsinki On the Hill" podcast discussion on the activities of their respective institutions and the value of parliamentary diplomacy in promoting security, prosperity, and human rights worldwide.

OSCE PA President Tsereteli also participated in a two-day seminar hosted by the Commission for young parliamentarians from the OSCE region to forge a transatlantic network for political action to address emerging human rights and security challenges. The event reinforced growing OSCE support for young leaders working on peace and security.

International Election Observation

The Helsinki Commission has traditionally participated in international election observation under OSCE PA auspices. The OSCE PA relies on the experience and expertise of Helsinki Commission staff to make its own leadership on international election observation missions more effective, and in turn provides the Commission with the means to engage in what has been one of its central activities since 1989, encouraging OSCE countries to conduct free and fair elections.

The pandemic, of course, limited the ability of the OSCE PA to observe elections. While the Assembly observed elections in Montenegro and Georgia, circumstances did not permit Commission participation. Prior to the outbreak of the pandemic, commission staff participated in the observation of elections in Azerbaijan.

The Helsinki Commission was able to assist the OSCE PA in observing the U.S. elections. Commission staff coordinated closely with the OSCE PA Secretariat and the U.S. Department of State regarding the ability of approximately 70 parliamentarians to enter the United States to observe. Sen. Ben Cardin briefed the parliamentarians on U.S. election issues prior to their deployment, and Sen. Roger Wicker facilitated a presentation by former Rep. Tom Davis on his

perspectives on those same issues. The Commission hosted German parliamentarian Michael Link, who served as the OSCE Special Coordinator on the U.S. elections, in an episode of its "Helsinki on the Hill" podcast explaining international election observation and responding to frequently raised questions and concerns about observation.

COUNTRIES AND ISSUES IN 2020

The Helsinki Final Act includes among its ten Principles Guiding Relations among the participating States a commitment to respect human rights and fundamental freedoms.

Freedom of expression and the media is a priority that is integrated across the Commission's work, including support for free and fair elections and anti-corruption efforts. The Commission pays particular attention to the murder of journalists and violent attacks on reporters, many of whom are targeted for investigative work on corruption. Commissioners voiced concern about measures in states like Russia, Azerbaijan, and Hungary that criminalized providing essential information and transparency about the COVID-19 pandemic. They condemned Russia's efforts to silence journalist Yelena Milashina in Chechnya for her reporting on the COVID-19 pandemic. Commissioners protested economic, legal, and extralegal measures to restrict independent journalists and outlets, including mounting arrests, fines, and harassment of journalists in Azerbaijan. A Commission hearing focused on media freedom, including their ability of journalists to report on public assemblies, and the Commission provided expertise for OSCE negotiations on the safety of journalists.

Throughout the year, the Commission raised specific cases of individuals imprisoned in violation of their fundamental freedoms, including more than 300 political prisoners in Russia. Commissioners called for the release of political prisoners in Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan. They reiterated their call for the release of Azimjan Askarov, a prominent human rights defender in Kyrgyzstan, who died in prison in July.

Commissioners advanced religious freedom through engagement with the Department of State and advocacy with other governments. The Commission closely monitored developments in Uzbekistan where President Shavkat Mirziyoyev released religious prisoners, registered more religious organizations, and maintained the ban on police raids against religious communities. Commissioners urged the Uzbekistan Government to work with the OSCE on its draft religion law to ensure that the final version complies with Uzbekistan's OSCE commitments and international obligations.

The Commission also identified ways to hold Russia accountable for freedom of religion violations in Ukrainian territory that Russia occupies illegally or controls, in addition to violations inside Russia's internationally recognized borders. Nearly six years into Russia's illegal occupation of Crimea, the human rights situation there continues to deteriorate. Russian authorities have restricted freedom of speech and assembly, suppressed civil society activity, persecuted religious and ethnic minorities, muzzled dissent, and continue to implement an aggressive process of "Russification" toward residents of the peninsula. Commissioners discussed the situation in Ukraine at hearings with Oleg Sentsov, a Ukrainian writer and filmmaker who was imprisoned by Russia for five years, and Acting Assistant Secretary of State for European Affairs Philip T.

Reeker. Commissioners also supported the work of the OSCE Special Monitoring Mission (SMM) in Ukraine. The SMM currently fields roughly 750 monitors, approximately 600 of whom are in the Donetsk and Luhansk regions of Ukraine.

Russia's internal repression against its own people, external aggression against other countries, and threats to U.S. and European security were a focus of Helsinki Commission work throughout 2020. Commissioners denounced a manipulated vote in mid-2020 carried out in Russia and in illegally-occupied Crimea. The vote cleared the way for constitutional amendments that weaken Russia's separation of powers and allow President Vladimir Putin–who rose to power in 1999–to remain in office until 2036.

Russia's culture of legal impunity has resulted in unsolved murders of activists, whistleblowers, and opposition politicians. Commissioners called for the release of U.S. citizen Paul Whelan, who is imprisoned in Russia without due process, and the expulsion of U.S. citizen and human rights lawyer Vanessa Kogan. The Russian government's role in poisoning opposition leader Alexei Navalny in August exemplified the cruelty and lawlessness of the Putin regime. Commissioners played the leading role in Congress in developing and ensuring implementation oversight of sanctions as a response to gross violations of internationally recognized human rights and acts of significant corruption in Russia and elsewhere.

According to OSCE election observers, Belarus has not had free and fair national elections since President Alexander Lukashenko was first elected in 1994. Prior to August 2020 presidential elections, Lukashenko's main competitors were eliminated through disqualification or imprisonment. The elections sparked nationwide protests that continued throughout the year, notwithstanding a brutal crackdown including tens of thousands of arrests and widespread torture and other abuse. The Helsinki Commission supported invoking the OSCE "Moscow Mechanism" to establish a fact-finding mission regarding the situation in Belarus. Commissioners supported the fact-finding mission's recommendations including a call for free and fair elections, accountability for human rights abuses against peaceful protestors, and the immediate release of all political prisoners.

In Kyrgyzstan, a popular revolt by youth and opposition groups over endemic corruption and fraudulent elections in October resulted in a tumultuous change of power and agreement to hold both new parliamentary and presidential elections (in 2021). Commissioners called for free and fair elections, anticorruption action, and human rights protection, including the rights of persons belonging to national minorities. Since becoming independent in 1991, Kyrgyzstan has had two revolutions and interethnic violence.

Commissioners supported efforts to counter democratic reversals in countries previously considered consolidated democracies. In response to the COVID-19 pandemic, the Hungarian prime minister secured exceptional emergency powers with no sunset clause, a unique feature among the state responses to the pandemic in the OSCE region. Following intense criticism, the pandemic-related emergency provisions were given a renewable sunset clause, similar to other emergency measures introduced and continuously renewed in Hungary since 2015. Commissioners welcomed compromise on electoral reforms in the Republic of Georgia in March. Prior to that, a political crisis coincided with criminal prosecutions against several prominent

opposition figures that created the appearance of selective enforcement of the law.

Commissioners closely monitored the still-fragile situation in the Balkans in 2020. Albania's role as 2020 Chair of the OSCE provided additional opportunities to engage with Albania on developments in that country, including discussions with Albanian stakeholders and the Department of State on electoral reform. North Macedonia was welcomed as the newest member of the NATO alliance in March. The Commission provided expertise for numerous congressional offices in regard to developments in the Kosovo-Serbia dialogue throughout the year.

The Commission led efforts to combat anti-Semitism and racism against Roma, persons of African descent, and other minorities. The Commission has spearheaded OSCE commitments in this area and pressed to strengthen OSCE tools, particularly in response to hate crimes.

Long-standing racial justice efforts by Commissioners resonated in the OSCE region following the exposure of systemic police violence and the disproportionate impact of COVID-19 on minority populations. Commissioners participated in OSCE Parliamentary Assembly interparliamentary dialogues on challenges faced by minorities and vulnerable populations during COVID-19 pandemic; the first Joint Meeting between the Commission and U.S. Congress and European Union Parliament on transatlantic anti-racism initiatives featuring European Union Equality Commissioner Helena Dalli; a hearing on the state of diversity and inclusion in the EU featuring diverse Members of the European Parliament; and an event with the OSCE High Commissioner on National Minorities on policing in multiethnic societies. Following large-scale racial justice demonstrations in 25 out of 30 NATO countries and a coordinated expression of concern in the OSCE by U.S. allies, a Commission hearing considered implications of those issues for U.S. global leadership. A hearing on "Values Made Visible" included the Smithsonian and examined the messages conveyed through public monuments and memorials on both sides of the Atlantic.

The Commission supported efforts to advance restitution, restorative justice, and mass atrocity accountability. Commissioners welcomed the release of the JUST Act report by the U.S. Department of State, pursuant to legislation passed into law in 2018. That law required the State Department to provide a one-time report to Congress to assess the national laws and policies of countries relating to the identification of, return of, or restitution for assets wrongfully seized during the Holocaust era. Commissioners supported efforts to counter Holocaust denial and trivialization, as well as restrictions on academic freedom related to the study of the Holocaust.

Remembering the July 1995 genocide at Srebrenica in Bosnia and Herzegovina on its 25th anniversary, Helsinki Commission leadership issued a joint statement, and Co-Chairman Sen. Roger Wicker, released a video on the lingering impact of this tragic event through the U.S. Embassy in Sarajevo. A Commission podcast episode focused on the work of the International Commission on Missing Persons in Srebrenica. Staff also supported congressional offices regarding a resolution on the anniversary of the Srebrenica genocide and on a Senate resolution on the 1999 murder of three American-citizen Bytyqi brothers in Serbia in 1999.

The Commission continued to follow developments in Slovakia closely. Widespread public revulsion at the murder of a young investigative journalist and his fiancée in 2018 contributed to the election of a government in 2020 that has initiated some of the most important anti-corruption measures in the region. In Bratislava, Co-Chairman Wicker met the Slovak Foreign Minister regarding NATO and EU efforts to counter Russian influence in Europe.

The Commission's work to advance military security encompasses arms control, border management, combating terrorism, policing, conflict and military reform. Commissioners addressed violations of military security agreements, especially regarding Russia's illegal annexation of Crimea and intervention in Ukraine. Commissioners supported territorial integrity as one of the founding principles of the Helsinki Final Act.

The Open Skies Treaty was designed to increase transparency, build confidence, and encourage cooperation among the United States, Russia, and 32 other participating states (including much of Europe as well as partners like Ukraine and Georgia), by permitting unarmed observation aircraft to fly over their entire territory to observe military forces and activities. Following reports that the U.S. administration was considering withdrawing the United States from the Open Skies Treaty and the Commission's 2019 joint hearing with the House Committee on Foreign Affairs Subcommittee on Europe, Eurasia, Energy, and the Environment, Chairman Hastings authored a related amendment to the National Defense Authorization Act (H. R. 6395) The amendment expressed support for confidence and security building measures like the Open Skies Treaty, because they reduce the risk of conflict, increase trust among participating countries, and contribute to military transparency and remain vital to the strategic interests of America's NATO allies and partners. On November 22, 2020, the United States formally withdrew from the Treaty. The Russian Foreign Ministry subsequently announced it would also withdraw from the Treaty.

The Commissioners launched an examination of emerging technologies and transatlantic security; technological advances by the United States' strategic competitors and to what extent U.S. policy and technological development is keeping pace; legal and ethical considerations inherent in defense technological development; and the role of existing arms control and confidence building measures in an era of rapidly evolving defense technology.

The Nagorno-Karabakh conflict between Armenia and Azerbaijan remains one of the world's most intractable and long-standing territorial and ethnic disputes. Its fragile no-peace, no-war situation poses a serious threat to stability in the South Caucasus region and beyond. A 2017 commission report noted that far from being "frozen," the conflict was prone to sudden and rapid escalation. In 2020, the Commission continued to monitor and report on the conflict, including OSCE efforts to mitigate conflict. After a major outbreak of violence between Armenia and Azerbaijani forces in Nagorno-Karabakh in September, Helsinki Commissioners called for the immediate cessation of violence and resumption of negotiations under the auspices of the OSCE Minsk group.

Pervasive corruption is both a cause and a symptom of weak state institutions, creating vulnerabilities for malign Russian influence and economic and political instability. Democratic nations that respect good governance and the rights of their citizens are also more likely to be

economically successful and to be stable and reliable partners for the United States. The Commission has become a leading voice in efforts to combat corruption and protect the rule of law and has advanced global anticorruption efforts by the United States and the OSCE.

The Commission's work focuses on authoritarian kleptocracy, a form of autocratic government that relies on financial globalization and secrecy to steal and maintain power. Commissioners addressed corruption-related issues with respect to specific countries (e.g. Moldova, Ukraine, Russia, and Cyprus). Several Helsinki Commission-supported anti-kleptocracy legislative initiatives sought to resource and streamline U.S. efforts to build the rule of law abroad (H.R. 3843/S. 3026), expose the names and misdeeds of kleptocrats around the world (H.R. 3441), end impunity for foreign corrupt officials (H.R. 4140), and shine a light on ill-gotten gains hidden in the United States (H.R. 4361). Commissioners welcomed the end of the "golden passport program" in Cyprus which had long faced criticism for its abuse by corrupt officials.

Co-Chairman Wicker and Commissioner Sen. Sheldon Whitehouse and former Commissioners Rep. Sheila Jackson Lee and Rep. Michael Burgess introduced the Rodchenkov Act (S. 295 and H. R. 835) to criminalize international doping fraud conspiracies. The bill is named for Dr. Grigory Rodchenkov who, in 2016, exposed the Russian state-sponsored doping scandal that took place during the 2014 Sochi Olympics. The Rodchenkov Act passed through both chambers of Congress and was signed into law by President Trump on December 4, 2020. The act establishes criminal penalties for doping schemes, provides restitution for victims, protects whistleblowers from retaliation, and shares information with the U.S. Anti-Doping Agency.

Commissioners were instrumental in overcoming resistance to the adoption of EU sanctions on human rights abusers, including provisions for sanctioning corruption to ensure that corrupt officials barred from the United States are unable to continue operating in the EU. Commissioners welcomed the United Kingdom's first independent Magnitsky sanctions and expressed concern about the integrity of Switzerland's investigation into matters related to the murder of Sergei Magnitsky.

THE HELSINKI COMMISSION AND U.S. POLICY TOWARD THE OSCE

The Commission supports human rights as part of a comprehensive approach to security and actively shapes U.S. policy regarding the OSCE. Engagement with senior State Department officials and participation in OSCE and OSCE Parliamentary Assembly events provides an important avenue for Commissioners to influence U.S. policy. Commission priorities are advanced through a regular dialogue with the Bureaus of European and Eurasian Affairs, South and Central Asian Affairs, and Democracy, Human Rights, and Labor, and with desk officers with specific country responsibilities, and deployed to the U.S. Mission to the OSCE in Vienna.

The Commission's work is strengthened by the inclusion of a staff member in the U.S. Mission to the OSCE, a unique feature of the Commission. Commission staff facilitated regular consultations between U.S. Ambassador to the OSCE, James S. Gilmore III, and Members of Congress on developments in the OSCE area.

Participation in U.S. delegations to OSCE meetings enables Commission staff to advance Commissioner priorities relating to all areas of the OSCE such as anti-Semitism and racism and trafficking in persons. The Commission has elevated the Department of State's focus on anti-corruption efforts and integrated beneficial ownership issues into the Department's OSCE agenda. The Commission provides U.S. delegations with expertise on the OSCE and engages directly with other governments and with civil society representatives. Commissioners encouraged the governments of Uzbekistan and Ukraine to implement OSCE recommendations regarding freedom of religion or belief.

The Commission regularly engages with the most senior officials of the OSCE, at the meetings of the OSCE PA and in Washington. In 2020, the Commission held hearings with Prime Minister of Albania Edi Rama, in his capacity as OSCE Chair-in-Office for 2020, and with the Director of the OSCE's Office for Democratic Institutions and Human Rights Ambassador Ingibjörg Sólrún Gísladóttir. The Commission also organized an event with Sen. Ben Cardin, who also serves the OSCE PA Special Representative on Anti-Semitism, Racism, and Intolerance, and the Office of the OSCE High Commissioner on National Minorities on "Policing in Diverse Societies: Principles and Good Practices." Rep. Chris Smith, OSCE PA Special Representative on Human Trafficking Issues, addressed the OSCE Alliance Against Trafficking in Human Beings on "Ending Impunity Delivering Justice through Prosecuting Trafficking in Human Beings."

Russia and a small number of like-minded countries have long sought to limit civil society access to OSCE meetings on human rights and democracy. Turkey has also threatened to block civil society access unless Turkey is given a veto over which nongovernmental organizations may attend those meetings. The Commission has been a vocal and consistent champion of meaningful and robust civil society engagement in OSCE activities and greater transparency of the organization's work.

Commission leaders criticized Azerbaijan, Tajikistan, and Turkey after they unexpectedly blocked consensus on renewing the mandates for the four most senior positions in the OSCE, including the Secretary General. The months-long impasse, coming during a global pandemic, was resolved with new appointments at the OSCE ministerial in December.

In August, Belarusians reacted to what they perceived as falsified election results by mounting large and sustained protests throughout the country. The Helsinki Commission, a singular repository of knowledge about the OSCE's mechanisms, subsequently fostered the establishment of a special fact-finding mission to report on the Belarusian government's ruthless crackdown on peaceful demonstrators, including the widespread use of torture. The report and its recommendations were a focus of discussions organized by the United States in coordination with 36 other countries at the OSCE Ministerial Council meeting in December and was featured, along with report author Prof. Wolfgang Benedek, in the year's final episode of "Helsinki on the Hill."

The regular and planned schedule of OSCE meetings for 2020 was significantly altered by the COVID-19 pandemic, beginning with lockdowns throughout the OSCE region in mid-March. In Vienna, where the OSCE is headquartered, critical business was conducted remotely, which allowed the OSCE Permanent Council to renew the mandate for the Special Monitoring Mission (SMM) in Ukraine and adopt the SMM budget on March 19. The annual Human Dimension

Implementation Meeting, Europe's largest human rights forum, was canceled as an exceptional measure in response to COVID-19, reflecting the unique challenges of trying to convene a two-week meeting that normally draws more than a thousand participants during a pandemic. For the first time, the annual Ministerial Council meeting was convened in an entirely virtual format. Virtual gatherings provided access, albeit remotely, for Commissioners and staff participation.

In 2020, Commission staff reinforced specialized OSCE meetings on anti-Semitism, racism, xenophobia, and intolerance; racism and discrimination against Roma; trafficking in persons; the rule of law; access to information and freedom of the media; democratic lawmaking; multilingual education; and human rights defenders. Meetings on the prevention of torture, transnational organized crime, counter terrorism and combatting corruption contributed to negotiations for Ministerial Council decisions adopted in December.

The Secretary of State is mandated to submit to the Commission an annual report discussing the overall United States policy objectives that are advanced through meetings of decision-making bodies of the OSCE, the OSCE implementation review process, and other activities of the OSCE. By law, that report is posted on the Department of State's website. Ambassador Philip T. Reeker, U.S. State Department Senior Bureau Official serving as Acting Assistant Secretary for Europe and Eurasia since March 2018, testified before the Commission in December on "U.S. Priorities for Engagement at the OSCE." The wide-ranging hearing addressed Department priorities for engagement with the OSCE, including democracy and human rights, the crisis in Belarus, protracted conflicts in the OSCE region including, in Ukraine, Moldova, Georgia, and Nagorno-Karabakh, and hybrid threats.

Appendix (A)

Commission on Security and Cooperation in Europe
116th Congress

Legislative Branch Commissioners

United States House of Representatives

Alcee L. Hastings, Florida
Chairman

Ranking Member Joe Wilson, South Carolina
Robert B. Aderholt, Alabama
Emanuel Cleaver, II, Missouri
Steve Cohen, Tennessee
Brian Fitzpatrick, Pennsylvania
Richard Hudson, North Carolina
Gwen Moore, Wisconsin
Marc Veasey, Texas

United States Senate

Roger F. Wicker, Mississippi
Co-Chairman

Ranking Member Benjamin L. Cardin, Maryland
John Boozman, Arkansas
Cory Gardner, Colorado
Marco Rubio, Florida
Jeanne Shaheen, New Hampshire
Thom Tillis, North Carolina
Tom Udall, New Mexico
Sheldon Whitehouse, Rhode Island

Executive Branch Commissioners

Department of State, vacant
Department of Commerce, vacant
Department of Defense, vacant

Appendix (B)

Staff Members

Alex Johnson *Chief of Staff*

Prior to his appointment to the Commission, Alex served as senior policy advisor for Europe and Eurasia at the Open Society Foundations where he managed U.S.-focused advocacy for 12 national foundations and regional programs ranging from Central Asia to Western Europe. An expert on European human rights and transatlantic security, Alex is a former Obama Administration appointee at the Department of Defense where he served as Special Advisor for Russia/Ukraine External Affairs in the Office of the Under Secretary of Defense (Policy). In this role, Alex coordinated public affairs, strategic communications, and congressional engagements for teams supporting the Deputy Assistant Secretary of Defense for Russia, Ukraine, and Eurasia.

Alex served from 2007 to 2015 as a policy advisor at the Commission on Security and Cooperation in Europe (U.S. Helsinki Commission), where he advised bicameral and bipartisan contributions to parliamentary diplomacy with portfolios ranging from Eurasia, Europe, and the Near East. His service included almost four years as Representative of the Helsinki Commission at the United States Mission to the Organization for Security and Cooperation in Europe in Vienna, Austria. Prior to his Commission service, he was a Congressional Black Caucus Foundation fellow in Chairman Hastings' office and a consultant for local government initiatives in Portland and Corvallis, Oregon.

Alex is known for his research and leadership of advocacy coalitions of diverse foreign policy professionals and is recognized for advancing inclusion for the U.S. national security workforce. He is a term member of the Council on Foreign Relations and a member of the Truman National Security Project Defense Council. Alex holds a BS in natural resources and an MPP, both from Oregon State University.

Kyle Parker *Senior Senate Staff Representative*

Kyle Parker was jointly appointed on January 3, 2018 by U.S. Senators Roger Wicker and Ben Cardin, then-Chairman and Ranking Member, respectively.

Prior to his appointment to the Commission, Kyle served on the House Foreign Affairs Committee as Ranking Member Eliot Engel's senior advisor overseeing U.S. foreign policy toward the 50 countries and three international organizations covered by the Department of State's Bureau of European and Eurasian Affairs. From 2006 to 2014, Kyle served as Policy Advisor for Eurasia at the U.S. Helsinki Commission under the Chairmanships of Sam Brownback, Alcee Hastings, Ben Cardin, and Chris Smith. Before entering government, Kyle spent eight years at the American Foreign Policy Council managing high-level political exchanges with Russia, Ukraine, and China.

Kyle's work on the Magnitsky Act, a landmark law redefining human rights advocacy around the world, is featured in a New York Times bestseller, and his expertise on Russia has been quoted by the Wall Street Journal, Washington Post, CNN, Fox News, NPR, and foreign media outlets.

Kyle is a graduate of the University of Maine and the U.S. Naval War College. He speaks fluent Russian.

Mark Toner *Senior State Department Advisor (through July 2020)*

Mark Toner is a career member of Senior Foreign Service, class of Minister-Counselor. He most recently served as a Senior Faculty Advisor at the Eisenhower School for National Security and Resource Strategy, a part of the National Defense University.

Prior to that post, Mark was the Acting Spokesperson for the Department of State. He has also served twice—under two different Secretaries of State—as the Department's Deputy Spokesperson. Mark was a Deputy Assistant Secretary in the Bureau of European Affairs, where he coordinated public diplomacy programs for Department's largest regional bureau, and in the Bureau of Public Affairs, where he oversaw all the Department's front-line media engagement operations.

Mark has served overseas at the U.S. Mission to NATO in Brussels, Belgium; the U.S. Consulate General in Krakow, Poland; and the U.S. Embassy in Dakar, Senegal. He has also worked in the State Department's Operations Center as a Senior Watch Officer and served as a staff member on the Senate Foreign Relations Committee.

Before joining the Foreign Service, Mark was a Peace Corps Volunteer in Liberia, West Africa. He has an M.S. in National Resource Strategy from the Industrial College of the Armed Forces and a B.A. in English Literature from the University of Notre Dame. He speaks French and Polish.

He is married to Mimi Graham Toner and has four daughters: Katherine, Clare, Megan, and Grace. He is a native of Chadds Ford, PA.

Rebecca Neff *Senior State Department Advisor (from August 2020)*

Rebecca Neff is the State Department's Senior Advisor to the Commission on Security and Cooperation in Europe.

A career member of the Senior Foreign Service with the rank of Counselor, Rebecca has more than 20 years of experience advancing U.S. policies to support peace and security in Europe. She has served in leadership positions in some of the largest and most important U.S. embassies in Europe, including in Kyiv, London, Ankara, Moscow and Paris. Throughout her career, Rebecca has focused on supporting U.S. economic growth by strengthening U.S. trade and investment relations with Europe and promoting the development of business climates that support innovation and entrepreneurship.

Prior to joining the Commission, Rebecca served as the Acting Director and Deputy Director of the Office of Western Europe, Bureau of European and Eurasian Affairs, where she had overall responsibility for advancing U.S. political, economic and security priorities with the U.K., Germany, France, Italy, Spain, Ireland, the Netherlands, Belgium, Portugal, Malta, Luxembourg,

and the Vatican. In previous assignments, she developed polices to support European energy security, including development of the multi-billion dollar Southern Gas Corridor to diversify Europe's gas imports. Earlier, she worked in Office of the Coordinator for Reconstruction and Stabilization to improve U.S. interagency coordination in responding to fragile and failing states.

Rebecca holds a MA in International Relations from George Washington University, a MS in National Security Studies from the National War College, a Certificat from L'Institut d'Etudes Politiques, Aix-en-Provence, France, and a BA in Political Science and French from the University of Michigan. Rebecca speaks French, Russian, and Turkish.

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Rachel Bauman *Policy Advisor*
Russia, Ukraine, Belarus, Moldova, Baltic states

Rachel Bauman serves as the policy advisor for Russia, Ukraine, Belarus, Moldova, and the Baltics (Estonia, Latvia, and Lithuania). She holds a M.A. in Statecraft and International Affairs with a Comparative Political Culture concentration from the Institute of World Politics in Washington, DC, where she graduated summa cum laude.

A Pennsylvania native, in 2015 Rachel graduated summa cum laude from Messiah College in Mechanicsburg, PA with a B.A. in English and a minor in politics. She spent the summer after graduation teaching English at a children's summer camp in Russia, and returned in the summer of 2017 for intensive language study in the historic city of Vladimir. Prior to joining the Commission in 2018, Rachel worked in the think tank community, where she edited and published numerous articles and policy papers. She is proficient in Russian.

Janice Helwig *Senior Policy Advisor*
Central Asia, trafficking in persons, cultural heritage, OSCE institutions

Janice Helwig is a senior policy advisor focusing on the countries of Central Asia and Afghanistan, as well as trafficking in persons. She joined the Commission in 1994, and has extensive expertise on the procedures, functioning, and history of the OSCE. In addition to participating in many OSCE events, conferences, and election observations, she has worked on numerous OSCE Ministerial and Summit documents, including those focused on promoting human rights, combating trafficking in persons, combating sexual exploitation of children, minority issues, gender equality and elections.

Prior to joining the U.S. government, she was an associate curator at the J.B. Speed art museum in Louisville, KY, where she worked on one of the first exhibitions organized directly between U.S. and Soviet museums on Russian Constructivist Theater Design as well as a permanent exhibition of Roman funerary art.

