

### III. SUPPORTING INFORMATION

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## Arms Control and Nonproliferation Considerations

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

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

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

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

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

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

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

## Estimating Foreign Military Sales

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

The following table is in two parts. The first part shows the total dollar value by country of government-to-government FMS Letters of Offer and Acceptance (LOA's) signed in FY 2003, regardless of when the articles and services were or will be delivered.

The second part shows the estimated dollar values projected for FY 2004 and FY 2005. These estimates were derived through:

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

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

## Foreign Military Sales & Construction Sales Agreements

(\$ in thousands)

	FY 2003 ACTUAL			ESTIMATED	
	DEFENSE ART/SERV	CONSTR/DESIGN	TOTAL	FY 2004	FY 2005
<b><u>Africa:</u></b>					
Botswana	1,032	0	1,032	0	0
Cape Verde	3	125	128	6	0
Chad	530	0	530	0	0
Djibouti	2,819	0	2,819	8,500	6,000
Eritrea	0	0	0	750	1,500
Ethiopia	1,800	0	1,800	700	7,000
Ghana	150	0	150	500	0
Guinea	0	0	0	86	0
Kenya	13,289	316	13,605	7,990	8,160
Mali	200	0	200	0	0
Niger	251	0	251	0	0
Nigeria	6,594	0	6,594	0	0
Senegal	206	98	304	300	283
South Africa	12,419	0	12,419	0	0
Togo	70	0	70	0	0
Uganda	965	0	965	100	0
Regional Total	40,328	539	40,867	18,932	22,943
<b><u>Western Hemisphere:</u></b>					
Antigua-Barbuda*	530	0	530	0	0
Argentina	3,612	0	3,612	600	400
Bahamas, The	619	0	619	100	200
Barbados*	97	0	97	0	0
Belize	404	0	404	0	0
Bolivia	210	0	210	2,000	3,000
Bolivia – Intl. Narc.	1,462	0	1,462	175	175
Brazil	14,802	0	14,802	3,565	3,000
Canada	255,865	0	255,865	165,710	72,735
Chile	627	0	627	15,000	5,000
Colombia	25,545	0	25,545	12,600	5,000
Colombia – Intl. Narc.	340	0	340	350	500
Dominica*	228	0	228	0	0
Dominican Republic	23,282	0	23,282	320	50
Ecuador	5,995	17,561	23,555	350	350
El Salvador	2,225	0	2,225	1,500	3,000
Grenada*	210	0	210	200	200
Guyana	232	0	232	100	200
Honduras	0	0	0	45	0
Jamaica	0	0	0	200	600
Mexico	6,805	0	6,805	6,300	6,000
Nicaragua	384	0	384	200	500
Panama	0	0	0	325	565
Peru	50	0	50	100	500
Peru – Intl. Narc.	172	0	172	50	25
St. Kitts and Nevis*	182	0	182	130	200
St. Lucia*	216	0	216	105	140
St. Vincent & Gren.*	110	0	110	0	50
Trinidad & Tobago	314	0	314	0	150
Uruguay	632	0	632	0	0
Venezuela	6,983	0	6,983	0	0
Regional Total	352,133	17,561	369,693	210,025	102,540
<b><u>East Asia &amp; Pacific:</u></b>					
Australia	450,148	0	450,148	170,000	454,000

	FY 2003 ACTUAL			ESTIMATED	
	DEFENSE ART/SERV	CONSTR/DESIGN	TOTAL	FY 2004	FY 2005
Japan	732,153	0	732,153	1,437,200	1,018,000
Korea (Seoul)	482,828	0	482,828	367,000	1,116,000
Malaysia	5,386	0	5,386	4,000	0
Mongolia	3,179	0	3,179	1,000	0
New Zealand	10,136	0	10,136	33,200	0
Philippines	45,336	0	45,336	72,000	0
Singapore	167,677	0	167,677	95,000	0
Taiwan	462,461	0	462,461	596,000	593,000
Thailand	78,265	0	78,265	15,500	15,000
UNTAET (East Timor)	1,000	0	1,000	1,000	0
Regional Total	2,438,568	0	2,438,568	2,791,900	3,196,000
<b>Europe &amp; NIS:</b>					
Albania	9,992	0	9,992	4,000	6,200
Armenia	6,947	0	6,947	5,000	5,000
Austria	5,703	0	5,703	4,113	10,000
Azerbaijan	3,086	0	3,086	3,000	13,700
Belgium	68,358	0	68,358	57,000	64,000
Bosnia-Herzegovina	2,595	0	2,595	2,000	3,000
Bulgaria	14,089	0	14,089	10,275	12,500
Croatia	14,446	0	14,446	0	0
Czech Republic	8,805	0	8,805	550,000	78,000
Denmark	22,734	0	22,734	28,500	114,500
Estonia	14,716	0	14,716	8,500	88,200
Finland	4,950	0	4,950	133,800	157,250
France	45,598	0	45,598	43,900	45,000
Georgia	12,459	0	12,459	10,000	12,000
Germany	319,314	245	319,559	138,700	132,000
Greece	54,128	0	54,128	131,065	501,030
Hungary	5,365	0	5,365	69,730	29,270
Ireland	12,510	0	12,510	123	11
Italy	154,119	0	154,119	64,500	77,000
Kazakhstan	1,311	0	1,311	3,000	1,000
Kyrgyzstan	4,751	0	4,751	5,000	4,000
Latvia	14,734	0	14,734	9,050	7,400
Lithuania	47,363	0	47,363	14,000	7,200
Luxembourg	2,037	0	2,037	2,000	9,000
Macedonia (FYROM)	10,302	0	10,302	9,300	7,000
Malta	5,428	0	5,428	0	0
Moldova	1,104	0	1,104	1,485	2,250
Netherlands	97,969	0	97,969	433,500	53,100
Norway	108,519	0	108,519	183,000	109,000
Poland	3,570,226	0	3,570,226	70,000	10,000
Portugal	7,908	0	7,908	73,000	3,000
Romania	18,332	0	18,332	49,000	19,000
Slovakia	8,428	0	8,428	9,300	9,350
Slovenia	6,714	0	6,714	4,000	4,500
Spain	119,889	0	119,889	162,400	94,400
Sweden	2,090	0	2,090	11,300	3,300
Switzerland	23,901	0	23,901	269,550	9,550
Tajikistan	1,804	0	1,804	0	0
Turkey	440,042	0	440,042	339,000	255,000
Turkmenistan	627	0	627	100	0
Ukraine	3,210	0	3,210	7,300	6,000
United Kingdom	464,913	0	464,913	182,950	104,370
Uzbekistan	16,046	0	16,046	1,050	1,200
Regional Total	5,757,562	245	5,757,806	3,103,491	2,068,281
<b>Near East &amp; South Asia:</b>					

