East Asia and Pacific Regional Overview

Program Overview

The East Asia and Pacific region presents an enormous opportunity for the United States to protect and advance fundamental U.S. interests. Using skilled diplomacy and well-targeted assistance, the U.S. will influence the way the region evolves. To continue to advance the notable success in the war on terror in this region, the U.S. will build secure foundations for peace and security, transforming alliance structures, and reforming defense forces in key partner nations. While democracy has advanced steadily and U.S. efforts to strengthen civil society and promote good governance have paid dividends, institutions are still fragile and freedom remains remote for many. Economically, East Asia already plays a major role in determining the course of the world's economy and its prominence is poised to increase. By engaging adeptly, the United States can encourage the region to open its markets further; ensure sustainable rapid growth; use energy more efficiently; and protect its natural resources, thereby increasing prospects for continued U.S. economic growth and prosperity.

U.S. assistance will bolster multilateral engagement and strengthen those regional fora in which the United States is a member, including the Asia Pacific Economic Cooperation (APEC) forum and the Association of Southeast Asian Nations Regional Forum (ARF). The United States also seeks to enhance partnership with the Association of Southeast Asian Nations (ASEAN), promoting close cooperation on the President's Enhanced Partnership, a plan of action on key political, economic, and development activities. The regional budget funds the U.S. partnership with these organizations and also supports programs undertaken by the Suva, the Fiji environmental hub and the Pacific Island Fund small grants program. The investments proposed in education and health underpin the Peace and Security and Economic Growth Objectives by bolstering confidence in democratic institutions and helping governments meet the needs of their people. In addition, the U.S. Agency for International Development (USAID) Regional Development Mission for Asia implements programs focused on education, health, economic growth, and the environment that are best addressed regionally rather than bilaterally. To ensure that aid is as effective as possible and to advance U.S. interests, coordination efforts with key donors in the region, including Australia, Japan, and New Zealand, will be intensified.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in the arrangle)	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009
(\$ in thousands)	Actual	Supp	Estimate	Supp	Request
TOTAL	533,990	33,000	667,682	53,000	544,140
Child Survival and Health	104,984	-	104,724	-	94,454
Development Assistance	73,459	ı	154,831	-	251,640
Economic Support Fund	177,675	33,000	230,552	53,000	26,150

(\$ in thousands)	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009
(\$ in thousands)	Actual	Supp	Estimate	Supp	Request
TOTAL	533,990	33,000	667,682	53,000	544,140
Foreign Military Financing	53,631	-	47,621	-	36,971
Global HIV/AIDS Initiative	66,735	=	86,000	=	86,000
International Military Education and Training	7,147	-	7,089	=	7,935
International Narcotics Control and Law Enforcement	8,400	-	10,217	-	15,930
Nonproliferation, Antiterrorism, Demining and Related Programs	28,836	_	26,648	-	25,060
Public Law 480 (Food Aid)	13,123	-		1	_

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009
(ψ in thousands)		Supp	Estimate	Supp	Request
TOTAL	533,990	33,000	667,682	53,000	544,140
Peace and Security	116,948	-	104,415	-	106,617
Counter-Terrorism	16,824	-	14,866	-	14,235
Combating Weapons of Mass Destruction (WMD)	3,200	-	6,690	-	3,615
Stabilization Operations and Security Sector Reform	78,890	-	67,167	-	64,166
Counter-Narcotics	1,500	-	2,152	-	2,050
Transnational Crime	4,063	-	1,868	-	4,018
Conflict Mitigation and Reconciliation	12,471	-	11,672	-	18,533
Governing Justly and Democratically	57,085	-	73,810	-	74,670
Rule of Law and Human Rights	17,361	-	22,352	-	21,615
Good Governance	24,137	-	26,750	-	29,383
Political Competition and Consensus-Building	5,256	-	13,237	-	14,393
Civil Society	10,331	-	11,471	-	9,279
Investing in People	243,833	1,500	285,751	-	239,219
Health	196,774	1,500	217,614	-	183,078
Education	45,449	-	65,295	-	55,491
Social Services and Protection for Especially Vulnerable People	1,610	-	2,842	-	650
Economic Growth	103,944	26,500	195,942	53,000	115,964
Macroeconomic Foundation for Growth	-	-	1,000	-	1,000
Trade and Investment	21,020	-	24,855	-	17,392
Financial Sector	1,966	-	518	-	1,635
Infrastructure	6,968	25,000	65,382	53,000	13,370
Agriculture	7,069	-	10,207	-	4,730
Private Sector Competitiveness	34,135	-	39,416	-	32,890
Economic Opportunity	7,142	-	7,362	-	4,315
Environment	25,644	1,500	47,202	-	40,632

(\$:- 4b	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009
(\$ in thousands)	Actual	Supp	Estimate	Supp	Request
TOTAL	533,990	33,000	667,682	53,000	544,140
Humanitarian Assistance	8,172	5,000	6,310	-	6,610
Protection, Assistance and Solutions	7,872	4,300	6,200	=	6,200
Disaster Readiness	300	700	110	=	410
Program Support	4,008	-	1,454	=	1,060
Program Support	4,008	-	1,454	-	1,060

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA	PS
TOTAL	545,376	106,617	74,670	239,219	115,964	6,610	1,060
Child Survival and Health	95,690	=	=	94,454	-	ı	-
Development Assistance	251,640	20,936	62,320	56,240	111,084	ı	1,060
Economic Support Fund	26,150	1,710	10,425	2,525	4,880	6,610	_
Foreign Military Financing	36,971	36,971	-	-	ı	ı	_
Global HIV/AIDS Initiative	86,000	-	-	86,000	ı	ı	_
International Military Education and Training	7,935	7,935	-	-	-	į	-
International Narcotics Control and Law Enforcement	15,930	14,005	1,925	-	-	-	-
Nonproliferation, Antiterrorism, Demining and Related Programs	25,060	25,060	-	-	-	-	-

Peace and Security: The United States' foremost regional priorities are to protect vital national security interests and to promote regional stability and security. To achieve these goals, U.S. assistance will focus on transforming alliances; defusing conflict, fighting terrorism and defeating insurgency; and increasing the capacity of key partners, such as Indonesia, the Philippines and Mongolia. The FY 2009 request also will build upon successful counter-terrorism and law enforcement programs in the Philippines and Indonesia; enhance maritime security cooperation in strategic waterways such as the Strait of Malacca and the poorly-monitored Sulawesi Sea; and develop countries' capacity to participate in peace support operations. The strategic objectives are to: a) help governments improve control over their maritime areas; b) help resolve local insurgencies where terrorists find refuge; c) improve the capabilities of security forces to defeat terrorist and maritime threats; and, d) support defense and law enforcement reform. The Peace and Security request also will help promote stability in the Pacific Island states where growing political, environmental, and economic challenges threaten many societies. Countries that receive major portions of the Peace and Security request include Indonesia, the Philippines, and Mongolia. Funding also is devoted to region-wide programs contained in the East Asia and Pacific Regional budget request.

Governing Justly and Democratically: Within the region, democratic governance is evolving

rapidly. Advancing human rights, freedom, and democracy are critical to combating the spread of terrorism. Sustained economic growth is fostered by governments that are transparent, non-corrupt, and respond to the needs of their people. The region includes some of the most impressive democratic transformations of our time in places as diverse as South Korea, the Philippines, Indonesia, Mongolia, and Taiwan. However, earlier setbacks in Thailand and Fiji were disheartening. U.S. assistance supports Indonesia's transformation into a stable, democratic and moderate voice in the Muslim world. This request focuses rule of law and human rights programs on Cambodia, Burma, China, Indonesia, North Korea, the Philippines, Timor-Leste, and Vietnam. Good governance programs concentrate on Cambodia, Indonesia, the Philippines, Thailand, and Vietnam. Political competition and consensus-building activities primarily go to Indonesia, the Philippines, Thailand, and Cambodia. Funds also will support programs to strengthen civil society in Indonesia, North Korea, Timor-Leste, Cambodia, and Burma. U.S. assistance will support the return of the democratically-elected government in Thailand following the December 2007 parliamentary elections, sustain efforts to help Timor-Leste maintain its fragile democracy and stability, and nurture Cambodia's fledgling democracy. The United States will continue to press for democratic change in Burma while building the capacity of democratic forces for the enormous governance challenges that will arise when political change occurs. Within ASEAN, U.S. assistance will help promote good governance and fight corruption. In North Korea, U.S. funding will help keep international attention focused on human rights abuses, lack of democratic standards, and refugees.

Investing in People: Poverty, inequality, and social exclusion have denied many in the region access to opportunity. Despite impressive increases in educational enrollments throughout the region, East Asia is the only region in the world that has seen an increase in the number of out-of-school children. In addition, infectious diseases such as tuberculosis (TB), HIV/AIDS, malaria, dengue, diarrheal diseases, and avian influenza continue to take their toll on households and communities by decreasing time and productivity at school and work and depleting household savings by reducing income and increasing out-of-pocket health expenditures. To address these problems, the U.S. will continue to focus on investing in basic education but also will continue to support higher education and training opportunities, preventative and curative health services, and improved access to safe drinking water and sanitation services.

U.S. efforts will bolster people's trust and confidence in governance as these investments, particularly at the local level, demonstrate that governments respond to their citizens' needs. The U.S. will continue to respond to systemic issues of improving access and quality of education through improved teacher training and education administration support with targeted support to conflict-affected areas of the region. In poorer countries such as Cambodia, the U.S. will focus its efforts on expanding education access to marginalized children and improving student performance. The U.S. also will respond to abysmally low secondary enrollments that characterize the region through a variety of program approaches aimed at increasing educational access to the large numbers of out-of-school children and youth. In addition, healthier people will be able to learn in school and be productive in the work place. This, in turn, will contribute to greater economic security at the household and community level. As Southeast Asia has the highest number of avian influenza cases and deaths in humans, improved containment of this disease will help delay or prevent the onset of an influenza

pandemic. Preventing and controlling the spread of other infectious diseases such as tuberculosis and malaria – especially multidrug-resistant subtypes of these diseases – are essential for limiting their spread within Southeast Asia and to other regions. Key recipients of funding for the Investing in People Objective include Cambodia (for health and education programs), Indonesia (particularly for the President's Education Initiative and avian influenza), the Philippines (family health and basic education), Vietnam (HIV/AIDS and avian influenza), and the Regional Development Mission for Asia (HIV/AIDS, avian influenza, TB, malaria, and water and sanitation to support the Paul Simon Water for the Poor Act).

Economic Growth: Trade and investment are growing faster in East Asia than anywhere else in the world. Asian markets absorb over one-fifth of U.S. exports and provide over a quarter of U.S. imports. This U.S. assistance budget focuses on the priority goals of encouraging private sector competitiveness, strengthening local trade and investment capacity, and fighting corruption. It also encourages sustainable management of natural resources, addresses environmental concerns, and promotes adoption of energy efficient and clean technologies. Examples include the Coral Triangle Initiative, ecosystem conservation programs such as the Heart of Borneo initiative, and the Coalition Against Wildlife Trafficking. Through partnerships, such as the Asia Pacific Partnership on Clean Development and Climate and ECO-Asia Clean Development and Climate Program, the United States will continue to promote energy security and the reduction of greenhouse gas emissions. The Economic Growth request also is designed to address underlying conditions such as poverty and underdevelopment that have allowed terrorism to thrive in the frontline areas of Indonesia and the southern Philippines, and to fund agricultural productivity programs in Timor-Leste. Key target countries include Cambodia, Indonesia, Mongolia, the Philippines, Timor-Leste, and Vietnam. The East Asia and Pacific Regional program and the Regional Development Mission for Asia also direct significant U.S. assistance resources toward economic growth, including a broad range of environmental programs in both Southeast Asia and the Pacific Islands. Vietnam is becoming a regional economic powerhouse of growing interest to U.S. investors and modestly-increased assistance now will lay the groundwork for future returns in growth and political openness. The United States will pursue anti-corruption programs and enhance intellectual property rights bilaterally through APEC and with ASEAN through the President's Enhanced Partnership Program.