Janice holds a B.A. in History and Classics and an M.A. in Art History from the University of Louisville, where she was an N.B. Nettleroth Merit Scholar, a Hite scholar and a National Merit Scholar. She has knowledge of German, French, Spanish, Albanian, ancient Greek, and Latin.

Bob Hand *Senior Policy Advisor*
Secretary of the U.S. Delegation to the OSCE's Parliamentary Assembly
Western Balkans, OSCE Parliamentary Assembly

Robert A. Hand joined the staff of the U.S. Commission on Security and Cooperation in Europe (Helsinki Commission) in 1983, and serves as a Western Balkan specialist tasked with monitoring and reporting on Albania, Bosnia-Herzegovina, Croatia, Kosovo, Macedonia, Montenegro and Serbia. He also serves as Secretary of the U.S. Delegation to the OSCE Parliamentary Assembly. He has been a member of many U.S. delegations to OSCE meetings, served on an OSCE field mission in 1993, staffed numerous congressional delegations to European countries, and observed multiple elections and referenda throughout the Balkans. Robert earned a B.A. in International Relations and Russian Area Studies, with a minor in Economics, from the School of International Service at American University in 1983. He has some knowledge of Russian and German.

Jean-Francois Hernandez *Staff Associate*

Jean-Francois Hernandez is the Staff Associate at the Commission for Security and Cooperation in Europe (U.S. Helsinki Commission), where he assists the office director with administrative duties.

Prior to joining the Helsinki Commission, Jean-Francois was a trainee in the Global Issues and Innovation Section of the Delegation of the European Union to the United States in Washington, D.C. He graduated from the American University with a degree in international relations and a minor in economics, specializing in American foreign policy with a regional focus on Europe. He previously interned on Capitol Hill and for the U.S. Global Leadership Coalition.

Jean-Francois is originally from Easton, Connecticut and has lived abroad in Mexico and Brazil.

Stacy Hope *Director of Communications*

Stacy L. Hope is the Communications Director at the Commission on Security and Cooperation in Europe, also known as the U.S. Helsinki Commission. Since 2014, she has guided all communications activities of the Commission, including strategic planning, messaging, media relations, and digital outreach.

A veteran communicator specializing in transatlantic relations, Stacy is an accomplished high-level advisor as well as a hands-on team leader. For two decades, she has developed and implemented integrated communications programs that successfully articulate complex global issues and build support among high-level government officials, the media, policymakers, academia, civil society, and the general public.

As the senior communications advisor to the Delegation of the European Union in Washington, Stacy counseled EU officials on multifaceted programs effectively connecting American audiences with crucial European political issues. During her six-year tenure with the EU, she introduced several new initiatives to expand the reach of the Delegation among key constituents, including a series of high-level conferences, a comprehensive social media program, and a flagship influencer event series.

From 2004 to 2008, Stacy led national and international communications programs for the British Council, the United Kingdom's cultural relations organization. In addition to directing the development, execution, and evaluation of an outreach strategy engaging the next generation of US decision-makers with the UK, she served as the organization's spokesperson and headed international marketing projects in 12 countries in North America and Western Europe.

Prior to joining the British Council, Stacy worked as the external relations officer for the Department of State's Fulbright Student Program at the Institute of International Education, where she managed the program's first-ever integrated recruitment, public awareness, and media relations initiative.

Stacy launched her career at Golin, an international public and media relations firm. She holds a BA in international relations and journalism from the University of Southern California, an MSc in international relations from the London School of Economics, and a professional diploma from the Chartered Institute of Marketing (UK). She is a published author, a Fellow of the Truman National Security Project, and has held numerous volunteer leadership positions.

Nathaniel Hurd *Senior Policy Advisor*
Religious freedom, humanitarian assistance and disaster relief

Nathaniel is a Senior Policy Advisor and joined the Commission in October 2014. His portfolio includes international freedom of religion, the Holy See, humanitarian emergencies, and atrocity crimes (genocide, crimes against humanity, and war crimes). Previously, he was Senior Policy Advisor for Conflicts & Disasters at World Vision and held similar positions at the International Rescue Committee and Mercy Corps. His career began in 1999 and has mostly focused on international humanitarian and human rights crises, including those resulting from religious persecution, and his expertise includes the United Nations. Nathaniel has interviewed and spent time with many survivors of violence – in Iraq, Jordan, Lebanon, Ethiopia, and Somalia – who were forced to flee from their homes and seek refuge in other countries as refugees or were internally displaced in their own. These survivors were from a cross-section of faiths and some were originally targeted for their faith.

Nathaniel holds a B.A. in international relations from Hamilton College and Master's of International Affairs from the School of International and Public Affairs at Columbia University.

Jennifer McCuiston *Director of Operations*

Jennifer P. McCuiston is the Director of Operations at the Commission on Security and Cooperation in Europe, also known as the U.S. Helsinki Commission.

Ms. McCuiston is a veteran of Capitol Hill. For more than a decade, she was Administrative Officer at the U. S. Office of Congressional Workplace Rights, where she managed the administrative and operational functions of the office, including negotiating inter-agency and other cooperative agreements. She previously served as Counselor for the office, providing services for 30,000 legislative-branch employees. Her work included ensuring compliance with the Congressional Accountability Act established to protect the workplace rights of the legislative community – covering both employees and employing offices.

Before coming to Capitol Hill, Ms. McCuiston served as a policy manager for the AARP consumer portfolio, traveling across the United States to research issues from livable communities to banking products that helped to formulate AARP policy. She also worked as a liaison for AARP Services, Inc. and AARP (non-profit), and led various leadership teams and projects in support of AARP.

She also previously served at the U.S. Merit Systems Protection Board supporting the Vice Chairman and doing legal research focused on Law Enforcement Officer (LEO) cases. Additionally, she spent time working at the American Nurses Association in the Government Affairs division.

Ms. McCuiston completed her undergraduate studies in Psychology from the University of Michigan in Ann Arbor, and holds a Master's degree from Eastern Michigan University in criminology/criminal justice.

Paul Massaro *Policy Advisor*
Economic and environmental affairs, Mongolia and OSCE Asian Partners

Paul Massaro joined the U.S. Helsinki Commission in 2013. He serves as the policy advisor responsible for OSCE "second dimension" issues, or economic and environmental policy. His portfolio includes topics such as anti-corruption, sanctions, finance, trade, Arctic issues, and energy security. He is also responsible for Mongolia and the OSCE Asian Partners for Cooperation (Japan, Korea, Thailand, Australia, and Afghanistan).

Paul holds a Master of Public Policy with a specialization in international security and economic policy from the Maryland School of Public Policy, where he graduated top of his class. He also holds two bachelor's degrees in government and politics and Germanic studies from the University of Maryland, College Park, where he graduated summa cum laude. He is fluent in German.

Everett Price *Senior Policy Advisor (through August 2020)*
South Caucasus, Eastern Mediterranean, Islamic affairs, OSCE Mediterranean Partners

Everett joined the Helsinki Commission in 2016 and served as the senior policy advisor responsible for the South Caucasus, Eastern Mediterranean, Islamic Affairs and the OSCE Mediterranean Partners for Co-operation, a forum comprising six Middle Eastern and North African nations (Algeria, Egypt, Israel, Jordan, Morocco, and Tunisia) that participate in OSCE fora to facilitate north-south Mediterranean dialogue and cooperation. He also supported the commission's work on the five Central Asian states.

Everett has nearly eight years of experience in the executive branch analyzing Middle Eastern political affairs and supporting the development of regional foreign policy. He earned his Bachelor's of Science in Foreign Service in Regional Studies of the Islamic World from Georgetown University's School of Foreign Service. He is proficient in Arabic, French, and Spanish.

Erika Schlager *Counsel for International Law*
Visegrád countries, Bulgaria, Romania, Romani affairs, property claims, domestic compliance

Erika B. Schlager serves as Counsel for International Law on the staff of the U.S. Commission on Security and Cooperation in Europe (CSCE, also known as the Helsinki Commission). The Helsinki Commission is a Congressionally-created advisory agency mandated by law to monitor compliance with the Helsinki Final Act and other agreements adopted by the 57 participating States of the Organization for Security and Cooperation in Europe.

Ms. Schlager works with both the Helsinki Commission's Congressional leadership and the Department of State on OSCE matters. She follows a broad range of human rights concerns, with a particular focus on Central Europe, the human rights situation of the Romani minority, U.S. human rights practices raised in the OSCE context, and international legal issues.

Among other publications, she authored "A Hard Look at Compliance with 'Soft' Law: The Case of the OSCE," in *Commitment and Compliance* (Dinah Shelton, ed., 2000), "The Roma—Europe's Largest Minority," Encyclopædia Britannica's *2006 Book of the Year* (Special Report), and "Policy and Practice: A Case Study of U.S. Foreign Policy Regarding the Situation of Roma in Europe," in *Realizing Roma Rights* (Jacqueline Bhabha, Andrzej Mirga, and Margareta Matache, eds., 2017).

Ms. Schlager was educated at the University of North Carolina at Greensboro (magna cum laude, Phi Beta Kappa). She subsequently earned her A.M. degree from Harvard University in Soviet Union Area Studies and her Juris Doctor degree, with honors, from the George Washington University Law School. She studied at Warsaw University as a Fulbright Fellow and received a Diploma from the International Institute of Human Rights Law in Strasbourg, France. She is a member in good standing of the Bars of the Commonwealth of Pennsylvania and the District of Columbia.

Shannon Simrell *Commission Representative to the U.S. Mission to the OSCE*

Shannon Simrell was appointed to the staff of the U.S. Helsinki Commission on September 2, 2019 and is the commission's representative to the United States Mission to the OSCE (USOSCE). Shannon ensures close cooperation between the commission and the mission, leads USOSCE's engagement with the OSCE Parliamentary Assembly and on youth, and supports the OSCE's work across all three dimensions, with a focus on anti-corruption, democratic elections, tolerance and non-discrimination, and civil society participation.

Between 2008 and 2018, Shannon recruited, deployed, and provided ongoing support to more than 2,300 Americans seconded to nearly 100 OSCE permanent, special, and election observation missions on behalf of the U.S. Department of State. She has conducted dozens of site visits to OSCE field missions and has been deployed as an OSCE election observer in Kosovo, Georgia, Ukraine, and Tajikistan.

As a U.S. secondee to the OSCE Mission to Kosovo between 2006 and 2008, Shannon oversaw democratization programs and eventually served as the acting deputy director of the Regional Center in Gjilan/Gnjilane and its 110 staff. She began her engagement with the region in the 1990s when she developed democratization and environmental programs for civil society leaders from Russia and Central and Eastern Europe.

Shannon holds a dual B.A. in philosophy and French language from the University of Scranton and studied for one year in France. She also earned a M.A. in international education from the School for International Training in Vermont.

Mischa Thompson *Director of Global Partnerships, Policy, and Innovation*
Tolerance and non-discrimination, anti-Semitism, migration;
the European Union

Dr. Mischa Thompson is the Director of Global Partnerships, Policy, and Innovation at the Commission on Security and Cooperation in Europe (U.S. Helsinki Commission), where she manages the commission's legislative agenda, external engagement, and social impact portfolio. She is also the Senior Policy Advisor on OSCE matters related to western Europe, including the European Union.

For nearly two decades, Dr. Thompson has worked with policymakers on both sides of the Atlantic to develop and execute strategic policies and programs. With a proven track record of creating innovative evidence-based policy solutions, Dr. Thompson develops and advances the commission's policy positions and legislative portfolio and coordinates leadership and development activities for commission personnel.

As a specialist in transatlantic and intergroup relations, Dr. Thompson has organized recent events on U.S.-EU relations, migration, and BREXIT. She also advises the OSCE Parliamentary Assembly Special Representative on Anti-Semitism, Racism, and Intolerance and commissioners on security, economic, and human rights issues related to diverse populations. Some of her notable efforts include leading capacity-building programs for executive and emerging leaders

and helping to found the Transatlantic Minority Political Leadership Conference (TMPLC), the Transatlantic Inclusion Leaders Network (TILN), the State Department's Social Inclusion Unit, Congressional staff exchanges with the European Parliament, Congressional Kenya and Malaysia Caucuses, and the Sunday Brunch Group.

Prior to joining the commission, she served as a Professional Staff Member on the U.S. Senate's Homeland Security and Government Affairs Committee and as an AAAS/APA Fellow in the U.S. House of Representatives. Originally from Detroit, Dr. Thompson holds a Ph.D. from the University of Michigan, where she was a prestigious National Science Foundation Fellow and managed several laboratories, research grants, and diversity initiatives in the social sciences with a focus on intergroup relations, identity, and bias. She received her B.S. from Howard University, while also studying at Stanford University and the University of Münster, Germany, as a Fulbright Scholar. A German Marshall Fund and Salzburg Global Fellow, Dr. Thompson currently serves on the International Career Advancement Program Alumni Association board and the WE EMPOWER USA Advisory Group, an initiative of the EU, UN Women, and International Labour Organization (ILO).

Alex Tiersky *Senior Policy Advisor*
Politico-military affairs; podcast host

Alex Tiersky serves as the Commission's Global Security and Political-Military Affairs Advisor. In that capacity, he has responsibility for a broad portfolio of "first dimension" issues throughout the OSCE space and beyond. He also serves as the host of the Helsinki Commission's podcast series, *Helsinki on the Hill.*

A former Specialist in Foreign Affairs at the Congressional Research Service, Alex also served as Director of the Defense and Security Committee of the NATO Parliamentary Assembly, where he worked with legislators from dozens of countries to influence security policy across the Alliance.

From 2004 to 2007, Alex served as Foreign Affairs Officer and Presidential Management Fellow at the U.S. Department of State, where he held various positions with responsibility for U.S.-Russian strategic nuclear issues, conventional arms control and other political-military affairs in Europe, as well as at NATO headquarters in Brussels.

Alex has also worked as a researcher at the Council on Foreign Relations and as the Assistant Director for the Global Reporting Network at New York University's Center for War, Peace, and the News Media.

Alex holds degrees from the School of Advanced International Studies (SAIS) at Johns Hopkins; the Institut d'Etudes Politiques (Sciences Po); and Tufts University.

Jordan Warlick *Policy Advisor*
Media freedom, youth, and gender

Jordan Warlick joined the Helsinki Commission staff in 2016 and serves as the policy advisor for media freedom, women's and gender issues, and youth.

Previously, Jordan served as Office Director for the Helsinki Commission, where she managed overall operations and budget for the Commission; coordinated major hearings, briefings, and events; led international travel coordination; and managed junior staff, fellows, and interns.

Jordan graduated magna cum laude from the University of Southern California with a bachelor's degree in International Relations, specializing in Russia and Eastern Europe regional studies. She has lived in a number of countries across the OSCE region including Serbia, Bulgaria, Russia, and Germany. She is proficient in French.

Appendix (C)

Hearings, Briefings, and Commission Delegations

HEARINGS

AI, UAVS, HYPERSONICS, AND AUTONOMOUS SYSTEMS
January 22, 2020
Field Hearing held at the University of Texas Arlington

Members:

- Rep. Marc Veasey, Commissioner
- Rep. Colin Allred

Witnesses:

- William Inboden, Executive Director at the Clements Center for National Security and Associate Professor at the LBJ School, University of Texas-Austin
- Kelley M. Sayler, Analyst in Advanced Technology and Global Security, U.S. Congressional Research Service
- Chris Jenks, Director of the Criminal Clinic and Associate Professor of Law, Southern Methodist University

Witnesses at this hearing discussed the impact of emerging technologies on transatlantic security; technological advances by the United States' strategic competitors and to what extent U.S. policy and technological development is keeping pace; legal and ethical considerations inherent in defense technological development; and the role of existing arms control and confidence building measures in an era of rapidly evolving defense technology.

LIFE UNDER OCCUPATION
The State of Human Rights in Crimea
January 28, 2020

Members:

- Rep. Alcee L. Hastings, Chairman
- Sen. Roger Wicker, Co-Chairman,
- Sen. Ben Cardin, Ranking Member
- Rep. Robert Aderholt, Commissioner
- Rep. Marc Veasey, Commissioner
- Sen. Sheldon Whitehouse, Commissioner

Witnesses

- Oleg Sentsov,Ukrainian writer and filmmaker held prisoner by Russia for five years
- Tamila Tasheva, Deputy Permanent Representative of the President of Ukraine in the Autonomous Republic of Crimea
- Melinda Haring, Deputy Director, Atlantic Council's Eurasia Center and Senior Fellow, Foreign Policy Research Institute

Nearly six years into Russia's illegal occupation of Crimea, the human rights situation there continues to deteriorate. Russian authorities have restricted freedom of speech and assembly, suppressed civil society activity, persecuted religious and ethnic minorities, muzzled dissent, and continue to implement an aggressive process of "Russification" toward residents of the peninsula.

The hearing featured Oleg Sentsov, a Ukrainian writer and filmmaker who was sentenced to 20 years in jail by a Russian court on trumped-up charges of terrorism in 2014. In 2018, Sentsov became a worldwide symbol of defiance and courage when he launched a hunger strike on behalf of all Ukrainian political prisoners being held by Russia. He and other witnesses discussed the Russian Government's continued assault on Crimea's vulnerable minorities, as well as its blatant disregard for basic rights.

HUMAN RIGHTS AND DEMOCRACY
Obstacles and Opportunities in the OSCE Region
January 29, 2020

Members:

- Rep. Joe Wilson, Ranking Member
- Sen. Ben Cardin, Ranking Member
- Rep. Robert Aderholt, Commissioner
- Rep. Steve Cohen, Commissioner
- Rep. Gwen Moore, Commissioner
- Rep. Marc Veasey, Commissioner

Witnesses:

- Ambassador Ingibjörg Sólrún Gísladóttir, Director, OSCE Office for Democratic Institutions and Human Rights (ODIHR)

For nearly three decades, the Organization for Security and Cooperation in Europe (OSCE) Office for Democratic Institutions and Human Rights (ODIHR) has been at the forefront of efforts to promote human rights and democracy throughout the 57-nation OSCE region. Although best known for international election observation, ODIHR has also been instrumental in countering various forms of intolerance, helping governments combat human trafficking, protecting human rights defenders, and implementing OSCE commitments to fundamental freedoms.

The U.S. Helsinki Commission convened the hearing to demonstrate bipartisan support for ODIHR, to reinforce the U.S.'s support related OSCE initiatives, and to hear about the ongoing work of ODIHR.

Commission Ranking Member Rep. Joe Wilson (SC-02) chaired the hearing and was joined by Commissioners Rep. Robert Aderholt (AL-04), Rep. Steve Cohen (TN-09), Rep. Gwen Moore (WI-04), and Rep. Marc Veasey (TX-33).

Rep. Wilson's opening remarks highlighted the historic achievements of ODIHR, which include assisting countries to "transition from communism to democracy," supporting "civil society

participation in OSCE events," and facilitating "strong cooperation with the Parliamentary Assembly."

In her first appearance before Congress, ODIHR Director Ambassador Ingibjörg Sólrún Gísladóttir addressed multiple challenges that have impeded the effectiveness of ODIHR activities. She then outlined ODIHR's role in offering proactive solutions.

In particular, Ambassador Gísladóttir stressed the importance of dialogue and asserted that democracy is about "respect and trust, an acceptance of differing opinions, an exchange of views, and the willingness to share power and seek compromise." She concluded on an optimistic note, emphasizing unity within the OSCE and its "commitment to democracy and to the wellbeing of its people."

Although conscious of ODIHR's efforts, commissioners voiced concerns that some OSCE participating States are not complying with their commitments to uphold basic human rights standards. Commissioners specifically acknowledged restrictions on religious freedom in Russia, poor conditions for activists and journalists, and rising anti-Semitism and discrimination against the Roma people across the region.

This hearing continued the Helsinki Commission practice of regularly engaging with senior OSCE officials. The Commission typically holds hearing with the foreign minister of the country holding the rotating chairmanship of the OSCE. The Commission has also held hearings with previous ODIHR directors as well as the OSCE Representative on Freedom of the Media.

THE POWER AND PURPOSE OF PARLIAMENTARY DIPLOMACY
Inter-Parliamentary Initiatives and the U.S. Contribution
February 5, 2020

Members:

- Rep. Alcee L. Hastings, Chairman
- Sen. Roger Wicker, Co-Chairman
- Sen. Ben Cardin, Ranking Member
- Rep. Joe Wilson, Ranking Member
- Rep. Filemon Vela, Member of the U.S. delegation to the NATO Parliamentary Assembly

Witnesses:

- George Tsereteli, Member of the Parliament of the Republic of Georgia and President of the OSCE Parliamentary Assembly
- Attila Mesterhazy, Member of the Parliament of Hungary and President (Acting) of the NATO Parliamentary Assembly

While diplomats largely drive a nation's foreign policy, elected members of national parliaments, including the U.S. Congress, also play a crucial role in influencing policy priorities, holding governments accountable, and providing a firmer democratic foundation to the advancement of peace, cooperation, and human rights across the globe. Through the parliamentary assemblies of organizations that play a critical role in international peace and security—the Organization for

Security and Cooperation in Europe (OSCE) and the North Atlantic Treaty Organization (NATO)—parliamentarians can advance national interests on the international stage.

The Helsinki Commission convened the hearing to encourage inter-parliamentary dialogue and examine the role parliamentary diplomacy can play in responding to current challenges facing the OSCE and NATO. The hearing also demonstrated bipartisan U.S. support for multilateral engagement based on shared principles and common goals.

MOLDOVA
Access and Accountability
March 10, 2020

Members:

- Rep. Alcee L. Hastings, Chairman
- Sen. Roger Wicker, Co-Chairman
- Sen. Ben Cardin, Ranking Member
- Rep. Robert Aderholt, Commissioner
- Rep. Sheila Jackson Lee

Witnesses:

- William H. Hill, Global Fellow, Woodrow Wilson Center for International Studies, Former Head of the OSCE Mission to Moldova
- Tatyana Margolin, Regional Director, Eurasia Program, Open Society Foundations
- Valeriu Pașa, Program Manager, WatchDog.MD

In advance of Presidential elections in Moldova this Helsinki Commission hearing explored the societal fissures, security implications, and governance challenges at stake in the Republic of Moldova. Witnesses discussed grand kleptocracy and demands for accountability for the more than $1 billion siphoned from Moldova's biggest banks between 2012 and 2014 and security implications for the enduring frozen conflict in the breakaway territory of Transnistria.

HUMAN RIGHTS AT HOME: IMPLICATIONS FOR U.S. LEADERSHIP
July 2, 2020

Members:

- Sen. Ben Cardin, Ranking Member
- Rep. Emanuel Cleaver, Commissioner
- Rep. Gwen Moore, Commissioner
- Sen. Sheldon Whitehouse, Commissioner
- Rep. Sheila Jackson Lee

Witnesses:

- Nkechi Taifa, Founding Principal & CEO, The Taifa Group, LLC; Convener, Justice Roundtable; and Senior Fellow, Center for Justice, Columbia University

- Malcolm Momodou Jallow, Member of Parliament (Sweden) and General Rapporteur on Combating Racism and Intolerance, Parliamentary Assembly of the Council of Europe (PACE)
- Ian Kelly, former U.S. Permanent Representative to the Organization for Security and Cooperation in Europe (OSCE)

Developments in the United States—including George Floyd's tragic death at the hands of police and subsequent protests—put U.S. human rights commitments to the test in the eyes of the world. On July 2, 2020, the Helsinki Commission held a hearing on "Human Rights at Home: Implications for U.S. Leadership." The online hearing was held in compliance with H.Res.965, which provides for official remote proceedings during the COVID-19 pandemic.

This hearing examined the Black Lives Matter protests and related domestic compliance issues in the context of OSCE human dimensions commitments and implications for U.S. foreign policy.

HUMAN RIGHTS AT HOME: MEDIA, POLITICS, AND SAFETY OF JOURNALISTS
July 23, 2020

Members:

- Rep. Steve Cohen, Commissioner
- Rep. Marc Veasey, Commissioner
- Sen. Sheldon Whitehouse, Commissioner
- Rep. Sheila Jackson Lee

Witnesses:

- Christiane Amanpour, Chief International Anchor, CNN-PBS
- Goodwill Ambassador for Freedom of Expression and Journalist Safety, UNESCO
- David Kaye, Special Rapporteur on the Promotion and Protection of the Right to Freedom of Opinion and Expression, United Nations, and Clinical Professor of Law, University of California–Irvine
- Dr. Courtney C. Radsch, Advocacy Director, Committee to Protect Journalists

According to the U.S. Press Freedom Tracker, there have been nearly 500 reported press freedom violations since the beginning of the Black Lives Matter protests in the United States on May 26. In many cases, reporters have been injured, harassed, or arrested even after explicitly identifying themselves as members of the press. In addition, leadership changes at the U.S. Agency for Global Media, which oversees networks like Voice of America and Radio Free Europe/Radio Liberty that provide credible, unbiased information to audiences around the world, have generated concern about the ability of the agency to carry out its mission and host international journalists.

On July 23, 2020, the Helsinki Commission held a hearing on "Human Rights at Home: Media, Politics, and the Safety of Journalists," to assess the state of media freedom and the safety of journalists in the United States today. The online hearing was held in compliance with H.Res.965, which provides for official remote proceedings during the COVID-19 pandemic.

HUMAN RIGHTS AT HOME: VALUES MADE VISIBLE
July 29, 2020

Members:

- Sen. Ben Cardin, Ranking Member
- Rep. Emanuel Cleaver, Commissioner
- Rep. Gwen Moore, Commissioner
- Rep. Marc Veasey, Commissioner
- Rep. Sheila Jackson Lee

Witnesses:

- Ambassador Lamberto Zannier, former OSCE Secretary General and High Commissioner on National Minorities
- H.R.H. Maria-Esmeralda of Belgium, Journalist and documentary filmmaker
- Kevin Gover, Acting Under Secretary for Museums and Culture, Smithsonian Institution
- Dr. Wes Bellamy, Author and former Vice-Mayor of Charlottesville, VA

Statues, monuments, memorials, and museums—and the events and people they represent—may become societal or even interstate flashpoints. They also have the potential to help heal wounds, educate the public, and inform policymaking as leaders seek to address historic wrongs, bridge divisions, and build a shared future.

As the debate over U.S. statues and memorials intensified, the Helsinki Commission convened a hearing on "Values Made Visible" to examine what the United States conveys to the world through its public monuments and memorials and how acknowledgment of the past can encourage restitution, reparations, and restorative justice. Commissioner Rep. Gwen Moore (WI- 04) chaired the hearing.

ALBANIA'S CHAIRMANSHIP OF THE OSCE
Responding to the Multiple Challenges of 2020
Thursday, September 17, 2020

Members:

- Sen. Roger Wicker, Co-Chairman
- Sen. Ben Cardin, Ranking Member
- Rep. Emanuel Cleaver, II, Commissioner
- Rep. Steve Cohen, Commissioner

Witnesses:

- Prime Minister of Albania Edi Rama, OSCE Chair-in-Office, 2020

In 2020, the Organization for Security and Cooperation in Europe (OSCE) has faced the unprecedented challenge of a global pandemic while many participating States struggle—or fail—to live up to their commitments in the areas of human rights, democracy, and the rule of law. In this context, the Helsinki Commission held its traditional hearing with the annually rotating OSCE chairmanship to discuss priorities and exchange views on current issues.