	FY 2003 ACTUAL			ESTIMATED	
	DEFENSE ART/SERV	CONSTR/DESIGN	TOTAL	FY 2004	FY 2005
Afghanistan	67,940	156,976	224,915	150,000	660,000
Bahrain	93,046	0	93,046	83,950	356,250
Bangladesh	0	0	0	10,000	40,000
Egypt	930,637	9,251	939,889	1,688,250	1,349,000
India	63,000	0	63,000	25,000	0
Israel	499,476	5,854	505,330	921,000	475,000
Jordan	147,611	0	147,611	776,000	101,310
Kuwait	320,531	2,801	323,332	78,000	0
Lebanon	335	0	335	3,000	3,000
Morocco	4,519	0	4,519	9,200	20,200
Nepal	15,257	0	15,257	7,000	0
Oman	10,037	0	10,037	79,500	25,500
Pakistan	167,199	0	167,199	571,000	700,000
Qatar	6,000	0	6,000	101,300	0
Saudi Arabia	692,650	0	692,650	990,000	810,000
Sri Lanka	1,000	0	1,000	5,000	0
Tajikistan	0	0	0	500	800
Tunisia	7,545	0	7,545	9,990	19,680
United Arab Emirates	140,382	0	140,382	582,000	925,000
Yemen	15,828	0	15,828	1,745	0
Regional Total	3,182,993	174,882	3,357,875	6,092,435	5,485,740
				6,609,24354	
<b>Non-Regional:</b>					
Classified Totals (A)	981,450	0	981,450	1,605,000	407,000
International Org.	51,148	0	51,148	48,500	51,000
Non-Regional Total	1,032,598	0	1,032,598	1,653,500	458,000
Worldwide Total	12,804,182	193,226	12,997,408	13,870,283	11,333,504

Note: Totals May Not Add Due To Rounding.

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

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

## Foreign Military Sales Administrative Costs

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

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

The ceiling request to be included in Foreign Operations, Export Financing and Related Programs Appropriations Act of 2004, is \$361 million on obligations of FMS administrative funds. All FMS administrative budget obligations and expenditures are from FMS customers' funds that have been collected into the U.S. Treasury in the Foreign Military Sales Trust Fund account. There is no net outlay impact on the U.S. budget from the operations of the FMS administrative budget.

In FY 2005, \$367 million is required. About the same number of work years will be financed in FY 2005 as in FY 2004. DoD's FMS workload is level as indicated by actual sales between FY's 2000-2003 in the \$12-13 billion range, and anticipated sales for FY 2004-2005 also in the \$12 billion range.

The following table shows FMS administrative budget amounts for FY's 2003-2005.



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

	FY 2003 Actual		FY 2004 Estimate		FY 2005 Request	
	Workyrs	Dollars	Workyrs	Dollars	Workyrs	Dollars
Military Departments	2,579	221.467	2,556	223.549	2,589	232.120
Other Defense Activities	621	106.591	615	109.134	590	105.086
Overseas (Net)	345	27.942	345	28.317	345	29.794
<b>Total</b>	<b>3,545</b>	<b>356.000</b>	<b>3,516</b>	<b>361.000</b>	<b>3,524</b>	<b>367.000</b>

## Overseas Military Program Management

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

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

The Department of Defense reviews staffing authorizations in coordination with the Department of State, the Chiefs of U.S. Diplomatic Missions, and the regional area military Commanders-in-Chief to ensure that SAOs are properly staffed to conduct their missions efficiently

In FY 2004, separate SAOs will be assigned to eighty-eight countries. In twenty-six additional countries, programs will be administered by augmentation personnel assigned to carry out security assistance management functions under the supervision of the Defense Attaché or other Mission staff. In other countries with which the U.S. maintains a security assistance relationship, Defense Attaches and other Mission personnel manage the programs without augmentation personnel.