Humanitarian Assistance: The U.S will continue to provide life-saving humanitarian relief to refugees and other vulnerable populations. The vast majority of planned funding in this category will support assistance and recovery programs for displaced Burmese on the Thailand-Burma border. In addition, the funding will support improved disaster preparedness for the region, which is prone to large-scale natural disasters.

Overview of Major Changes

The FY 2009 request for the East Asia and Pacific region represents a decrease compared to the FY 2008 estimate, but an increase above the FY 2008 request. The request reflects a shift in funding for the South Pacific Fisheries Treaty from the East Asia and Pacific region's budget request to the

Department of State/Bureau of Oceans and International Environment and Scientific Affairs' budget request. The request also does not include the USAID Asia and Near East Regional line item, as this will be requested separately under global programs. Key increases above the FY 2008 request are in Peace and Security to support U.S. partners in the war on terrorism, particularly in Indonesia, Mongolia and the Philippines; in Governing Justly and Democratically to bolster democracy in Indonesia and the Philippines and to improve governance in Vietnam; and in Economic Growth, to promote environmental sustainability activities throughout the reach of USAID's Regional Development Mission for Asia.

Burma

Program Overview

U.S. assistance in Burma supports the democracy movement which has been brutally repressed by the military regime; aids internally displaced persons, refugees, and migrants who have been driven from their homes; and addresses the dire need for improved health care and educational opportunities that benefit the Burmese people directly.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	FY 2009
(\$ in thousands)	Actual	Estimate	Request
TOTAL	12,990	15,695	15,850
Child Survival and Health	2,100	2,083	2,100
Development Assistance	-	717	-
Economic Support Fund	10,890	12,895	13,750

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	FY 2009
	Actual	Estimate	Request
TOTAL	12,990	15,695	15,850
Governing Justly and Democratically	3,690	5,962	6,100
Rule of Law and Human Rights	150	1,472	1,610
Civil Society	3,540	4,490	4,490
Investing in People	3,600	3,533	3,550
Health	2,100	2,083	2,100
Education	1,500	1,450	1,450
Humanitarian Assistance	5,700	6,200	6,200
Protection, Assistance and Solutions	5,700	6,200	6,200

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	15,850	-	6,100	3,550	-	6,200
Child Survival and Health	2,100	-	_	2,100	-	_
Economic Support Fund	13,750	-	6,100	1,450		6,200

Governing Justly and Democratically: U.S. assistance administered by the Department of State and

the U.S. Agency for International Development (USAID) will provide the Burmese people with information and skills that will build their capacity to participate effectively in an inclusive dialogue that brings together all key constituencies to chart a viable political transition to a free and democratic Burma, including through non-governmental organizations. The United States also will provide funding for media, such as training and equipping of journalists, to provide access to information inside Burma, and increase the flow of information into and out of the country.

Investing in People: The Burmese regime provides negligible funding to meet the education and health needs of its people. USAID-administered funding for HIV/AIDS prevention, care, and treatment assistance, a proven model for the international community, will continue to ensure effective delivery of services through private clinics and community-based organizations to those most in need inside Burma. Higher education funding administered by the Department of State and USAID will strengthen English language training throughout the country so that information can be disseminated to a broader audience. Assistance will specifically target the future leaders of a democratic Burma by providing the higher education denied to them in their own country. Funding also will invest in the next generation of Burmese leaders by providing basic education for Burmese in refugee camps in Thailand.

Humanitarian Assistance: Human rights abuses by the Burmese regime have driven millions of Burmese people from their homes. Over 500,000 are internally displaced, more than 140,000 reside in refugee camps in Thailand, and hundreds of thousands are migrants in Thailand and in other neighboring countries. USAID assistance will provide education, food and medical care to internally-displaced persons, refugees, and migrants along the Thai-Burma border.

Overview of Major Changes

The FY 2009 request for Burma is increased slightly from the FY 2008 estimated levels. These funds are intended to sustain the increased focus on providing democracy assistance in Burma while continuing to support humanitarian assistance on the Thailand-Burma border.

Cambodia

Program Overview

U.S. foreign assistance priorities in Cambodia include building a framework for lasting democracy by empowering reformers and human rights groups to advocate for the rule of law, political rights, transparency and accountability in governance; and for improving Cambodia's investment climate. The United States will continue to engage with the Cambodian military and border security units to strengthen Cambodia's defense capabilities, including denying terrorists safe haven on Cambodian soil, combating transnational crime and removing explosive remnants of past wars. The United States will continue to assist Cambodia to enhance the capacity and sustainability of its health system, particularly in service delivery and proactive monitoring and response to outbreaks of infectious disease; and provide support for basic education to help prepare Cambodian youth for participation in their country's economic and democratic development.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	57,276	54,994	45,371
Child Survival and Health	27,826	27,826	23,135
Development Assistance	7,922	8,087	17,226
Economic Support Fund	14,850	14,879	-
Foreign Military Financing	990	198	750
Global HIV/AIDS Initiative	1,600	-	-
International Military Education and Training	101	67	60
Nonproliferation, Antiterrorism, Demining and Related Programs	3,987	3,937	4,200

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	57,276		_
IOTAL	31,210	34,994	·
Peace and Security	5,078	4,202	5,010
Counter-Terrorism	100	-	200
Stabilization Operations and Security Sector Reform	4,978	4,202	4,810
Governing Justly and Democratically	17,840	12,384	10,025
Rule of Law and Human Rights	6,098	5,150	3,975
Good Governance	4,787	3,800	3,800
Political Competition and Consensus-Building	1,537	2,200	1,000

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	57,276	54,994	45,371
Civil Society	5,418	1,234	1,250
Investing in People	30,037	32,882	24,191
Health	29,137	31,826	23,135
Education	900	1,056	1,056
Economic Growth	3,663	5,526	6,145
Private Sector Competitiveness	2,436	2,495	2,995
Economic Opportunity	1,227	2,031	1,950
Environment	_	1,000	1,200
Program Support	658	-	-
Program Support	658	-	-

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA	PS
TOTAL	45,371	5,010	10,025	24,191	6,145	-	-
Child Survival and Health	23,135	=	-	23,135	-	ı	-
Development Assistance	17,226	-	10,025	1,056	6,145	-	-
Foreign Military Financing	750	750	-	-	-	_	-
International Military Education	60	60	_	_	_	_	_
and Training	00	00					
Nonproliferation, Antiterrorism,	4,200	4,200					
Demining and Related Programs	4,200	4,200	-	-	I	I	-

Peace and Security: The United States, through the Department of State, will help professionalize, modernize, and train Cambodian military forces, capitalizing on existing counter-terrorism cooperation and deepening the military-to-military relationship. Funding will also assist the Cambodian military and border security units to participate in international peacekeeping operations, while strengthening Cambodia's defense abilities, including denying terrorists safe haven on Cambodian soil, combating transnational crime, removing explosive remnants of past wars and participating in international peacekeeping operations.

Governing Justly and Democratically: The U.S., via the U.S. Agency for International Development (USAID), will help build a framework for deepening democracy by empowering reformers and human rights groups to advocate for the rule of law, political rights, civil liberties, and transparency and accountability in governance. Funding will help combat corruption; strengthen the judiciary; and enhance civil society's ability to influence national and local public policies. In so doing, U.S. assistance will address major obstacles inhibiting Cambodia's political, social, and economic progress.

Investing in People: USAID programs will improve the health of Cambodians by supporting the

development of an effective, appropriate, and sustainable health delivery system involving both the public and private sectors. USAID assistance also will provide for the prevention and care of infectious diseases such as HIV/AIDS, tuberculosis, and malaria, and will be used to scale up health interventions that generate significant and measurable reductions in mortality, especially for women and children. Finally, USAID funds will contribute to selected improvements in Cambodia's education system to improve student performance, reduce drop-out rates, and combat corruption in the education sector in targeted areas.

Linkages with the President's Emergency Plan for AIDS Relief (PEPFAR): Cambodia will receive significant support to scale up integrated prevention, care, and treatment programs throughout the country and support orphans and vulnerable children.

Economic Growth: Working with both the Government of Cambodia and the private sector, USAID programs will promote a more open and robust business-enabling environment to encourage investment, generate employment, and promote responsible management of oil revenues. Technical assistance for economic growth will help the private sector and other reformers advocate for and implement policy, legal, and regulatory reforms. Funding will help Cambodia diversify its economy by increasing competitiveness and productivity in promising industries, including small, mediumsized, and micro-enterprises. In addition, funds will encourage economic growth by supporting more transparent and accountable governance in areas that impact private sector growth and by promoting solutions to rule-of-law concerns, such as the need for commercial law reform.

Overview of Major Changes

The FY 2009 request reflects a decrease from the FY 2008 estimated level. Funding for tuberculosis, maternal and child health, and family planning and reproductive health will decline. Funding for Governing Justly and Democratically will decline because biodiversity activities focusing on corruption in the forestry sector have been recategorized in the environment area under the Economic Growth Objective. The increase in Peace and Security reflects additional military assistance in order to continue a successful demining program, strengthen capabilities of the Royal Cambodian Armed Forces, and help combat terrorism.

China

Program Overview

U.S. assistance programs enhance China's capacity to engage cooperatively, constructively, and transparently with international, regional, and U.S. institutions. These efforts complement broader engagement between the United States and China and encourage China to become a more responsible stakeholder in the international system. U.S. assistance takes advantage of limited openings to advance the rule of law, increase public participation in government decision-making, cultivate the growth of civil society, and increase cooperation on global health and environmental issues of mutual concern. U.S. assistance projects also work with Tibetan communities to foster sustainable development, cultural preservation, and environmental conservation.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

	FY 2007	FY 2008	FY 2009
(\$ in thousands)	Actual	Estimate	Request
TOTAL	15,710	19,839	7,000
Child Survival and Health	4,800	4,960	5,000
Development Assistance	5,000	9,919	=
Economic Support Fund	3,960	4,960	1,400
Global HIV/AIDS Initiative	1,950	-	-
International Narcotics Control and Law Enforcement			600

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	15,710	19,839	7,000
Governing Justly and Democratically	2,000	5,208	1,325
Rule of Law and Human Rights	2,000	4,960	1,325
Civil Society	-	248	-
Investing in People	12,210	8,928	5,675
Health	8,250	4,960	5,000
Education	2,460	1,736	225
Social Services and Protection for Especially Vulnerable People	1,500	2,232	450
Economic Growth	1,500	5,703	-
Environment	1,500	5,703	-

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	7,000	-	1,325	5,675	-	_
Child Survival and Health	5,000	-	_	5,000	-	_
Economic Support Fund	1,400	-	725	675	-	_
International Narcotics Control and Law Enforcement	600	-	600	-	-	-

Governing Justly and Democratically: The U.S. Agency for International Development (USAID) will continue its support to U.S. educational institutions and non-governmental organizations for reform-oriented Chinese institutions and Chinese development partners in activities that promote the rule of law and good governance through education, research, analysis, technical assistance, and training services. The Department of State also supports a Department of Justice Rule of Law Advisor to build bridges with Chinese legal professionals and provide advice and materials on topics such as anti-money-laundering laws and intellectual property rights. As in previous years, the Department of State's Bureau of Democracy, Human Rights, and Labor will continue to complement bilateral funding for this objective with approximately \$15 million requested for FY 2009 through the centrally-managed Human Rights and Democracy Fund.