U.S. PRIORITIES FOR ENGAGEMENT AT THE OSCE
Tuesday, December 08, 2020

Members:

- Rep. Alcee Hastings, Chairman
- Sen. Roger Wicker, Co-Chairman
- Sen. Ben Cardin, Ranking Member
- Sen. John Boozman, Commissioner
- Sen. Sheldon Whitehouse, Commissioner
- Rep. Joe Wilson, Ranking Member
- Rep. Emanuel Cleaver, II, Commissioner
- Rep. Marc Veasey, Commissioner
- Rep. Richard Hudson, Commissioner
- Rep. Sheila Jackson Lee

Witnesses:

- Ambassador Philip T. Reeker, Senior Bureau Official, U.S. Department of State

From urgent crises in Belarus and the Caucasus to the ongoing Russia-fueled war in Ukraine, all three dimensions of the Organization for Security and Cooperation in Europe (OSCE)'s definition of comprehensive security—military, economic and human—are under strain. Ambassador Philip T. Reeker, U.S. State Department Senior Bureau Official, who has been serving in the role of Acting Assistant Secretary for Europe and Eurasia since March 2018, briefed the Commission on newly appointed leadership at the OSCE, including the new Secretary-General Helga Schmid, and U.S. government priorities for the OSCE moving forward.

BRIEFINGS AND OTHER EVENTS

DISINFORMATION, COVID-19, AND THE ELECTORAL PROCESS
May 21, 2020

Moderators:
- Alex T. Johnson, Chief of Staff
- Mark Toner, Senior State Department Advisor

Witnesses:
- Heather Conley, Senior Vice President for Europe, Eurasia, and the Arctic, Center for Strategic and International Studies
- Nina Jankowicz, Disinformation Fellow, Woodrow Wilson Center Science and Technology Information Program
- Sophia Ignatidou, Academy Associate, International Security Programme, Chatham House

Free and fair elections are one of the most fundamental measures of a democratic society. During the 2016 presidential elections, many Americans became aware for the first time that disinformation can be easily coupled with technology by state and nonstate actors to disrupt and muddy the information space in the months, weeks, and days leading up to an election. The use of disinformation to influence elections has since become a pervasive and persistent threat in all 57 OSCE participating States, one which many still struggle to adequately address. Panelists examined the implications of this emerging threat to the electoral process and explored opportunities for nations, state and local governments, the private sector, and civil society to collaborate to identify and mitigate disinformation's corrosive effects.

8:46 (GEORGE FLOYD)
A Time for Transformation at Home and Abroad
June 12, 2020

Moderator:
- Alex T. Johnson, Chief of Staff

Witnesses:
- Abena Oppong-Asare, Member of Parliament, United Kingdom
- Adam Hollier, Michigan State Senator
- Mitchell Esajas, Chair, New Urban Collective (Netherlands)
- Karen Taylor, Chair, European Network Against Racism

George Floyd's tragic death at the hands of a Minneapolis police officer—recorded for a wrenching eight minutes and 46 seconds—shocked the world. During this online briefing, political and civil rights leaders from the United States and Europe discussed the impact made by resulting protests and the need to change policing tactics, alongside an honest review of how racism stemming from the transatlantic slave trade and colonialism persists today.

RACIAL EQUITY, EQUALITY, AND JUSTICE
Tuesday, September 22, 2020
Joint Meeting on Reinforcing U.S.-EU Parliamentary Coordination to Combat Racism and Systemic Discrimination

Members:

- Sen. Ben Cardin, Ranking Member
- Rep. Gwen Moore, Commissioner
- Rep. Marc Veasey, Commissioner
- Rep. Sheila Jackson Lee
- Rep. Gregory Meeks
- Rep. Jim Costa
- Rep. Sylvia Garcia
- Rep. Karen Bass
- Rep. Ted Deutch

On September 22, members of the Helsinki Commission and other members of Congress met virtually with 20 members of the European Parliament to discuss how best to combat racism and systemic discrimination and promote equality on both sides of the Atlantic. Following the event, which was organized by the Helsinki Commission in cooperation with the European Parliament's Foreign Affairs Subcommittee on Human Rights, Committee on Civil Liberties, Justice and Home Affairs, and the European Parliament Liaison Office in Washington DC, participants adopted a joint declaration to reinforce U.S.-EU parliamentary coordination to combat racism and discrimination on both sides of the Atlantic.

OSCE REPRESENTATIVES, COMMUNITY LEADERS SHARE URGENT PROPOSALS TO COMBAT DISCRIMINATORY POLICE VIOLENCE
Tuesday, October 6, 2020

Member:

- Sen. Ben Cardin, Ranking Member

On October 6, 2020, the OSCE Office of the High Commissioner on National Minorities, in cooperation with the Helsinki Commission, convened "Policing in Diverse Societies: Principles and Good Practices." The webinar, which provided an opportunity to exchange knowledge, challenges and best practices, attracted over 100 attendees including practitioners, parliamentarians, and other representatives of the OSCE participating States.

EUROPE WHOLE AND FREE? THE FUTURE OF THE OSCE
Friday, November 20, 2020

On November 20, the Woodrow Wilson Center, in cooperation with the U.S. Helsinki Commission, hosted "Europe Whole and Free: The Future of the OSCE." The event discussed a divided Europe and the responsibility of the United States to help obtain peace on the continent.

The event featured Helsinki Commission Ranking Member Sen. Ben Cardin (MD) and Commissioner Rep. Robert Aderholt (AL-04), as well as other leading voices on European security and cooperation.

Helsinki Commission senior staff subsequently participated in a Woodrow Wilson-led expert group to discuss challenges and opportunities in the OSCE.

COMMISSION DELEGATIONS

Congressional Delegations

February:

Chairman Rep. Alcee L. Hastings, Co-Chairman Sen. Roger F. Wicker, Rep. Joe Wilson, Rep. Emmanuel Cleaver, Rep. Gwen Moore, Rep. Steve Cohen, Rep. Robert Aderholt, Rep. Richard Hudson, Rep. Gregory Meeks, Rep. Lloyd Doggett, Rep. Andy Harris, along with staff members Alex T. Johnson, Kyle Parker, Jennifer McCuiston, Alex Tiersky, Everett Price, Robert Hand, Paul Massaro, Jean-Francois Hernandez, Lale Morrison, and Daniel Tillson traveled to Austria and the United Kingdom to participate in the 19th Winter Meeting of the OSCE Parliamentary.

Co-Chairman Roger F. Wicker to Slovakia for regional security consultations.

Staff Delegations

January:

Janice Helwig traveled to Vienna, Austria to support the U.S. Mission to the OSCE and to participate in consultations with OSCE delegations.

Shannon Simrell traveled to Vienna, Austria to provide support to for the U.S. Mission to the OSCE and participate in OSCE delegations.

Alex Tiersky traveled to Oslo, Norway to participate in the OSCEPA Ad Hoc Committee on Counterterrorism.

Everett Price traveled to Sweden to participate in a German Marshall Fund Turkey-focused conference, the Trilateral Strategy Group.

February:

Shannon Simrell traveled to Tirana, Albania, to participate in the OSCE Chairmanship/ODHIR Conference on combating Anti-Semitism in the OSCE Region.

Everett Price traveled to Azerbaijan to join the OSCE PA Delegation to observe parliamentary election taking place on February 9, 2020.

Mark Toner traveled to Azerbaijan to join the OSCEPA Delegation to observe parliamentary election taking place on February 9, 2020

Paul Massaro traveled to London and Belfast, United Kingdom, and Dublin, Ireland, to participate in consultations on European security.

Appendix (D)

PODCASTS AND PUBLICATIONS

Helsinki on the Hill Podcasts

"Helsinki on the Hill" is a series of conversations on human rights and comprehensive security in the OSCE region. The monthly podcast tells the human stories behind the commission's work to promote human rights, military security, and economic cooperation in North America, Europe, and Central Asia.

Helsinki on the Hill was chosen by podcast aggregator PlayerFM as one of the best podcasts on Eurasia. Of the more than 8,000 government podcasts, Helsinki on the Hill is in the top 200 (#182), among the top 3 percent.

Episode 8: Nagorno-Karabakh
The Nagorno-Karabakh conflict between Armenia and Azerbaijan remains one of the world's most intractable and long-standing territorial and ethnic disputes. Its fragile no-peace, no-war situation poses a serious threat to stability in the South Caucasus region and beyond. The conflict features at its core a fundamental tension between two key tenets of the 1975 Helsinki Final Act: territorial integrity and the right to self-determination. Ambassador Carey Cavanaugh, former U.S. Co-Chair of the OSCE Minsk Group, joins Helsinki Commission Senior Policy Advisor Everett Price to discuss the history and evolution of the conflict in Nagorno-Karabakh, as well as the OSCE's role in conflict diplomacy and the prospects for a lasting peace.

Episode 9: Parliamentary Diplomacy in Action
Through participation in parliamentary assemblies, national legislators can wield global influence on issues ranging from counterterrorism to climate change. Roberto Montella, Secretary General of the OSCE Parliamentary Assembly, and Ruxandra Popa, Secretary General of the NATO Parliamentary Assembly, peel back the curtain on activities of their institutions and underscore the value of parliamentary diplomacy in promoting security, prosperity, and human rights worldwide.

Episode 10: The Roma
Concentrated in post-communist Central and Southern Europe, Roma are the largest ethnic minority in Europe. Roma have historically faced persecution and were the victims of genocide during World War II. In post-communist countries, Roma have suffered disproportionately in the transition to market economies, in part due to endemic racism and discrimination. Ahead of International Roma Day on April 8, Margareta (Magda) Matache, Director of the Roma Program at Harvard University's François-Xavier Bagnoud Center for Health and Human Rights, joins Helsinki Commission Counsel for International Law Erika Schlager to discuss the state of Roma rights in Europe, as well as resolutions introduced by Helsinki Commission leaders to celebrate Romani American heritage.

Episode 11: Communities at Risk: The Impact of COVID-19 on the OSCE's Most Vulnerable Populations
Reports from nearly every corner of the OSCE region suggest that minority groups and vulnerable

populations have been hit especially hard by the COVID-19 pandemic, and sometimes by the policies enacted by governments to address it. This extended episode of "Helsinki on the Hill" takes an in-depth look at the pandemic's impact on minority groups and vulnerable populations, and the r ole of governments in addressing that impact. Margaret Huang, president and chief executive officer of the Southern Poverty Law Center, and Karen Taylor, chair of the European Network Against Racism, share insight about the reality on the ground for minority communities, including African Americans, who are suffering disproportionately from both the pandemic and systemic discrimination. Lamberto Zannier, OSCE High Commissioner on National Minorities, joins the discussion to offer recommendations on meeting the needs of national minorities and marginalized communities in the new world of the COVID-19 pandemic.

Episode 12: Lost and Found: How the International Commission on Missing Persons Helps Find Closure and Pursue Justice

Only July 11, 1995, more than 8,000 Bosnian Muslim men and boys from the town of Srebrenica in eastern Bosnia and Herzegovina were rounded up, gunned down, and buried in mass graves by Bosnian Serb forces, in what was the worst mass killing in Europe since World War II. The brutality of the genocide of Srebrenica was compounded by the deliberate effort by those responsible to hide their crimes. The use of mass graves and the subsequent movement of remains of the murdered using heavy machinery meant that the identification of the victims seemed nearly impossible at the time. Ahead of the 25th anniversary of the Srebrenica genocide, Kathryne Bomberger, director general of the International Commission on Missing Persons, discusses how ICMP has helped families of the Srebrenica victims find closure and pursue justice. She also discusses the commission's evolution from dealing with the conflict in the former Yugoslavia to its work worldwide—including in Syria, Colombia, and elsewhere—today.

Episode 13: Welcome to Observe: OSCE Election Observation and the United States

Election observation is a core element of the OSCE's efforts to promote human rights, democracy, and the rule of law. Each OSCE participating State—including the United States—pledges to invite foreign observers to observe its elections. The United States plays an active role in OSCE election observation missions, both by providing observers for foreign elections as well as by inviting the OSCE to observe every general and midterm election since 2002. Ahead of the 2020 presidential election, veteran election observer Orest Deychakiwsky, former director of the OSCE's Office of Democratic Institutions and Human Rights and current OSCE PA member Michael Link, and Deputy Secretary of the State of Connecticut Scott Bates share insights on the origins and value of OSCE election observation, along with the process of election observation from the OSCE and state perspective.

Episode 14: Massive, Systemic, Proven beyond Doubt: Human Rights Violations in Belarus Exposed by the OSCE's Moscow Mechanism

Belarussian President Alexander Lukashenko has been in power since 1994. In the run-up to elections in the summer of 2020, the Lukashenko regime sought to eliminate political competition through disqualification, intimidation, and imprisonment. Election Day proper featured widespread allegations of fraud. Many countries, including the United States, rejected the election's outcome as illegitimate and refused to recognize Lukashenko as the legitimate leader of Belarus. The months since the election have seen an unrelenting crackdown by Belarusian authorities on peaceful protests, civil society, and the media.

As a participating State in the OSCE, Belarus is party to a number of commitments on human rights and fundamental freedoms, such as the right to free and fair elections and the right to peaceful assembly. In response to the apparent violation of these rights, 17 other OSCE states invoked one of the key human rights tools at their disposal: the Moscow Mechanism, a procedure that allows for the establishment of a short-term fact-finding mission tasked with producing a report on a specific human rights concern and recommendations on how to resolve it. In this episode, Professor Wolfgang Benedek, the rapporteur appointed to investigate the crisis in Belarus, discusses his findings that human rights abuses are "massive and systematic, and proven beyond doubt" and his recommendations to address the violations.

Reports and Articles

Report: Restrictions on Civil Society in Hungary–February 28, 2020
Since returning to power in 2010, Viktor Orban has systematically dismantled a system of checks and balances, facilitating the consolidation of control by the Fidesz government, which is now in its fourth (third consecutive) term. In light of restrictions imposed on political opposition, faith organizations, the media and the judiciary, the role of Hungarian civil society in holding the government to account (by, for example, suing the government for non-compliance with the Hungarian constitution or Hungary's international legal commitments) has taken on heightened importance. At the same time, civil society organizations have become the targets of escalating rhetorical attacks and legislative restrictions, including laws that significantly lower the bar for what it takes to jail people who seek to exercise their freedoms of speech, assembly, and association.

Report: Human Rights and Democracy in a Time of Pandemic–May 12, 2020
The outbreak of the novel coronavirus pandemic has prompted governments around the world to take extraordinary measures in the interest of public health and safety. As of early April, nearly two-thirds of the 57 participating States of the Organization for Security and Cooperation in Europe had declared "states of emergency" or invoked similar legal measures in response to the crisis. Often such measures have enabled governments to enact large-scale social distancing policies and suspend economic activity to save lives and preserve the capacity of national public health infrastructure to respond to the spread of infections. At the same time, human rights organizations and civil society activists have expressed concern regarding the breadth of some emergency measures and recalled the long history of government abuse of emergency powers to trample civil liberties.

Three decades ago, OSCE participating States unanimously endorsed a set of basic principles governing the imposition of states of emergency, including the protection of fundamental freedoms in such times of crisis. In some corners of the OSCE region, however, national authorities are violating these and other OSCE commitments in the name of combatting coronavirus. While many extraordinary responses are justified in the face of this crisis, government overreach threatens the well-being of democracy and the resilience of society at a critical time.

Report: The Consensus Rule–October 05, 2020
The OSCE operates using a consensus decision-making process. Consensus fosters ownership of

decisions by all OSCE participating States, enables them to protect key national priorities, and creates an important incentive for countries to participate in the OSCE. It also strengthens the politically binding nature of OSCE commitments; participating States cannot claim that they did not agree to or are not bound by decisions to which they have given explicit consent.

However, consensus can be difficult to achieve, and the rule allows a single state to block decisions on OSCE activities, new commitments, appointments, and budgets. Over the years, there have been calls to reform the consensus decision-making process. Although the consensus rule can only be changed by consensus, it could be improved by establishing greater transparency in the decision-making process.

Article: An Assessment of the Open Skies Treaty, January 14, 2020

Article: Anti-Kleptocracy Initiatives Supported by The Helsinki Commission, January 23, 2020

Article: Election Observation 101 / Strengthening Democracies Old and New in the 21st Century, January 24, 2020

Article: Reflecting on Chechnya / This Day in History: March 13, 1997, March 13, 2020

Article: Representative Millicent Fenwick / The Catalyst of The Helsinki Commission, March 26, 2020

Article: OSCE Supplementary Human Dimension Meeting Examines Intolerance and Discrimination During Pandemic, June 01, 2020

Article: The Future of American Diplomacy, June 30, 2020

Article: Helsinki Commission Chairman Amends NDAA To Reflect Support for Open Skies Treaty, July 22, 2020

Article: The Shared Experiences of African-American and Roma Communities / A Cause for Collaboration, August 06, 2020

Article: 2020 Human Dimension Implementation Meeting Cancelled Due to Pandemic, September 18, 2020

Article: Editorial Independence Critical for U.S. International Broadcasting, September 18, 2020

Article: Why Social Inclusion in Foreign Policy Matters, October 05, 2020

Article: Coronavirus in the OSCE Region Pandemic Policy, October 30, 2020

Article: OSCE Election Observers Release 2020 Preliminary Findings on the United States General Elections, November 13, 2020

Article: *The OSCE Celebrates 30 Years of the Charter of Paris*, November 20, 2020

Article: *A Parliamentary Perspective on the 30th Anniversary of the Charter of Paris*, December 03, 2020

Article: *Covid-19 Impacts OSCE's 2020 Human Dimension Work*, December 07, 2020

Article: *2020 OSCE Mediterranean Conference*, December 09, 2020

Article: *Retrospective on the 116th Congress/ Human Rights and Comprehensive Security In The OSCE*, December 18, 2020

Article: *OSCE Ministerial Council Appoints Top Leaders, Adopts Several Key Decisions Amidst Constraints of Covid-19 and Conflict in Europe*, December 21, 2020

Appendix (E)

OSCE Participating States as of December 31, 2020

Country	Participating State
Albania	admitted as observer on June 20, 1990; admitted as fully participating State on June 19, 1991
Andorra	admitted as new participating State on April 25, 1996
Armenia	admitted as new participating State on January 30, 1992
Austria	original participating State
Azerbaijan	admitted as new participating State on January 30, 1992
Belarus	admitted as new participating State on January 30, 1992
Belgium	original participating State
Bosnia-Herzegovina	admitted as new participating State on April 30, 1992 (previously participated as part of Yugoslavia, an original participating State)
Bulgaria	original participating State
Canada	original participating State
Croatia	admitted as observer on January 31, 1992; admitted as fully participating State on March 24, 1992 (previously participated as part of Yugoslavia, an original participating State)
Cyprus	original participating State
Czech Republic	admitted as new participating State on January 1, 1993 (previously participated as part of Czechoslovakia, original participating State)
Denmark	original participating State
Estonia	admitted as new participating State on September 10, 1991
Finland	original participating State
France	original participating State
Georgia	admitted as new participating State on March 24, 1992

Germany	originally participated as two separate countries, the Federal Republic of Germany and the German Democratic Republic; participation as single country began with German unification on October 3, 1990
Greece	original participating State
The Holy See	original participating State
Hungary	original participating State
Iceland	original participating State
Ireland	original participating State
Italy	original participating State
Kazakhstan	admitted as new participating State on January 30, 1992
Kyrgyzstan	admitted as new participating State on January 30, 1992
Latvia	admitted as new participating State on September 10, 1991
Liechtenstein	original participating State
Lithuania	admitted as new participating State on September 10, 1991
Luxembourg	original participating State
Malta	original participating State
Moldova	admitted as new participating State on January 30, 1992
Monaco	original participating State
Mongolia	admitted as a participating State on December 2, 2012
Montenegro	admitted as new participating State on June 26, 2006 (previously participated as part of Yugoslavia, and then as part of Serbia and Montenegro)
Netherlands	original participating State
North Macedonia	admitted as observer as of April 1993; admitted as new, fully participating State on October 12, 1995 (previously participated as part of Yugoslavia)
Norway	original participating State
Poland	original participating State
Portugal	original participating State

Romania	original participating State
Russian Federation	original participating State as the Soviet Union; Russia succeeded to the Soviet Union's seat on January 11, 1991
San Marino	original participating State
Serbia	originally participated as Yugoslavia; suspended from participation in decision making on May 12, 1992; suspended from participating in meetings on July 7, 1992; re-admitted as new, fully participating State November 10, 2000; renamed Serbia and Montenegro on February 4, 2003; Montenegro separated from Serbia by referendum in May 2006
Slovak Republic	admitted as new participating State January 1, 1993 (previously participated as part of Czechoslovakia, an original participating State)
Slovenia	admitted as an observer on January 31, 1992; admitted as new, fully participating State March 24, 1992 (previously participated as part of Yugoslavia)
Spain	original participating State
Sweden	original participating State
Switzerland	original participating State
Tajikistan	admitted as new participating State January 30, 1992
Turkey	original participating State
Turkmenistan	admitted as new participating State January 30, 1992
Ukraine	admitted as new participating State January 30, 1992
United Kingdom	original participating State
United States	original participating State
Uzbekistan	admitted as new participating State January 30, 1992

OSCE Mediterranean Partners for Cooperation

Algeria	affiliated with the Helsinki process since 1973
Egypt	affiliated with the Helsinki process since 1973

Israel	affiliated with the Helsinki process since 1973
Jordan	admitted as a Mediterranean partner for co-operation on May 22, 1998
Morocco	affiliated with the Helsinki process since 1973
Tunisia	affiliated with the Helsinki process since 1973

OSCE Asian Partners for Cooperation

Afghanistan	admitted as a Partner for Cooperation on April 3, 2003
Australia	admitted as a Partner for Cooperation on January 1, 2010
Japan	affiliated with the Helsinki Process since July 10, 1992; formally designated Partner for Cooperation on December 7, 1995
Republic of Korea	formally designated Partner for Cooperation on December 7, 1995
Thailand	admitted as a Partner for Cooperation on Nov. 9, 2000

Congressional-Executive Commission on the People's Republic of China

Fiscal Year 2022 Appropriation Request

Contact:

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Introduction

The Congressional-Executive Commission on China (CECC) was created by Title III of Public Law No. 106-286 (codified as 22 USC§§ 6911-6919). Its mandate includes monitoring and reporting on the People's Republic of China's (PRC) compliance with international human rights standards, maintaining lists of victims of human rights abuses, monitoring human rights and the development of the rule of law in China, encouraging where possible bilateral cooperation on human rights and rule of law development issues, maintaining contacts with non-governmental organizations, cooperating with the Special Coordinator for Tibetan Issues and relevant administration officials, and issuing an annual report on human rights and the rule of law in China to the President and Congressional leadership.

The Commission is comprised of 23 members. The Majority Leader of the Senate appoints nine Senators (four from the minority party in consultation with the Minority Leader). The Speaker of the House appoints nine members of the House of Representatives (four from the minority party in consultation with the House Minority Leader). The President appoints five representatives from the Executive Branch—one each from the Departments of State, Commerce, and Labor, and two at-large representatives. At the beginning of each odd-numbered Congress, the President of the Senate designates a Senator as Chairman and the Speaker of the House designates a House Member as Cochairman. At the beginning of each even-numbered Congress, the Speaker of the House designates a House Member as Chairman and the President of the Senate designates a Senator as Cochairman.

The Commission requests $2,250,000 for FY2022 to perform the functions mandated by P.L. No. 106-286.

An elevated focus on China in U.S. foreign policy in recent years continues to increase the demands on the CECC staff and interest in the work of the Commission among policymakers, members of Congress, and other stakeholders. This interest has dovetailed with growing domestic repression inside the PRC, including a massive crackdown in the Xinjiang Uyghur Autonomous Region where as many as 1.8 million Uyghur and other Muslims have been detained in mass internment camps, and the continuing erosion of autonomy and human rights in Hong Kong. **This appropriations request represents flat funding from the FY2020 and FY2021 levels. Please note that the CECC's appropriations requests were level from FY2007 to FY2019.**

Accomplishments and Plans

The CECC represents an unusual endeavor: an effort to bring the resources of the Congress and the Administration together to work to improve the human rights situation in China and support efforts to build the rule of law there. In creating the CECC, Congress demonstrated its strong and continuing interest in human rights and the rule of law in China, issues that have only grown in importance with China's increasing global activities. The CECC has been focused on reporting and legislative recommendations regarding Chinese government policies and practices that impact the Uyghurs and other Turkic Muslims in Xinjiang, Tibet, autonomy in Hong Kong, prisoners of conscience, labor rights, religious freedom, the development of commercial rule of law and the intersection of business and human rights, human trafficking, population control, the crackdown on rights lawyers, the status of women, the environment, and the free flow of information in China.

The CECC seeks to identify ways to leverage reform in civil, criminal, administrative, environmental, human rights, and commercial law in order to support the development of rule of law in China. The CECC also identifies forward-looking policies for the U.S. government and civil society, promoting respect for law, and strengthening those in China who are working to increase the transparency, neutrality, and integrity of the legal system.

Building on past work aimed at pressing the PRC to meet international human rights norms, the CECC will continue its efforts to find new ways to leverage change in these critical areas and press China's public officials to meet the legal obligations the PRC has accepted in international covenants covering political, civil, labor, economic, social, and cultural rights. The CECC will continue to apply consistent pressure on PRC public officials to honor provisions in the Chinese Constitution and in Chinese law that protect individual rights and make available to individual citizens protections from the abuse of state authority—abuses which have only grown in severity in recent years.

The CECC's hearings and events during the second session of the 116th Congress provided opportunities for diverse points of view to be heard on human rights and rule of law issues, supplied important information for the CECC Annual Report, U.S. government entities, and the broader NGO community, and played a vital role in the fulfillment of all aspects of the CECC mandate. During the second session of the 116th Congress, the Commission held the following hearings and events:

- Roundtable on Global Supply Chains, Forced Labor, and the Xinjiang Uyghur Autonomous Region
- Hearing on the Human Rights Situation in Tibet and the International Response

The Commission's hearings and events were greatly curtailed by the COVID pandemic.

A part of the CECC's mandate is the inclusion of recommendations for legislative and executive action. In addition to the recommendations contained in the CECC's Annual Report,

the Commission drafted, edited, and provided support for numerous legislative initiatives over the past year including the Hong Kong Democracy and Support Act, the PROTECT Hong Kong Act, the Uyghur Human Rights Policy Act, the Tibetan Policy and Support Act, the Uyghur Forced Labor Prevention Act, and House and Senate resolutions, including a resolution coinciding with the 30th Anniversary of the Tiananmen Square Massacre. Further, the CECC is in regular contact with Administration officials and provides both public and private recommendations for executive action, most of which can be found on the website (www.cecc.gov).

The CECC is the main point of contact in Congress for human rights NGOs, families and friends of political prisoners, and other constituencies around the United States who have an interest in human rights and the rule of law in China. The Commission frequently hosts private, off-the-record discussions with Chinese activists, advocates and dissidents engaged in work relevant to our mandate as well as frequent meetings with China researchers, academics and other human rights practitioners.

In 2017, the CECC created the Liu Xiaobo Fellowship, named after the renowned Chinese Nobel Prize laureate and prominent political prisoner, to replace the internship program. CECC Fellowship positions are paid and filled twice a year. The Summer term (Full-Time, 32-40 hours per week) begins approximately in mid-May and ends in August/September. The Spring term (Part-Time, 15-20 hours a week) begins approximately in late January and ends in mid-May.

The Liu Xiaobo Fellowship provides significant educational and professional experience for individuals with a background in Chinese politics, law, and society, in addition to strong Chinese language skills. Fellows work closely with the Commission and its staff on the full array of issues concerning human rights, the rule of law, and governance in China.

During the first session of the 117th Congress, the CECC will continue to expand outreach to congressional offices, U.S. Government, NGOs and relevant media by offering briefings to Members, U.S. officials, and staff who are planning trips relevant to human rights in China and organizing special events and meetings for congressional staff, U.S. officials, and NGOs on timely and important issues within the CECC's mandate. Through this work, the CECC will continue to play a vital coordinating and network-enhancing role and allow various stakeholders to fully utilize the CECC's resources in staff and expertise to stay abreast of the increasingly important human rights and rule of law issues that are at the center of the U.S.-China bilateral relationship.