The tables on the following pages identify the security assistance authorized staffing levels and associated costs at the conclusion of FY 2003 and the estimated levels for FY 2004 and FY 2005, including additional staffing requirements as a result of the global war on terrorism. Actual assigned strengths for FY 2004 and FY 2005 may be less than the estimated and requested levels shown. Staffing requirements may change as individual country programs develop.

### U.S. SECURITY ASSISTANCE ORGANIZATIONS

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

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

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

	ORG.	FY 2003 Actual			FY 2004 Estimate			FY 2005 Request		
		FMF	FMS	TOTAL	FMF	FMS	TOTAL	FMF	FMS	TOTAL
<b><u>Africa:</u></b>										
Angola	DAO	11	0	11	11	0	11	11	0	11
Benin	EMBASSY	59	0	59	62	0	62	62	0	62
Botswana	ODC	251	28	279	260	29	289	260	29	289
Cameroon	DAO	11	0	11	10	0	10	10	0	10
Cape Verde	EMBASSY	10	0	10	13	0	13	13	0	13
Chad	DAO	72	0	72	46	0	46	46	0	46
Cote d'Ivoire	DAO	17	0	17	17	0	17	17	0	17
Djibouti	USLO	430	143	573	444	239	684	444	239	684
Eritrea	USLO	194	4	198	230	5	234	230	5	234
Ethiopia	SAO	114	29	143	100	25	125	100	25	125
Gabon	EMBASSY	24	0	24	24	0	24	24	0	24
Ghana	ODC	304	0	304	200	108	308	200	108	308
Guinea	DAO	8	0	8	12	0	12	12	0	12
Guinea-Bissau	EMBASSY	3	0	3	3	0	3	3	0	3
Kenya	KUSLO	761	342	1103	749	321	1069	749	321	1069
Lesotho	EMBASSY	13	0	13	12	0	12	12	0	12
Madagascar	DAO	45	0	45	32	0	32	32	0	32
Malawi	EMBASSY	32	11	43	34	11	46	34	11	46
Mali	DAO	25	0	25	25	0	25	25	0	25
Mauritania	EMBASSY	17	0	17	19	0	19	19	0	19
Mozambique	DAO	17	0	17	17	0	17	17	0	17
Namibia	DAO	57	14	71	57	14	71	57	14	71
Niger	DAO	30	0	30	30	0	30	30	0	30
Nigeria	ODC	234	126	360	244	131	375	244	131	375
Rwanda	DAO	38	0	38	39	0	39	39	0	39
Sao Tome & Principe	EMBASSY	8	0	8	9	0	9	9	0	9
Senegal	ODC	243	99	342	247	101	348	247	101	348
Seychelles	EMBASSY	16	0	16	21	0	21	21	0	21
South Africa	ODC	234	78	312	285	95	380	285	95	380
Tanzania	EMBASSY	10	0	10	10	0	10	10	0	10
Togo	EMBASSY	8	0	8	9	0	9	9	0	9
Uganda	EMBASSY	17	0	17	17	0	17	17	0	17
Zambia	EMBASSY	13	0	13	13	0	13	13	0	13
Zimbabwe	DAO	12	0	12	11	0	11	11	0	11
<b>Regional Total</b>		<b>3338</b>	<b>874</b>	<b>4212</b>	<b>3312</b>	<b>1079</b>	<b>4391</b>	<b>3312</b>	<b>1079</b>	<b>4391</b>
<b><u>Western Hemisphere:</u></b>										
Argentina	USMILGP	244	81	325	271	90	361	271	90	361
Bahamas	USNLO	38	0	38	35	0	35	35	0	35
Belize	USMLO	196	49	246	217	54	272	217	54	272
Bolivia	USMILGP	440	293	733	537	230	768	537	230	768
Brazil	USMLO	199	112	311	183	103	286	183	103	286
Canada	DAO	0	70	70	0	72	72	0	72	72
Chile	USMILGP	148	189	337	148	189	337	148	189	337
Colombia	USMILGP	354	415	769	325	381	706	325	381	706
Costa Rica	ODR	165	55	220	168	56	224	168	56	224
Dominican Republic	USMAAG	323	108	431	282	94	376	282	94	376
Eastern Caribbean	USMLO	170	73	242	166	71	238	166	71	238
Ecuador	USMILGP	353	151	505	332	142	474	332	142	474
El Salvador	USMILGP	441	189	631	475	158	633	475	158	633
Guatemala	USMILGP	237	0	237	174	0	174	174	0	174