Investing in People: USAID will continue limited support for ethnic Tibetan communities within China in the areas of healthcare, cultural preservation and sustainable development, and increased access and opportunities for quality education in ethnic Tibetan communities.

Linkages with the President's Emergency Plan for AIDS Relief (PEPFAR): China will receive support to scale up integrated prevention, care and treatment programs throughout the country and support orphans and vulnerable children.

Overview of Major Changes

The FY 2009 request is decreased from the FY 2008 estimated level. The request for funding for Tibetan communities in China remains the same as the FY 2008 request (\$675,000), but funding previously under the Economic Growth Objective has been reallocated to social services for vulnerable populations. The remainder of funding for Tibetan communities is under education.

Indonesia

Program Overview

The overarching U.S. foreign policy priority in Indonesia is to assist the country's transformation into a stable, moderate democracy capable of addressing regional and global challenges in partnership with the international community. By supporting this transformation, the United States has the opportunity to enhance relations with the world's fourth most populous country, third-largest democracy, and largest majority-Muslim nation. U.S. foreign assistance to Indonesia focuses on the following key goals: enhancing regional security and stability; encouraging democracy and good governance; promoting Indonesia's economic growth and development; and building local and national capacity in basic education and health. The United States also supports economic recovery, and peace and reconciliation efforts in the tsunami-affected province of Aceh.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	158,686		186,304
Child Survival and Health	27,507	25,737	30,883
Development Assistance	29,524	70,953	122,021
Economic Support Fund	69,300	64,474	-
Foreign Military Financing	6,175	15,572	15,700
Global HIV/AIDS Initiative	250	-	-
International Military Education and Training	1,398	927	1,500
International Narcotics Control and Law Enforcement	4,700	6,150	9,450
Nonproliferation, Antiterrorism, Demining and Related Programs	8,881	5,861	6,750
Public Law 480 (Food Aid)	10,951	-	-

Request by Program Area by Fiscal Year

	TY 2005	EX. 2000	EN 2000
(\$ in thousands)	FY 2007	FY 2008	FY 2009
(\$\psi \text{III thousands})	Actual	Estimate	Request
TOTAL	158,686	189,674	186,304
Peace and Security	38,322	38,596	47,911
Counter-Terrorism	8,431	5,371	6,150
Combating Weapons of Mass Destruction (WMD)	450	4,265	600
Stabilization Operations and Security Sector Reform	14,273	17,124	24,825
Counter-Narcotics	500	500	500
Transnational Crime	2,938	818	818

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	158,686	189,674	186,304
Conflict Mitigation and Reconciliation	11,730	10,518	15,018
Governing Justly and Democratically	19,882	31,650	35,239
Rule of Law and Human Rights	3,102	4,450	6,275
Good Governance	14,607	16,971	18,971
Political Competition and Consensus-Building	1,570	8,505	8,269
Civil Society	603	1,724	1,724
Investing in People	72,405	86,190	70,993
Health	42,963	38,237	30,883
Education	29,442	47,953	40,110
Economic Growth	26,139	33,238	32,161
Trade and Investment	3,536	7,300	7,300
Financial Sector	1,126	-	-
Agriculture	3,777	-	-
Private Sector Competitiveness	8,519	14,200	14,200
Economic Opportunity	_	1,238	-
Environment	9,181	10,500	10,661
Program Support	1,938	-	-
Program Support	1,938	-	-

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA	PS
TOTAL	186,304	47,911	35,239	70,993	32,161	-	-
Child Survival and Health	30,883	=	-	30,883	ı	-	-
Development Assistance	122,021	15,836	33,914	40,110	32,161	-	-
Foreign Military Financing	15,700	15,700	-	-	ı	-	=
International Military Education and Training	1,500	1,500	-	-	,	-	-
International Narcotics Control and Law Enforcement	9,450	8,125	1,325	-	ı	-	-
Nonproliferation, Antiterrorism, Demining and Related Programs	6,750	6,750	-	-	-	-	-

Peace and Security: The United States, through the Department of Justice, Department of State, and U.S. Agency for International Development (USAID), supports Indonesia's imperative to address both immediate- and longer-term security threats. The United States will assist Indonesia with stabilization operations, security sector reform, strategic trade control systems, and conflict mitigation and response. In addition, U.S. assistance will help Indonesia to better address the global concerns of transnational crime, terrorism, and weapons of mass destruction. Reestablishing full military-to-

military relations in 2005 was a major step forward. Stronger military-to-military relations will improve Indonesia's capacity to respond to disasters and counter-terrorism threats and to enhance the professionalism and civilian control of defense institutions. Support to the Indonesian military will enhance effectiveness by increasing the Navy's ability to monitor strategic waterways and strengthen the military's transport capability by refurbishing equipment. Support to the National Police will continue expanding Indonesia's ability to prevent and respond to crime and terrorism by training responsible units. Improving multilateral cooperation — especially in the tri-border area between Mindanao in the Philippines, Sabah in Malaysia, and Sulawesi in Indonesia — is critical to eradicating terrorist threats. Indonesia qualifies to receive Excess Defense Articles (EDA) in FY 2009 under Section 516 of the Foreign Assistance Act, which could potentially fill Indonesian equipment shortfalls. U.S. supported programs will continue to promote peace and reconciliation work in Aceh and in other strategic areas. The United States will work with Indonesia to build law enforcement capacity to combat illegal logging activities, as well as wildlife and critical habitat destruction. Programs will continue to address trafficking in persons and migrant smuggling.

Governing Justly and Democratically: USAID's local governance program will support the Government of Indonesia's (GOI's) decentralization efforts by helping to improve local government capacity to transparently manage public services and resources, strengthen local legislative oversight, and enhance civil society participation in local public affairs. U.S. support for free and fair 2009 presidential and parliamentary elections and development of political parties will be crucial to consolidating democracy in Indonesia. Additionally, programs will strengthen the justice and legislative sectors, support civil society, and promote civic dialogue that ensures a democratic legal framework.

Investing in People: President Bush's six-year initiative to improve the quality of education in Indonesia introduces important concepts that have been missing in the country's education system, most notably: promotion of critical thinking in classrooms; in-service training for teachers in math, science, and reading; active community and parental participation to strengthen governance of the education system; relevant work and life skills for youth to better compete for jobs; enhanced higher education exchanges to the United States; and English language learning opportunities. The education program will reach both madrassahs and secular schools.

The Department of State will support a broad higher education program, combining scholarships (e.g., Fulbrights) and capacity building for universities, which will further the key objectives of the overall basic education program by supporting students that have matriculated to higher education levels. The program also will utilize linkages between Indonesian and U.S. universities. English language professionals will be placed in Indonesian institutions to help develop the next generation of education sector leaders and scholars to improve the quality of university-level curricula, teaching, and administration.

Investing in People programs will continue to improve access to quality health services for mothers and children; help households adopt adequate health and hygiene practices; and fight major communicable diseases, including HIV and tuberculosis. Indonesia will be a significant priority for

bilateral HIV/AIDS programs in FY 2009, with programmatic emphasis on a range of interventions related to care, treatment, and prevention.

Linkages with the President's Emergency Plan for AIDS Relief (PEPFAR): Indonesia will receive support to scale up integrated prevention, care, and treatment programs throughout the country and support orphans and vulnerable children.

Economic Growth: Increased productivity, income, and job growth are key to Indonesia's future economic success. Indonesia cannot resolve threats from radicalism and communal strife and respond to natural disasters and disease without a healthy economy. USAID programs will promote greater transparency and combat corruption, improve the trade and investment climate, enhance financial sector safety and soundness, and increase private sector and agribusiness competitiveness. Economic governance institutions, in partnership with the private sector and civil society, also will be strengthened. Promoting a healthy environment to help ensure sustainable growth, natural resources management, and biodiversity conservation is also a key component of this objective.

Linkages with the Millennium Challenge Corporation

Indonesia was approved for a Millennium Challenge Corporation (MCC) Threshold program in 2006. The program is designed to assist Indonesia in achieving MCC Compact eligibility status by undertaking activities in areas where Indonesia currently falls short on MCC indicators. The Threshold program was designed in coordination with the GOI and other donors to ensure maximum collaboration and leveraging of resources. The two-year program is managed by USAID.

A \$20 million immunization program assists the GOI to immunize at least 80% of children under the age of one for diphtheria, tetanus, and pertussis and 90% of children for measles. Goals of the \$35 million anti-corruption program include implementation of court administrative reforms, greater judicial transparency, increased enforcement capabilities to fight money laundering, prosecution of public corruption cases, and reduction of opportunities for corruption through the modernization of public procurement systems.

Overview of Major Changes

The overall FY 2009 funding request for Indonesia is comparable to the FY 2008 level. However, there has been a reallocation of resources within the Investing in People Objective and also between the Investing in People and the Peace and Security and Governing Justly and Democratically Objectives to assist the country's democratic transformation and improve its capabilities to contribute to regional and global security in partnership with the international community. In particular, the FY 2009 request will allow the United States to increase the focus on improving the capacity of the National Police to respond to crime, terrorism, and illegal logging, and to improve rule of law and good governance.

Kiribati

Program Overview

U.S. funded assistance will focus on improving Kiribati's security force capabilities in Exclusive Economic Zone enforcement, port security, coastal patrolling, and combat search and rescue. Assistance will demonstrate the United States' clear commitment to regional security and acknowledge appreciation of Kiribati's support on many important issues to the United States.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(¢: Alexande)	FY 2007	FY 2008	FY 2009
(\$ in thousands) OTAL	Actual	Estimate	Request
TOTAL	-	-	40
International Military Education and Training	-	-	40

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	FY 2009
(\$\phi\$ in thousands)	Actual	Estimate	Request
TOTAL	-	-	40
Peace and Security	-	-	40
Stabilization Operations and Security Sector Reform	-	-	40

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	40	40	-	-	-	_
International Military Education and Training	40	40	-	-	-	_

Peace and Security: Department of State programs will provide for the enrollment of Kiribati security and police professionals in U.S. military courses oriented toward maritime search and rescue, disaster preparedness, and emergency-triage.

Overview of Major Changes

The FY 2009 request for Kiribati reflects the first year of funding for this assistance program.

Laos

Program Overview

Laos faces myriad challenges in achieving and sustaining progress. Most U.S. cooperation with Laos has been in the area of promoting peace and security. The Lao Government has been generally receptive to working with the United States to institute reforms in relation to economic development and to conduct some limited judicial reform. Laos also receives U.S. assistance to reduce the incidence of HIV/AIDS and to mitigate its impact on those affected and their families.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	FY 2009
(\$\psi\text{Minimals})	Actual	Estimate	Request
TOTAL	4,865	5,474	4,250
Child Survival and Health	1,000	992	1,000
Development Assistance	-	=	250
Economic Support Fund	375	298	=
International Military Education and Training	40	67	100
International Narcotics Control and Law Enforcement	900	1,567	1,000
Nonproliferation, Antiterrorism, Demining and Related Programs	2,550	2,550	1,900

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	4,86	5,474	4,250
Peace and Security	3,49	4,184	3,000
Stabilization Operations and Security Sector Reform	2,59	2,617	2,000
Counter-Narcotics	90	1,567	1,000
Governing Justly and Democratically	250	220	200
Rule of Law and Human Rights	250	120	100
Good Governance		- 100	100
Investing in People	1,00	992	1,000
Health	1,00	992	1,000
Economic Growth	12:	5 78	50
Trade and Investment	12:	5 78	50

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	4,250	3,000	200	1,000	50	-
Child Survival and Health	1,000	-	-	1,000	-	-
Development Assistance	250	-	200	1	50	-
International Military Education and Training	100	100	-	-	-	-
International Narcotics Control and Law Enforcement	1,000	1,000	-	-	-	_
Nonproliferation, Antiterrorism, Demining and Related Programs	1,900	1,900	-	-	-	_

Peace and Security: Department of State programs in the Peace and Security Objective will focus on areas of cooperation that also indirectly promote economic development and better governance. Programs will support efforts to clear unexploded remnants of war that are found in large amounts throughout the country. Funds also will assist counter-narcotics efforts by providing assistance to villagers who are at high risk of reverting to poppy production, strengthening local law enforcement capacity to respond to the growing threat of methamphetamine trafficking, and reducing demand for illegal drugs through support for local public awareness campaigns and rehabilitation programs. Further, assistance will fund English-language and medical training for a small number of Lao military personnel, developing our nascent military-to-military relationship with Laos.