An important tool for the CECC's public outreach work is its website (www.cecc.gov) and social media accounts, especially the @CECCgov Twitter account. The CECC website contains information about the Commission and its mandate and witness statements and complete transcripts of each hearing and roundtable after the U.S. Government Printing Office publishes them. In addition, the website features original content prepared by Commission staff, including the Commission's Annual Reports, newsletters, issue papers, and shorter news and analysis pieces on various important issues that fall within the CECC's mandate. The CECC

Twitter account includes frequent messages and issues promoting human rights and the rule of law in China.

CECC staff created and deployed a Content Management System (CMS) in October 2004 that the staff continues to use daily to store and retrieve news media articles and other research materials for the CECC Annual Report, analyses, and issue papers. The CMS currently contains over hundreds of thousands of important research records. **The Commission has recently begun the use of Zotero and will phase out use of the CMS in lieu of the newer program.**

The CECC's legislative mandate calls for the establishment of an accurate and up-to-date list of individuals imprisoned, detained, or placed under house arrest, tortured, or otherwise persecuted by the PRC for exercising their rights. Chairman Jeff Merkley and Co-Chairman Jim McGovern remain grateful to the House and Senate State-Foreign Operations Appropriations Subcommittees for the increase of $250,000 in FY2020 to upgrade the CECC's Political Prisoner Database (PPD). The PPD was initially developed in 2002 and launched in 2004, and is an important tool for documenting political prisoners in China and providing essential information (often translated from sources in Chinese, Tibetan, Uyghur, or other languages) on individual cases for government officials, dissidents, human rights advocacy groups, academics, the news media, and the public. The PPD currently consists of two components. The first component allows the global internet public to submit queries about Chinese political and religious prisoners and receive detailed information that they can download and save in PDF, Excel, or HTML formats. The other system, the "Core," is an internal database that permits CECC staff to add and edit information, and to maintain or modify the structure of the database.

The PPD remains a powerful and versatile tool for documentation of human rights abuses in China, but because its technology is nearly two decades old, the Commission decided to migrate the current PPD to a new system. In 2020 the Commission, with generous assistance from the House Procurement Office (though the Commission is not subject to House procurement rules), conducted a search for vendors to assist and advise on the process. The Commission selected a vendor, NuAxis Innovations, and signed a contract with them in August 2020. The contract provides for an initial development year, running from August 31, 2020, to August 30, 2021, and four subsequent option years, ending in August 2025. The option years provide not only for ongoing maintenance and support, but also continuing technical enhancements and upgrades to the system, as decided by Commission staff and with assistance from NuAxis. NuAxis and Commission staff conducted discovery sessions and initial planning work in September 2020, and began development work the same month. Commission staff and NuAxis continue to work closely on design, implementation, and testing of the prospective new system, and expect to begin user acceptance testing shortly.

The design of the new system addresses several needs identified by the Commission and NuAxis. The underlying software for the original PPD is no longer supported by Microsoft, putting the system at risk both in terms of security and functionality. The new system will run on

ServiceNow, a widely used business platform that is regularly upgraded, and which allows a high degree of flexibility and customizability. Commission staff identified sub-components of the old system that could be streamlined, and have focused the redesign of the system on improving user experience, both for public user accessibility and Commission staff ease of use, to support advocacy and research uses of the database information. After user acceptance testing is completed and the new system comes online, Commission staff and NuAxis will continue to pursue further enhancements to the system on an ongoing basis.

To the best of our knowledge, the PPD is the only publicly accessible database documenting the full range of political and religious detention in China anywhere in the world. U.S. government users, NGOs, activists, academics, researchers, family members of political prisoners, and former political prisoners have praised the Political Prisoner Database. The cochairs individually and the Commission have consistently sought to highlight the Database and the individual prisoner cases contained therein through public statements, social media, advocacy letters, floor speeches, opening statements and other forums.

Summary of Appropriation Request

Budget Operating Category	Description	Amount
11110	Salaries	$1,630,000
90000	Official Representation	$3,000
11120	Terminal Leave Paid	$1,000
12000	FEGLI	$407,000
12500	Transit Subsidy Program	$8,000
21000	Local and Domestic Travel	$3,000
23300	Local Telecom Companies	$6,000
23380	Postage and Fees	$1,000
25120	External Training	$1,000
26222	Prisoner Database	$140,000

25215	Govt. & Contract Services	$40,000
26620	Supplies and Subscriptions	$10,000
31012	Furniture and Equipment	$0
31051	Micro-Hardware	$0
31370	Micro-Software	$0
Total		$2,250,000

Personnel Compensation

The Commission staff comprises 16 full-time positions including the Chairman's staff director, the Cochairman's deputy staff director, an administrative assistant, and professional staff positions filled by experts covering issues such as religious freedom; Tibet; prisoners of conscience; press, print, and Internet freedom; labor rights; minority rights; the criminal justice system; the judicial system; and commercial rule of law development. The total requested allocation for Permanent Salaries, above, includes approximately $22,000 for our highly competitive fellowship program (see details above). The Commission requests an allocation of $1,630,000 to cover personnel compensation.

Official Representation

In FY2021, the Committee authorized us to spend up to $3,000 for official representation expenses which by law cannot be reimbursed without an explicit authorization. This amount permits Commission Members and CECC staff to host PRC and third country guests for modest lunches and coffees, and to return hospitality shown to Members and staff during visits to China and elsewhere. An allocation of $3,000 in FY2022 for this purpose multiplies itself many times in goodwill toward the CECC, the U.S. Congress, and the United States.

FTP Terminal Leave Paid

Allocating $1,000 for this category would cover any payments due to CECC staff that depart and have annual leave balances or depart to retire from the U.S. government.

FEGLI Contributions and Other Personnel Benefits

An allocation of $407,000 for personnel benefits will be needed to cover the Commission's employer contributions to health and life insurance, Medicare, FICA, Civil Service Retirement System (CSRS), and the Federal Employees Retirement System (FERS) for all full-time employees.

Transit Subsidy Program

The CECC participates in the Transit Subsidy Program to encourage CECC staff to make use of Metrorail and Metro bus in commuting to work. We request an allocation of $8,000 to continue participating in this important and beneficial program.

TDY Travel and Transportation

This category covers the cost incurred for domestic travel and local transportation for Commission Members and staff, as necessary. On occasion, hearing witnesses and roundtable panelists that the Commission invites to appear are reimbursed for some expenses under this category, when necessary. An allocation of $3,000 will be required. Overseas travel by CECC Members and staff is authorized by 22 USC §6917.

Telecommunications and Postage

We will need an allocation of $6,000 to pay the costs of telephone AUDIX service, local and long-distance telephone service, mobile device service, plus costs associated with electronic information distribution. A separate allocation of $1,000 would cover occasional express courier service, U.S. and international postage, and other related expenses.

External Training

CECC staffers periodically take training courses at GAO, Executive Branch agencies, and outside entities on subjects relevant to their duties. These courses are usually offered on a cost reimbursable basis. In addition, in accordance with the Commission's mandate, the CECC at times provides specialized Mandarin Chinese and Uyghur language classes for staff. We request an allocation of $1,000 to cover these costs.

IT Services

The Commission has maintained a Content Management System outside the House Network. As previously mentioned, CECC is transitioning to Zotero and that cost is less. The CECC will require $1,000 for the maintenance of Zotero.

Government Services

The U.S. Government Accountability Office provides administrative support for the CECC. The annual contract for administrative and financial services requires an allocation of $9,600, which will reimburse GAO's costs.

Contract Services

The CECC engages vendors to provide the Commission with services that include recording and transcription of hearings and roundtables, and translation and interpretation services. We estimate the total cost for these services in FY2022 as $29,400.

Supplies, Materials, and Subscriptions

The Commission requires $6,000 for miscellaneous supplies and materials, and $4,000 for subscriptions. These funds will be spent for operating supplies including copier and general office supplies, miscellaneous printing costs, as well as the cost of subscriptions to relevant English- and Chinese-language newspapers, periodicals, magazines, and the acquisition of books and research materials.

Furniture and Non-ADP Equipment

We estimate needing $0 in this category for additional equipment and furniture.

Micro Hardware and Software

This category provides for the acquisition of computer hardware and software, if needed. We request a total of $0 for this category in FY2022.

Prisoner Database

This category provides for the continued upgrades and maintenance to the Prisoner Database. We request a total of $140,000 for this in FY2022.

Twelve-year history of appropriations to the CECC

YEAR	BUDGET REQUEST	APPROPRIATION
2010	$2,000,000	$2,000,000
2011	$2,000,000	$1,880,000
2012	$2,000,000	$1,996,000
2013	$2,000,000	$1,805,589
2014	$2,000,000	$2,000,000
2015	$2,000,000	$2,000,000
2016	$2,000,000	$2,000,000
2017	$2,000,000	$2,000,000
2018	$2,000,000	$2,000,000
2019	$2,000,000	$2,000,000

2020	$2,250,000	$2,250,000
2021	$2,250,000	$2,250,000

UNITED STATES COMMISSION ON
INTERNATIONAL RELIGIOUS FREEDOM

Appropriations Request and Budget Justification for Fiscal Year 2022

for the Committees on Appropriations

U.S. Commission on International Religious Freedom (USCIRF)

February 1, 2021

U.S. Commission on International Religious Freedom
Appropriations Request and Budget Justification for Fiscal Year 2021

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U.S. Commission on International Religious Freedom
Appropriations Request and Budget Justification for Fiscal Year 2022

I. OVERVIEW OF USCIRF

The United States Commission on International Religious Freedom (USCIRF; the Commission) was established by the International Religious Freedom Act of 1998 (IRFA). IRFA has been subsequently amended, including by the Frank Wolf International Religious Freedom Act of 2016 (Frank Wolf Act, P.L. 114–281), and most recently under the Further Consolidated Appropriations Act of 2020 (P.L. 116–94), which reauthorized the Commission through September 30, 2022.

USCIRF's mandate has four primary elements: (a) the annual and ongoing review of the facts and circumstances of violations of religious freedom; (b) compiling lists of persons determined to be imprisoned, detained, disappeared, placed under house arrest, tortured, or subject to forced renunciations of faith for their religious activity or religious freedom advocacy by the government of a foreign country or a non-state actor recommended as a country or entity of particular concern (CPC or EPC) under IRFA; (c) making of policy recommendations to the president, the secretary of state, and Congress with respect to matters involving international religious freedom; and (d) tracking the implementation of its recommendations by the U.S. Government and reviewing, to the extent practicable, the effectiveness of such implemented recommendations in advancing religious freedom internationally.

To achieve its mandate, USCIRF's work is accomplished through the strategic guidance of its Commissioners and the engagement of its professional staff. The Commission is bipartisan. The president appoints three Commissioners, and House and Senate leadership of both parties appoint six Commissioners. Additionally, the Ambassador-at-Large for International Religious Freedom serves as a non-voting *ex officio* member.

The Commission carries out its mandate by:

- issuing an Annual Report that assesses the U.S. Government's implementation of IRFA; recommends countries (and entities) that the secretary of state should designate as "countries (or entities) of particular concern" (CPCs or EPCs) for engaging in or tolerating particularly severe violations of religious freedom; recommends countries that the secretary of state should place on the State Department's Special Watch List (SWL) for engaging in or tolerating severe violations of religious freedom; documents country conditions in about 30 countries; reports on significant trends specific to religious freedom; and makes recommendations for U.S. policy involving international religious freedom;

- maintaining a database, made available to the public, listing persons imprisoned, detained, disappeared, placed under house arrest, tortured, or subject to forced renunciations of faith for their religious activity or religious freedom advocacy by the government of a foreign country;

- working with congressional offices, advising on legislation and sharing policy recommendations, testifying at hearings, and holding hearings or briefings on religious freedom issues;

- engaging with executive branch officials, including at the White House and the Departments of State, Homeland Security, Defense, and Treasury, to share information, highlight situations of concern, and discuss USCIRF's recommendations for U.S. policy; making recommendations to apply sanctions, including under IRFA, the Global Magnitsky Act, and other human rights related financial and visa authorities against individuals or entities responsible for severe violations of religious freedom;

- meeting with foreign government officials, representatives of nongovernmental organizations (NGOs), religious leaders, victims of persecution, and other stakeholders promoting religious freedom, which includes meetings at the United Nations (UN), the Organization for Security and Cooperation in Europe (OSCE), the European Union (EU), and with the International Panel of Parliamentarians for Freedom of Religion or Belief (IPP-FoRB); and

- conducting fact-finding delegations by traveling to countries where religious freedom concerns or progress exist, and meeting with foreign government officials, as well as other stakeholders to raise these concerns, and to independently observe and gauge the severity of religious freedom violations or progress being made specific to religious freedom or belief.

With regard to the Annual Report, USCIRF is mandated to issue, no later than May 1 of each year, the report to the president, the secretary of state, and Congress that includes recommendations for U.S. policy based on the Commission's analysis and monitoring of religious freedom abroad.

A. USCIRF Membership and Staff

By statute, USCIRF is composed of 10 members (nine commissioners plus one *ex officio* member). The current commissioners are:

- Gayle Manchin, Chair (appointed by Senator Charles Schumer)
- Tony Perkins, Vice Chair (appointed by Senator Mitch McConnell)
- Anurima Bhargava, Vice Chair (appointed by Representative Nancy Pelosi)
- Gary Bauer, Commissioner (appointed by President Donald Trump)
- James Carr, Commissioner (appointment by Representative Kevin McCarthy)
- Frederick Davie, Commissioner (appointed by Senator Charles Schumer)
- Nadine Maenza, Commissioner (appointed by President Donald Trump)
- Johnnie Moore, Commissioner (appointed by President Donald Trump)
- Nury Turkel, Commissioner (appointed by Representative Nancy Pelosi)

Ambassador Sam Brownback served in the position of the ambassador-at-large, an *ex officio* and non-voting member of USCIRF from February 2018 through January 2021. Currently, the position is vacant and awaiting appointment by President Joseph R. Biden.

To support the activities of the Commission, USCIRF had approximately 19 full-time equivalents (FTEs) for most of FY 2020 and achieved its budgeted number of 21 FTEs by the end of the fiscal year.

II. SELECTED ACTIVITIES FOR FY 2022

Building on past Commission work, USCIRF in FY 2022 will develop priorities and resulting activities based on a review of global conditions for freedom of religion or belief, situations of urgent concern, targets of opportunity, and emerging trends.

USCIRF became fully staffed in FY 2020 and is currently achieving the mandates set by Congress. USCIRF will continue the momentum of the current work into FY 2022 on the following priorities: making and tracking recommendations to enhance U.S. policy; elevating and promoting freedom of religion or belief abroad; and raising awareness of victims targeted by foreign governments for their religious activity or religious freedom advocacy. Topical areas of focus include, at a minimum, laws restricting religious freedom; protection of houses of worship; combating rising anti-Semitism; highlighting the use of technology to repress religious freedom; countering the teaching and exportation of religious intolerance; and highlighting the repression of religious freedom under the guise of countering extremism. The work on prisoners includes: USCIRF's Freedom of Religion or Belief (FoRB) Victims List mandated by the Frank Wolf Act; Commissioners' advocacy for specific Religious Prisoners of Conscience (RPOCs) through USCIRF's RPOC Project; and USCIRF's partnership with the Congressional Tom Lantos Human Rights Commission's Defending Freedoms Project.

A. Annual Report

In response to Congress and other key stakeholders, in FY 2020, USCIRF streamlined its Annual Report by presenting a concise discussion of country conditions and U.S. policy, and specific policy recommendations to the president, the secretary of state, and Congress. USCIRF's FY 2020 Annual Report was 95 pages, a 58 percent reduction in length from the previous year.

While USCIRF will continue to look for opportunities to enhance its overall reporting, the annual report will contain, at a minimum, the following:

- Recommendations of foreign governments that the U.S. government should designate as CPCs under IRFA for engaging in or tolerating "systematic, ongoing, and egregious violations of religious freedom" and governments that the U.S. Government should place on the State Department's SWL for engaging in or tolerating violations that consist of two of the three categories that determine the CPC designation.

- Recommendations of non-state actors that the U.S. government should designate as EPCs for engaging in particularly severe violations of religious freedom. A non-state actor is defined as a "non-sovereign entity that exercises significant political power and territorial control; is outside the control of a sovereign government; and often employs violence in pursuit of its objectives."

- Identification of other key trends and developments during the year.

B. Tracking and Reviewing Implementation of Recommendations

As noted previously, USCIRF recommends actions Congress, the State Department, and the White House should take to address the violations of FoRB highlighted by the Commission. Along with recommending to the State Department countries the United States should designate as CPCs, the Commission makes other suggestions for government actions that, if taken, could help bring about improvements for freedom of religion or belief abroad. With this budget request, USCIRF seeks to enhance its work with Congress, the State Department, and the White House.

Under the Further Consolidated Appropriations Act of 2020 (P.L. 116-94), USCIRF is now required to "track the implementation" of its policy recommendations by the U.S. government and "review, to the extent practicable, the effectiveness of such implemented recommendations in advancing religious freedom internationally."

Under existing funding levels, USCIRF has implemented an Excel spreadsheet to track the status of its policy recommendations. Provided USCIRF obtains a stable funding level of $4.5 million, USCIRF will be able to create processes and systems to more efficiently and effectively organize, quantify, and present the data. This would be accomplished through contractor support in the development of a database of the recommendations, thereby enabling USCIRF to effectively comply with the mandate.

C. Convening Hearings

The Commission plans to regularly hold hearings in FY 2022. Hearings afford USCIRF the opportunity to receive testimony and evidence from expert witnesses, including from U.S. Government agencies, in a manner that enhances greater awareness of religious freedom conditions around the world and U.S. policy. Furthermore, witness testimony helps to inform USCIRF's research and policy recommendations.

The current FTE employees are sufficient for sustaining USCIRF's hearing schedule on a wide variety of international religious freedom topics. The staff will plan and coordinate the hearings, work with the policy analysts to identify expert witnesses and prepare remarks for Commissioners, compile the testimony received for distribution, and handle the logistics of holding a hearing. Additionally, contractor support is needed to support hearings for operational needs, such as transcription and video services.

D. Enhancing Content for the Victims List

In October 2019, USCIRF launched the FoRB Victims List on its website. The Frank Wolf Act, P.L. 114–281, requires USCIRF, to the extent practicable, to compile—online and in official publications—lists of persons it determines are imprisoned, detained, disappeared, placed under house arrest, tortured, or subject to forced renunciations of faith for their religious activity or religious freedom advocacy by the government of a foreign country that the Commission recommends for designation as a CPC or a non-state actor that the Commission recommends for designation as an EPC. These lists are to include as much publicly available information as practicable on the conditions and circumstances of such persons. Although IRFA mandates that the State Department keep country-by-country lists of prisoners, it has never fulfilled this mandate.

Accordingly, USCIRF is the primary source within the Federal government for such essential information.

The FoRB Victims List remains a work in progress, but is becoming a more robust cataloguing of victims of religious freedom violations globally. Within existing resources, USCIRF is gathering and including information on individuals imprisoned by governments that USCIRF recommends for CPC status. During 2020, USCIRF added approximately 500 victims to its database, a more than 200% increase from 2019, bringing the total to approximately 715 victims in 13 countries. With the requested funding level of $4.5 million, USCIRF will be able to increase the efficiency by which victims are added to the database.

E. Producing More Research and Policy Publications

USCIRF seeks to be a primary source for authoritative and timely information on international religious freedom. The Annual Report is a comprehensive and important source of information, but is issued only once per year. Accordingly, USCIRF will continue to heighten its efforts to release other publications throughout the year.

Due to the continued streamlining of the Annual Report, and the lack of travel during the Covid-19 pandemic, USCIRF vastly increased its publication output in FY 2020. USCIRF released 12 publications in FY 2019 and 32 publications in FY 2020. By FY 2022, USCIRF seeks to continue greater output of publications as it did in FY 2020 and is on track to do so for FY 2021. To continue the number and pace of publications produced, USCIRF needs, at a minimum, to maintain its staffing at 21 FTEs, which includes research and policy staff of 13 FTEs. Furthermore, additional research capacity will be needed through contracted services.

F. Expanding Outreach to Congress

Congress has a central role to play in international religious freedom, and USCIRF has the expertise to provide congressional members and staff with relevant information and assistance. USCIRF findings and recommendations are increasingly seen and used by a greater number of congressional offices, executive branch offices, and relevant stakeholders, including domestic and international NGOs, international organizations, and media outlets. Accordingly, the Commission will continue to strengthen its engagement with Congress.

Maintaining the FY 2021 level of staffing will enable USCIRF to sustain, streamline, and increase its effectiveness as a resource to Congress through meetings, consultation on legislation, hearings, briefings, and other requests from Members of Congress. Consistent with FY 2021, USCIRF also anticipates using contractors to support public events.

G. Increasing Outreach

In addition to releasing the results of research through publications, USCIRF will continue to enhance its outreach through media (e.g., print, broadcast, online, and social media) on issues related to freedom of religion or belief. Not only does outreach enable USCIRF to distribute its reporting and recommendations to policymakers, government officials, NGOs, and other partners

working on FoRB, it also informs the general public throughout the world about religious freedom issues, thereby increasing awareness.

Additionally, in FY 2022, USCIRF plans to continue expanding and systematizing its outreach to organizations that promote international religious freedom and related rights, the number of which has grown in recent years.

Thus far in FY 2021, USCIRF continued its engagement with the International Religious Freedom (IRF) Roundtable based in Washington, DC. USCIRF's chair speaks at the Roundtable weekly about USCIRF's reporting and recommendations, and works closely with participant organizations to obtain current information from them and to offer USCIRF's research as a relevant and timely resource. In FY 2022, USCIRF anticipates playing a greater role in participating at various IRF Roundtables globally.

In FY 2022, the Commission expects to continue its outreach and engagement with various international networks and organizations. These international organization entities, parliamentary bodies, or NGOs include the International Panel of Parliamentarians for Freedom of Religion and Belief, the UN Special Rapporteur on freedom of religion or belief and other relevant UN mandates, the Faith for Rights Initiative of the Office of the UN High Commissioner for Human Rights, EU Special Representative on freedom of religion or belief outside the European Union, the Organization for Security and Cooperation in Europe's Office of Democratic Institutions and Human Rights (OSCE/ODIHR), and the European Parliament Intergroup on FoRB and Religious Tolerance, among others. With grave religious freedom violations increasing in many parts of the world, USCIRF believes it is more vital than ever to work closely with these partners, sharing information, ideas, and best practices. This effort will involve greater outreach from Washington, DC, as well as travel to relevant meetings and conferences.

Maintaining a staffing level of 21 FTEs will enable USCIRF to sustain, streamline, and increase its effectiveness as a resource through its media presence, and to Congress through meetings, consultation on legislation, hearings, briefings, and other requests from Members of Congress. Consistent with FY 2021, USCIRF also anticipates using contractors to support its outreach activities.

H. Travel

Depending on the status of the Covid-19 global pandemic, USCIRF plans to resume travel overseas to obtain critical and timely information related to religious freedom violations and progress in countries of concern and relevance to USCIRF's mission. Travel decisions are based on a variety of factors including: country developments; the foreign government's receptiveness to a USCIRF visit; the State Department and U.S. Embassy's ability to facilitate the visit; the security situation; and the priorities set by Commissioners. In FY 2022, USCIRF will seek travel to countries that it has not been able to visit or has not traveled to for a number of years, including Eritrea, Syria, Russia, Turkmenistan, Tajikistan, China, India, and Cuba.

USCIRF intends to conduct approximately eight Commissioner country delegations per fiscal year, plus additional staff fact-finding travel in support of USCIRF's increased number and pace

of publications. Commissioners and staff also seek to expand travel to relevant conferences, meetings, and other events, as discussed in the previous section.

I. Operational Needs

Given its mandate, religious freedom conditions globally, and ongoing obligations and priorities, USCIRF will seek to:

- **Maintain Staffing Needs**: New mandates and a greater need for country-specific and thematic research as it relates to religious freedom raised the need for staffing. During FY 2020, USCIRF steadily achieved its budgeted number of FTEs of 21, enabling the Commission to fulfill its mandates. The FY 2022 request is to maintain 21 FTEs so the Commission can continue its focus on developing religious freedom issues and engaging with Congress, the administration, NGOs, and other stakeholders in a timely and relevant manner.

  Additionally, USCIRF will continue to utilize contractors to supplement USCIRF's research and outreach efforts. Such support provides USCIRF the ability to address areas where greater capacity and expertise is needed based on priorities or issues as they arise.

- **Improve Records Management**: USCIRF is required to comply with records management requirements as outlined in chapter 31 of title 44, U.S. Code, known as the Federal Records Act of 1950. While USCIRF complies with record retention policies, it recognizes a need to strengthen the records management program within the agency by updating existing policies and procedures. The FY 2022 request will provide for necessary improvements to the records management program, including training to the staff and Commissioners on the requirements for records management.

- **Reauthorization**: USCIRF will reserve funds in FY 2022 to permit for the possible sunset of the agency on September 30, 2022. Consistent with sunset guidance, USCIRF will need to begin certain shut-down procedures in early calendar year 2022, while actively working to secure reauthorization.

III. SELECTED ACTIVITIES IN FY 2020 AND FY 2021

A. Impact of Covid-19

Beginning in March 2020, the global pandemic upended USCIRF's operations, similar to its effect on other U.S. Government agencies. Already having in place remote working capabilities, USCIRF quickly responded and adapted to the changing situation to achieve its mandate.

Since most travel to meet with foreign governments and religious communities abroad was indefinitely postponed, USCIRF allocated resources in FY 2020 for research contracts. These contracts allowed for USCIRF to gain valuable information, typically obtained through in-person travel, needed to effectively monitor and report on a variety of religious freedom situations taking place around the world.

Also, as previously mentioned, by the end of FY 2020, USCIRF's team was fully staffed, enabling the agency to create the processes needed to continue USCIRF's work in the midst of the pandemic. All events, including hearings, shifted into virtual forums, creating new strategic opportunities for USCIRF. For example, utilizing virtual platforms allowed USCIRF to significantly increase the number of events it held beginning in FY 2020 and into FY 2021, and to share its reporting and research with more individuals to global audiences on a much bigger scale.

USCIRF Commissioners and staff continued to meet regularly with congressional Members and staff in the virtual space, respond to requests from Congress, and offer policy recommendations on a host of issues regarding FoRB.

B. Hearings

USCIRF continued to exercise its statutory authority to hold hearings on Capitol Hill. In FY 2020 USCIRF held six hearings. For FY 2021, the Commission has held two hearings to-date, with an additional six scheduled for the remainder of the fiscal year. The hearings held included the following topics:

- In October 2019, USCIRF held a hearing on "Protecting Houses of Worship and Holy Sites."
- In January 2020, USCIRF held a hearing on "Global Efforts to Counter Anti-Semitism."
- In March 2020, USCIRF held a hearing on "Citizenship Laws and Religious Freedom."
- In June 2020, USCIRF held a hearing on "Safeguarding Religious Freedom in Northeast Syria."
- In July 2020, USCIRF held a hearing on "Technological Surveillance of Religion in China."
- In September 2020, USCIRF held a hearing on "Religious Freedom in Russia and Central Asia."
- In October 2020, USCIRF held a hearing on "Combatting Online Hate Speech and Disinformation Targeting Religious Communities."
- In December 2020, USCIRF held a hearing on "Blasphemy Laws and the Violation of International Religious Freedom."

In addition to USCIRF's hearings, Commissioners testified before the Tom Lantos Human Rights Commission on the following topics:

- November 14, 2019: USCIRF Commissioner Anurima Bhargava testified on "Jammu and Kashmir in Context."
- July 30, 2020: USCIRF Commissioner Nury Turkel testified on "Religious Freedom in China: The Case of Bishop James Su Zhimin."