	ORG.	FY 2003 Actual			FY 2004 Estimate			FY 2005 Request		
		FMF	FMS	TOTAL	FMF	FMS	TOTAL	FMF	FMS	TOTAL
Guyana	USMLO	24	10	34	26	11	37	26	11	37
<b><u>Western Hemisphere</u></b>										
<b><u>Con't:</u></b>										
Haiti	USMLO	386	165	551	339	145	485	339	145	485
Honduras	USMILGP	411	242	653	418	246	664	418	246	664
Jamaica	USMLO	339	74	413	339	74	413	339	74	413
Mexico	USMLO	449	242	690	557	300	857	557	300	857
Nicaragua	USMLO	34	0	34	24	12	35	24	12	35
Panama	ODC	143	25	168	148	26	174	148	26	174
Paraguay	ODC	218	11	229	202	11	212	202	11	212
Peru	USMAAG	344	211	554	378	162	540	378	162	540
Suriname	DAO	33	0	33	34	0	34	34	0	34
Trinidad & Tobago	USMLO	33	22	55	35	24	59	35	24	59
Uruguay	ODC	181	78	259	180	77	258	180	77	258
Venezuela	USMILGP	253	168	421	238	159	397	238	159	397
<b>Regional Total</b>		<b>6156</b>	<b>3033</b>	<b>9189</b>	<b>6231</b>	<b>2887</b>	<b>9121</b>	<b>6231</b>	<b>2887</b>	<b>9121</b>
<b><u>East Asia &amp; Pacific:</u></b>										
Australia	ODC	123	184	307	142	173	315	142	173	315
Cambodia	DAO	36	12	48	82	27	109	82	27	109
East Timor	EMBASSY	0	0	0	48	20	68	48	20	68
Fiji	DAO	81	9	90	50	6	55	50	6	55
Indonesia	OMADP	306	76	382	296	74	370	296	74	370
Japan	MDAO	345	804	1149	317	740	1058	317	740	1058
Malaysia	ODC	286	234	520	279	228	507	279	228	507
Mauritius	EMBASSY	3	0	3	20	0	20	20	0	20
Mongolia	DAO	122	0	122	151	0	151	151	0	151
New Zealand	DAO	0	83	83	0	82	82	0	82	82
Philippines	JUSMAG	288	366	653	400	327	726	400	327	726
Singapore	ODC	139	466	605	158	528	686	158	528	686
South Korea	JUSMAG	387	1297	1685	459	1071	1530	459	1071	1530
Thailand	JUSMAG	454	681	1134	592	484	1076	592	484	1076
Vietnam	DAO	48	0	48	57	0	57	57	0	57
<b>Regional Total</b>		<b>2618</b>	<b>4212</b>	<b>6829</b>	<b>3051</b>	<b>3760</b>	<b>6810</b>	<b>3051</b>	<b>3760</b>	<b>6810</b>
<b><u>Europe &amp; Eurasia:</u></b>										
Albania	ODC	170	73	243	168	72	240	168	72	240
Armenia	ODC	58	0	58	56	46	102	56	46	102
Austria	ODC	16	312	329	14	273	288	14	273	288
Azerbaijan	ODC	125	0	125	162	70	232	162	70	232
Belgium	ODC	9	441	450	9	437	446	9	437	446
Bosnia	ODC	161	87	248	159	86	245	159	86	245
Bulgaria	ODC	135	172	307	132	168	299	132	168	299
Croatia	ODC	197	89	286	209	94	302	209	94	302
Czech Republic	ODC	128	273	401	127	269	396	127	269	396
Denmark	ODC	138	294	432	139	295	434	139	295	434
Estonia	ODC	143	138	281	141	135	276	141	135	276
Finland	DAO	1	11	12	1	10	11	1	10	11
France	ODC	68	388	456	61	446	507	61	446	507
Georgia	ODC	148	66	214	159	71	230	159	71	230
Germany	ODC	251	428	679	203	431	633	203	431	633
Greece	ODC	493	1047	1539	673	1009	1682	673	1009	1682
Hungary	ODC	208	208	416	197	197	393	197	197	393
Italy	ODC	258	523	781	255	567	821	255	567	821
Kazakhstan	SAO	239	159	398	304	202	506	304	202	506
Kyrgyzstan	SAO	79	52	131	103	69	172	103	69	172

