

Data Sheet

USAID Mission:	Israel
Program Title:	Israel Cash Transfer
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	271-001
Status:	Continuing
Planned FY 2005 Obligation:	\$357,120,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$240,000,000 ESF
Year of Initial Obligation:	1999
Estimated Year of Final Obligation:	2008

Summary: The overall goal of U.S. assistance to Israel is to support peace in the Middle East. The Government of Israel's (GOI) political and economic stability continues to be a key U.S. foreign policy objective in the Middle East.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Economic Policy and Governance (\$357,120,000 ESF). The Israel Cash Transfer is accomplished by a direct grant to the GOI. The U.S. Government (USG), acting through USAID, provides a cash transfer to Israel that will be used mainly for debt repayment to the United States, including refinanced Foreign Military Sales debt, and the purchase of U.S. goods and services.

FY 2006 Program: Improve Economic Policy and Governance (\$240,000,000 ESF). The FY 2006 Appropriation Bill is expected to provide \$240 million in economic support funds as a cash transfer to the GOI. It will be used to repay debt owed to the USG, including refinanced Foreign Military Sales debt, and the purchase of U.S. goods and services.

Performance and Results: The Israel Cash Payment Program is aimed at strengthening Israel's civilian economy to enable the GOI to more easily pay required foreign debts while financing other annual governmental expenditures. Though the U.S. cash transfer is not conditioned on economic policy reform, the United States continues to encourage Israeli efforts to reduce government spending and deficits, improve tax and public wage structure, increase privatization, reform labor markets, and liberalize its trade regime. The economic and political stability of Israel is essential to the achievement of U.S. foreign policy goals in the region. USG economic and military programs are aimed at enhancing the GOI's confidence so that it will take the risks necessary to reach agreements with its neighbors on a host of peace-related issues.

US Financing in Thousands of Dollars

Israel

271-001 Israel Cash Transfer	ESF
Through September 30, 2003	
Obligations	5,383,308
Expenditures	5,383,308
Unliquidated	0
Fiscal Year 2004	
Obligations	477,168
Expenditures	477,168
Through September 30, 2004	
Obligations	5,860,476
Expenditures	5,860,476
Unliquidated	0
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2005 NOA	
Obligations	357,120
Total Planned Fiscal Year 2005	
Obligations	357,120
Proposed Fiscal Year 2006 NOA	
Obligations	240,000
Future Obligations	0
Est. Total Cost	6,457,596