C. USCIRF Events

USCIRF held multiple events in FY 2020 and thus far in FY 2021, including:

- "Silencing Religious Freedom in Africa: The Impact of Speech Restrictions" (December 2019).
- "Freedom of Religion or Belief and Security: New Policy Guidance from the OSCE" (February 2020).
- "Religious Freedom in Tibet" (July 2020).
- "Update with USAID: The President's Executive Order on International Religious Freedom" (August 2020).
- "An Update on Rohingya Refugees" (August 2020).
- "Rising Antisemitism in Europe Amid the Pandemic" (September 2020).
- "Religious Freedom in Turkey" (October 2020).
- "Religious Freedom in Algeria" (November 2020).
- "Religious Freedom in Sudan" (November 2020).

D. Travel

USCIRF travel allows USCIRF Commissioners and staff to document conditions firsthand, and meet with members of impacted communities and U.S. and foreign government officials. Through travel, USCIRF gathers information that is best conveyed in person and through direct observation, thereby enhancing the credibility and independence of the Commission's research and recommendations. USCIRF also travels to participate at conferences and events relevant to international religious freedom or belief.

As stated previously, the global pandemic canceled much of USCIRF's travel halfway through FY 2020. As for FY 2021, there has been very limited travel to-date. However, we anticipate travel for the latter part of FY 2021.

In FY 2020, Commissioner-led delegations traveled to two countries to assess religious freedom conditions: Azerbaijan (February 2020) and Sudan (February 2020). Additionally, the following are key conferences and events Commissioners and/or staff participated at in FY 2020: Warsaw Dialogue for Democracy Conference (Poland, October 2019); International Panel of Parliamentarians for Freedom of Religion and Belief (IPP-FoRB) Conference (Singapore, October 2019); The Southeast Asia Freedom of Religion and Belief (SEA-FoRB) Conference (Thailand, December 2019); IRF Roundtable (Bahrain, December 2019); and Abu Dhabi Peace Conference (Abu Dhabi, December 2019).

E. Research Projects and Publications

In addition to the Annual Report, USCIRF develops and produces in-house reports and contracts with experts to conduct research. In FY 2020 and thus far in FY 2021, USCIRF published 42 reports, which included country or policy updates, as well as various factsheets or special reports on a particular issue related to religious freedom or belief. See Appendix A for a list of the reports. Also, the reports can be found on USCIRF's website at https://www.uscirf.gov/publications.

F. Outreach to Congress and the Executive Branch – Selected Activities

USCIRF undertook a range of activities with congressional offices and Committees during FY 2020 and FY 2021. USCIRF continued to engage with Congress as expert witnesses for congressional hearings, panelists for congressional briefings, and as a resource for both individual offices and committee staff. Additionally, USCIRF organized or participated in Hill briefings on a range of issues.

USCIRF engaged frequently with Executive Branch officials to discuss USCIRF's findings and recommendations, as well as to obtain information in support of its research. USCIRF also wrote letters about various countries and issues to President Donald Trump, Vice President Pence, and Secretary of State Mike Pompeo.

G. Outreach to International Organizations and Foreign Governments – Selected Activities

USCIRF Commissioners and staff met and exchanged information on efforts to promote international religious freedom with foreign counterparts, including Sudanese Prime Minister Abdulla Hamdok, EU Special Envoy for the promotion of freedom of religion or belief outside the European Union Jan Figel, UN Special Rapporteur on freedom of religion or belief Ahmed Shaheed, UN Alliance of Civilizations High Representative Miguel Moratinos, UK Representative for Freedom of Religion or Belief Tariq Ahmad and Rehman Chishti, and parliamentarians from the IPP-FoRB, the UK Parliament's All Party Group for Freedom of Religion or Belief, and the Commonwealth Initiative on Freedom of Religion or Belief.

USCIRF regularly engaged with representatives of foreign embassies in Washington, DC, with foreign officials visiting DC, as well as with numerous foreign government officials on USCIRF delegation trips abroad at the beginning of FY 2020.

H. Outreach through Media – Selected Activities

USCIRF continued to increase its media capabilities (e.g., print, broadcast, online, and social media) in order to effectively share its research, reporting, and policy recommendations.

In FY 2020, USCIRF issued over 120 press releases and statements and was cited 14,000 times in print and online media, a 150 percent increase from FY 2019. On Twitter, USCIRF's posts reached 40.5 million people, a 630 percent increase from FY 2019; nearly 1.4 million people visited USCIRF's profile page, over a 1,000 percent increase; and @USCIRF was mentioned approximately 200,000 times in other people's posts. USCIRF also expanded its presence on Facebook and YouTube.

In FY 2021, USCIRF launched Spotlight, a new webcast series on breaking and developing situations relevant to international religious freedom and U.S. policy. Episodes have featured topics such as Belarus, Iran, Nigeria, blasphemy laws, and multilateral human rights mechanisms.

IV. ACCOUNTING OF EXPENSES AND APPROPRIATIONS REQUEST FOR FY 2022

USCIRF is requesting an appropriation of $4,500,000 for FY 2022 in order to continue its activities, programs, and projects to carry out its congressional mandate as set forth in IRFA, as amended. This budget request is consistent with the request made for FY 2021, and includes funding to maintain mandated activities. Over the past several years, this law has increased USCIRF's role specific to reporting, monitoring, and training for matters related to religious freedom abroad.

The Commission will continue to implement the requests made by Congress and will achieve its mandate by refining its Annual Report, issuing more publications throughout the year to provide information in a timely manner, developing a new database to track the implementation of USCIRF recommendations made to the U.S. Government, enhancing its reporting of victims, and updating its policies and procedures, including its records management, to strengthen operations and compliance with applicable laws and regulations.

A. Appropriations Bill Language

For necessary expenses for the U.S. Commission on International Religious Freedom, as authorized by Title II of the International Religious Freedom Act of 1998, as amended, $4,500,000, including not more than $4,000 for representation expenses.

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B. Ten-Year Appropriations History (in Millions)

FY	Amount Requested	Amount Received	FTEs	Public Law
2010	$4.3	$4.3	16	P.L.111–117: Consolidated Appropriations Act, 2010
2011	$4.4	$4.3	17	P.L. 112–10: Department of Defense and Full-Year Continuing Appropriations Act, 2011
2012	$3.5	$3.0	17/14	P.L. 112–75: Consolidated Appropriations Act, 2012
2013	$3.5	$2.93	13	P.L. 113–6: Consolidated and Further Continuing Appropriations Act, 2013
2014	$3.5	$3.5	13/15	P.L. 113–76: Consolidated Appropriations Act, 2014
2015	$3.5	$3.5	12/14	P.L. 113–235: Consolidated and Further Continuing Appropriations Act, 2015
2016	$3.5	$3.5	13/15	P.L. 114–113: Consolidated Appropriations Act, 2016
2017	$3.5	$3.5	13/17	P.L. 114–254: Further Continuing and Security Assistance Appropriations Act, 2017
2018	$4.5	$4.5	14/18	P.L. 115–141: Consolidated Appropriations Act, 2018
2019	$4.5	$4.5	18/20	P.L. 116–9: Consolidated Appropriations Act, 2019
2020	$4.5	$4.5	21	P.L. 116–94: Further Continuing Appropriations Act, 2020
2021	$4.5	$4.5*	21	P.L. 116-260: Consolidated Appropriations Act, 2021 *Includes explanatory language for amount above the authorized level

USCIRF's appropriation was reduced in FY 2012 as part of reauthorization, sequestration, and deficit reduction. Consequently, USCIRF reduced the number of its staff, restructured responsibilities, moved to less expensive office space, and limited overseas fact-finding missions. During the period of reduced funding, USCIRF continued cost-saving measures put in place in earlier fiscal years, including not filling needed staff positions; limiting Commissioner and staff travel; deferring the upgrade of its website and use of available technology; and reducing publications and other key activities.

USCIRF's uncertain reauthorization over the past years has presented another challenge. USCIRF's sunset date of September 30, 2014, was extended until September 30, 2015, in P.L. 113–271. With the uncertainty of reauthorization or re-appropriation, and pursuant to guidance received from its shared-service provider (the General Services Administration), USCIRF significantly slowed spending during the first three months of FY 2015. USCIRF also slowed spending during the last four months of the fiscal year, since—pursuant to the Anti-Deficiency Act—the Commission was unable to obligate for annualized services or travel that rolled into FY 2016.

In 2015, USCIRF was reauthorized for four years by P.L. 114–71, the United States Commission on International Religious Freedom Reauthorization Act of 2015. A requirement of that reauthorization was that USCIRF conduct a "strategic policy and organizational review planning process." To fulfill this mandate, USCIRF hired a consulting firm to conduct an independent

review, allowing USCIRF to validate its mission, assess the impact of the organization's activities, and make general process improvements. The assessment concluded that while USCIRF demonstrated many strengths, the organization would benefit from some changes, as outlined in 12 recommendations. USCIRF has addressed the recommendations and routinely updates Congress of its progress to enhance its overall effectiveness.

The four-year reauthorization of USCIRF included in P.L. 114–71 enabled USCIRF to implement and execute initiatives in FY 2019 that are reflected in the increased activities described previously.

In FY 2020, USCIRF was reauthorized for three years through September 30, 2022, under P.L. 116–94, Further Consolidated Appropriations Act of 2020. When USCIRF's funding level has not been affected by reauthorization, the Commission has been able to achieve its mandate in a manner consistent with that outlined in its annual budget justification.

C. Justification for Funding Request

Religion and religious freedom continue to be key factors in issues, events, and controversies that top the U.S. Government's foreign policy agenda. As such, freedom of religion or belief needs to be taken into account if the United States is to achieve its foreign policy goals.

Through this appropriation request, USCIRF seeks to enhance its ability to be an effective resource to Congress, the Administration, and the U. S. Department of State, and to be able to reach out to the general public with timely and accurate information. Freedom of religion or belief is one of the key issues today that generates bipartisan support and USCIRF is a unique congressional entity with the mandate of focusing on this issue. As a congressional entity, USCIRF also has a unique responsibility to support members of Congress and their staffs. USCIRF wants to do more to fulfill its mandate and other responsibilities.

USCIRF's FY 2022 budget request seeks funding at a level that allows the Commission to continue to fulfill the additional mandates placed on the Commission over the past years, including the most recent revisions, in an effective and efficient manner. Specifically, the FY 2022 budget request would allow USCIRF to:

- Maintain its current level of FTEs in order to sustain and enhance outputs on behalf of FoRB, including research, publications, hearings, events, media relations, and meetings;
- Continue to fulfill new mandates, including tracking the implementation and effectiveness of recommendations made to the U.S. Government; and
- Update and strengthen USCIRF's operations, including its records management program, to comply with applicable laws and regulations in an efficient and effective manner.

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D. Actual, Estimated, and Projected Expenditures*

Following are USCIRF's FY 2020 actual expenditures, FY 2021 estimated expenditures, and FY 2022 projected expenditures:

	FY 2020 (Actual $)	FY 2021 (Estimated $)	FY 2022 (Projected $)
Funding:			
Appropriation	$4,500,000	$4,500,000	$4,500,000
Carryover	1,560,035	1,669,863	1,397,863
Prior Year Recoveries	13,016	5,000	5,000
Total Funding (1)	$6,073,051	$6,174,863	$5,902,863
Expenditures:			
Personnel Compensation (2)	$2,423,109	$2,833,000	$3,000,000
Travel (3)	236,674	350,000	600,000
Space Rental (4)	211,356	225,000	250,000
Communications (5)	139,500	105,000	110,000
Printing/Reproduction (6)	44,027	140,000	175,000
Consulting Services (7)	461,044	555,000	300,000
Research Projects (8)	672,086	250,000	225,000
Federal Admin Support (9)	167,554	190,000	250,000
Supplies/Materials (10)	6,875	10,000	20,000
Equipment/Furniture (11)	6,304	65,000	30,000
Subscriptions (12)	33,189	50,000	55,000
Representation Funds (13)	1,470	4,000	4,000
Total Expenditures	$4,403,188	$4,777,000	$5,019,000

1) Total Funding: Under the Consolidated Appropriations Act of 2020 (P.L.116–94) USCIRF was appropriated $4,500,000 for FY 2020 and FY 2021 "provided that prior to the obligation of $1,000,000 of the funds appropriated under this heading, the Commission shall consult with the appropriate congressional committees on the status of legislation to reauthorize the Commission, and such funds shall be subject to the regular notification procedures of the Committees on Appropriations." Consistent with the legislation, USCIRF notified the congressional offices of its intent to obligate the $1.0 million; however, a hold was placed on USCIRF's requests. Accordingly, due to the uncertainty in the timing of the release of the funds, total funding was more than anticipated.

   Also, due to budget constraints and the uncertainty of reauthorization in FY 2019, which impacted recruitment and hiring of staff and entering into research projects, the carryover of funds into FY 2020 was higher than had been estimated.

U.S. Commission on International Religious Freedom
Appropriations Request and Budget Justification for Fiscal Year 2022

2) Personnel Compensation: This expenditure reflects both salaries and benefits, including transit benefits for the staff. The increase from FY 2020 to FY 2021 is primarily due to USCIRF achieving its budgeted number of FTEs and cost of living increase.

3) Travel: Travel includes both foreign and domestic travel for Commissioners and staff. Domestic travel is for Commissioners' trips to Washington, DC, for monthly Commission meetings, participation at hearings, speaking engagements and events, and meetings with Congress, the administration, and key stakeholders. A key purpose of international travel is to conduct fact-finding missions to determine country conditions specific to religious freedom. These trips involve meeting with government officials, civil society groups, members of religious communities, and when permitted, religious prisoners of conscience. Actual expenditures in FY 2020 were significantly lower than estimated due to travel restrictions as a result of the COVID-19 pandemic. FY 2021 travel estimates are lower than past norms due to the ongoing travel restrictions from the COVID-19 pandemic. USCIRF expects travel to return to previous year levels once COVID-19 related travel restrictions are lifted.

4) Space Rental: This represents the costs for USCIRF's office space in the U.S. Government Publishing Office (GPO) Building. USCIRF renewed a five-year lease with GPO on October 1, 2019, which keeps office rent consistent with prior years. In addition to office space rent, USCIRF holds meetings and public events. The increase for rental space is related to room rentals for USCIRF public events in FY 2022, including hearings, briefings, and roll-out events of USCIRF publications.

5) Communications: Communications include costs for maintenance of the USCIRF website and external e-mail distribution lists, conference calling, office copiers, telephones, and postage/express mail service.

6) Printing/Reproduction: USCIRF anticipates printing a consistent level of publications in FY 2022 compared to FY 2021, including updates, briefs, and factsheets on a range of countries and issues. USCIRF also plans to issue a publication after each Commission trip highlighting the country conditions. Costs reflect USCIRF using GPO and FedEx Express/Kinkos to format and reproduce hard copies of its publications.

7) Consulting Services: Consulting services include USCIRF's contract with a private certified public accounting firm to provide an annual internal controls assessment; a contract with an IT vendor to provide helpdesk and other IT support services; and translations of the annual report and other USCIRF publications.

8) Research Projects: USCIRF plans to continue to provide funding for targeted work requiring outside expertise, and is exploring other contracted projects. As violations of religious freedom or belief abroad continue, the demand for USCIRF to conduct research supplementing USCIRF's staffing is critical to its reporting and recommendations to the U.S. Government. Both FY 2021 and FY 2022 reflect a decrease in cost as USCIRF anticipates being able to travel again in FY 2021 and has reached its budgeted number of FTEs for policy analysts for the research to be conducted in-house.

9) Federal Administrative Support: Federal administrative support includes payments to the General Services Administration for human resources and payroll services, the U.S. Department of Agriculture for accounting and financial reporting services, and GPO and the Department of Defense for background checks and security clearances for new Commissioners and staff. Additionally, USCIRF will continue to enter into agreements with Federal agencies for professional development training of staff.

10) Supplies/Materials: Costs reflect a normal level of expenditures given Commission operations, based on the number of FTEs, travel conducted, and work products generated by the Commission.

11) Equipment/Furniture: Equipment/Furniture reflects costs of technology modernization, including computer maintenance and furniture expenses to upgrade outdated equipment and furnishings.

12) Subscriptions: Subscriptions include access to certain online databases, media monitoring services, newspapers, and other periodicals, and updating USCIRF's library of technical publications.

13) Representation Funds: Given the anticipated plans for future travel, USCIRF anticipates the continued need for the allocation of $4,000 for representation expenses.

U.S. Commission on International Religious Freedom
Appropriations Request and Budget Justification for Fiscal Year 2022

List of USCIRF Publications **Appendix A**

1. Policy Brief – *Increased Persecution of Iran's Baha'i Community in 2019* (October 2019)
2. Country Update – *Kazakhstan* (October 2019)
3. Factsheet – *Enforced Disappearances in Malaysia* (October 2019)
4. Policy Update – *Pakistan's Blasphemy Law* (October 2019)
5. Country Update – *Afghanistan* (October 2019)
6. *Anti-Semitism Summer Seminar Summary* (October 2019)
7. Factsheet – *Protecting Houses of Worship and Holy Sites* (October 2019)
8. Issue Brief – *India* (November 2019)
9. Policy Update – *Blasphemy Allegations In A Polarized Indonesia* (November 2019)
10. Country Update: *An Assessment of Vietnam's Law on Belief and Religion* (November 2019)
11. Special Report: *Apostasy, Blasphemy, and Hate Speech Laws in Africa* (December 2019)
12. Contracted Report: *Shari'ah Criminal Law in Northern Nigeria* (December 2019)
13. Country Update: *Saudi Arabia* (January 2020)
14. Country Update: *Uzbekistan* (January 2020)
15. Country Update: *Bahrain* (February 2020)
16. Factsheet: *Regulation for Religious Groups in China* (February 2020)
17. Factsheet: *The Citizenship (Amendment) Act in India* (February 2020)
18. Country Update: *Iraq* (February 2020)
19. Policy Update: *Cuba* (March 2020)
20. Country Update: *Nicaragua* (March 2020)
21. Factsheet: *Global Response to the Coronavirus and the Impact on Religious Practice and Religious Freedom* (March 2020)
22. Factsheet: *Burma* (March 2020)
23. Factsheet: *Blasphemy Laws* (April 2020)
24. Country Update: *Laos* (May 2020)
25. Country Update: *Bangladesh* (May 2020)
26. Factsheet: *Iran Sanctions* (August 2020)
27. Policy Update: *North Korea* (August 2020)
28. Policy Update: *Pakistan* (August 2020)
29. Issue Update: *The Anti-Cult Movement and Religious Regulation in Russia and the Former Soviet Union* (August 2020)
30. Policy Update: *Turkmenistan* (August 2020)
31. Country Update: *Vietnam* (August 2020)
32. Factsheet: *Fulani Communities in West and Central Africa* (September 2020)
33. Factsheet: *Conscientious Objection* (October 2020)
34. Factsheet: *Ritual Slaughter Restrictions in Europe* (October 2020)
35. Factsheet: *Rohingya Refugees* (October 2020)
36. Factsheet: *Attacks in Burkina Faso* (October 2020)
37. Factsheet: *United Nations Human Rights Mechanisms* (November 2020)
38. Issue Update: *Saudi Guardianship System* (November 2020)
39. Issue Update: *The Global Persecution of Jehovah's Witnesses* (November 2020)
40. Issue Update: *Promoting Religious Freedom and Countering Violent Extremism in Tajikistan* (November 2020)
41. Special Report: *Violating Rights: Enforcing the World's Blasphemy Laws* (December 2020)

U.S.-China Economic and Security Review Commission

Fiscal Year 2022

Budget Request and Justification for the House and Senate Committees on Appropriations

March 9, 2021

U.S.-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION

BUDGET REQUEST AND JUSTIFICATION FOR THE COMMITTEES ON APPROPRIATIONS

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Appendix II: Executive Summary of the 2020 Report to Congress, including highlights of its findings and recommendations 8

The Commission was created on October 30, 2000 by the Floyd D. Spence National Defense Authorization Act of 2001, Pub. L. No. 106-398 (codified at 22 U.S.C. §7002), as amended by Public Laws No. 107-67 (November 12, 2001), No. 108-7 (February 20, 2003), No. 109-108 (November 22, 2005), No. 110-161 (December 26, 2007), and No. 113-291 (December 19, 2014).

I. OVERVIEW OF THE COMMISSION

The Commission was established by Congress "to monitor, investigate, and report to Congress on the national security implications of the bilateral trade and economic relationship between the United States and the People's Republic of China." The Commission is comprised of 12 Commissioners appointed by the leadership of Congress and is tasked with holding hearings, conducting research, and annually reporting to Congress its findings and recommendations for legislative and administrative actions.

The Commission's full mandate is included at Appendix I.

A. Commissioners

Appointing Authority	Commissioner
Speaker Nancy Pelosi	Bartholomew, Carolyn
	Fiedler, Jeffrey
	Wessel, Michael
Majority Leader Charles Schumer	Goodwin, Carte
	Vacant
	Vacant

Appointing Authority	Commissioner
Leader Mitch McConnell	Cleveland, Robin
	Kamphausen, Roy
	Talent, James
Leader Kevin McCarthy	Borochoff, Robert
	Scissors, Derek
	Wong, Alex

B. Staff of the Commission

The Commission has a staff of 17 full-time employees and 1–3 full-time equivalents in limited term or part-time research assistants, fellows, or contracted staff. Each staff member brings unique expertise in the areas of economics and trade, national security, or foreign affairs. A majority of staff have Chinese language skills and serve the Commission after periods of work or study in Asia.

Staff responsibilities include monitoring, investigating, and researching activities and developments in the areas within the Commission's statutory mandate, building expertise in the necessary fields required by that mandate, and preparing Commission briefings and hearings by collecting, analyzing, and presenting information for review and use by the Commissioners. The staff also prepares drafts of the Commission's Annual Report to Congress. Throughout the year, at the request of Members of Congress and Commissioners, staff also produce reports on topics within the purview of the Commission's charter.

The Commission has a research assistant program that attracts diverse and talented students and recent graduates with skills critical to needs of the Commission. The program provides

exceptional candidates the opportunity to bring their writing, interpersonal, analytic, and leadership skills to begin their career in public service.

II. COMMISSION RESPONSIBILITIES AND ACTIVITIES

A. Commission Hearings and Briefings

The Commission submitted its latest bipartisan Annual Report to Congress in December 2020. The report reflected the bipartisan agreement of all Commissioners. A copy of the Executive Summary is included at Appendix II. The Commissioners and staff regularly provide briefings to Members of Congress and their staff on the contents of Annual Report, staff reports, and other areas of Commission expertise.

During fiscal year (FY) 2022, the Commission will continue its practice of conducting six to eight public hearings and roundtables, all of which will be accessible to the public. The hearings will feature testimony from an array of experts. The Commission intends to continue the past practice of inviting current and former executive branch officials, representatives of industry and labor, academics and researchers, journalists, and individuals from trade-impacted communities.

In addition to the expertise provided in hearings, the Commission's work benefits from briefings from U.S. government agency officials, the intelligence community, foreign government representatives, think tanks, civil society groups, trade associations, and academia addressing the topics within its legislative mandate. In 2020 the Commission made use of hybrid in-person and virtual meetings to conduct briefings and hearings through periods of pandemic response. Since our 2019 Annual Report, the Commission received classified and unclassified briefings on a range of topics, including China's relationship with the European Union, the cross-Strait military balance, U.S.-Hong Kong relations, China's threat to U.S. technological leadership, and U.S. policies and actions with regard to long-term competition with China.

The FY21 agenda includes, among other topics to be determined, hearings on:

1. U.S.-China Relations at the Chinese Communist Party's Centennial
2. Deterring the People's Republic of China's Aggression Against Taiwan
3. U.S. Investment in Chinese Companies
4. The Chinese Communist Party's 14th Five-Year Plan
5. U.S.-China relations in 2021

Examples of hearing topics covered in recent previous years include:

1. The Chinese View of Strategic Competition with the United States
2. China's Strategic Aims in Africa
3. China's Evolving Healthcare Ecosystem: Challenges and Opportunities
4. A "China Model?" Beijing's Promotion of Alternative Global Norms and Standards

5. China's Military Power Projection and U.S. National Interests
6. China's Quest for Capital: Motivations, Methods, and Implications
7. Exploring the Growing U.S. Reliance on China's Biotech and Pharmaceutical Products
8. A "World-Class" Military: Assessing China's Global Military Ambitions
9. Technology, Trade, and Military-Civil Fusion: China's Pursuit of Artificial Intelligence, New Materials, and New Energy
10. China in Space: A Strategic Competition?

The Commission posts all statements, testimony and full transcripts on the Commission's website (www.USCC.gov).

The Commissioners and staff provide briefings to Members of Congress, their staff, and the staff of Committees on the contents of these hearings, our Annual Report, staff and contract reports (detailed below), and other areas of Commission expertise.

B. Reports and Research

The Commission produces a large number of products for Congress. These products reflect a broad range of issues of interest to Members of Congress as well as answer specific requests by congressional committees and offices. The following reports have been published by the Commission since January 2020:

1. *Economics and Trade Bulletin* – these individual reports are published every month; approximately 20 pages in length, they cover bilateral trade and economic issues, and developments in China's domestic economy; each bulletin also includes a section focusing on a specific industry (e.g., digital services, information technology, pharmaceuticals, and agricultural products).
2. The Shanghai Cooperation Organization: A Testbed for Chinese Power Projection
3. Overseas Chinese Students and Scholars in China's Drive for Innovation
4. Conflict on the Sino-Indian Border: A Background for Congress
5. Trends in U.S. Multinational Enterprise Activity in China, 2000–2017
6. Hong Kong's Special Status
7. China's Banking Sector Risks and Implications for the United States
8. Beijing's Deadly Game: Consequences of Excluding Taiwan from the World Health Organization during the COVID-19 Pandemic
9. China's Engagement with Africa: Foundations for an Alternative Governance Regime
10. Cascading Economic Impacts of the COVID-19 Outbreak in China
11. The U.S.-China "Phase One" Deal: A Backgrounder

In addition to the reports identified above, the Commission will continue to add value by contracting with outside experts to provide topic-specific detailed research reports in key areas of Congressional interest within the Commission's mandate. These reports are often requested by and provided to Members of Congress and their staff.

Contracted research reports released over the last year include the following:

1. China's Corporate Social Credit System: Context, Competition, Technology, and Geopolitics
2. Two Markets, Two Resources: Documenting China's Engagement in Africa
3. China's Space and Counterspace Activities
4. China's Smart Cities Development
5. China's Logistics Capabilities for Expeditionary Operations

U.S.-China Economic and Security Review Commission (USCC)
Budget Request and Justification for Fiscal Year 2022

II. SUMMARY, COMMISSION'S RESOURCES REQUIREMENTS, FISCAL YEAR 2022 BUDGET REQUEST

	FY 2020 Actual Obligations	FY 2021 Estimated Expenditures	FY 2022 Budget Request
Obligations/Expenses			
Personnel Compensation			
Commission Members	$395,256	$345,000	$370,500
Staff	$1,624,925	$1,565,00	$1,571,500
Benefits	$675,368	$655,500	$634,000
Subtotal, Personnel Compensation	**$2,695,549**	**$2,565,500**	**$2,576,000**
Operating Expenses			
Travel[1]	$34,643	$271,000	$268,500
Rent, Communications, Utilities[2]	$320,930	$345,000	$409,000
Printing and Reproduction[3]	$5,517	$9,000	$9,000
Advisory/Assistance Services[4]	$627,177	$734,000	$657,500
Supplies and Materials[5]	$44,384	$50,000	$50,000
Equipment, Furniture, Software[6]	$65,428	$25,000	$30,000
Subtotal, Operating Expenses	**$1,098,079**	**$1,434,500**	**$1,424,000**
Total Obligations/ Expenses	**$3,793,629[7]**	**$4,000,000**	**$4,000,000**

[1] Domestic/foreign/invitational. 2020 travel limited due to COVID-19 pandemic.
[2] Rent/telephone/postal/courier. In 2021 the Commission expanded its rental space to address long-standing space issues.
[3] Printing-federal and non-federal of Annual Report copies, hearing materials, and business cards.
[4] Legal/research/fees charged by GSA and USDA for financial, human resources, and payroll services/IT and website/training/editing/transcription.
[5] General supplies/periodicals/publications.
[6] Equipment/furniture/software. 2020 includes a deferred replacement of 6-year-old computers.
[7] The difference between the Commission's $3.5 million appropriation and total obligations was covered by prior year carryover funds.