	ORG.	FY 2003 Actual			FY 2004 Estimate			FY 2005 Request		
		FMF	FMS	TOTAL	FMF	FMS	TOTAL	FMF	FMS	TOTAL
Latvia	ODC	128	85	214	160	107	267	160	107	267
Lithuania	ODC	167	72	239	170	73	243	170	73	243
<b><u>Europe &amp; Eurasia Con't:</u></b>										
Luxembourg	EMBASSY	5	13	18	5	12	18	5	12	18
Macedonia (FYROM)	ODC	188	101	288	205	110	316	205	110	316
Malta	EMBASSY	40	0	40	28	0	28	28	0	28
Moldova	ODC	192	29	220	205	31	236	205	31	236
Netherlands	ODC	85	342	427	92	370	462	92	370	462
Norway	ODC	69	207	277	71	214	285	71	214	285
Poland	ODC	211	492	703	291	437	729	291	437	729
Portugal	ODC	375	361	736	331	404	735	331	404	735
Romania	ODC	139	134	273	137	137	274	137	137	274
Russia	DAO	206	11	216	225	12	237	225	12	237
Slovakia	ODC	107	88	195	121	99	219	121	99	219
Slovenia	ODC	108	78	185	111	80	191	111	80	191
Spain	ODC	236	236	471	215	215	431	215	215	431
Sweden	ODC	0	12	12	0	13	13	0	13	13
Switzerland	DAO	0	36	36	0	38	38	0	38	38
Tajikistan	DAO	294	0	294	118	118	236	118	118	236
Turkey	ODC	3516	825	4340	3628	851	4479	3628	851	4479
Turkmenistan	DAO	70	0	70	86	0	86	86	0	86
Ukraine	ODC	174	75	249	236	101	337	236	101	337
United Kingdom	ODC	37	150	187	36	143	178	36	143	178
Uzbekistan	SAO	80	80	160	91	91	183	83	83	165
<b>Regional Total</b>		<b>9452</b>	<b>8188</b>	<b>17636</b>	<b>9834</b>	<b>8603</b>	<b>18436</b>	<b>9826</b>	<b>8595</b>	<b>18418</b>
<b><u>Near East &amp; South Asia:</u></b>										
Afghanistan	OMC	1313	0	1313	853	0	853	853	0	853
Algeria	DAO	26	0	26	89	48	137	89	48	137
Bahrain	OMC	318	477	795	272	407	679	272	407	679
Bangladesh	ODC	145	71	216	150	74	224	150	74	224
Egypt	OMC	1653	2479	4132	2310	2310	4621	2310	2310	4621
India	ODC	154	189	343	138	169	307	138	169	307
Israel	DAO	8	69	76	8	70	77	8	70	77
Jordan	MAP	715	477	1192	866	577	1443	866	577	1443
Kuwait	OMC	113	220	333	152	296	448	152	296	448
Lebanon	DAO	411	246	657	425	255	680	425	255	680
Morocco	ODC	519	222	741	511	219	730	511	219	730
Nepal	SAO	109	133	241	106	130	236	106	130	236
Oman	OMC	361	361	721	360	360	721	360	360	721
Pakistan	ODRP	251	206	457	234	234	468	234	234	468
Qatar	USLO	408	272	680	360	240	599	360	240	599
Saudi Arabia	USMTM	0	1030	1030	0	1038	1038	0	1038	1038
Sri Lanka	DAO	44	19	63	49	21	70	49	21	70
Tunisia	ODC	384	256	640	382	255	637	382	255	637
United Arab Emirates	USLO	182	727	909	277	647	924	277	647	924
Yemen	OMC	253	0	253	284	190	474	284	190	474
<b>Regional Total</b>		<b>7367</b>	<b>7454</b>	<b>14818</b>	<b>7826</b>	<b>7540</b>	<b>15366</b>	<b>7826</b>	<b>7540</b>	<b>15366</b>
<b>WORLDWIDE TOTAL</b>		<b>28930</b>	<b>23761</b>	<b>52684</b>	<b>30254</b>	<b>23869</b>	<b>54124</b>	<b>30246</b>	<b>23861</b>	<b>54106</b>

NOTE: Totals may not add due to rounding.

## Overseas Military Program Management - Personnel Strengths

ORG.	FY 2003 Actual				FY 2004 Estimate				FY 2005 Request				
	MIL	CIV	LOCAL	TOT	MIL	CIV	LOCAL	TOT	MIL	CIV	LOCAL	TOT	
<b><u>Africa:</u></b>													
Botswana	ODC	2	0	1	3	2	0	1	3	2	0	1	3
Chad	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Djibouti	USLO	1	0	1	2	1	0	1	2	1	0	1	2
Eritrea	USLO	1	0	0	1	1	0	0	1	1	0	0	1
Ethiopia	SAO	1	0	0	1	1	0	0	1	2	0	0	2
Ghana	ODC	0	1	0	1	0	1	0	1	0	1	0	1
Kenya	KUSLO	4	2	1	7	4	2	1	7	4	2	1	7
Namibia	EMBASSYb/	0	1	0	1	0	1	0	1	0	1	0	1
Niger	DAO	0	0	1	1	0	0	1	1	0	0	1	1
Nigeria	ODC	3	0	0	3	3	0	0	3	3	0	0	3
Rwanda	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Senegal	ODC	1	0	2	3	1	0	3	4	1	0	3	4
South Africa	ODC	2	0	2	4	2	0	2	4	2	0	2	4
<b>Regional Total</b>		<b>15</b>	<b>4</b>	<b>10</b>	<b>29</b>	<b>15</b>	<b>4</b>	<b>11</b>	<b>30</b>	<b>16</b>	<b>4</b>	<b>11</b>	<b>31</b>
<b><u>Western Hemisphere:</u></b>													
Argentina	USMILGP	3	0	2	5	3	0	2	5	3	0	2	5
Barbados	USMLOc/	2	0	0	2	2	0	0	2	2	0	0	2
Belize	USMLO	2	0	0	2	2	0	0	2	2	0	0	2
Bolivia	USMILGP	5	2	2	9	5	2	2	9	5	2	1	8
Brazil	USMLO	4	0	0	4	4	0	0	4	4	0	0	4
Canada	DAOa/	1	0	1	2	1	0	1	2	1	0	1	2
Chile	USMILGP	2	0	2	4	2	0	2	4	2	0	2	4
Colombia	USMILGP	5	0	3	8	5	3	3	11	5	3	3	11
Costa Rica	ODR	1	0	1	2	1	0	1	2	1	0	1	2
Dominican Republic	USMAAG	2	0	0	2	2	0	0	2	2	0	0	2
Ecuador	USMILGP	4	1	3	8	4	1	3	8	5	1	2	8
El Salvador	USMILGP	4	1	2	7	3	0	2	5	3	0	2	5
Guatemala	USMILGP	1	0	1	2	1	0	1	2	1	0	1	2
Guyana	USMLO	0	0	0	0	0	0	0	0	0	0	0	0
Haiti	USMLO	3	0	1	4	3	0	1	4	3	0	1	4
Honduras	USMILGP	5	1	4	10	4	1	3	8	4	1	3	8
Jamaica	USMLO	2	0	0	2	2	0	0	2	2	0	0	2
Mexico	USMLO	3	1	4	8	3	1	4	8	3	1	4	8
Nicaragua	DAOa/	0	0	0	0	1	1	0	2	1	1	0	2
Panama	DAOa/	2	0	1	3	2	0	1	3	2	0	1	3
Paraguay	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Peru	USMAAG	3	1	5	9	1	0	4	5	1	0	4	5
Suriname	DAOa/	0	0	0	0	1	0	0	1	1	0	0	1
Trinidad and Tobago	USMLO	0	0	0	0	1	0	0	1	1	0	0	1
Uruguay	USODC	1	0	3	4	1	0	3	4	1	0	3	4
Venezuela	USMILGP	2	1	2	5	2	1	2	5	2	1	2	5
<b>Regional Total</b>		<b>58</b>	<b>8</b>	<b>38</b>	<b>104</b>	<b>57</b>	<b>10</b>	<b>36</b>	<b>103</b>	<b>58</b>	<b>10</b>	<b>34</b>	<b>102</b>
<b><u>East Asia &amp; Pacific:</u></b>													
Australia	ODC a/	4	1	1	6	4	1	1	6	4	1	1	6
Cambodia	DAOa/	1	0	2	3	1	0	2	3	1	0	2	3
Fiji	DAOa/	1	0	1	2	1	0	1	2	1	0	1	2
Indonesia	DAOa/	1	0	4	5	1	0	4	5	1	0	4	5
Japan	MDAO	5	3	6	14	5	3	6	14	5	3	6	14
Malaysia	SAO	3	0	5	8	3	0	5	8	3	0	5	8
Mongolia	DAOb/	1	0	1	2	1	0	1	2	1	0	1	2
New Zealand	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Philippines	JUSMAG	5	1	4	10	5	1	4	10	5	1	4	10
Singapore	ODC	7	0	3	10	7	0	3	10	7	0	3	10
Sri Lanka	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
South Korea	JUSMAG-K	17	0	10	27	16	0	10	26	16	0	10	26
Thailand	JUSMAG	14	1	11	26	14	1	11	26	14	1	11	26
Vietnam	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
<b>Regional Total</b>		<b>59</b>	<b>6</b>	<b>51</b>	<b>116</b>	<b>58</b>	<b>6</b>	<b>51</b>	<b>115</b>	<b>58</b>	<b>6</b>	<b>51</b>	<b>115</b>
<b><u>Europe and Eurasia:</u></b>													