Governing Justly and Democratically: U.S. Agency for International Development (USAID) programs will support efforts to improve the justice system and expand the National Assembly's oversight capacity. These programs will enhance the rule of law; reinforce Laos's efforts to accede to the World Trade Organization and fully implement the U.S.-Laos bilateral trade agreement; and increase regional economic integration. Programs in this objective are closely linked with those in the Economic Growth Objective.

Investing in People: USAID will implement HIV/AIDS programs that focus on prevention and treatment, thereby increasing local capacity for a more sustainable response to the epidemic.

Economic Growth: U.S. assistance programs in Laos will improve the trade and investment environment by enabling Laos to better take advantage of the U.S.-Laos Bilateral Trade Agreement and to work toward accession to the World Trade Organization.

Overview of Major Changes

FY 2009 requested funding for Laos is slightly decreased from the FY 2008 level.

Malaysia

Program Overview

Malaysia is a key Muslim-majority state in Southeast Asia and an important contributor to regional stability. U.S. assistance programs focus on enhancing Malaysia's capability to combat terrorist activities, halt the proliferation of weapons of mass destruction, and work with neighboring countries to guarantee the security of critical maritime areas — the Strait of Malacca and the Sulu and Sulawesi seas. The United States will continue to work with Malaysia to combat illicit exports, including drafting a comprehensive export control law and developing the operational capabilities of the new Malaysian Maritime Enforcement Agency.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(C in the arrangle)	FY 2007	FY 2008	FY 2009
(\$ in thousands)	Actual	Estimate	Request
TOTAL	3,272	2,874	2,690
International Military Education and Training	871	876	750
International Narcotics Control and Law Enforcement	-	=	400
Nonproliferation, Antiterrorism, Demining and Related Programs	2,401	1,998	1,540

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	FY 2009
(\$ in thousands)	Actual	Estimate	Request
TOTAL	3,272	2,874	2,690
Peace and Security	3,272	2,874	2,690
Counter-Terrorism	2,001	1,508	1,310
Combating Weapons of Mass Destruction (WMD)	400	490	490
Stabilization Operations and Security Sector Reform	871	876	890

Request by Objective by Account, FY 2009

(\$ in thousands)	Total P&S		GJD	IIP	EG	HA
TOTAL	2,690	2,690	•	1	-	-
International Military Education and Training	750	750	-	-	-	-
International Narcotics Control and Law Enforcement	400	400	_	-	-	_
Nonproliferation, Antiterrorism,	1,540	1,540	-	-	_	_

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	2,690	2,690	-			-
Demining and Related Programs						

Peace and Security: Counter-terrorism assistance will further Malaysian capabilities to prevent, investigate, and respond to terrorist activities. The Department of State will provide assistance in coordination with Malaysia's regional counter-terrorism training center. Maritime border security will be enhanced by providing selective training and equipment to Malaysian enforcement authorities, particularly for use in the critical Sulu and Sulawesi seas. Targeted nonproliferation programs will help Malaysia develop, adopt and implement a comprehensive export control law, enhance its export licensing process, and further develop its nonproliferation and anti-smuggling enforcement capabilities.

Overview of Major Changes

The FY 2009 request for Malaysia is comparable to the FY 2008 level.

Marshall Islands

Program Overview

The major political obstacles to the advancement of the Republic of the Marshall Islands (RMI) are transparency and financial stability. A small (in terms of population) nation with a massive Exclusive Economic Zone (EEZ), the RMI is increasingly vulnerable to transnational threats. U.S. assistance will support the RMI Sea Patrol's efforts to increase its professionalism so that it can perform vital maritime security functions.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	FY 2009
(\$ in thousands)	Actual	Estimate	Request
TOTAL	-	57	60
International Military Education and Training	-	57	60

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	-	57	60
Peace and Security	-	57	60
Stabilization Operations and Security Sector Reform	-	57	60

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	60	60	-	-	-	_
International Military Education and Training	60	60	-	-	-	-

Peace and Security: Department of State assistance will support the RMI Sea Patrol to monitor or guard maritime boundaries and specifically the Kwajalein Atoll when the U.S. Army-Kwajalein Atoll/Reagan Test Site is performing operations. This will enhance the country's ability to deal with transnational crime. While the United States is responsible for the strategic defense of the RMI, the U.S. military does not engage in day-to-day law enforcement activities. For such purposes the RMI has one Sea Patrol vessel provided by Australia to cover its massive EEZ. It is vital to RMI national security and law enforcement that the Sea Patrol is able to perform as efficiently and as professionally as possible. Recent events such as the discovery of a derelict drug courier boat and illegal shark

fishing problems underscore the need to improve the capacity of the RMI's security forces.

Overview of Major Changes

The FY 2009 request for the Marshall Islands is comparable to the FY 2008 level.

Mongolia

Program Overview

Mongolia's transition to a market-oriented economy is far from complete and many pressing development challenges remain. Reforms in the areas of economic restructuring and rule of law are needed to enhance Mongolia's ability to attract long-term foreign investment and alleviate poverty. Mongolia is a partner in the war on terror and has troops on the ground in both Afghanistan and Iraq. U.S. assistance will help Mongolia protect its own borders and cooperate better with its neighbors and regional partners to combat transnational crime and terrorism.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	11,371	6,493	10,440
Development Assistance	-	4,577	6,800
Economic Support Fund	6,625	-	-
Foreign Military Financing	3,791	993	2,000
International Military Education and Training	955	923	970
International Narcotics Control and Law Enforcement	-	-	420
Nonproliferation, Antiterrorism, Demining and Related Programs	-	-	250

Request by Program Area by Fiscal Year

(¢ :- thousands)	FY 2007	FY 2008	FY 2009
(\$ in thousands)	Actual	Estimate	Request
TOTAL	11,371	6,493	10,440
Peace and Security	4,746	1,916	3,640
Combating Weapons of Mass Destruction (WMD)	-	-	250
Stabilization Operations and Security Sector Reform	4,746	1,916	2,970
Counter-Narcotics	-	_	50
Transnational Crime	-	_	370
Governing Justly and Democratically	1,700	-	600
Rule of Law and Human Rights	1,400	_	300
Good Governance	300	-	300
Economic Growth	4,450	4,577	6,200
Trade and Investment	730	_	-
Financial Sector	440	-	-
Infrastructure	1,180	1,000	1,000

(\$ in thousands)	FY 2007	FY 2008	FY 2009	
(\$ in thousands)	Actual	Estimate	Request	
TOTAL	11,371	6,493	10,440	
Private Sector Competitiveness	_	1,777	5,200	
Economic Opportunity	2,100	1,800	-	
Program Support	475	-	-	
Program Support	475	-	-	

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA	PS
TOTAL	10,440	3,640	600	-	6,200	-	_
Development Assistance	6,800	=	600	-	6,200	-	_
Foreign Military Financing	2,000	2,000	-	-	_	_	_
International Military Education and Training	970	970	-	-	-	-	-
International Narcotics Control and Law Enforcement	420	420	_	-	-	-	-
Nonproliferation, Antiterrorism, Demining and Related Programs	250	250	-	-	-	-	-

Peace and Security: U.S. security assistance through the Department of State will focus on defense, military, and law enforcement restructuring, reform, and operations. U.S. efforts will assist Mongolia in building a 2,500-troop brigade of international peacekeepers and in developing a regional peacekeeping training center to host bilateral and multilateral exercises that contribute to regional partnerships, confidence-building, and enhanced regional stability. Funding will be provided to support the Department of Energy's Second Line of Defense program that will help Mongolia implement United Nations Security Council Resolution 1540, which promotes nonproliferation. Funding also will be provided to assist Mongolian law enforcement to fight corruption and money laundering and to bolster counter-terrorism capabilities in the country.

Governing Justly and Democratically: Mongolia's continued democratic and economic success hinges on its ability to improve governance in key areas, including establishment of greater government accountability, transparency, and anti-corruption measures. U.S. Agency for International Development (USAID) assistance will support educational reforms, training and technical assistance to improve the Government of Mongolia's judiciary as well as the nascent Independent Authority Against Corruption to successfully identify and pursue corruption cases in the public and private sector domain. Assistance also will be provided to civil society organizations to engage the public in the fight against corruption.

Economic Growth: USAID assistance will focus on encouraging increased private sector competitiveness, eliminating specific regulatory deterrents to private sector growth, and mitigating the impact of corruption on trade and private investment. Assistance to improve the policy and regulatory

environment for micro and small enterprises and associated financial institutions will continue to help broaden Mongolia's economic base and reduce poverty. In addition, resources will help Mongolia introduce critical reforms in key strategic sectors, particularly the energy sector including power, heat, and coal. Assistance also will help Mongolia to implement trade and financial sector reforms to encourage private sector investment and competitiveness and attack institutionalized centers of corruption.

Linkages with the Millennium Challenge Corporation

Mongolia and the Millennium Challenge Corporation (MCC) signed a five-year Compact in October 2007. The goal is to reduce poverty by improving the railroad, the principal economic lifeline in Mongolia, and by targeting assistance for vocational education, health improvement, and property registration. USAID programs will enhance the ability of the Government of Mongolia to successfully implement MCC-funded programs by improving sound institutional and regulatory environment that is conducive to private sector growth.

Overview of Major Changes

The FY 2009 funding request for Mongolia represents a significant increase over the FY 2008 level. The increase reflects a renewed focus on the Peace and Security and Economic Growth Objectives. Peace and Security funding will expand the abilities of the Mongolian armed forces to undertake peacekeeping missions and to provide vital communications equipment to the Border Forces. Economic Growth funding will increase private sector competitiveness; improve economic opportunity with a focus on micro and small businesses; and reform the domestic energy sector to put it on path towards financial sustainability. There is also a modest increase for Governing Justly and Democratically to resume funding to critical anti-corruption and rule of law programs.

Nauru

Program Overview

U.S. funded training in Nauru will focus on improving the country's maritime security capabilities and will demonstrate the United States' clear commitment to regional security and acknowledge our appreciation of Nauru's support on many important issues to the United States.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	
TOTAL	-	-	40
International Military Education and Training	-	-	40

Request by Program Area by Fiscal Year

(0 to 1)	FY 2007	FY 2008	FY 2009
(\$ in thousands)	Actual	Estimate	Request
TOTAL	-	•	40
Peace and Security	-	-	40
Stabilization Operations and Security Sector Reform	-	-	40

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	40	40	-	-	-	_
International Military Education and Training	40	40	-	-	-	_

Peace and Security: U.S. assistance will provide for the enrollment of Nauru security (police) professionals in U.S. military courses oriented toward maritime search and rescue, disaster preparedness, and emergency-triage. Such training will reduce the frequency of requests for U.S. rescue missions. It also will benefit local communities and will project a very positive image of the United States.

Overview of Major Changes

The FY 2009 request for Nauru reflects the first year of funding for this assistance program.