Appendix I:

U.S.-China Economic and Security Review Commission

[As amended by Section 1259b of Pub. L. No. 113-291 (enacted Dec. 19, 2014)]

The United States-China Economic and Security Review Commission shall investigate and report exclusively on the following areas:

1) The role of the People's Republic of China in the proliferation of weapons of mass destruction and other weapon systems (including systems and technologies of a dual use nature), including actions the United States might take to encourage the People's Republic of China to cease such practices.

2) The qualitative and quantitative nature of the transfer of United States production activities to the People's Republic of China, including the relocation of manufacturing, advanced technology and intellectual property, and research and development facilities, the impact of such transfers on the national security of the United States (including the dependence of the national security industrial base of the United States on imports from China), the economic security of the United States, and employment in the United States, and the adequacy of United States export control laws in relation to the People's Republic of China.

3) The effects of the need for energy and natural resources in the People's Republic of China on the foreign and military policies of the People's Republic of China, the impact of the large and growing economy of the People's Republic of China on world energy and natural resource supplies, prices, and the environment, and the role the United States can play (including through joint research and development efforts and technological assistance) in influencing the energy and natural resource policies of the People's Republic of China.

4) Foreign investment by the United States in the People's Republic of China and by the People's Republic of China in the United States, including an assessment of its economic and security implications, the challenges to market access confronting potential United States investment in the People's Republic of China, and foreign activities by financial institutions in the People's Republic of China.

5) The military plans, strategy and doctrine of the People's Republic of China, the structure and organization of the People's Republic of China military, the decision-making process of the People's Republic of China

military, the interaction between the civilian and military leadership in the People's Republic of China, the development and promotion process for leaders in the People's Republic of China military, deployments of the People's Republic of China military, resources available to the People's Republic of China military (including the development and execution of budgets and the allocation of funds), force modernization objectives and trends for the People's Republic of China military, and the implications of such objectives and trends for the national security of the United States.

6) The strategic economic and security implications of the cyber capabilities and operations of the People's Republic of China.

7) The national budget, fiscal policy, monetary policy, capital controls, and currency management practices of the People's Republic of China, their impact on internal stability in the People's Republic of China, and their implications for the United States.

8) The drivers, nature, and implications of the growing economic, technological, political, cultural, people-to-people, and security relations of the People's Republic of China's with other countries, regions, and international and regional entities (including multilateral organizations), including the relationship among the United States, Taiwan, and the People's Republic of China.

9) The compliance of the People's Republic of China with its commitments to the World Trade Organization, other multilateral commitments, bilateral agreements signed with the United States, commitments made to bilateral science and technology programs, and any other commitments and agreements strategic to the United States (including agreements on intellectual property rights and prison labor imports), and United States enforcement policies with respect to such agreements.

10) The implications of restrictions on speech and access to information in the People's Republic of China for its relations with the United States in economic and security policy, as well as any potential impact of media control by the People's Republic of China on United States economic interests.

11) The safety of food, drug, and other products imported from China, the measures used by the People's Republic of China Government and the United States Government to monitor and enforce product safety, and the role the United States can play (including through technical assistance) to improve product safety in the People's Republic of China.

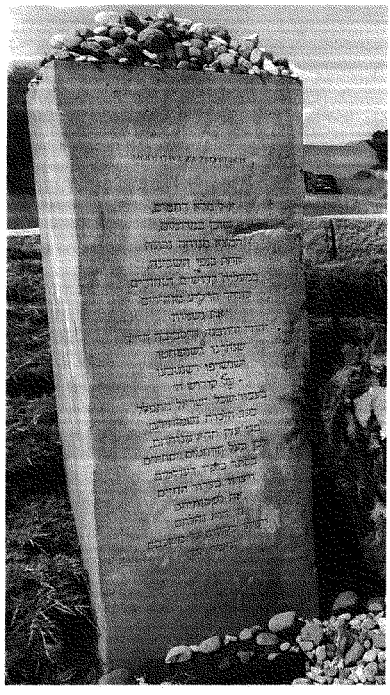
U. S. COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

2022

CONGRESSIONAL BUDGET JUSTIFICATION

633 3rd Street, NW, Suite 515
Washington, D.C. 20001

http://www.heritageabroad.gov
uscommission@heritageabroad.gov



Warsaw, Poland

US Commission for the Preservation of America's Heritage Abroad

APPROPRIATIONS LANGUAGE

Federal Funds:

General and Special Funds:
SALARIES AND EXPENSES

For necessary expenses for the Commission for the Preservation of America's Heritage Abroad, $641,250, as authorized by chapter 3123 of title 54, United States Code: Provided, That the Commission may procure temporary, intermittent, and other services and appoint and compensate personnel notwithstanding [paragraph] paragraphs (2) and (3) of section 312304(b) of such chapter: Provided further, That such authority shall terminate on October 1, 2022: Provided further, That the Commission shall notify the Committees on Appropriations prior to exercising such authority.

Commission Supported Project:
Hillel Minsk Jewish Student Cultural Center in the cleaning and restoration of a cemetery in Belarus.

Mir, Belarus

UNITED STATES COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

SALARIES AND EXPENSES
Object Classification (in thousands of dollars)

	2021 Est.	2022 Est.	2023 Request
Personnel Compensation and Benefits:			
Full-time Permanent	355	355	500
Contractual Services and Supplies:			
Travel and Transportation of Persons	15	15	40
Rental Payments to Others	100	101	102
Communications, Utilities and Misc. Charges	15	15	25
Printing and Reproduction	2	2	6
Other Contractual Services	40	40	80
Other Purchases of Goods and Services from Government Accounts	110	110	100
Supplies and Materials	3	2	15
Acquisition of Assets:			
Equipment	2	2	20
Total Obligations	**642**	**642**	**888**

U.S. Commission for the Preservation of America's Heritage Abroad

JUSTIFICATION

Organic Act:

THE COMMISSION

The Commission for the Preservation of America's Heritage Abroad was established by Public Law 99-83, which was re-enacted as P.L. 113-287, as an independent agency of the Executive branch. The Commission is comprised of 21 Members appointed by the President of the United States, including a Chair designated by the President. Seven Members are appointed in consultation with the President Pro Tempore of the Senate, and seven in consultation with the Speaker of the House of Representatives.

The law directs the Commission to --

1.Identify and report on cemeteries, monuments, and historic buildings in Eastern and Central Europe that are associated with the heritage of U.S. citizens, particularly endangered properties.
2.In cooperation with the Department of State, obtain assurances from the governments of the region that such properties will be protected and preserved.

Consistent with expressed congressional intent, the Commission also conducts, encourages, and facilitates private and foreign-funded site marking, restoration, and preservation projects. In this regard, the Commission is authorized to accept and use donations of private funds.

The Commission is required to meet twice a year. The Members, including the Chair, are not paid for their service but are reimbursed for travel and per diem expenses. The Commission is also authorized to appoint staff as government employees and to procure other services.

The Commission Chairman heads and directs the agency.

COMMISSION CHAIR

The Commission's Chair, Paul Packer, was designated by President Trump on October 31, 2017 as both a Member and the Chair. The set term of his most recent appointment expires on February 27, 2022.

The Chair is the head of the agency and its executive and directing authority. Through an understanding with the Department of State, the Chair or the Chair's designee speaks for the Commission and the United States to foreign governments.

U.S. Commission for the Preservation of America's Heritage Abroad

COMMISSION MEMBERS

The President appoints its 21 Members and designates one to be Chair. The law provides for seven Members to be appointed in consultation with the President Pro Tempore of the Senate, and seven in consultation with the Speaker of the House of Representatives. By tradition, the Members appointed in consultation with the congressional leaders are actually recommended by the Speaker of the House and the Majority Leader of the Senate. Additionally, the Speaker and the Senate Majority Leader defer to the minority leaders of their houses for three of their seven recommendations.

Members are appointed to fill rolling three-year terms. They also serve until replaced. As a consequence, the terms to which most Members are appointed are for less than three years because they are named to fill unexpired terms. Additionally, however, most Members serve for longer than the terms before they are replaced (or reappointed).

There are 21 Members of the Commission. There are currently no vacant seats. However, all but seven Commission Members have served past the set terms of their appointments.

The 21 Members of the Commission and the expirations of their set terms are listed in the table to the right, with House, Senate, or White House recommendations of appointments noted.

NAME	INITIAL APPOINTMENT DATE	TERM EXP.	APPOINTMENT
Ned Bandler	6/20/96	6/24/04	Senate
Darren Beattie	12/3/20	2/27/22	Presidential
Heshie Billet	4/20/18	08/17/19	Senate
Abba Cohen	6/15/15	6/24/16	House
Joseph Douek	5/8/20	2/27/22	Presidential
Tyrone Fahner	7/19/07	7/13/08	Senate
Emil Fish	12/23/09	6/24/10	House
Jules Fleischer	10/4/07	6/24/10	House
Martin Gold	6/2/06	7/13/08	Senate
Elie Hirschfeld	9/26/19	2/27/22	Presidential
John Mark Horne	9/26/19	2/27/22	Presidential
Lesley Israel	1/4/17	8/2/17	House
Mark S. Levenson	9/26/19	2/27/22	Presidential
Michael Levy	12/5/00	7/13/04	Senate
Harley Lippman	6/2/06	8/9/11	House
Warren Miller	2/28/92	7/13/10	Senate
Paul Packer	10/31/17	2/27/22	Presidential
Jonathan Rikoon	11/19/08	8/9/10	Senate
Harriet Rotter	3/25/03	8/9/10	House
Lee Seeman	2/27/95	7/13/10	House
Julie Alexa Strauss	9/26/19	2/27/22	Presidential

BACKGROUND

The population of the United States is mostly comprised of immigrants and their descendants. Remnants of these citizens' cultural heritage lie in foreign countries. Our Nation, therefore, has an interest in the preservation of foreign cultural sites important to the heritage of American citizens.

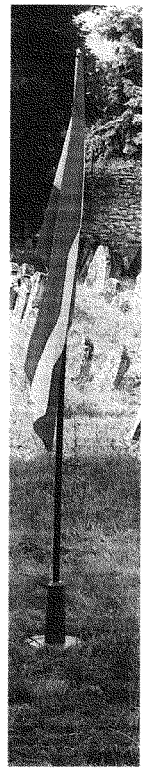
The Holocaust, its aftermath, and communist party regimes created a critical need regarding certain cultural properties in Eastern and Central Europe that led to the establishment of the Commission. Germany under the Nazis, and fascist collaborators in other countries, annihilated the population of the region that was Jewish, killing two-thirds and forcing others to flee.

This left the region with no one concerned to care for many cultural properties. The Nazi effort to eliminate the Jewish presence in Europe also included destroying evidence of many Jewish cultural sites.

After World War II, localized pogroms in Poland convinced many of the relatively few Holocaust survivors in Eastern Europe to emigrate to Palestine, the United States, and elsewhere, further reducing the population who were concerned with the preservation of Jewish sites.

As time went on, sites deteriorated and were put to other uses under the atheist communist party dictatorships that replaced Nazi German domination. Further, these governments sometimes limited access to sites, hindering preservation initiatives of concerned Americans. Repression resulted in further emigration by large numbers of the remaining Jewish residents of some countries.

There is a deeply held Jewish belief that forbids disturbing human remains. Burial places are, therefore, considered sacred in perpetuity.



Under the region's subsequent democratic governments, uncared for communal properties have also been encroached upon by commercial development and have continued to deteriorate. Although these national governments are often open to American site preservation entreaties and efforts, control of properties is generally not within national government jurisdiction and the governments do not have resources to devote to the sites.

In many cases, there are conflicts with private development desires and, at the local level, a lack of will to preserve sites that relate to people who have long been gone from the community. In some cases, there is also a conflict with laws that allow cemeteries to be used a certain number of years after burials cease.

BACKGROUND continued

The properties, however, continue to be of significant interest to a number of Jewish Americans. Most American Jews have their roots in Eastern and Central Europe. Burial places remain a major focus of Commission activities. This includes Holocaust killing sites and mass graves.

Protection and restoration of Jewish cultural heritage properties in Europe has also taken on a renewed importance as sites have been desecrated and damaged by increased anti-Semitic attacks. Anti-Semitism is often manifested in assaults on Jewish cultural properties.

While much of the Commission's efforts have related to properties that are important to the cultural heritage of Americans who are Jewish, the Commission's mandate is not limited to Jewish sites or to burial places. The Commission has also done work regarding various cultural properties important to other cultural groups. Properties of concern to other groups that have been victimized minorities also receive particular attention.

Buchenwald Little Camp Memorial - Weimar, Germany

ACTIVITIES

Identifying Sites

As noted above, identifying and reporting on endangered and other cemeteries, monuments, and historic buildings in Eastern and Central Europe associated with the heritage of Americans is one of the Commission's two statutory assignments. Field surveys are the primary means of identifying sites.

Surveys concerning individual cultural groups are conducted on a country-by-country basis. Contractors conduct the surveys.

Key findings are printed and posted on the Internet.

At the direction of the Congress' committees on appropriations, the Commission also produced a report on sites associated with heroes of the American Revolution not born in what is now the United States.

Commission Reports

- National Survey of Jewish Cemeteries in Belarus;
- Lithuania Jewish Sites;
- Selected Protestant Historic Monuments and Sites in Bulgaria;
- Jewish Historic Monuments and Sites in Bulgaria;
- Jewish Heritage Sites of Bosnia-Herzegovina;
- Jewish Heritage Sites and Monuments in Moldova;
- Historic Jewish Sites in Romania;
- Selected Muslim Historic Monuments and Sites in Bulgaria;
- Roma Historical and Cultural Heritage Sites in Poland;
- Historic and Cultural Heritage Sites of the Old Believers in Lithuania;
- Jewish Cemeteries, Synagogues, and Monuments in Slovenia;
- Jewish Heritage Sites in Croatia;
- Jewish Cemeteries, Synagogues, and Mass Grave Sites in Ukraine;
- Sites Associated with the Lives and Deeds of Foreign-born Heroes of the American Revolution;
- Jewish Monuments of Slovenia;
- Survey of Historic Jewish Monuments in Poland; and,
- Survey of Historic Jewish Monuments in the Czech Republic.

Obtaining Preservation Assurances

The Commission's other statutory mandate is to obtain assurances from governments in Eastern and Central Europe regarding the protection and preservation of cemeteries, monuments and historic buildings associated with the heritage of Americans in cooperation with the State Department. The Commission primarily fulfills this assignment by negotiating bilateral, government-to-government agreements. The agreements generally commit that the governments will not discriminate against the sites of any cultural group (although most agreements focus on groups that were victims of genocide during World War Two) and pledge site identification, protection, and preservation efforts and cooperation.

The State Department has agreed to Commission negotiations for agreements with 29 countries. Agreements have been entered into with 25 countries – Albania, Armenia, Austria, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Estonia, Georgia, Germany, Hungary, Italy, Kosovo, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, the Slovak Republic, Slovenia, and Ukraine.

***ACTIVITIES** continued*

Negotiations of the agreements have often been difficult because the obligations are primarily applicable in the cases of the foreign governments although the terms equally commit the United States. Few Americans have immigrated to Central and Eastern Europe. Consequently, sites in the United States associated with the heritage of residents of Central and Eastern Europe are not really an issue.

The Commission has attempted to negotiate agreements with the four countries that have not agreed to United States agreement proposals: Azerbaijan, the Hellenic Republic (Greece), the Russian Federation, and Turkey.

- There have been positive discussions with former ambassadors of Azerbaijan and Turkey under prior U.S. administrations. However negotiations have not been agreed to yet.
- The Governments of Greece and Russia have rejected the idea of an agreement, although the Commission will continue to raise the idea.

In addition to negotiating agreements, the Commission intervenes with foreign governments to prevent destruction or desecration of sites and to ensure proper memorialization of sites whether there is an agreement with a country or not.

Most agreements other than the one with Germany provide for bilateral cultural heritage commissions. The primary purpose of the commissions is to address problems regarding specific properties that may arise. The commissions are also a mechanism that can be used, if needed, to help identify properties to be protected and preserved and to coordinate preservation efforts.The Commission leads the United States representation on the joint commissions.

The joint commissions are generally not activated, however. There are two reasons. One is that issues can usually be addressed just as well through regular government-to-government channels. The other reason is the cost that would be required for meetings.

Destruction, desecration, and memorialization issues are brought to the attention of the Commission by individual U.S. or foreign citizens or groups, news reports, or by the Department of State.

L to R: Chairman Paul Packer with Yerzhan Ashikbayev, Kazakh Ambassador to the U.S.; Sheikha Mai, Bahrain President of the Bahrain Authority on Culture and Antiquities; and, H.E. Noura Al Kaaba, UAE Minister of Culture and Youth

***ACTIVITIES** continued*

Site Restoration, Preservation, and Marking

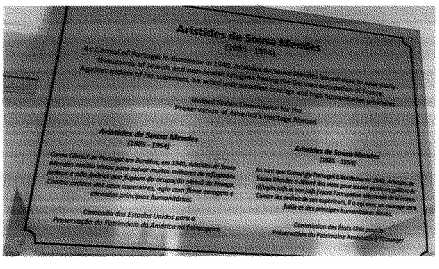
Much of the Commission's work concerns site memorialization and restoration projects. The Commission is involved in and supports projects implemented by U.S. citizens or groups, contractors, or foreign governments.

Commission assistance is generally provided through the raising of funds, contacts with foreign government officials, and sponsorship of projects. In various cases: projects are proposed; plans are developed or reviewed; private or foreign government funding is urged; contracts for project work are developed and executed; the Commission receives funds on a tax-exempt basis and transfers the funds to local contractors for Americans; work is overseen; technical assistance is provided; and inscriptions are written and negotiated; etc.

2021 Projects

The Coronavirus Pandemic has severely impacted the Commission's ability to implement projects. However in FY21, the Commission was able to secure some funding to support a small number of projects. Projects recently competed or underway are listed below:

- Cemetery restoration in cooperation with the Shalom Corps - Mir, Belarus
- Synagogue Restoration in cooperation with Jewish Community Council of Beirut - Beirut, Lebanon
- Commemorations of six mass graves in cooperation with the Chief Rabbi of Poland, Rabbi Schudrich - Sędziszów, Truszki Sabki, Łuby Kurki, Pikule, Hungry, and Chroberz, Poland



- Commemoration of Sousa Mendes, Consul of Portugal in France (1940) - Bordeaux, France

(Left) Plaque in English, Portuguese and French commemorating Sousa Mendes

2021 Projects continued

- Geoscience and Sub-Surface Mapping of Holocaust Sites in Eastern Europe in cooperation with Christopher Newport University/Dr. Freund - Poland, Lithuanian and Latvia
- Translation of the book about Zagłada Cemetery Żydowskich, authored by Krzysztof Bielawski in cooperation with Fundacja Jnerations - Lublin, Poland
- Bobynichi Jewish Cemetery Memorial in cooperation with The Together Plan - Bobynichi, Belarus
- Cemetery clean up project MEGA (Memory Education Generation Activity) in cooperation with the Jewish Students Cultural Centre of Hillel Minsk - Kopyl, Belarus
- Kolyshki Cemetery Restoration and Memorial Project in cooperation with The Vitebsk City Jewish Community - Vitebsk City, Belarus
- Restoration of the Bassatine Cemetery - Cairo, Egypt
- Cleaning and restoration of the Frantiskovy Lazne Cemetery in cooperation with Omnium Nord - Frantiskovy Lazne, Czech Republic
- Translation of the Zelig Kalmanovitsch Diary in cooperation with the Vilna Gaon Museum of Jewish History - Vilnius, Lithuania
- Mass Grave Commemoration in cooperation with the Chief Rabbi of Poland, Rabbi Schudrich - Stromiec, Poland

Travel during FY21 included:

- Travel to Bahrain by Chairman Paul Packer - October 2020
- Travel to UAE by Chairman Paul Packer - October 2020
- Travel to Bahrain by Chairman Packer and Commission Member John Horne - December 2020
- Travel to Lithuania by Chairman Paul Packer - June 2021
- Travel to Ukraine by Chairman Paul Packer - October 2021
- Travel to France by Commission Member Marty Gold - October 2021
- Travel to Egypt by Commission Member Joseph Douek - October 2021

REQUEST

The Fiscal Year 2020, 2021 and 2022 request for the Commission was $641,250. The request incorporated the Administration's guidance to submit a request 5% below the FY 2019 budget which was $675,000.

The request for FY23 is $888,000.

Because initial appropriations for the Commission were minuscule, the Commission relied on non-governmental organizations and individuals to provide the assistance that it required instead of hiring Government employees. Much of this assistance has required senior, experienced individuals with specialized skills.

During Fiscal Years 2016 and 2017, the Commission began a process of hiring Government employees. An Administrative Director (GS-15) began during FY 2017 and an Administrative Assistant (GS-7) was hired in FY 2018. In March, 2020, the Administrative Assistant left and the Commission had one employee for most of 2020. A new Administrative Officer (GS-9) was hired in October 2020 but has been on extended maternity leave during 2021.

These positions enable the Commission to phase-out much of its reliance on contractors. This is reflected in the increased request for Personnel Compensation and Benefits and reduced request for the Other Contractual Services Object Class.

The GS level of the administrative support personnel was increased from a GS-7 to a GS-9 due to the nature of managing a federal agency with only two employees. The job requires highly trained personnel with an ability to multi-task and be a jack-of-all-trades. The two employees are the Commissions Dedicated Agency Ethics Officer(DAEO) and Alternate Dedicated Agency Ethics Officer (ADAEO), Chief Records Officer and alternate, FOIA Officer and alternate, EEOC Officer, IT Office, Purchase Card Manager, and many more roles in addition to managing the day-to-day and implementing projects while meeting the needs of the 21 presidential appointees.

The Commission did intend to hire a third Government employee. However, as a result of budget cuts from the FY 2017 budget of $888,000 and increased costs in other areas, the Commission will not be able to bring on a much needed third Government employee in the near future.

In FY 2017, the Commission moved into a GSA managed building. Since the move, there have been many challenges with communications and utilities. As a result, the Commission has incurred substantial costs in securing a functioning internet solution and telecommunications support. The recommended GSA solution is significantly more expensive than what the Commission used at previous locations. Additionally, security costs at the GSA managed facility are substantially higher, albeit no more secure than the previous privately-managed location. The Commission pays over 32% of its annual budget to other government agencies.

FY 2022 Congressional Budget Justification

EXIM

EXPORT-IMPORT BANK
OF THE UNITED STATES

Export-Import Bank of the United States
Fiscal Year 2022 Congressional Budget Justification

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Budget Summary

The Export-Import Bank of the United States (EXIM) is the official export credit agency (ECA) of the United States. EXIM is an independent, executive branch agency and a wholly owned U.S. government corporation that provides loans, loan guarantees and insurance to support American jobs by facilitating U.S. exports. EXIM provides financing when private-sector lenders are unable or unwilling to provide financing and levels the playing field when U.S. exporters are facing foreign competition backed by official export credit support.

Budget Overview

The Fiscal Year (FY) 2022 President's Budget Request provides $114.0 million for EXIM's administrative expenses and $10.0 million in program budget. This budget is expected to support $9,580 million in total authorizations, with an export value of $11,600 million supporting an estimated 59,000 jobs. Due to COVID-19's adverse impact on the global economy, the President's Budget also requests temporarily increasing EXIM's default rate cap from two percent to four percent through September 30, 2022. Temporarily increasing the cap will ensure that EXIM is able to facilitate U.S. exports and support American jobs, while enabling the agency to prudently restructure and maximize recoveries on defaults brought about by the global effects of COVID-19.

Through this budget request, EXIM will implement the congressional mandates in its statute while contributing to the Administration's efforts to "Build Back Better." Specifically, this budget will include $2.0 million in administrative expenses for two critical mandates arising out of EXIM's 2019 reauthorization: (1) supporting American exporters facing competition from ECA financing from the People's Republic of China (PRC), and (2) supporting renewable energy and environmentally beneficial U.S. exports.

These resources will allow EXIM to invest in the competitive intelligence critical to gaining situational awareness of Chinese global activity and coordinating with partners across the U.S. government to level the playing field for U.S. businesses in critical and transformational export sectors. To support environmentally beneficial exports, these resources will also include hiring staff dedicated to expanding EXIM's renewable-energy pipeline; developing research and data related to EXIM's portfolio and environmental impacts; and creating new partnerships, engagements and outreach with American exporters, foreign buyers and transition-finance industry leaders.

The 2022 Budget begins the process of addressing the climate crisis. As outlined in Executive Order 14008: "Tackling the Climate Crisis at Home and Abroad", EXIM will evaluate its programs and financing to identify the appropriate actions it can take to support this policy objective in the 2023 Budget.

In addition to supporting the economic recovery following the COVID-19 pandemic, EXIM also serves the American taxpayer through debt reduction. As a self-financing agency, EXIM has managed its operational costs and financing risks to provide a net surplus of more than $9.5 billion to the Department of the Treasury since 1992. In FY 2022, EXIM expects to provide $228.0 million toward debt reduction.

EXIM also contributes to U.S. economic growth by supporting thousands of small and medium-sized enterprises across the country. From FY 2010 to FY 2020, EXIM supported more than 1.4 million American jobs, and in FY 2020, nearly 90 percent of EXIM's transactions supported small businesses. EXIM's trade credit support is critical to American exporters that often lack private-sector financing options. EXIM's 2019

reauthorization also stipulated that at least 30 percent of its available financing authority must be available to support small business exports beginning on January 1, 2021 – an increase over its previous 25 percent requirement. To achieve the small business threshold, this budget supports EXIM's additional investments in training, outreach, and targeted education campaigns.

This budget also supports EXIM equity efforts. EXIM provides support to minority and women-owned businesses (MWOBs) through a dedicated group of specialists that work exclusively with MWOBs. This team provides hands-on guidance on the availability of EXIM financing and works to increase the total amount of financing to support exports from these businesses. In addition, EXIM has formed an Equity Team to enable EXIM to advance equity for staff, board members, stakeholders, and customers. These initiatives will help EXIM implement Executive Order 13985: "Advancing Racial Equity and Support for Underserved Communities Through the Federal Government."

Overview of Programs

EXIM supports American exporters and jobs through four major programs (products): loan guarantees, direct loans, export credit insurance, and working capital and supply chain guarantees.

Loans and guarantees extended under the medium-term loan program typically have repayment terms of one to seven years, and loans and guarantees extended under the long-term loan program usually have repayment terms of more than seven years. Short-term financing consists of all transactions with terms of less than one year.

- **Loan Guarantee Program**: EXIM loan guarantees cover the repayment risks on a foreign buyer's debt obligations incurred to purchase U.S. exports. EXIM guarantees to a commercial lender that, in the event of a payment default, EXIM will pay to the lender the outstanding principal and interest on the loan. EXIM's comprehensive guarantee covers commercial and political risks for up to 85 percent of the U.S. contract value.