ORG.	FY 2003 Actual				FY 2004 Estimate				FY 2005 Request				
	MIL	CIV	LOCAL	TOT	MIL	CIV	LOCAL	TOT	MIL	CIV	LOCAL	TOT	
Albania	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Algeria	ODC	0	0	0	0	1	0	1	2	1	0	1	2
Armenia	ODC	1	0	0	1	1	0	0	1	1	0	0	1
Austria	ODC	2	0	0	2	2	0	0	2	2	0	0	2
Azerbaijan	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Belgium	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Bosnia	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Bulgaria	ODC	2	0	0	2	2	0	2	4	2	0	2	4
Croatia	ODC	1	1	1	3	1	1	1	3	1	1	1	3
Czech Republic	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Denmark	ODC	1	1	2	4	1	1	2	4	1	1	2	4
Estonia	ODC	2	0	1	3	2	0	1	3	2	0	1	3
France	ODC	1	1	2	4	1	1	2	4	1	1	2	4
Georgia	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Germany	ODC	5	1	2	8	5	1	2	8	5	1	2	8
Greece	ODC	8	1	7	16	8	1	7	16	8	1	7	16
Hungary	ODC	1	1	2	4	1	1	2	4	1	1	2	4
Italy	ODC	3	1	4	8	3	1	4	8	3	1	4	8
Kazakhstan	SAO	2	0	1	3	2	0	1	3	2	0	1	3
Kyrgyzstan	SAO	1	1	1	3	2	0	1	3	2	0	1	3
Latvia	ODC	2	0	1	3	2	0	1	3	2	0	1	3
Lithuania	ODC	2	0	1	3	2	0	1	3	2	0	1	3
Macedonia (FYROM)	ODC	2	0	2	4	2	0	2	4	2	0	2	4
Moldova	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Netherlands	ODC	2	1	2	5	2	1	2	5	2	1	2	5
Norway	ODC	2	0	1	3	2	0	1	3	2	0	1	3
Poland	ODC	4	0	3	7	4	0	3	7	4	0	3	7
Portugal	ODC	4	0	3	7	4	0	3	7	4	0	3	7
Romania	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Russia	DAOa/	2	0	0	2	2	0	0	2	2	0	0	2
Serbia	ODC	0	0	0	0	0	0	0	0	1	0	0	1
Slovakia	ODC	1	0	1	2	2	0	1	3	2	0	1	3
Slovenia	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Spain	ODC	4	2	1	7	4	2	1	7	4	2	1	7
Switzerland	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Tajikistan	DAOa/	0	0	0	0	0	0	0	0	1	0	0	1
Turkey	ODC	22	4	9	35	22	1	6	29	19	1	6	26
Turkmenistan	DAOa/	1	0	0	1	1	0	1	2	1	0	1	2
Ukraine	ODC	1	0	2	3	1	0	2	3	1	0	2	3
United Kingdom	ODC	2	1	0	3	2	1	0	3	2	1	0	3
Uzbekistan	SAO	2	1	1	3	2	0	1	3	3	0	1	4
<b>Regional Total</b>		<b>92</b>	<b>17</b>	<b>65</b>	<b>174</b>	<b>95</b>	<b>14</b>	<b>67</b>	<b>176</b>	<b>93</b>	<b>14</b>	<b>67</b>	<b>174</b>
<b><u>Near East/South Asia:</u></b>													
Afghanistan	OMC	0	0	0	0	0	0	0	0	6	0	0	6
Bahrain	OMC	6	1	0	7	6	1	0	7	6	1	0	7
Bangladesh	DAOa/	0	0	1	1	1	0	1	2	1	0	1	2
Egypt	OMC	28	8	12	48	28	8	12	48	28	8	12	48
India	DAOa/	1	1	2	4	2	1	2	5	2	1	2	5
Iraq	OMC	0	0	0	0	0	0	0	0	9	0	0	9
Israel	DAOa/	0	1	0	1	1	1	0	2	1	1	0	2
Jordan	MAP	8	1	4	13	8	1	4	13	9	1	4	14
Kuwait	OMC	10	1	1	12	10	1	1	12	10	1	1	12
Lebanon	DAOa/	1	0	3	4	1	0	3	4	1	0	3	4
Madagascar	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Morocco	ODC	2	1	3	6	2	1	3	6	2	1	3	6
Nepal	SAO	1	0	1	2	1	0	1	2	1	0	1	2
Oman	OMC	5	1	1	7	5	1	1	7	6	1	1	8
Pakistan	ODRP	2	1	3	6	2	1	3	6	4	1	3	8
Qatar	USLO	2	1	0	3	3	0	0	3	2	1	0	3
Saudi Arabia	USMTM	63	0	8	71	63	0	8	71	59	0	8	67
Sri Lanka	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Tunisia	ODC	6	1	1	8	4	1	0	5	4	1	0	5
United Arab Emirates	USLO	6	1	1	8	6	1	1	8	6	1	1	8
Yemen	OMC	0	0	1	1	0	0	1	1	2	0	1	3
<b>Regional Total</b>		<b>141</b>	<b>19</b>	<b>44</b>	<b>204</b>	<b>143</b>	<b>18</b>	<b>43</b>	<b>204</b>	<b>160</b>	<b>17</b>	<b>44</b>	<b>221</b>
<b>WORLDWIDE TOTAL</b>		<b>365</b>	<b>54</b>	<b>208</b>	<b>627</b>	<b>368</b>	<b>52</b>	<b>208</b>	<b>628</b>	<b>385</b>	<b>51</b>	<b>207</b>	<b>643</b>