North Korea

Program Overview

The Democratic People's Republic of Korea is a highly centralized communist state. The United States is committed to a stable North Korea, whose citizens live in freedom and prosperity. U.S. assistance seeks to improve advocacy for human rights and access to information.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007 Actual		FY 2008 Estimate		FY 2009 Request
TOTAL	Actual -	25,000		•••	•
Economic Support Fund	-	25,000	53,000	53,000	2,000

Request by Program Area by Fiscal Year

(\$:- d	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009
(\$ in thousands)	Actual	Supp	Estimate	Supp	Request
TOTAL	-	25,000	53,000	53,000	2,000
Governing Justly and Democratically	-	-	·	•	2,000
Rule of Law and Human Rights	-	-	-	l	1,000
Civil Society	-	-	-	l	1,000
Economic Growth	-	25,000	53,000	53,000	-
Infrastructure	-	25,000	53,000	53,000	-

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	2,000	-	2,000	-	_	-
Economic Support Fund	2,000	_	2,000	_	_	_

Governing Justly and Democratically: The United States seeks to promote democracy and human rights in North Korea by empowering independent defector voices, journalists, and democracy activists. Assistance will continue to provide access in North Korea to balanced and non-propagandized information from abroad that has been critical to defectors' awakening about the realities of North Korea and subsequent desire to seek freedom. U.S. assistance seeks to improve respect for human rights and rule of law inside North Korea, while continuing to build international awareness regarding the human rights situation in the country. As the non-governmental organization community continues to become more engaged in North Korea, the capacity for North Korea

programs continues to grow. Assistance will take advantage of opportunities for exchanges that will encourage human rights reform in North Korea. Additionally, the United States seeks to build the capacity of organizations to more effectively advocate for human rights in North Korea. While not noted above, this program has historically been funded through the Human Rights and Democracy Fund, with \$500,000 in FY 2007 and \$3 million for FY 2008. The request for FY 2009 assumes some support will continue to be provided from funds requested for the Bureau for Democracy, Human Rights, and Labor in FY 2009.

Overview of Major Changes

The FY 2009 request is significantly less than the FY 2008 estimate. The FY 2009 request is to support democracy assistance. Supplemental funds requested will pay for the U.S. share of Heavy Fuel Oil or equivalent assistance in support of the Six-Party Talks.

Papua New Guinea

Program Overview

Weak political institutions and the primacy of local political interests over national concerns has undermined governance and fostered corruption in Papua New Guinea. The government's ability to deliver basic services has generally deteriorated and Papua New Guinea's already-overwhelmed system of medical services is being further challenged by a serious and growing HIV/AIDS problem. U.S. assistance programs will address HIV/AIDS prevention, care and treatment as well as defense, military, and border security restructuring, reform and operations.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	FY 2009	
(\$ in thousands)	Actual	Estimate	Request	
TOTAL	1,741	2,746	2,780	
Child Survival and Health	1,500	2,480	2,500	
International Military Education and Training	241	266	280	

Request by Program Area by Fiscal Year

	FY 2007	FY 2008	FY 2009	
(\$ in thousands)	Actual	Estimate	Request	
TOTAL	1,741	2,746	2,780	
Peace and Security	241	266	280	
Stabilization Operations and Security Sector Reform	241	266	280	
Investing in People	1,500	2,480	2,500	
Health	1,500	2,480	2,500	

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	2,780	280	-	2,500	-	-
Child Survival and Health	2,500	-	-	2,500	-	_
International Military Education and Training	280	280	-	-	-	-

Peace and Security: Department of State funding for Papua New Guinea focuses on defense, military, and border security restructuring, reform, and operations and will support the building of a more professional and better disciplined defense force. Funds also will enhance the Papua New

Guinea Defense Force's border control and maritime security capabilities and aim to improve civilmilitary relations.

Investing in People: U.S. Agency for International Development funding will be concentrated on the growing threat of HIV/AIDS. Funding will focus on prevention and treatment, thereby increasing local capacity for a more sustainable response to the epidemic.

Overview of Major Changes

The FY 2009 request for Papua New Guinea is comparable to the FY 2008 level.

Philippines

Program Overview

The Philippines has achieved significant peace, development, and security enforcement gains, but armed conflict, widespread corruption, weak rule of law, extra-judicial killings, and poor economic competitiveness continue to undermine the effectiveness of governance and create conditions that terrorists seek to exploit. U.S. assistance helps the Philippines achieve the following goals: 1) deny terrorists safe haven and win the ideological battle against terrorism; 2) support the peace process in the conflict-affected areas of Mindanao; 3) ensure continued progress promoting the rule of law, combating extra-judicial killings, enhancing judicial efficiency, and fighting corruption; 4) support the transformation of the economy to better generate jobs, promote foreign investment and trade, and protect intellectual property rights; 5) reverse deterioration in the basic educational system; 6) promote increased access to family health services; and 7) help manage over-exploited and threatened forest, coastal, and marine resources.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate	FY 2008 Supp	FY 2009 Request
TOTAL	113,104	5,000	116,618	-	99,221
Child Survival and Health	24,362	-	24,967	-	20,043
Development Assistance	15,448	ı	27,321	-	56,703
Economic Support Fund	24,750	5,000	27,773	-	-
Foreign Military Financing	39,700	-	29,757	-	15,000
International Military Education and Training	2,746	-	1,475	-	1,700
International Narcotics Control and Law Enforcement	1,900	-	794	-	1,150
Nonproliferation, Antiterrorism, Demining and Related Programs	4,198	-	4,531	-	4,625

Request by Program Area by Fiscal Year

(C:- 4h	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009
(\$ in thousands)	Actual	Supp	Estimate	Supp	Request
TOTAL	113,104	5,000	116,618	-	99,221
Peace and Security	49,035	-	37,911	-	24,275
Counter-Terrorism	3,898	-	3,951	ı	3,750
Combating Weapons of Mass Destruction (WMD)	300	-	310	ı	625
Stabilization Operations and Security Sector Reform	43,946	-	32,296	-	18,100
Counter-Narcotics	100	-	-	-	-

(\$ in thousands)	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009
(\$ in thousands)	Actual	Supp	Estimate	Supp	Request
TOTAL	113,104	5,000	116,618	-	99,221
Transnational Crime	250	-	300	_	700
Conflict Mitigation and Reconciliation	541	-	1,054	_	1,100
Governing Justly and Democratically	6,125	-	5,178	-	10,021
Rule of Law and Human Rights	1,926	-	2,117	_	3,000
Good Governance	3,258	-	1,529	-	2,997
Political Competition and Consensus-Building	941	-	1,532	=	4,024
Investing in People	37,350	-	39,557	-	33,117
Health	26,628	-	26,657	-	20,667
Education	10,722	-	12,900	-	12,450
Economic Growth	20,537	-	33,972	-	31,808
Macroeconomic Foundation for Growth	-	-	1,000	=	-
Trade and Investment	981	-	2,500	-	3,467
Infrastructure	5,788	-	10,572	-	11,960
Agriculture	1,667	-	2,997	-	3,000
Private Sector Competitiveness	3,300	-	5,744	-	4,400
Economic Opportunity	1,700	-	700	-	700
Environment	7,101	-	10,459	-	8,281
Humanitarian Assistance	-	5,000	-	-	-
Protection, Assistance and Solutions	-	4,300	-	-	-
Disaster Readiness	_	700	-	_	-
Program Support	57	-	-	-	-
Program Support	57	-	-	-	-

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA	PS
TOTAL	99,221	24,275	10,021	33,117	31,808	-	-
Child Survival and Health	20,043	=	-	20,043	-	=	-
Development Assistance	56,703	1,800	10,021	13,074	31,808	-	-
Foreign Military Financing	15,000	15,000	-	ı	ı	-	_
International Military Education	1,700	1,700	_	_	_	_	
and Training	1,700	1,700					
International Narcotics Control	1,150	1,150					
and Law Enforcement			-	-	-	-	_
Nonproliferation, Antiterrorism,	4.605	4.625					
Demining and Related Programs	4,625	4,625		-	-	_	-

Peace and Security: The Philippines is on the frontlines in the war on terror. The Government is currently engaged in its most sustained and successful operation against the Al Qaeda-linked Abu

Sayyaf Group, while keeping Jemaah Islamiya terrorists on the run. The United States can best assist the Philippines in establishing peace and security by focusing on stabilization operations and security sector reform. With respect to stabilization operations and security sector reform, the Department of State will actively support the institutional, long-term Philippine Defense Reform (PDR) program, and sustain counter-terrorism capability and key support and logistics functions. The success of PDR is crucial to strengthen command and control necessary to prevent extra-judicial killings and prosecute those responsible. The U.S. Agency for International Development (USAID) contributes to peace and security through conflict mitigation and reconciliation activities.

In addition, the Department of State will support the institutional development of the law enforcement and criminal justice system and build capacity to prevent, investigate, and successfully prosecute those responsible for extra-judicial killings, as well as financial crimes and money laundering, trafficking in persons, narcotics cases, and other forms of transnational crime.

USAID's multi-sectoral development activities focused on conflict-affected areas of Mindanao also contribute to peace and security. Approximately 60% of development resources go to Mindanao to help consolidate peace. Department of Defense-funded bilateral military exercises will complement foreign assistance-funded activities and deployment of the Joint Special Operations Task Force-Philippines is increasingly focused on the Sulu Archipelago, a region that continues to be vulnerable to terrorist activity.

Governing Justly and Democratically: USAID programs will promote good governance, the rule of law and human rights, and political competition and consensus-building. Investments in governance will support democratic local governance and decentralization, as well as anti-corruption efforts at both local and national levels. In the area of rule of law and human rights, U.S. funds will support programs that build an equitable and more responsive justice system characterized by equality before the law, fair trial standards, and other elements of procedural fairness and efficiency. As for political competition and consensus-building, U.S. assistance will support more efficient and transparent elections and political processes.

Investing in People: USAID will continue assisting the Philippines in the critical areas of health and education. U.S. health assistance will be used to improve local government capacity to deliver basic maternal and child health, family planning, and tuberculosis services, and improve the private sector's ability to provide quality health services to those who can afford to pay. All HIV/AIDS funds will be used to increase local capacity for HIV/AIDS surveillance and prevention. U.S. assistance also will help the Philippines to develop low-cost improvements to water and sanitation at the local level, particularly in Mindanao. Education programs will focus on equitable access to quality basic education in conflict-affected areas of Mindanao, especially at the elementary level.

Economic Growth: USAID programs will increase private sector competitiveness by addressing constraints to trade and investment, as well as sustainable employment growth. This assistance also will address the "gap" factors where the Philippines falls short in terms of regulatory quality, business environment, and foreign direct investment -- all of which are needed to improve the business climate

to provide jobs. USAID programs in Mindanao will seek to spur the growth of micro-enterprises, improve economic infrastructure, increase agricultural productivity, and provide job-skills training for youth. In the environment and energy sectors, USAID will help the Philippines address threats to economic competitiveness due to the deterioration in natural resources, promote alternative energy generation and production, and support public-private sector partnerships to finance water-related infrastructure.

Linkages with the Millennium Challenge Corporation

The Philippines initiated a two-year Millennium Challenge Corporation (MCC) Threshold program in 2006 that focuses on fighting corruption and improving performance in the revenue administration agencies and strengthening the Office of the Ombudsman (the office of the special prosecutor charged with investigating and prosecuting corrupt government officials). The Ombudsman has exceeded program targets for successfully prosecuting cases. Upon the anticipated completion of the program in late-2008, the United States plans to continue to support selected anti-corruption efforts in the Philippines. USAID's ongoing assistance in countering corruption across government agencies, improving judicial efficiency by improving judicial procedures, improving public expenditure management, and boosting revenue collection all complement the efforts being undertaken under the MCC Threshold program.