- **Direct Loan Program**: EXIM offers fixed-rate loans directly to foreign buyers of U.S. goods and services. EXIM extends to an American exporter's foreign customer a fixed-rate loan covering up to 85 percent of the U.S. contract value. EXIM's direct loans generally carry fixed interest-rate terms in accordance with the Arrangement on Guidelines for Officially Supported Export Credits (the Arrangement) negotiated among members of the Organisation for Economic Co-operation and Development (OECD).

- **Export Credit Insurance Program**: EXIM's export credit insurance supports U.S. exporters selling goods overseas by protecting against the risk of foreign buyers or other foreign debtors defaulting for political or commercial reasons.

  Insurance policies may cover shipments to one buyer or to multiple buyers, insure comprehensive credit risks (including both commercial and political) or only political risks, and offer either short-term or medium-term coverage.

  In addition to reducing non-payment risk, export credit insurance also enables exporters to increase their access to capital and offer competitive payment terms to their international customers.

- **Working Capital and Supply Chain Guarantee Program**: EXIM provides repayment guarantees to lenders on secured, short-term working capital loans made to qualified exporters. The working capital guarantee may be approved for a single loan or a revolving line of credit.

  EXIM also provides supply-chain financing to assist U.S. exporters and their suppliers through accounts receivable financing. The EXIM guarantee reduces the risk associated with export-related accounts receivable purchased by lenders. This increases liquidity in the supply chain and provides suppliers, particularly small businesses, with greater access to capital. The facilities are generally for a term of one year.

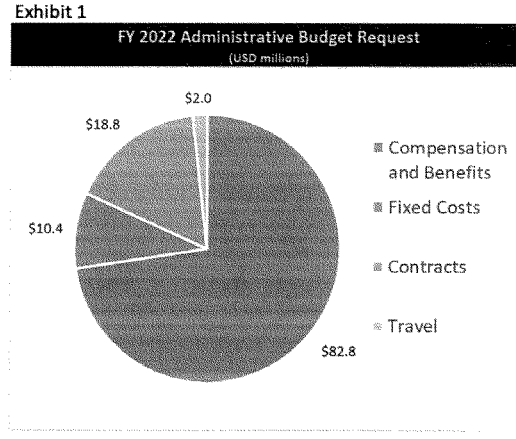
Administrative Budget Request

Administrative Expenses

The FY 2022 President's Budget Request provides $114.0 million for EXIM's administrative expenses.

This Budget Request supports the operational functions inherent to EXIM's mission: underwriting, managing transaction-related activities, and overseeing the agency's information management portfolio.

Exhibit 1



The request for administrative expenses is $4.0 million more than the FY 2021 appropriated level of $110.0 million, and includes an additional $2.0 million for compensation and benefits, and existing contracts. This request also includes $2.0 million for additional resources to support the agency's efforts to assist U.S. exporters competing against companies backed by Chinese export financing and supporting efforts to diversify EXIM's portfolio in key industries.

Compensation and benefits are by far the largest share of the administrative budget, representing 72.6 percent, as highlighted in Exhibit 1. Contracts – which includes all IT costs, such as cybersecurity – are the second-largest share of the FY 2022 budget at 16.5 percent.

Implementing 2019 Reauthorization Requirements

EXIM's 2019 reauthorization charged the agency with establishing a Program on China and Transformational Exports (China Program) with the aim of both levelling the playing field for all American exporters facing competition backed by the PRC and advancing American leadership in key industries including 5G, renewable energy, biomedical sciences, biotechnology, artificial intelligence, financial technology, advanced computing and semiconductors.[1] The reauthorization set a goal of reserving no less than 20 percent – $27 billion – of its $135 billion financing authority for the China Program. Through this program, EXIM is also engaged in the Small and Less Populous Island Economies (SALPIE) initiative, a framework designed to enhance economic relations with the islands of the Pacific, Caribbean, and North Atlantic regions.

Consistent with the agency's 2019 reauthorization legislation[2] and aligned with the climate objectives of the Biden-Harris Administration, EXIM will increase its efforts to expand its clean-energy pipeline; develop additional internal research and data related to EXIM's portfolio and environmental impacts; and create

[1] *Further Consolidated Appropriations Act, 2020*, P. L. 116-94, Division I, Title IV, § 402 (12 USC. §635(I)).

[2] *Further Consolidated Appropriations Act, 2020*, P. L. 116-94, Division I, Title IV, § 407 (12 USC. §635(b)(1)(K)).

new partnerships, engagements and outreach with American exporters, foreign buyers, and transition-finance industry leaders. This budget request includes $2 million in additional resources to support the administrative, personnel, and other operational costs for these efforts.

Administrative Expenses

Exhibit 2 provides a comparison of EXIM's FY 2021 estimate and the FY 2022 request.[3] EXIM's total expenses in FY 2021 are expected to be $119.0 million, which includes $9.0 million in two-year rollover funds from FY 2020. Since two-year rollover funds have been completely allocated, EXIM does not expect to have significant rollover funds available for FY 2022. Because of this, EXIM will not be able to continue all activities in FY 2022, such as competitive analysis for the China Program, an internal controls review program, and legal services that were paid with rollover funds in FY 2021.

Exhibit 2

FY 2022 Administrative Budget Request (USD millions)	FY 2021 Estimate	FY 2022 Estimate
Salaries	$ 55,503,000	$ 59,961,000
Benefits	21,219,000	22,799,000
Fixed Costs	10,407,000	10,407,000
Administrative Contracts	14,602,000	4,483,000
IT Contracts	14,519,000	12,100,000
2019 Reauthorization Requirements	1,500,000	2,000,000
Travel	1,000,000	2,000,000
Training	250,000	250,000
Total	**$ 119,000,000**	**$ 114,000,000**

Note: The expense categories provided above are for informational purposes only and should not be considered individual programs, projects or activities.

Exhibit 2 also reflects an increase in salaries and benefits from FY 2021 to FY 2022. These estimates are based on 407 estimated full-time equivalents (FTEs) in FY 2021. EXIM expects to fill its existing vacancies and have an estimated 425 FTEs in FY 2022 (see Exhibit 3). Exhibit 2 further reflects the initial investment in the creation of a global business development strategy; an increase in travel, which had been reduced in FY 2020 and FY 2021 due to COVID-19 restrictions; and decreases in IT contracts, administrative contracts, and funds to support the China Program.

This budget request includes an increase of $2.0 million for compensation, benefits, and contracts from the FY 2021 appropriated level. These resources will be used to offset the effects of inflation and the proposed 2.7 percent pay adjustment as well as the cost increases built into agency contracts. EXIM received level appropriations of $110.0 million for administrative expenses from FY 2017 through FY 2021. During this period, federal employee compensation and benefits requirements, cybersecurity and information technology needs, and new statutory mandates have steadily increased costs

Exhibit 3

Two-Year FTE Counts	
FY 2021 Estimate	FY 2022 Estimate
407	425

[3] The expense categories are for informational purposes only and should not be considered individual programs, projects, or activities.

to the agency. With a $2.0 million increase, EXIM will be able to mitigate the effects of these increased costs by backfilling key positions and limiting the emergence of skill gaps.

EXIM's Self-Financing Projection

EXIM collects exposure fees and interest income from EXIM's credit program users. From these fees, EXIM first sets aside funds to cover the costs of its credit programs, consistent with the prudent reserve requirements of the Federal Credit Reform Act of 1990 (FCRA).[4] The remaining fees are classified as offsetting collections, which are used to cover operations, as authorized in the agency's annual appropriations language. After paying these operating expenses, the remaining offsetting collections are classified as negative subsidy, and EXIM is required to send this negative subsidy to the Treasury at the end of each fiscal year. Since 1992, EXIM has sent a net of $9.5 billion to the Treasury.

Exhibit 4

EXIM Bank Financial Activity (USD millions)	FY 2020 Actual	FY 2021 Appropriation	FY 2022 Budget Request
Revenue			
Offsetting Collections	$ (16.9)	$ (119.0)	$ (124.0)
Negative Subsidy	-	(69.4)	(228.0)
Total Revenue	$ (16.9)	$ (188.4)	$ (352.0)
Expenses			
Administrative Expenses	$ 110.0	$ 119.0	$ 114.0
Program Budget Expenses	-	-	10.0
Carryover	-	-	-
Total Expenses	$ 110.0	$ 119.0	$ 124.0
Summary			
Total Revenue	$ (16.9)	$ (188.4)	$ (352.0)
Total Expenses	110.0	119.0	124.0
Tied Cancellations	(64.3)	-	-
Inspector General	5.7	6.5	6.5
Net Appropriation	$ 34.5	$ (62.9)	$ (221.5)

As depicted in Exhibit 4, EXIM expects to collect $352.0 million in fees in excess of expected program losses in FY 2022. Of this amount, $124.0 million will be classified as offsetting collections to cover operating expenses and the remainder will be classified as negative subsidy.

Exhibit 4 shows EXIM expects to be self-financing in FY 2022 and expects to remit an estimated $228.0 million in excess collections to the Treasury. Moreover, the exhibit shows that EXIM's total expenses for FY 2022 and the net appropriation includes the administrative expenses for the EXIM Office of the Inspector General.

[4] Codified at 2 U.S.C. § 661.

Program Budget Request

This budget requests $10 million for program budget, which will primarily support EXIM's efforts to underwrite transactions with a risk profile that, under FCRA, have reserve requirements above what EXIM can competitively charge its users. In keeping with FCRA requirements, without program budget each EXIM transaction must be subsidy neutral or generate negative subsidy. That is, the aggregate fees and interest collected from each transaction must exceed all transaction-related expenses, including prudent reserves. With $10 million in program budget, EXIM will be able to authorize a number of transactions where the expenses are expected to exceed their aggregate fees and interest collected by a total of $10 million, primarily to offset Chinese practices that often provide unfair advantages to its exporters and also support America's lead in clean-energy technologies. Without these resources, American exporters could lose business to competitors supported by Chinese ECAs or competitors operating in the clean-energy space regardless of their source of financing. Ceding these markets to global competitors, American workers and their companies could be put at a long-term disadvantage because they missed opportunities to establish U.S. technology and standards. EXIM last received program budget in FY 2013.

Default Rate Request

EXIM reports to Congress on a quarterly basis the current default rate on its active portfolio.[5] As of March 31, 2021, the default rate was 1.048 percent. This rate reflects the "total amount of required payments that are overdue" (claims paid on guarantees and insurance transactions plus loans past due) divided by a "total amount of financing involved" (disbursements). The default rate has continued to increase since the onset of the COVID-19 crisis, as this once-in-a-century pandemic continues to adversely impact the global economy, affecting EXIM borrowers across several key sectors. Missed payments cause the default rate to rise, while recoveries made on claim payments lower the default rate. Historically, EXIM recoups more than 50 cents for every dollar paid out in claims, but even under normal conditions recovery efforts can take months or even years to complete.

In the event the default rate reaches two percent, EXIM's lending cap is immediately frozen, limiting the capacity of the agency to authorize new transactions.[6] If this were to occur, the resulting curtailment of financing activities will impact all users of EXIM financing, including small businesses looking to increase their exports and maintain and grow their American workforce. As of March 31, 2021, the default rate remains below two percent; however, increased defaults and delayed recovery efforts due to the COVID-19 pandemic have significantly elevated the risk of EXIM breaching its default-rate cap.

To quantify and understand the risk that the economic effects associated with the COVID-19 pandemic present to its portfolio, EXIM developed several stress test scenarios to model potential outcomes of the overall default rate. As overviewed in EXIM's *Default Rate Report* for Congress, several of these COVID-19 stress test scenarios simulate the default rate should recovery efforts remain incomplete during the short term. The latest results from March 2021 indicate that EXIM may exceed its two percent default-rate cap, with the average results reaching up to approximately four percent for some of the scenarios in which EXIM is unable to complete recovery efforts in the short term.

Accordingly, the President's Budget for FY 2022 is proposing a temporary increase of EXIM's default rate cap to four percent (4%) between October 1, 2021, to September 30, 2022. This temporary relief for the default rate cap will allow EXIM to provide support to borrowers affected by the pandemic and engage in restructuring and recovery efforts, while also allowing EXIM to continue facilitating American exports and supporting jobs during this uncertain economic time.

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[5] Section 8(g)(2)(B) of *The Export-Import Bank of 1945,* as amended (12 U.S.C. § 635g(g)(2)(B).

[6] Section 6(a)(3) of *The Export-Import Bank Act of 1945*, as amended (12 U.S.C. § 635e(a)(3)).

Authorization Forecast

Authorizations and Market Conditions (Effects of COVID-19)

This Budget Request is expected to support $9,580 million in new authorizations in FY 2022 and 59,000 U.S. jobs with an estimated export value of $11,600 million. Exhibit 5 provides a breakdown of these authorizations by program and type, showing $6,187 million in long-term authorizations, $500 million in medium-term authorizations, and $2,893 million in short-term authorizations.

EXIM derives its authorization forecasts from its pipeline of transactions and assessing the likelihood that each will be authorized. The pipeline and assessments are based on EXIM maintaining situational awareness of the many economic-, industry- and country-specific factors impacting the transactions and influencing their progress through EXIM's underwriting process.

Exhibit 5

Authorization Forecast (USD millions)		FY 2021		FY 2022
Long-Term				
Project Finance	$	1,813	$	750
Global Infrastructure		1,111		340
Transportation		1,257		5,097
Subtotal	**$**	**4,181**	**$**	**6,187**
Medium-Term				
Guarantees	$	525	$	136
Insurance		75		364
Subtotal	**$**	**600**	**$**	**500**
Short-Term				
Multi-Buyer Insurance	$	2,550	$	1,880
Single-Buyer Insurance		240		240
Working Capital & Supply Chain		773		773
Subtotal	**$**	**3,563**	**$**	**2,893**
Total	**$**	**8,344**	**$**	**9,580**

COVID-19 had a significant impact on many of the markets where EXIM is active and many of the exporters and foreign buyers that use EXIM's products. As industrialized economies have stabilized, the prospects for global recovery have improved through FY 2021. EXIM continues to see evidence of positive developments on the global macroeconomic front, particularly as it relates to rising trade and commerce data, stronger manufacturing growth, firmer industrial production trends, and healthier patterns of domestic demand worldwide. However, EXIM also expects the recovery to be uneven, and many economies, including those in Latin America, may face challenges into FY 2022.

The uneven nature of the recovery is evident in Exhibit 5, where EXIM forecasts a significant increase in transportation authorizations in FY 2022 but declines in most other programs. This reflects the significant impact COVID-19 had on the transportation sector, which prompted many airlines to delay aircraft deliveries from FY 2020 and FY 2021 to FY 2022. It also reflects the increased uncertainty in the oil and gas sectors where EXIM's primary project-finance and global-infrastructure borrowers operate.

Exposure

EXIM's total aggregate loan, guarantee, and insurance exposure may not exceed $135.0 billion at any one time.[7] EXIM defines exposure as the outstanding and undisbursed principal balance of authorized loans, guarantees, and insurance. It also includes the unrecovered balance of payments made on claims submitted to EXIM in its capacity as guarantor or insurer under its export guarantee and insurance programs. Exposure does not include accrued interest or transactions pending final authorization. Ultimately, EXIM's exposure is primarily derived from two sources: new authorizations and repayments of approved authorizations.

EXIM develops exposure forecasts by estimating the approval of new authorizations combined with the reduction of exposure due to the expected repayments, prepayments, or cancellations of transactions. The difference between the two yields the change in exposure during a fiscal year. Exhibit 6 provides the summary of EXIM exposure through FY 2022.

Exhibit 6

	Exposure Analysis (USD billions)						
Fiscal Year	2016	2017	2018	2019	2020	2021 est	2022 est
Exposure (Beginning of FY)	$ 102.2	$ 87.3	$ 72.5	$ 60.5	$ 54.7	$ 46.9	$ 46.8
Repayments/Prepayments/Cancellations	(19.9)	(18.2)	(15.3)	(14.0)	(13.2)	(8.4)	(6.6)
New Authorizations	5.0	3.4	3.3	8.2	5.4	8.3	9.6
Exposure (End of FY)	**$ 87.3**	**$ 72.5**	**$ 60.5**	**$ 54.7**	**$ 46.9**	**$ 46.8**	**$ 49.8**

[7] Section 6(a)(2) of *The Export-Import Bank Act of 1945*, as amended (12 U.S.C. § 635e(a)(2)).

Proposed Appropriations Language for the President's FY 2022 Budget

Program Account

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the program for the current fiscal year for such corporation: Provided, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country, other than a nuclear-weapon state as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act, that has detonated a nuclear explosive after the date of enactment of this Act.

Administrative Expenses

For administrative expenses to carry out the direct and guaranteed loan and insurance programs, including hire of passenger motor vehicles and services as authorized by section 3109 of title 5, United States Code, and not to exceed $30,000 for official reception and representation expenses for members of the Board of Directors, not to exceed $114,000,000, of which up to $17,100,000 may remain available until September 30, 2023: Provided, That the Export-Import Bank (the Bank) may accept, and use, payment or services provided by transaction participants for legal, financial, or technical services in connection with any transaction for which an application for a loan, guarantee or insurance commitment has been made: Provided further, That notwithstanding chapter 51, subchapter III of chapter 53, and section 5373 of title 5, United States Code, the Board of Directors of the Export-Import Bank of the United States may set an employee's rate of basic pay up to the rate for level III of the Executive Schedule, and this authority may be applied to no more than 35 employees at any point in time and shall remain in effect until September 30, 2022: Provided further, That the Bank shall charge fees for necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Bank, repossession or sale of pledged collateral or other assets acquired by the Bank in satisfaction of moneys owed the Bank, or the investigation or appraisal of any property, or the evaluation of the legal, financial, or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, or systems infrastructure directly supporting transactions: Provided further, That in addition to other funds appropriated for administrative expenses, such fees shall be credited to this account for such purposes, to remain available until expended.

Program Budget Appropriation

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, not to exceed $10,000,000: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such funds shall remain available until September 30, 2037, for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 2022, 2023, 2024, and 2025.

Receipts Collected

Receipts collected pursuant to the Export-Import Bank Act of 1945 (Public Law 79-173) and the Federal Credit Reform Act of 1990, in an amount not to exceed the amount appropriated herein, shall be credited as offsetting collections to this account: Provided, That the sums herein appropriated from the General Fund shall be reduced on a dollar-for-dollar basis by such offsetting collections so as to result in a final fiscal year appropriation from the General Fund estimated at $0.

Proposed Legislative Language Change

Temporary Increase of EXIM Default Rate Cap

Sec. 7070.

(a) Section 6(a)(3) of the Export-Import Bank Act of 1945 (12 U.S.C. 635e(a)(3)) shall be applied through September 30, 2022 by substituting "4 percent" for "2 percent" in each place it appears.

(b) Section 8(g) of the Export-Import Bank Act of 1945 (12 U.S.C. 635g(g)) shall be applied through September 30, 2022 by substituting "4 percent" for "2 percent" in each place it appears.

Appendix 1: EXIM Digital Modernization Report

Section 3(d)(2) of the *21st Century Integrated Digital Experience Act* (Digital Experience Act) requires agencies to publicly report on compliance.[8]

EXIM currently maintains one public website (http://www.exim.gov) and three public digital services (EXIM Online, ELMS and PRM). EXIM has prioritized the modernization of its public-facing digital services.

EXIM's public website fully complies with the eight requirements set out under Section 3(a) of the Digital Experience Act. Therefore, EXIM will not incur any additional costs to modernize its public website.

EXIM Online is a legacy system and a public digital-lending and application system located on a restricted-access website only accessible to EXIM customers. Commercial banks, exporters, and brokers typically interact with the application from their office environments given the information density, complex reporting, and forms included in the application. EXIM Online currently complies with six of the eight criteria set out under Section 3(a) of the Digital Experience Act. The two remaining criteria are that the digital services be accessible to individuals with disabilities in accordance with Section 508 of the Rehabilitation Act of 1973 and be fully functional and usable on common mobile devices.[9]

ELMS was introduced in 2020 and is a new public digital service located on a restricted-access website only accessible to EXIM customers. It is a working capital application system whose customers are commercial banks, exporters, and brokers. These customers also typically interact with the application from their office environments on full-size screens given the information density, complex reporting, and forms included in the application. ELMS currently complies with seven of the eight criteria set out under Section 3(a) of the Digital Experience Act. The remaining criterion is that the service be fully functional and usable on common mobile devices.

PRM was introduced in 2021 and is a new public digital service located on a restricted-access website only accessible to EXIM brokers. This service promotes the efficient management of these EXIM partners. PRM currently complies with all criteria set out under Section 3(a) of the Digital Experience Act.

EXIM recognizes the importance of confirming its digital tools are fully compliant with Section 508 and is working to update any noncompliant components in a timely and cost-effective manner.

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[8] P.L. 115-336 (44 U.S.C. § 3501 note).

[9] 29 U.S.C. § 794d.

Appendix 2: Report on Outstanding Government Accountability Office and Inspector General Recommendations

The Good Accounting Obligation in Government Act ("GAO-IG Act" or "Act"), P.L. 115-414, requires each federal agency, in its annual budget justification, to include a report on: (1) each public recommendation of the Government Accountability Office (GAO) that is designated by the GAO as "open" or "closed, unimplemented" for a period of not less than one year preceding the date on which the annual budget justification is submitted; (2) each public recommendation for corrective action from the agency's Office of the Inspector General (OIG) for which no final action has been taken and which was published not less than one year before the date on which the annual budget justification is submitted.

EXIM takes all OIG and GAO reports and recommendations seriously and places a high priority on implementing and closing out recommendations.

EXIM currently has 27 open OIG recommendations that were issued prior to February 2021. Of those, EXIM has implemented 16, which are now pending OIG closure.

Additionally, EXIM has nine open GAO recommendations issued prior to February 2021. EXIM has implemented seven, which are now pending GAO closure. The remaining two recommendations are in the process of being implemented but require a pilot program that is currently underway and expected to be completed by November 2021.

EXIM has not disagreed with any outstanding OIG or GAO recommendations.

The following charts provide the implementation status, as required by the Act.

GAO Recommendations Issued prior to February 2021: Implementation Status

Report	Issuance Date	Recommendation	Timeline for Implementation
Fraud Risk Management GAO-18-492	7/19/18	Rec. 1: The acting Bank president and Board chairman should ensure that the Bank evaluates and implements methods to further promote and sustain an antifraud tone that permeates the Bank's organizational culture, as described in GAO's Fraud Risk Framework. This should include consideration of requiring training on fraud risks relevant to Bank programs, for new employees and all employees on an ongoing basis, with the training to include identifying roles and responsibilities in fraud risk management activities across the Bank.	EXIM has implemented this recommendation and submitted supporting documentation for GAO closure.
Fraud Risk Management GAO-18-492	7/19/18	Rec. 4: The acting Bank president and Board chairman should ensure that the Bank develops and implements an antifraud strategy with specific control activities, based upon the results of fraud risk assessments and a corresponding fraud risk profile, as provided in GAO's Fraud Risk Framework.	EXIM has implemented this recommendation and submitted supporting documentation for GAO closure.
Fraud Risk Management GAO-18-492	7/19/18	Rec. 5: The acting Bank president and Board chairman should ensure that the Bank identifies, and then implements, the best options for sharing more fraud-related information--including details of fraud case referrals and outcomes--among Bank staff, to help build fraud awareness, as described in GAO's Fraud Risk Framework.	EXIM has implemented this recommendation and submitted supporting documentation for GAO closure.
Fraud Risk Management GAO-18-492	7/19/18	Rec. 6: The acting Bank president and Board chairman should lead efforts to collaborate with the Bank's OIG to identify a feasible, cost-effective means to systematically track outcomes of fraud referrals from the Bank to the OIG, including creating a means to link the OIG's proven cases of fraud to the specific Bank transactions from which the OIG actions arose. If any such means are found to be feasible and cost-effective, the acting Bank president and Board chairman should direct appropriate staff to implement them, with such information to be used for purposes consistent with GAO's Fraud Risk Framework, such as data analytics.	EXIM has implemented this recommendation and submitted supporting documentation for GAO closure.
Fraud Risk Management GAO-18-492	7/19/18	Rec. 7: The acting Bank president and Board chairman should ensure that the Bank monitors and evaluates outcomes of fraud risk management activities, using a risk-based approach and outcome-oriented metrics, and that it subsequently adapts antifraud activities or implements new ones, as determined to be appropriate and consistent with GAO's Fraud Risk Framework.	EXIM has implemented this recommendation and submitted supporting documentation for GAO closure.
Underwriting Policies GAO-19-43	5/15/19	Rec. 1: The Chief Operating Officer of EXIM should consider establishing documented policies and procedures for (1) determining medium-term	EXIM has implemented this recommendation and submitted

Report	Issuance Date	Recommendation	Timeline for Implementation
		delegated authority lenders' eligibility for continued participation in EXIM's programs and (2) decertifying or taking other appropriate actions for such lenders that do not meet compliance or eligibility standards.	supporting documentation for GAO closure.
Underwriting Policies GAO-19-43	5/15/19	Rec. 2: The Chief Operating Officer of EXIM should establish documented policies and procedures for periodically reviewing credit programs in which the government bears more than 80 percent of any loss to determine whether private sector lenders should bear a greater share of the risk.	EXIM has implemented this recommendation and submitted supporting documentation for GAO closure.
Anti-Fraud Data GAO-19-337	5/23/19	Rec. 1: EXIM's chief operating officer should direct EXIM's Credit Review and Compliance Division to assess and document the practicality of incorporating into its preauthorization Character, Reputational, and Transaction Integrity (CRTI) reviews searches of data elements in SAM that indicate delinquent federal debts owed by applicants, and, if practical, implement relevant approaches—such as manual searches or batch matching.	Expected completion: 11/30/21
Anti-Fraud Data GAO-19-337	5/23/19	Rec. 2: EXIM's chief operating officer should direct EXIM's Credit Review and Compliance Division to assess and document the practicality of incorporating into its post authorization CRTI reviews searches of data elements in SAM that indicate delinquent federal debts owed by applicants and participants, and, if practical, implement relevant approaches—such as manual searches or batch matching.	Expected completion: 11/30/21

OIG Recommendations Issued prior to February 2021: Implementation Status

Report	Issuance Date	Recommendation	Timeline for Implementation
Evaluation of Risk Management Procedures and CRO Responsibilities OIG-EV-17-01	12/2/16	Rec. 1: To clarify the authority and responsibility of the CRO with respect to the current allocation of risk management responsibilities across the agency, EXIM Bank should formally document the risk management roles, responsibilities and authority of its line of defense functions; clarify responsibilities and interaction between different senior management committees and divisions; identify the individuals and functions to be responsible for each; and address any gaps in those responsibilities.	Expected completion: 9/30/21
Report on EXIM's Credit Guarantee Facility Program OIG-EV-17-03	3/30/17	Rec. 5: Review and update the reachback policy for the CGF program to be consistent with actual practice and reduce the need for waivers. In reviewing and updating the reachback policy, the Bank should analyze the case-by-case determination of a reachback relative to the average policy date (i.e., operative date); consider establishing limits on the utilization of the facility for reachback transactions; set requirements for communicating	Expected completion: 9/30/21

	Date		Implementation
		analysis of reachback issues to decision makers including the Board; and establish procedures for consideration of waivers to the policy. This would include documenting the supporting evidence in the credit file.	
Evaluation of EXIM's CLF Model and Loss Reserve Process	6/19/19	Rec. 7: Strengthen the Process' governance by expanding the current model program into a formal MRM framework, particularly with an expansion to include better risk mitigation surrounding error checking, statistical reporting, execution of model changes, and role definition. One of these roles should include documentation updates (i.e., a checklist item) to ensure that the SOP matches the current process to reduce errors	Expected completion: 9/30/21
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 1: OCFO revise the internal control activities around Files A, B, and C to ensure that the Bank performs accurate and appropriately designed validations and reconciliations before the Senior Accountable Official (SAO) submits and certifies the Bank's quarterly DATA Act submissions. Procedures should ensure that the reconciliations use all amounts shown in each file and that personnel itemize all reconciling items and identify corrective actions. Once the Bank has completed the corrective actions, it should re-perform the reconciliations until all reconciling items are resolved or no further action is required.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 2: OCFO design, document, and implement a formalized document signoff process that includes the names of the preparer and the reviewers and the dates that the preparer and reviewers completed and approved the internal control activities (i.e., the reconciliations) so the Bank can perform proper monitoring of the control procedures in conjunction with each DATA Act submission.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 3: SAO, in coordination with the OCFO develop, document, and implement a policy requiring that all journal vouchers that adjust obligated balances include object classes and program activity codes.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 4: SAO, in coordination with the OCFO review the Bank's current policies and procedures for entering obligations in FMS-NG to ensure that they reiterate requirements for accurately and completely entering object classes and program activity codes in FMS-NG.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 5: SAO, in coordination with the OCFO develop and document a corrective action plan to assure that the Bank accurately and completely reports object classes and program activity codes in all financial and award data submissions (Files B and C). The corrective action plan should document EXIM's root-cause analysis, steps required to correct missing object classes in	EXIM has implemented this recommendation and submitted supporting

Report	Issuance Date	Recommendation	Timeline for Implementation
		financial and award data submissions, and the planned timeline.	documentation for OIG closure.
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 6: SAO and EXIM's Working Group determine the root cause of the errors identified during the testing of the first-quarter FY 2019 File D1 and take the necessary corrective action to (a) correct the errors for records shown in USASpending.gov, (b) identify the risk of reporting incorrect data for each data element containing an error, and (c) modify the policies and procedures for recording data in Comprizon and FPDS to address the risks, and to include adequate verification and validation review processes performed by the data owner and a supervisor or other independent party.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 7: SAO and EXIM's Working Group determine the root cause of the errors identified during the testing of the first-quarter FY 2019 File D2 and take the necessary corrective action to (a) correct the errors for records shown in USASpending.gov, (b) identify the risk of reporting incorrect data for each data element containing an error, and (c) modify the policies and procedures for recording data in FABS to address the risks, and to include adequate verification and validation review processes performed by the data owner and a supervisor or other independent party.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 8: SAO and EXIM's Working Group improve the design of its review of the procurement and financial assistance award data in FPDS and FABS by reviewing additional data elements and performing more comprehensive reviews.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 9: SAO and EXIM's Working Group design, document, and implement a process for reviewing Files D1 and D2 before the SAO submits and certifies the quarterly DATA Act submissions, and a process for notifying the DATA Broker of any errors identified in data derived by the DATA Broker. Review procedures should include steps for documenting any errors or concerns identified, including any necessary corrective actions.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 10: SAO and EXIM's DATA Act Working Group establish policies and procedures that address timelines for submitting FABS files that comply with P.L. 109-282, including internal milestones to ensure that the files can be extracted, validated, and uploaded to FABS by required due dates. The policies and procedures should also address cut-off dates for submitting correcting data that ensure sufficient time for the SAO certification of quarterly DATA Act submissions, commensurate with EXIM's risk tolerance related to data accuracy, completeness, and quality.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 11: SAO and EXIM's Working Group establish policies and procedures to help ensure that all data reported in FABS and included in EXIM's certified File D2 are reported as intended by the DATA Act Standards and seek clarification from OMB and Treasury as necessary to ensure appropriate interpretation of the DATA Act Standards.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.