ORG.	FY 2003 Actual				MIL	FY 2004 Estimate				MIL	FY 2005 Request		
	MIL	CIV	LOCAL	TOT		CIV	LOCAL	TOT	CIV		LOCAL	TOT	

- a/ Personnel authorized to assist the DAO with security assistance management functions.
- b/ Personnel authorized to assist the Embassy with security assistance management functions.
- c/ Manages programs for Eastern Caribbean countries.



## **Excess Defense Articles**

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

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

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

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

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

	OFFERED IN FY 2003		DELIVERED IN FY 2003	
	ACQ. VALUE	CURRENT VALUE	ACQ. VALUE	CURRENT VALUE
<b><u>AFRICA:</u></b>				
DJIBOUTI	827	248	0	0
GHANA	746	378	0	0
SENEGAL	5,032	1,067	0	0
REGIONAL TOTAL	6,605	1,693	0	0
<b><u>EAST ASIA &amp; PACIFIC:</u></b>				
PHILIPPINES	9,227	927	0	0
REGIONAL TOTAL	9,227	927	0	0
<b><u>EUROPE &amp; EURASIA:</u></b>				
ALBANIA	1,950	390	0	0
BOSNIA-HERZEGOVINA	387	39	0	0
GEORGIA	5,128	1,026	0	0
GREECE	60,966	7,131	0	0
LITHUANIA	520	104	520	104
MOLDOVA	2,660	437	923	93
PORTUGAL	1,637	360	107	54
TURKEY	1,902	260	1,040	52
REGIONAL TOTAL	75,150	9,747	2,590	303
<b><u>NEAR EAST &amp; SOUTH ASIA:</u></b>				
AFGHANISTAN	31,058	6,203	0	0
BAHRAIN	38,089	5,805	1,319	65
EGYPT	107,663	15,019	0	0
ISRAEL	70,279	16,279	4,328	836
JORDAN	179,485	35,870	59,785	11,957
LEBANON	46	4	0	0
MOROCCO	109,699	13,396	13,009	1,352
NEPAL	2,323	696	0	0
PAKISTAN	304,955	42,369	3,871	194
SRI LANKA	33,080	3,308	0	0
TUNISIA	42,935	8,615	0	0
YEMEN	1,168	410	0	0
REGIONAL TOTAL	920,780	147,974	82,312	14,404
<b><u>WESTERN HEMISPHERE:</u></b>				
ARGENTINA	4,860	1,580	360	180
BOLIVIA	6,446	1,851	0	0
BRAZIL	1,000	400	0	0
CHILE	923	93	0	0
COLOMBIA	39,410	4,587	33,947	3,397
DOMINICAN REPUBLIC	105,977	5,434	0	0
ECUADOR	5,054	1,854	0	0
GUATEMALA	47	9	47	9
HONDURAS	153	15	0	0
MEXICO	1,692	445	292	25
NICARAGUA	997	117	0	0
SURINAME	3,014	927	0	0
REGIONAL TOTAL	169,573	17,312	34,646	3,611
WORLDWIDE TOTAL	1,181,335	177,653	119,548	18,318

NOTE: Totals may not add due to rounding.