Overview of Major Changes

The FY 2009 request represents an overall decrease from the FY 2008 level. While funding for Peace and Security and Investing in People will decrease, funding for Governing Justly and Democratically will increase to promote democracy and human rights through improved governance, judicial reform, and greater efficiency in election administration. Funding for Economic Growth will remain steady.

Samoa

Program Overview

Although Samoa depends substantially on remittances from abroad, its parliamentary democracy, history of stability and observance of human rights, gradual economic liberalization and embrace of the private sector have helped ensure that Samoa's economy is healthier than that of many other Pacific Island countries. For the same reasons, Samoa is playing an increasingly important role in Pacific Island affairs and already hosts important regional environmental organizations. U.S. assistance will help Samoa develop an effective maritime law enforcement and surveillance capability.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(C in they could)	FY 2007	FY 2008	FY 2009	
(\$ in thousands)	Actual	Estimate	Request	
TOTAL	40	38	40	
International Military Education and Training	40	38	40	

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	40	38	40
Peace and Security	40	38	40
Stabilization Operations and Security Sector Reform	40	38	40

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	40	40	1	-	_	-
International Military Education and Training	40	40	-	-	-	_

Peace and Security: Department of State funding will assist the Government of Samoa in improving its capacity to deal both with transnational crime issues -- an increasingly important concern -- and with disaster planning. Samoa, which is especially at risk from cyclones, volcanic activity, tsunamis, and earthquakes, has developed the most substantial disaster management structure among the Pacific Island states. U.S. assistance in this area will provide further training by a Mobile Training Team, building on prior Department-funded training.

Overview of Major Changes

The FY 2009 request for Samoa is comparable to the FY 2008 level.

Singapore

Program Overview

Singapore has been a key security and economic partner in fighting terror and working for open markets, and it supports a strong U.S. presence in the region. Singapore's importance to regional communications, finance, and transportation gives it a key role to play in the effort to deter, detect and interdict the flow of weapons of mass destruction (WMD), their delivery systems, related technology, and advanced conventional weapons. As such, the focus of U.S. assistance will be to control WMD and counter WMD proliferation. Singapore has been at the forefront of efforts to improve travel document security, and participates in the Proliferation Security Initiative, the Container Security Initiative, Megaports, and most recently, the Secure Freight Initiative.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ \cdot \dot \dot \dot \dot \dot \dot \dot \	FY 2007	FY 2008	FY 2009
(\$ in thousands)	Actual	Estimate	Request
TOTAL	694	725	500
Nonproliferation, Antiterrorism, Demining and Related Programs	694	725	500

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	694	725	500
Peace and Security	694	725	500
Counter-Terrorism	394	-	-
Combating Weapons of Mass Destruction (WMD)	300	725	500

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	500	500	-	-	_	_
Nonproliferation, Antiterrorism,	500	500				
Demining and Related Programs	300	300		-	-	

Peace and Security: Singapore is one of the world's busiest ports. As a communications, transport, and financial hub for Southeast Asia, Singapore is susceptible to exploitation by terrorists as well as by criminals moving goods, money, and people through the region. Singapore has taken strong action in the last several years to improve its controls on a range of sensitive goods and technologies, though

aspects of its trade control regime still fall short of international best practices. The Department of State will help Singapore bring its strategic trade control system in line with multilateral nonproliferation norms and improve enforcement capabilities.

Overview of Major Changes

The FY 2009 request for Singapore is an overall decrease from the FY 2008 levels to combat the proliferation of weapons of mass destruction. The decrease in funding requested reflects the good use that Singapore has made of previous training on various aspects of control of weapons of mass destruction and the shift to training on practical aspects on the enforcement of those regimes.

Solomon Islands

Program Overview

U.S. foreign assistance in the Solomon Islands seeks to improve political and social stability by supporting the Regional Assistance Mission Solomon Islands (RAMSI), a partnership of 15 pacific nations with the Government of the Solomon Islands to support service provision, government accountability, and economic growth.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	_	
TOTAL	Actual 42	Estimate 143	Request 150	
International Military Education and Training	42	143	150	

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	FY 2009
(\$\psi\$ in thousands)	Actual	Estimate	Request
TOTAL	42	143	150
Peace and Security	42	143	150
Stabilization Operations and Security Sector Reform	42	143	150

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	150	150	-	-	-	_
International Military Education and Training	150	150	-	-	_	_

Peace and Security: In coordination with RAMSI, Department of State funded training will focus on fighting corruption and setting up standard operating procedures in the security forces.

Overview of Major Changes

The FY 2009 request for the Solomon Islands is comparable to the FY 2008 level.

Taiwan

Program Overview

The United States is committed to assisting Taiwan to establish and implement export controls that meet international standards. Taiwan has the basic framework for an export control system, but the system falls short of international norms because Taiwan's unusual status prevents it from participating in most formal international control regimes. Taiwan has just graduated from the need for assistance with combating trafficking and is on target to graduate from the need for export control assistance within several years.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	575	635	575
Nonproliferation, Antiterrorism, Demining and Related Programs	575	635	575

Request by Program Area by Fiscal Year

(0. 0 1)	FY 2007	FY 2008	FY 2009
(\$ in thousands)	Actual	Estimate	Request
TOTAL	575	635	575
Peace and Security	575	635	575
Counter-Terrorism	-	635	575
Combating Weapons of Mass Destruction (WMD)	575	-	_

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	575	575	-	-	-	-
Nonproliferation, Antiterrorism,	575	575				
Demining and Related Programs	313	313	ı	-	-	_

Peace and Security: U.S. funding through the Department of State for export control enhancements will: 1) establish licensing processes so that technical experts, intelligence agencies, and foreign policy officials are able to evaluate license applications with proliferation implications, and deny such applications when warranted; 2) provide enforcement agencies (such as Taiwan Customs) with training and resources necessary to detect, identify, and interdict unlicensed shipments as well as to prosecute violators; and 3) expand an outreach program to make industry aware of controls and

consequences of violating them.

Overview of Major Changes

The FY 2009 request represents a decrease from the FY 2008 level. This request does not seek, as in previous years, funds for programs to combat human trafficking, as Taiwan has made progress in addressing this problem.

Thailand

Program Overview

Following general elections in December 2007 and the restoration of a democratically elected government in February 2008, U.S. assistance will support the consolidation of democracy in Thailand as the country continues to recover from the September 2006 coup. Assistance also will be used to renew and advance the long-term partnership in security and law enforcement matters between the U.S. and a major non-NATO ally, and promote peaceful resolution of the Malay separatist insurgency in southern Thailand.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	5,390	6,452	11,100
Child Survival and Health	1,400	992	1,000
Development Assistance	-	_	4,500
Economic Support Fund	990	_	
Foreign Military Financing	-	149	800
International Military Education and Training	-	1,142	1,400
International Narcotics Control and Law Enforcement	900	1,686	1,400
Nonproliferation, Antiterrorism, Demining and Related Programs	2,100	2,483	2,000

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	FY 2009
(\$ in thousands)	Actual	Estimate	Request
TOTAL	5,390	6,452	11,100
Peace and Security	3,000	5,460	7,600
Counter-Terrorism	1,800	2,083	1,450
Combating Weapons of Mass Destruction (WMD)	300	400	550
Stabilization Operations and Security Sector Reform	900	2,977	3,600
Conflict Mitigation and Reconciliation	-	-	2,000
Governing Justly and Democratically	990	-	2,500
Rule of Law and Human Rights	-	-	500
Good Governance	-	-	1,000
Political Competition and Consensus-Building	990	-	1,000
Investing in People	1,400	992	1,000
Health	1,400	992	1,000

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	11,100	7,600	2,500	1,000	-	-
Child Survival and Health	1,000	=	=	1,000	-	_
Development Assistance	4,500	2,000	2,500	-	_	_
Foreign Military Financing	800	800	_	-	_	_
International Military Education and Training	1,400	1,400	_	-	-	_
International Narcotics Control and Law Enforcement	1,400	1,400	_	-	-	_
Nonproliferation, Antiterrorism, Demining and Related Programs	2,000	2,000	_	-	-	_

Peace and Security: Thailand remains a critical regional and global counter-terrorism, law enforcement, and defense partner of the United States. Department of State Peace and Security assistance will improve Thai capabilities in each of those areas. U.S. assistance will fund a broad curriculum of counter-terrorism training courses focused on, but not limited to, prevention of terrorism for Thai security officials. Requested funds will also support the expansion of the Personal Identification Secure Comparison Evaluation System to additional Thai border crossing points and a wide range of nonproliferation strategic trade control assistance, from licensing and legal/regulatory technical workshops to the provision of detection equipment and training for border control and enforcement agencies. A law enforcement technical assistance and advisor program will provide counsel on legislation that will aid prosecution of transnational crime, support other legal and legislative reform, and improve enforcement capacity. Military education and training will promote respect for civilian control of the military, improve communication and language capabilities to enhance Thai interoperability with U.S. forces, and strengthen management of defense resources. Department of State and U.S. Agency for International Development (USAID) funds also will advance peaceful conflict resolution efforts in southern Thailand, where a separatist Malay insurgency continues to claim casualties and inflict hardship on the local population. Programming will focus on promoting minority rights and defusing conflict between ethnic and religious communities through civic education, governance, and vocational training.

Governing Justly and Democratically: A new, democratically-elected government took office in February 2008, and further support to Thailand's institutions will be vital to democratic consolidation. U.S. support for elections-related programming in 2007 was welcomed by non-governmental organizations and other Thai institutions committed to improving democratic governance. Requested funds will allow expansion of democracy programming. Department of State and USAID substantive focal points may include strengthening electoral processes and governance institutions, political party development, and promoting respect for rule of law and human rights.

Investing in People: In recent years there have been signs of a resurgence of an HIV/AIDS epidemic

in Thailand. Prevalence rates among several most-at-risk populations are high or steadily increasing. Requested USAID funds will support comprehensive program activities that develop intervention models for HIV/AIDS.

Linkages with the President's Emergency Plan for AIDS Relief (PEPFAR): Thailand will receive support to scale up integrated prevention, care, and treatment programs throughout the country and support orphans and vulnerable children.

Overview of Major Changes

The FY 2009 funding request for Thailand represents a significant increase over the FY 2008 funding request to reflect support strengthening Thailand's democratic institutions and address conflict mitigation and reconciliation programming in southern Thailand.