Report	Issuance Date	Recommendation	Timeline for Implementation
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 12: SAO and EXIM's DATA Act Working Group complete a data inventory to govern its DATA Act activities and help ensure compliance with government-wide financial data standards.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 13: SAO and EXIM's DATA Act Working Group develop and implement a review process for the data inventory that the Bank will perform at regular intervals and after each DATA Act Information Model Schema (DAIMS) update.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
Audit of EXIM's DATA Act Submission OIG-AR-20-01	11/2/19	Rec. 14: SAO and EXIM's DATA Act Working Group develop, test, and implement a Data Quality Plan (DQP) that covers significant milestones and major decisions pertaining to: • Organizational structure and key processes providing internal control activities for spending reporting. • Management's responsibility to supply quality data to meet the reporting objectives for the DATA Act in accordance with OMB Circular No. A-123. • EXIM's testing plan and identification of high-risk reported data, including (1) specific data that the Bank determines to be high-risk that are explicitly referenced by the DATA Act and (2) confirmation that these data are linked through the inclusion of the award identifier in the agency's financial system and are reported with plain English award descriptions. • Actions taken to manage identified risks.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
Evaluation of Risk Management Procedures and CRO Responsibilities OIG-EV-20-01	12/2/19	Rec. 2: Create a Bank-wide Model Risk Management framework to ensure integrity of data products and continuity of model production.	Expected completion: 9/30/21
Audit of EXIM's Suspension and Debarment Program OIG-AR-20-06	9/30/20	Rec. 1: Update, finalize, and implement internal procedures to ensure that S&D referrals are processed consistently and in accordance with a designated time-frame. The internal procedures should require but are not limited to: a. Establish preliminary and SDO review timelines for processing of referrals differentiated by case types. b. Implement a process to alert responsible staff to send timely notification of suspension, proposed debarment, and debarment decisions to affected parties. c. Require entry of excluded individuals into SAM within 3 business days as required and sending timely notification of decisions to the affected parties. d. Include controls and process validation for the various phases and steps involved (e.g., queues by case type, milestones or follow-up dates for phase and step(s) completion, monitoring reports, and periodic reconciliation of exclusion of information to SAM).	Expected completion: 9/30/21

Report	Issuance Date	Recommendation	Timeline for Implementation
FY 20 Financial Statements Audit Management Letter OIG-AR-21-02	11/13/20	Rec. 1: Define audit review, analysis and reporting policies and procedures for the Splunk platform and the independent review of logged activity on a periodic basis (performed by one who is knowledgeable but not performing the activity).	Expected completion: 11/13/21
FY 20 Financial Statements Audit Management Letter OIG-AR-21-02	11/13/20	Rec. 2: Implement the defined audit review, analysis, and reporting policies and procedures for the Splunk platform and ensure operational effectiveness and compliance.	Expected completion: 11/13/21
FY 20 Financial Statements Audit Management Letter OIG-AR-21-02	11/13/20	Rec. 3: Align its process for applying operating system patches to its approved change management policies to ensure they are congruent.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
FY 20 Financial Statements Audit Management Letter OIG-AR-21-02	11/13/20	Rec. 4: Perform and document the testing of all operating system patches before they are migrated to test and production environments and maintain audit evidence supporting the approval of the deployed operating system patches.	EXIM has implemented this recommendation and submitted supporting documentation for OIG closure.
FY 20 Financial Statements Audit Management Letter OIG-AR-21-02	11/13/20	Rec. 5: Ensure that all verified vulnerabilities are appropriately remediated per EXIM's policies.	Expected completion: 11/13/21
FY 20 Financial Statements Audit Management Letter OIG-AR-21-02	11/13/20	Rec. 6: Formally document and track all identified vulnerabilities that will not be mitigated in accordance with EXIM's policies as a POA&M order to document all deviations from the established guidelines.	Expected completion: 11/13/21
FY 20 Financial Statements Audit Management Letter OIG-AR-21-02	11/13/20	Rec. 7: Enforce EXIM's existing policies and procedures regarding access control management related to recertification and formally document the performance of the timely review.	Expected completion: 11/13/21
FY 20 Financial Statements Audit Management Letter OIG-AR-21-02	11/13/20	Rec. 8: Enhance the precision of the review control over the CSC Input File (File 3) of the re-estimate model to ensure all relevant data is input accurately.	Expected completion: 11/13/21

Office of Inspector General

FY 2022 Congressional Budget Justification

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exim.gov

Export-Import Bank of the United States
Office of Inspector General
Fiscal Year (FY) 2022
Congressional Budget Justification

Introduction

The Export-Import Bank of the United States (EXIM or Agency) is a wholly owned government corporation, established in 1934 through executive order, and subsequently made an independent agency through congressional charter in 1945. As the official export credit agency of the United States (U.S.), EXIM's fundamental mission is to support American jobs by facilitating the export of U.S. goods and services through financing and insurance programs. The Agency's core financing programs include direct loans, loan guarantees, export credit insurance, and working capital loans and guarantees.

The Office of Inspector General (OIG) is an independent and objective oversight office created within EXIM by the Export-Import Bank Reauthorization Act of 2002 and the Inspector General Act of 1978, as amended (IG Act). This office was organized in 2007 following the appointment of its first Inspector General. It was created to promote the integrity, transparency and efficiency of EXIM programs and operations by providing independent oversight and objective reporting to multiple stakeholders, including the EXIM's Chairman and Congress. The mission of the OIG is to conduct and supervise audits, investigations, inspections and evaluations related to agency programs and operations; provide leadership and coordination as well as recommend policies that will promote economy, efficiency, and effectiveness in such programs and operations; and prevent and detect fraud, waste, abuse and mismanagement.

The OIG's Office of Audits and Evaluations (OAE) and the Office of Investigations (OI), supported by the Immediate Office of the Inspector General (IO), conduct the work to accomplish the OIG's mission. Through its annual work plan, OAE conducts a variety of independent statutorily mandated and discretionary reviews to assess the vulnerability of the Agency's programs and operations to adverse impacts such as waste, fraud, abuse, and gross mismanagement. These reviews have resulted in recommendations to establish appropriate internal controls and policies and procedures that document the governance and accountability practices in place at EXIM. OI conducts investigations of allegations of wrongdoing that frequently result in convictions of subjects, such as exporters, buyers, brokers, manufacturers, lenders, shippers, and buyers. These cases have resulted in an estimated 212 years of prison time and approximately $358 million in forfeitures, restitutions, repayments, and judgments.

The audits, investigations, and other administrative and enforcement actions undertaken by the OIG have facilitated the federal government's recoupment of millions of dollars, have ensured that taxpayer funds have been spent more efficiently, and have aided in

preventing the future misappropriation of funds. As explained below, for every dollar spent on its budget since its inception, the OIG has returned more than $6 from its investigations alone. Additionally, including cost savings from transactions canceled based on OIG referrals of $47 million and the reduction in medium-term claims of at least $80 million annually from FY 2012 through FY 2015, the OIG has returned more than 14 times its budget overall. The OIG continues to achieve these successes in the face of significant challenges, such as managing the effects of the prior lapse in authority while implementing new requirements set forth in the EXIM's recent reauthorization, as well as flexibly adapting to the uncertainty and atypical complications caused by the COVID-19 public health and economic crises.

On December 20, 2019, Congress reauthorized EXIM for another seven years (expiring December 31, 2026).[1] The reauthorization contained several provisions restricting, maintaining, and expanding the Agency's operating authority. Such provisions include:

- maintaining the exposure limit at $135 billion;
- encouraging certain targeted small businesses to participate in international commerce;
- restricting EXIM's ability to conduct business with certain participants by requiring it to deny applications for financing if certain parties are convicted of defrauding the Agency within the previous five years;
- expanding its promotion of renewable energy sources to include energy efficiency and energy storage; and
- creating a temporary Board in the event of a lack of quorum for 120 consecutive days of a United States Presidential term.

Since last year, the Board composition has changed. Although the term for Board Member Spencer Bachus III does not expire until January 20, 2023, the terms for former Chairman Kimberly Reed and Board Member Judith Pryor expired as of January 20, 2021. Consistent with 12 U.S.C. § 635a, the new Administration authorized Senior Vice President of Policy Analysis and International Affairs James Cruse to serve in an acting capacity as EXIM First Vice President and Vice Chairman of the Board of Directors and extended Board Member Pryor's term by six months. Consequently, EXIM is operating with a quorum of Board members that can approve transactions above the current threshold of $25 million, formulate policies, and delegate its authority. OIG anticipates its oversight activities will continue to expand as transaction approvals increase and EXIM addresses the various

[1] Further Consolidated Appropriations Act 2020 (Pub. L. No. 116-94) (Division I, Title VI, Sections 401-409, Export-Import Bank) (Dec. 20, 2019).

operational and structural changes resulting from the reauthorization.[2] For example, to address potential concerns related to reauthorization, OIG intends to conduct an independent evaluation of EXIM's implementation of key revisions of the 2019 Reauthorization Act and other priorities in FY 2021.[3] This review will provide an initial assessment of EXIM's actions to implement key provisions of the 2019 Reauthorization Act and improve accountability and transparency through reforms and other priorities, likely implicating additional reviews in FY 2022. Similarly, OIG anticipates a significant increase in audit and investigative work associated with operational and financing changes spurred by the COVID-19 public health and economic crises. In addition, OIG will continue its ongoing efforts of auditing cybersecurity vulnerabilities in EXIM's networks and systems in FY 2022, as the loss or disruption of EXIM's computer systems and data would have a profound impact on the agency's operations, assets, and/or individuals.

Summary of the Budget Request:

	FY 2020 Enacted	FY 2021 Enacted	FY 2022 OIG Request
Budget Authority	$5,700,000	$6,500,000	$6,500,000
FTE	25	26	26

For FY 2022, EXIM OIG requests an aggregate budget of $6,500,000, equal to the FY 2021 enacted level, to carry out mission-critical operations. This amount is necessary for the OIG to carry out the audits, inspections, evaluations, and related work required by the IG Act and EXIM's latest reauthorization,[4] as well as criminal investigations necessary to prevent, detect, and prosecute fraud against EXIM and the United States (U.S.). Having reviewed anticipated workload and current resource levels, OIG anticipates that $6,500,000 is necessary to support OIG's mission critical work in FY 2022.

The following observations further support the OIG's budget request:

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[2] Such changes include: requiring the Program on China and Transformational Exports program to reserve 20 percent of EXIM's exposure cap for financing exports that compete directly with China or other countries; increasing the small business threshold to 30 percent beginning on January 1, 2021 (excluding terminated unutilized insurance authority that terminated during the fiscal year when calculating the small business threshold); and consulting with Department of State regarding the potential national interest impacts of financing in excess of $25 million for transactions where the end user, lender, or obligor is the government of China.

[3] *Supra* note 1.

[4] Ibid.

EXIM OIG has generated a significant return on taxpayer investment

Since it became operational in FY 2009, EXIM OIG has generated significant cost savings to taxpayers, EXIM, and the federal government. Its criminal investigations have produced approximately $358 million in criminal and civil court-ordered forfeiture and restitution, fines, assessments, and recoveries, on average returning over 6 times the OIG budget. This return on investment (ROI) metric does not include millions of dollars saved in cancelled transactions resulting from investigative findings referred to EXIM. Please see the attached table for further detail.

Although difficult to specifically quantify, the OIG's audits, inspections, and evaluations have also contributed to significant cost savings to taxpayers. Since FY 2015, OAE has made 304 recommendations to improve the operations and programs of EXIM, including $6 million in questioned costs and funds put to better use. The OIG's recommendations implemented by EXIM have strengthened internal controls and processes to assist in the prevention of fraud and improper payments, minimized risk and significantly strengthened due diligence and oversight procedures.

FY 2022 baseline budget request of $6,500,000 supports mission critical and operational expenditures

EXIM OIG's FY 2022 baseline request supports mission critical and operational expenditures, comprised by approximately: 73 percent allocated to personnel and benefits costs for staff performing investigations, audits, evaluations and inspections; and 27 percent allocated to training for staff to maintain professional standards; information technology to support office operations and investigations; travel to support international inspections and investigations; and other administrative and infrastructure support. The request supports approximately 26 OIG full-time career employees, including the vacant PAS Inspector General and Deputy Inspector General positions.

This funding would enable the OIG to continue to promptly and proficiently perform statutorily mandated activities required by the IG Act and other statutes. Pursuant to current law, EXIM OIG is required to supervise and report on the audit of EXIM's annual financial statements, as well as audit compliance with the Federal Information Security Modernization Act (FISMA). The OIG is also required to report on EXIM's compliance with the Payment Integrity Information Act of 2019 (PIIA); conduct a risk assessment of EXIM's purchase card programs; and comply with requisite standards, including the Generally Accepted Government Auditing Standards (GAGAS), the Quality Standards for Inspection and Evaluation, and the Attorney General's Guidelines for Investigations.

In addition to these existing mandates, the FY 2022 request will also support continuation of the OIG's additional discretionary oversight and investigative activities relating to EXIM's recent reauthorization and COVID-19-related programs. For example, EXIM announced

temporary relief measures beginning in March 2020 that were extended several times throughout 2020. Most recently, on April 15, 2021, EXIM's Board of Directors voted unanimously to extend all of the COVID-19 temporary relief measures through April 30, 2022. These measures, such as waivers and relaxed documentation requirements, provide relief in existing EXIM programs (i.e., Working Capital Guarantee Program and the Supply Chain Financing Guarantee Program). They also include programs that were designed or expanded to temporarily address the gap in the availability of short-term liquidity for the financing of the purchase of U.S. goods and services (Bridge Financing Program) and the payment of progress delivery payments (Pre-Delivery/Pre-Export Financing Program).

The OIG also continues to promote fraud awareness to aid in the prevention of future frauds. For example, OIG conducts outreach to stakeholders and other law enforcement partners about the various risks and fraud scenarios most commonly seen in trade finance, export credit fraud, and money laundering cases. OIG is also looking into ways to increase fraud awareness and outreach through other mechanisms, such as issuing fraud bulletins to the Agency and transaction participants that identify common fraud schemes and ways to detect and prevent such schemes in the future.

For comparative purposes, the total FY 2022 funding request of $6,500,000 represents 0.014 percent of EXIM's $46.87 billion total export finance portfolio at year-end FY 2020. With the proposed authorized FTEs, the ratio of OIG staff to EXIM portfolio is one OIG FTE to oversee every $1.8 billion. This dollar amount is likely to substantially increase as the Agency continues to authorize billions of dollars in pending and prospective deals expected in the remainder of FY 2021 and future years.

OIG Oversight Responsibilities Continue to Expand

Mandatory audit and evaluation-related oversight continues. For example, the biennial Digital Accountability and Transparency Act of 2014 (DATA Act) audit and the triennial Portfolio Risk Management (PRM) and Chief Risk Officer (CRO) evaluations, which took effect in FY 2017, add to the scope of the OIG's mandated audit work. OIG initiated the audit to meet the third reporting requirement of the DATA Act on March 31, 2021. As such OIG plans to conduct a follow-up audit in FY 2022 to ensure that any findings and recommendations have been addressed accordingly by EXIM. The PRM and CRO evaluation, along with reviews of EXIM's personnel security and suitability program and privacy program, will be completed in FY 2022. EXIM's recent reauthorization also increased OIG's oversight in many areas. For example, operational changes arising from the recent reauthorization (such as the China and Transformational Exports program) may necessitate discretionary reviews by the OIG in the future. Additionally, the OIG anticipates a significant increase in audit and investigative work associated with operational and financing changes spurred by the COVID-19 public health and economic crises. For example, EXIM announced temporary COVID-19 pandemic relief measures in March 2020 that were extended in April, May, August, and October of 2020, and again in April 2021, and remain in effect at least

until April 30, 2022. These measures include waivers, deadline extensions, streamlined processing, and flexibility regarding documentation requirements and claims analysis in EXIM's Working Capital Guarantee Program, Multi-Buyer and Single-Buyer Short-Term Exporter Insurance, and Medium-Term Single-Buyer Exporter and Financial Institution Insurance.

Inspector General Act Information

Section 6 of the IG Act requires the Inspector General to transmit certain information each fiscal year as part of its budget submission. In accordance with section 6 of the Act, EXIM OIG presents the following information:

- EXIM OIG requests a FY 2022 budget of $6,500,000 million, supporting 26 full-time equivalent employees (FTE) and $65,000 for training costs.
- This request also includes $23,400 as OIG's estimated allocation to support the operations of the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

Detailed Budget Request by Program Area:

Personnel Compensation

Approximately 73 percent of the OIG baseline budget request is for compensation and benefits to employ professional auditors, inspectors, analysts, criminal investigators, attorneys, and administrative staff. The total personnel budget request provides for $4,713,405 in salaries and benefits, allocated between groups: Audits and Evaluations, Investigations, and Immediate Office of the Inspector General.

Office of Audits and Evaluations

Audits and Evaluations		
FY 2022 baseline:	$ 1,484,676	10 FTE
Baseline adjustment:	$54,019	-
Total request:	$ 1,538,695	10 FTE

The FY 2022 baseline budget for the audit, inspection, and evaluation function represents personnel costs for 10 total FTE: ten auditors in the 0511 series. The auditors in the 0511 series, include an Assistant IG for Audits and Evaluations at the Senior Level, a GS-15 supervisory audit manager, a GS-14 supervisory senior auditor, and seven auditors at the GS-7/13 levels. The baseline adjustment accounts for routine increases in grades and steps for current personnel and annualized 2.7 percent salary increase per OMB guidance.

mandated annual financial statement, FISMA, and PIIA audits, and the triennial portfolio risk management and CRO evaluation, and two to five additional projects identified based on the annual audit, inspection, and evaluation plan risk assessment. For example, the group conducts inspections focusing on transactions that present higher risks to the EXIM due to the large size of the transaction, long tenor of exposure, unstable countries, etc. The group also conducts policy evaluations that are responsive to congressional interest and requests, in particular, issuing reports that are responsive to mandates in the Agency's applicable reauthorization legislation.

Many of the business processes that support EXIM activities are specialized functions not found in other government agencies, requiring that the OIG hire private sector consultants and auditors with relevant skills and experience in order to adequately evaluate and recommend improvements to many aspects of the Agency's operations. EXIM OIG auditors and evaluators must meet the respective professional standards and complete continuing professional education.

The OIG will continue to oversee an independent public accounting (IPA) firm to conduct the annual audit of EXIM's financial statements. This budget request does not include the budgeted cost of the financial statement audit, which is passed on to EXIM; the OIG is responsible for certain cost overruns and for supplemental work performed by the IPA. The OIG also contracts with IPAs in support of other OIG projects.

Office of Investigations

Investigations		
FY 2022 baseline:	$ 1,925,796	9 FTE
Baseline adjustment:	$ 45,010	-
Total request:	$ 1,970,806	9 FTE

The FY 2022 baseline budget for the investigations function represents personnel costs for nine total FTEs, including six special agents in the 1811 series, two analysts, and a senior inspector. The special agents in the 1811 series include an Assistant IG for Investigations at the Senior Level, a GS-15 manager, and four agents at the GS-13/14 levels. There are two analyst positions, a lead at the GS-14 level and one at the GS-13 level, and a senior inspector at the GS-14 level. The baseline adjustment accounts for routine increases in grades and steps for current personnel and annualized 2.7 percent salary increase per OMB guidance.

Due to increased benefits and availability pay, special agents in the 1811 series have a higher cost-per-FTE than other federal series. However, as discussed above, the creation of a federal law enforcement capacity within EXIM OIG provides a positive ROI for a number of these costs. EXIM OIG also employs investigative and financial analysts in the

investigations function, who serve as a critical force multiplier at a lower cost structure than the 1811 criminal investigative series.

Immediate Office of the Inspector General

Immediate Office and Management		
FY 2022 baseline:	$ 1,169,351	7 FTE
Baseline adjustment:	$ 34,553	-
Total request:	$ 1,203,904	7 FTE

The FY 2022 baseline budget for the immediate office and management represents personnel costs for seven FTEs, including the PAS Inspector General, a Deputy Inspector General/Counsel at the Senior Level, an attorney-advisor, and four administrative personnel who support all the teams in the OIG. The baseline adjustment accounts for routine increases in grades and steps for current personnel and annualized 2.7 percent salary increase per OMB guidance.

Administrative Expenses

Administrative Expenses	
FY 2022 baseline:	$941,370
Program increase:	$845,225
Total request:	$1,786,595

The administrative expenses portion of the baseline budget request covers contracted audit, inspection, evaluation, and investigative work; travel; training; information technology; equipment and supplies; communications; and transfer to support the operations of CIGIE. This includes the increase in awards spending for high performing employees as outlined in OMB guidance. The OIG envisions an increase of $845,225 in administrative expenses for FY 2022 due primarily to audit/evaluation contracts, mission-related travel and training, and other necessary costs to support our professional workforce and enhance operations.

Export-Import Bank of the United Sates Office of Inspector General Fiscal Year 2020 – 2022 Financial Summary			
	FY 2020 Request	FY 2021 Request	FY 2022 Request
Appropriation	$5,700,000	$6,500,000	
Budget Request	$5,000,000	$5,200,000	$6,500,000
Carryover Used	$855,000	$855,000	$0
Personnel Compensation	$4,316,106	$4,258,630	$4,713,405
Administrative	$563,894	$731,370	$1,537,473
Information Technology	$20,000	$130,000	$134,122
Travel	$60,000	$40,000	$ 50,000
Training	$40,000	$40,000	$65,000
Communications	$0	$0	$0
Subtotal, Administrative	$683,894	$941,370	$1,786,595
Total	**$5,000,000**	**$5,200,000**	**$6,500,000**

Export-Import Bank of the United States
Office of Inspector General
Budget and Recoveries

Budget	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	As of 05/28/2021	Total
	$2,500,000	$2,500,000	$4,000,000	$3,875,000	$5,100,000	$5,750,000	$6,000,000	$5,700,000	$5,700,000	$5,700,000	$5,700,000	$6,500,000	$59,025,000
Criminal													
Restitution	$2,538,650	$44,833,107	$18,961,970	$24,943,058	$19,375,440	$13,608,036	$13,669,380	$20,262,740	$4,726,581	$3,352,795	$3,387,523	$1,710,971	$171,370,251
Forfeiture	$1,134,273	$49,218,889	$8,075,802	$31,260,924	$22,799,754	$6,752,900	$41,924,418	$6,118	$0	$3,015,480	$0	$0	$164,188,558
Fines	$0	$0	$0	$545,500	$1,500	$0	$0	$0	$0	$0	$0	$0	$547,000
Special Assessment	$300	$1,500	$1,900	$2,700	$900	$1,600	$1,300	$0	$600	$300	$200	$803	$12,103
Civil													
Fines	$0	$0	$0	$0	$0	$0	$5,000,000	$0	$0	$0	$0	$100,000	$5,100,000
Recoveries	$0	$0	$0	$0	$3,500,000	$3,800,000	$0	$0	$0	$0	$0	$0	$7,300,000
Forfeiture	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Administrative													
Direct Repayment	$0	$2,649,282	$5,932,985	$810,000	$0	$151,902	$0	$0	$0	$0	$0	$68,029	$9,612,198
Total Recoveries	$3,678,223	$96,702,778	$32,972,857	$5,756,2182	$45,677,594	$24,314,438	$60,595,098	$20,268,858	$4,727,181	$6,368,575	$3,387,723	$1,879,803	$358,130,110
Return on Investment	1.47	38.68	8.24	14.85	8.96	4.23	10.10	3.56	0.83	1.12	0.59	0.29	6.07

Export-Import Bank of the United States
Office of Inspector General
Audits, Inspections, Evaluations, and Other Reviews

Results	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	As of 05/28/2021	Total
Reports and Memorandums Issued	10	11	12	8	9	7	5	62
Questioned Costs or Funds Put to Better Use	$118,000	$802,501	$5,100,000	$0	$0	$0	$0	$6,020,501
Recommendations	42	71	56	39	44	38	14	304