Timor-Leste

Program Overview

Timor-Leste faces immense challenges in making the transition to a stable democracy with a free and productive economy. The United States will need to maintain its focus on re-establishing the basic functions of government, including the security services, as Timor-Leste rebuilds after the violence and instability of 2006. U.S. foreign assistance aims to foster economic growth, promote democratic institutions, assist in rebuilding law enforcement institutions, and support the military in meeting growing security challenges.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	22,711	23,263	9,450
Child Survival and Health	1,000	1,000	-
Development Assistance	-	5,000	8,140
Economic Support Fund	18,810	16,862	-
Foreign Military Financing	475	-	-
International Military Education and Training	254	381	300
International Narcotics Control and Law Enforcement	-	20	1,010
Public Law 480 (Food Aid)	2,172	-	-

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	FY 2009
(+	Actual	Estimate	Request
TOTAL	22,711	23,263	9,450
Peace and Security	729	401	1,310
Stabilization Operations and Security Sector Reform	729	401	1,310
Governing Justly and Democratically	3,550	7,400	2,260
Rule of Law and Human Rights	2,265	2,000	1,630
Good Governance	615	1,600	=
Political Competition and Consensus-Building	-	1,000	-
Civil Society	670	2,800	630
Investing in People	3,040	2,000	-
Health	3,040	2,000	-
Economic Growth	12,340	12,008	4,820
Financial Sector	300	-	_

(\$ in thousands)	FY 2007	FY 2008	FY 2009
	Actual	Estimate	Request
TOTAL	22,711	23,263	9,450
Agriculture	1,625	6,000	1,520
Private Sector Competitiveness	8,850	2,500	2,270
Economic Opportunity	1,565	1,008	1,030
Environment	-	2,500	=
Humanitarian Assistance	2,172	-	-
Protection, Assistance and Solutions	2,172	-	-
Program Support	880	1,454	1,060
Program Support	880	1,454	1,060

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA	PS
TOTAL	9,450	1,310	2,260	-	4,820	-	1,060
Development Assistance	8,140	=	2,260	-	4,820	=	1,060
International Military Education and Training	300	300	-	-	j	-	_
International Narcotics Control and Law Enforcement	1,010	1,010	-	-	_	-	-

Peace and Security: The United States can best assist Timor-Leste in establishing peace and security by focusing on stabilization operations and security sector reform. Department of State programs will provide training to the security services to help them become more non-partisan, competent, and professional to regain the trust and confidence of the Timorese people. As Timor-Leste reconstitutes its law enforcement institutions, assistance programs will support and advise the police in capacity and capability building as well as organizational reform, and will incorporate crisis management and human rights training, in coordination with other key donors and the United Nations mission.

Governing Justly and Democratically: U.S. Agency for International Development (USAID) programs will work to strengthen the rule of law and human rights and support the development of civil society. Programming in the rule of law and human rights will help reform the fragmented justice system by strengthening oversight institutions; improving basic administration of justice institutions; enhancing civil society's capacity to monitor administration of justice and ensure that it is delivered fairly; and expanding access to justice. USAID funds targeted at civil society development will support freedom of expression by providing financial assistance to the independent media, which remains under-funded and susceptible to political interference.

Economic Growth: U.S. assistance will target agriculture, private sector competitiveness, and economic opportunity. USAID seeks to help Timor-Leste implement landmark land legislation by supporting the development of a land tenure and titling system, which will improve the economic and investment climate, as well as facilitate the reconstruction effort and return of internally displaced

persons to their homes. Assistance also seeks to improve private sector performance, particularly in the agricultural sector, where 85% of the population makes its living. Programs will strengthen links between farmers and their markets; transfer appropriate technologies to producers; diversify the agricultural base, with a particular focus on agro-forestry and livestock; and strengthen small-scale enterprises in villages. These programs will generate employment opportunities and thereby contribute to poverty reduction and stability.

Overview of Major Changes

The total FY 2009 funding request for Timor-Leste is significantly less than the FY 2008 level. The FY 2009 request reflects the current needs and absorptive capacity of the program.

Tonga

Program Overview

Tonga is undergoing a political transformation as the monarchy weakens and popular calls for democracy grow. Tonga is an active participant in regional peacekeeping operations. It deployed troops to Iraq in 2004, and commenced another deployment there in 2007. Tonga is also a troopcontributing country to the Australian-led Regional Assistance Mission to the Solomon Islands and has plans to join United Nations' peacekeeping operations in future years. U.S. assistance to Tonga will prepare the Tonga Defense Service (TDS) for increased participation in peacekeeping operations around the world.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	FY 2009
	Actual	Estimate	Request
TOTAL	622	383	695
Foreign Military Financing	500	198	500
International Military Education and Training	122	185	195

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	Actual 622	383	Kequest 695
Peace and Security	622	383	695
Stabilization Operations and Security Sector Reform	622	383	695

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	695	695	-	-	-	-
Foreign Military Financing	500	500	-	-	-	-
International Military Education and Training	195	195	-	-	-	-

Peace and Security: Department of State funding will prepare the TDS for increased participation in peacekeeping operations around the world, including deployments to Iraq as part of the coalition. The TDS plans to nearly double in size by 2009. Funding will ensure the TDS has the equipment it needs to be fully interoperable with U.S. forces. In addition, funding will train TDS troops in new

Department-provided equipment and will also train the growing numbers of TDS personnel in military specialties important to peacekeeping operations. Training will include instruction in the proper role of a military in an increasingly democratic nation like Tonga.

Overview of Major Changes

The FY 2009 request for Tonga reflects an increase in funding from the FY 2008 level in support of Tonga's increased role in peacekeeping operations.

Tuvalu

Program Overview

U.S. assistance to Tuvalu will focus on improving the country's maritime security capabilities and will demonstrate the United States' clear commitment to regional security.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	FY 2009
(\$ in thousands)	Actual	Estimate	Request
TOTAL	-	-	40
International Military Education and Training	-	-	40

Request by Program Area by Fiscal Year

	FY 2007	FY 2008	FY 2009
(\$ in thousands)	Actual	Estimate	Request
TOTAL	-	-	40
Peace and Security	-	-	40
Stabilization Operations and Security Sector Reform	_	_	40

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	40	40	-	-	-	_
International Military Education and Training	40	40	-	-	-	_

Peace and Security: This assistance program will provide for the enrollment of Tuvalu security and police professionals in U.S. military courses oriented toward maritime search and rescue, disaster preparedness, and emergency-triage. Such training will reduce the frequency of requests for U.S. rescue missions. It also will benefit local communities and will project a very positive image of the United States.

Overview of Major Changes

The FY 2009 request for Tuvalu reflects the first year of funding for this assistance program.

Vanuatu

Program Overview

Regional stability in the South Pacific is vital for promoting the viability of its fragile democratic states, and is therefore necessary to support transformational diplomacy. Weak governmental institutions and ethnic tensions leave these states chronically poor and the people largely without government services. Countries in the region lack the means to secure their often numerous and distant island chains. Although suffering from many of these challenges and the additional strains caused by ethnic tensions, Vanuatu's democratic institutions are an example to neighboring states. U.S. assistance will help Vanuatu's police force develop a more effective maritime law enforcement and surveillance capability.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

	FY 2007	FY 2008	FY 2009	
(\$ in thousands)	Actual	Estimate	Request	
TOTAL	58	109	115	
International Military Education and Training	58	109	115	

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	58	109	115
Peace and Security	58	109	115
Stabilization Operations and Security Sector Reform	58	109	115

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	115	115	-	-	_	_
International Military Education and	115	115	_	_	_	_
Training						

Peace and Security: Department of State funding will provide for training in basic coastal surveillance and sea-borne law enforcement skills in accordance with U.S. leadership doctrines, emphasizing civilian control. Assistance will contribute towards improving force discipline and possibly enhance effectiveness in regional peacekeeping and disaster relief efforts. Finally, more effective maritime law enforcement may contribute to broad-based economic growth in Vanuatu by

assisting the maritime police patrol enforcement of Vanuatu's maritime Exclusive Economic Zone.

Linkages with the Millennium Challenge Corporation

Vanuatu signed a five-year Compact agreement with the Millennium Challenge Corporation in 2006. The first installment of funds for an infrastructure project has been disbursed. The project is designed to improve transportation, trade, and tourism networks.

Overview of Major Changes

The FY 2009 request for Vanuatu is comparable to the FY 2008 level.

Vietnam

Program Overview

U.S. assistance programs will aim to build upon a series of significant successes in Vietnam: improving the framework of economic governance; addressing the consequences of conflict; and expanding cooperation into jointly agreed upon areas, such as military-to-military relations and export border security. United States efforts to foster better governance and a healthy civil society will continue in FY 2009 with U.S. economic assistance to improve the regulatory environment, which will help ensure that U.S. firms can benefit from the rapidly expanding bilateral trade and investment opportunities. U.S. programs also will advance bilateral cooperation into new areas, including counter-terrorism, counter-narcotics, efforts to combat money laundering, border security efforts aimed at preventing weapons of mass destruction (WMD) proliferation, and other regional security issues.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2007 Supp	FY 2008 Estimate	FY 2008 Supp	FY 2009 Request
TOTAL	70,874			_	99,515
Development Assistance	2,480	-	2,420	-	10,700
Economic Support Fund	1,980	3,000	10,613	=	-
Foreign Military Financing	-	=	-	=	500
Global HIV/AIDS Initiative	62,935	=	86,000	=	86,000
International Military Education and Training	279	=	186	=	195
International Narcotics Control and Law Enforcement	-	=	-	=	200
Nonproliferation, Antiterrorism, Demining and Related Programs	3,200	_	3,075	-	1,920

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009
(1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Actual	Supp	Estimate	Supp	Request
TOTAL	70,874	3,000	102,294	-	99,515
Peace and Security	3,479	-	3,761	-	2,815
Combating Weapons of Mass Destruction (WMD)	625	_	500	_	600
Stabilization Operations and Security Sector Reform	2,854	_	2,761	_	2,015
Counter-Narcotics	-	_	-	_	200
Transnational Crime	-	=	500	-	-
Governing Justly and Democratically	140	_	5,373	_	2,800

(\$ in thousands)	FY 2007	FY 2007	FY 2008	FY 2008	FY 2009
	Actual	Supp	Estimate	Supp	Request
TOTAL	70,874	3,000	102,294	-	99,515
Rule of Law and Human Rights	70	-	1,983	-	1,300
Good Governance	70	-	2,550	-	1,500
Civil Society	-	=	840	=	-
Investing in People	62,935	1,500	86,610	-	86,000
Health	62,935	1,500	86,000	1	86,000
Social Services and Protection for Especially Vulnerable			(10		
People	=	-	610	-	=
Economic Growth	4,320	1,500	6,550	-	7,900
Macroeconomic Foundation for Growth	-	-	-	-	1,000
Trade and Investment	2,540	-	3,100	-	3,100
Financial Sector	-	-	250	-	1,000
Infrastructure	-	-	400	-	-
Agriculture	_	-	1,000	-	-
Private Sector Competitiveness	1,780	-	1,800	-	1,800
Environment	-	1,500	-	-	1,000

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	99,515	2,815	2,800	86,000	7,900	-
Development Assistance	10,700	-	2,800	-	7,900	-
Foreign Military Financing	500	500	-	-	-	-
Global HIV/AIDS Initiative	86,000	-	=	86,000	-	-
International Military Education and Training	195	195	-	-	-	-
International Narcotics Control and Law Enforcement	200	200	-	-	-	-
Nonproliferation, Antiterrorism, Demining and Related Programs	1,920	1,920	_	-	-	_

Peace and Security: Funding will be used to sustain Department of State efforts to eliminate explosive remnants of war and to develop other programs that support Vietnam's capacity to address international security challenges. Assistance will provide English language and other specialized skills training for Vietnam's military to participate in international peacekeeping operations. Funds also will assist in the development of comprehensive export controls to detect, deter, prevent, and interdict illicit transfer of WMD and for counter-narcotics interdiction to enhance law enforcement cooperation. In addition, the Department of State and Department of Defense will begin a program implementing the President's April 2007 approval of changes to the International Traffic in Arms Regulations to permit the transfer of non-lethal defense articles to Vietnam.

Governing Justly and Democratically: The United States will continue efforts to encourage Vietnam to adopt internationally accepted norms in human rights, religious freedom and democracy. The U.S. Agency for International Development's (USAID) programs will promote the rule of law, enhance government transparency, and develop the institutional capacity of the National Assembly. The Government of Vietnam's (GVN) sensitivities limit the ability of the U.S. to establish programs in some areas. Nonetheless, U.S. assistance to support legal and administrative reform will help to promote a more vibrant civil society and more even-handed and equitable rule of law.

Investing in People: Linkages with the President's Emergency Plan for AIDS Relief (PEPFAR): Vietnam will receive significant support to scale up integrated prevention, care and treatment programs throughout the country and support orphans and vulnerable children.

Economic Growth: A top U.S. priority in Vietnam is to support a dynamic and expanding economic environment conducive to reform, legal transformation, and development of a vibrant private sector. USAID programs will assist Vietnam's World Trade Organization (WTO) and Bilateral Trade Agreement (BTA) implementation, comprehensive reform of laws and policies related to trade and investment, and creation of a business enabling environment that fosters private sector development and enhances competitiveness. These efforts have proven pivotal to accelerating the pace of market-oriented growth, economic opening and integration, and trade liberalization. Expanding technical assistance is imperative to develop institutional capacity and human resources for implementation of reforms and best practices, and to ensure that regulatory oversight keeps pace with integration into the global economy. Additional outcomes include engaging and strengthening long-term relations between Vietnamese institutions and their U.S. counterparts as they relate to economic reforms, such as the Securities and Exchange Commission, the Federal Trade Commission, the U.S. Patent and Trademark Office, the Treasury Department, and the Department of Justice.

Overview of Major Changes

The FY 2009 budget for Vietnam is comparable to the FY 2008 levels, but includes resources to launch new programs to improve the macroeconomic climate for growth and to foster financial sector reform. Although funding for the Governing Justly and Democratically Objective will decrease from FY 2008 levels, the United States will continue its recently-expanded engagement with Vietnam to further legal reform, strengthen civil institutions, and promote good governance and transparency. Funding for Peace and Security also will decrease, reflecting a decrease in demining funding from the FY 2008 level, but the request will permit the United States to foster closer military-to-military relations.

East Asia and Pacific Regional

Program Overview

The United States has a vital interest in maintaining leadership in the East Asian and Pacific region. The U.S. strategy is to shape and maintain influence through multilateral organizations such as Asia-Pacific Economic Cooperation (APEC), the Association of Southeast Asian Nations (ASEAN), and the ASEAN Regional Forum (ARF). The core programs of the centrally-administered East Asia and Pacific (EAP) Regional budget will fund work with these regional partners. Funds will contribute to meeting the President's commitment for APEC.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

(\$:- 4h	FY 2007	FY 2008	FY 2009
(\$ in thousands)	Actual	Estimate	Request
TOTAL	27,395	26,405	11,821
Economic Support Fund	25,145	24,798	9,000
Foreign Military Financing	2,000	754	1,721
International Narcotics Control and Law Enforcement	-	-	300
Nonproliferation, Antiterrorism, Demining and Related Programs	250	853	800

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007	FY 2008	FY 2009
TOTAL	Actual 27,395	Estimate 26,405	Request
Peace and Security	3,525	2,507	4,531
Counter-Terrorism	200	1,318	800
Combating Weapons of Mass Destruction (WMD)	250	-	_
Stabilization Operations and Security Sector Reform	2,000	754	2,186
Counter-Narcotics	-	85	300
Transnational Crime	875	250	830
Conflict Mitigation and Reconciliation	200	100	415
Governing Justly and Democratically	918	435	1,600
Rule of Law and Human Rights	100	100	600
Good Governance	500	200	715
Political Competition and Consensus-Building	218	-	100
Civil Society	100	135	185
Investing in People	1,342	200	400
Health	1,132	-	-

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	27,395	26,405	11,821
Education	100	200	200
Social Services and Protection for Especially Vulnerable People	110	-	200
Economic Growth	21,310	23,153	4,880
Trade and Investment	9,420	10,000	1,850
Financial Sector	100	268	635
Infrastructure	_	410	410
Agriculture	-	210	210
Private Sector Competitiveness	9,250	9,200	400
Economic Opportunity	550	585	635
Environment	1,990	2,480	740
Humanitarian Assistance	300	110	410
Disaster Readiness	300	110	410

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	11,821	4,531	1,600	400	4,880	410
Economic Support Fund	9,000	1,710	1,600	400	4,880	410
Foreign Military Financing	1,721	1,721	-	-	-	_
International Narcotics Control and Law Enforcement	300	300	-	-	-	_
Nonproliferation, Antiterrorism, Demining and Related Programs	800	800	-	-	-	-

Peace and Security: The FY 2009 request will allow the Department of State to capitalize on opportunities best pursued through multi-country programs and to work with multilateral organization partners such as ASEAN and ARF. Funding for the Regional Maritime Security program will continue to provide operational support for communications and interoperability in key strategic waterways such as the Straits of Malacca and the Sulu and Celebes Seas. The Counter-Terrorism Regional Strategy Initiative will support activities to enhance regional and cross-border understanding of the terrorist and extremist threats and to support mainstream Muslim views. The ASEAN Counter-Terrorism (CT) program will implement the President's Enhanced Partnership with ASEAN through activities to strengthen networks and information-sharing between national counter-terrorism and anticrime agencies in Southeast Asia and to support implementation of the new ASEAN CT Convention and United Nations counter-terrorism conventions and protocols. ARF is the principal multilateral forum for consideration of Asia-Pacific security issues, and the request will support disaster readiness, civil-military coordination, and nonproliferation activities. Other cooperative programs with ASEAN include activities to increase narcotics interdiction and to combat human trafficking. APEC programs will focus on efforts to combat counter-terrorism, financial crimes, money laundering, and intellectual property rights violations.

Governing Justly and Democratically: The Department of State will support good governance efforts in the public sector and anti-corruption efforts through ASEAN, APEC, and the Pacific Island Fund (PIF). Governing Justly and Democratically programs through ASEAN and PIF will focus on legal and judicial reform and anti-corruption. Funding also will support election processes and media freedom projects.

Investing in People: The Department of State will support APEC programs to strengthen education capacity, and PIF programs to improve delivery of social services.

Economic Growth: The Department of State will support APEC programs that focus on trade facilitation, trade and investment capacity building, private sector competitiveness, energy security and efficiency, and small enterprises. The Department's ASEAN-linked programs will support improvements in the trade and investment environment, the financial sector, and the environment for small enterprises.

The Department will support several programs in the environmental area. The Suva environmental hub's programs will preserve regional biodiversity, improve ocean fisheries management, and build capacity for climate adaptation. The Straits of Malacca initiative, a cooperative program under the umbrella of the International Maritime Organization, will improve management of hazardous and noxious substance spills in this key commercial waterway and reduce pressures to impose additional user fees on commercial shipping. ASEAN programs will combat wildlife trafficking and promote better air quality.

Humanitarian Assistance: The Department of State will provide all humanitarian assistance funding to APEC- and ASEAN-linked programs to build capacity in the disaster relief area.

Overview of Major Changes

The EAP Regional budget request reflects a decision to shift the funding for the South Pacific Fisheries Treaty from EAP to the Bureau of Oceans and International Environment and Scientific Affairs (OES) request. However, funding for the EAP Regional budget for other programs will increase from the FY 2008 level, primarily to support new opportunities with ASEAN.

Regional Development Mission - Asia

Program Overview

Rapid growth in Asia has created new sources of instability that threaten progress and U.S. interests. Regional initiatives of the U.S. Agency for International Development's (USAID) Regional Development Mission for Asia (RDMA) strengthen regional cooperation and interdependence and address security concerns due to weak or failing states, conflicts over resources, and emerging health threats.

Resources to Advance Transformational Diplomacy

Request by Account by Fiscal Year

	FY 2007	FY 2008	FY 2009 Request	
(\$ in thousands)	Actual	Estimate		
TOTAL	26,574	39,524	34,093	
Child Survival and Health	13,489	13,687	8,793	
Development Assistance	13,085	25,837	25,300	

Request by Program Area by Fiscal Year

(\$ in thousands)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request
TOTAL	26,574	39,524	34,093
Peace and Security	-	-	1,300
Transnational Crime	-	_	1,300
Investing in People	17,014	21,387	10,793
Health	16,689	21,387	10,793
Education	325	-	-
Economic Growth	9,560	18,137	22,000
Trade and Investment	3,688	1,877	1,625
Private Sector Competitiveness	-	1,700	1,625
Environment	5,872	14,560	18,750

Request by Objective by Account, FY 2009

(\$ in thousands)	Total	P&S	GJD	IIP	EG	HA
TOTAL	34,093	1,300	-	10,793	22,000	-
Child Survival and Health	8,793	-	-	8,793	_	-
Development Assistance	25,300	1,300	-	2,000	22,000	-

Peace and Security: Human trafficking strengthens the international criminal element in the region, undermining security and stability. RDMA will build upon its ongoing prevention and awareness efforts to combat human trafficking in Asia by expanding their geographic coverage, and supporting organizations with a proven record for training victims in job-related skills, thus improving victims' abilities to secure gainful employment and reintegrate into society.

Investing in People: Low incomes, dense and mobile populations, lack of access to quality medical care, close proximity to livestock, and environmental degradation make Asia a hotbed for spreading infectious diseases such as HIV/AIDS, SARS, avian influenza, and drug-resistant malaria and tuberculosis. To address the HIV/AIDS epidemic on a regional basis, RDMA designs and manages comprehensive programs for USAID non-presence countries and works with regional partners on multi-country initiatives. RDMA activities will reduce the incidence and prevalence of HIV/AIDS and mitigate impact on people living with HIV/AIDS. For other infectious diseases, RDMA transnational activities will focus on prevention, care, support, and treatment. Tuberculosis control activities will work to decrease the spread of multiple drug resistant (MDR) strains and ensure high coverage of directly-observed treatments. Malaria activities will provide services and care to improve the health of vulnerable populations, while limiting the spread of MDR strains.

Working with Asian water utilities, local and national governments, financial institutions, and community organizations, RDMA will improve access to water and sanitation services specifically for the urban poor by developing and disseminating improved policies and financing mechanisms and replicating best practices and systems for improving environmental health. It will work with regional organizations and partners, such as ASEAN, the World Bank, the World Health Organization, UNICEF, and the International Water Association, to develop and disseminate innovative solutions for achieving the targets of the Paul Simon Water for the Poor Act.

Economic Growth: Rapid growth in Asia is fueling environmental degradation that is contributing to global climate change, increasing pollution-related health problems, and exacerbating conflicts over scarce natural resources. RDMA environment programs will increase the use of clean energy technologies, promote better environmental standards and enforcement, and increase private sector involvement to work towards solutions to these issues. Activities will strengthen regional institutions for improved conflict management and international cooperation, transform the tropical timber trade through incentives and standards for legal and conflict-free products, create sustainable financing for biodiversity conservation, combat wildlife trafficking, and improve environmental governance and enforcement.

RDMA trade and investment programs will support economic integration and ASEAN efforts to develop strong regional economic institutions. USAID's programs support U.S. commitments under the ASEAN-U.S. Enhanced Partnership Plan of Action, the ASEAN Trade and Investment Framework Arrangement, and ASEAN Blueprints for integration directly. RDMA will strengthen the ASEAN Secretariat through technical assistance in legal reform, trade facilitation, regional competitiveness and private sector development, and creation of a private sector constituency to advocate for regional economic integration.

Overview of Major Changes

The FY 2009 funding request for RDMA reflects a decrease from the FY 2008 level. However, funding would expand the range of clean energy options from energy efficiency and clean technologies to broader climate change activities to increase carbon sinks (e.g., avoid deforestation) and reduce vulnerability to climate impacts. Additional funding also will replicate model environmental enforcement activities across the region and also may expand sustainable financing models for protecting vital ecosystems and improving the livelihoods of the rural poor.

Funding for health programs will decrease from the FY 2008 level. Funding in the Peace and Security Objective will allow RDMA to build upon its ongoing human-trafficking prevention and awareness efforts in partnership with the private sector, expanding the geographic coverage of these efforts, and improving victims' abilities to secure gainful employment and reintegrate into society.