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

	OFFERED IN FY 2003		DELIVERED IN FY 2003	
	ACQ. VALUE	CURRENT VALUE	ACQ. VALUE	CURRENT VALUE
<b><u>EAST ASIA &amp; PACIFIC:</u></b>				
AUSTRALIA	8,748	3,164	38	15
JAPAN	300	150	0	0
NEW ZEALAND	50	25	0	0
TAIWAN	1,244,242	62,350	0	0
REGIONAL TOTAL	1,253,340	65,689	38	15
<b><u>EUROPE &amp; EURASIA:</u></b>				
CZECH REPUBLIC	126,582	6,329	0	0
UNITED KINGDOM	6,001	327	0	0
REGIONAL TOTAL	132,583	6,656	0	0
<b><u>WESTERN HEMISPHERE:</u></b>				
MEXICO	19,616	1,961	0	0
REGIONAL TOTAL	19,616	1,961	0	0
WORLDWIDE TOTAL	1,405,539	74,306	38	15

NOTE: Totals may not add due to rounding

## **Leased Defense Articles**

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

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

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

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

**Leases Under the Arms Export Control Act Implemented FY 2003**  
(\$ in thousands)

	<b>REPLACEMENT VALUE</b>	<b>TOTAL RENTAL VALUE</b>
<b><u>East Asia &amp; Pacific:</u></b>		
Australia	9,152	1,280
Korea	27,668	0
Singapore	1,660	250
<b>Regional Total</b>	<b>38,480</b>	<b>1,530</b>
<b><u>Europe and Eurasia:</u></b>		
France	26,186	1,592
Germany	600	10
Norway	2,751	16
Switzerland	245	14
United Kingdom	1,233	82
<b>Regional Total</b>	<b>31,015</b>	<b>1,714</b>
<b><u>Near East &amp; South Asia:</u></b>		
India	27,756	865
Israel	7,917	484
Jordan	34,065	0
<b>Regional Total</b>	<b>69,738</b>	<b>1,349</b>
<b>WORLDWIDE TOTAL</b>	<b>139,233</b>	<b>4,593</b>

## **Stockpiling of Defense Articles for Foreign Countries**

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

In FY 2005, it is anticipated that no defense articles will be added to existing stockpiles as items are in sufficient supply to provide the necessary support.

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

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

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

**Africa**

Angola	July 28, 1995
Benin	January 02, 1973
Botswana	February 06, 1979
Burkina Faso	January 02, 1973
Burundi	August 24, 1991
Cameroon	January 02, 1973
Cape Verde	June 10, 1985
Central African Republic	February 02, 1987
Chad	September 01, 1977
Comoros	May 26, 1992
Cote D'Ivoire	January 02, 1973
Democratic Republic of Congo	August 24, 1991
Djibouti	May 17, 1982
Equatorial Guinea	November 28, 1983
Eritrea	February 18, 1994
Ethiopia	January 02, 1973
Gabon	January 02, 1973
Gambia	February 02, 1987
Ghana	January 02, 1973
Guinea	January 02, 1973
Guinea-Bissau	June 10, 1985
Kenya	October 29, 1974
Lesotho	October 25, 1990
Liberia	January 02, 1973
Madagascar	February 04, 1985
Malawi	January 02, 1973
Mali	June 10, 1985
Mauritania	October 29, 1974
Mauritius	August 22, 1995
Mozambique	April 10, 1985
Namibia	October 25, 1990
Niger	January 02, 1973
Nigeria	January 02, 1973
Republic of the Congo	January 02, 1973
Rwanda	February 27, 1981
Sao Tome & Principe	May 27, 1988
Senegal	January 02, 1973
Seychelles	July 20, 1989
Sierra Leone	February 05, 1985
Somalia	November 05, 1976
South Africa	June 27, 1994
Sudan	November 05, 1976
Tanzania	July 20, 1989
Togo	February 11, 1985



Uganda	July 20, 1989
Zambia	August 11, 1992
Zimbabwe	October 26, 1982

**East Asia & Pacific**

Australia	January 02, 1973
Brunei	January 02, 1973
Burma	January 02, 1973
Cambodia	January 02, 1973
China	June 12, 1984
Cook Islands	January 6, 1993
East Timor	May 27, 2002
Fiji	August 05, 1975
Indonesia	January 02, 1973
Japan	January 02, 1973
Korea	January 02, 1973
Kiribati	March 12, 2002
Laos	January 02, 1973
Malaysia	January 02, 1973
Marshall Islands	January 06, 1993
Micronesia	January 06, 1993
Mongolia	August 22, 1995
New Zealand	January 02, 1973
Palau	March 12, 2002
Papua New Guinea	December 04, 1980
Philippines	January 02, 1973
Samoa	January 06, 1993
Singapore	January 02, 1973
Solomon Islands	January 06, 1993
Taiwan	January 02, 1973
Thailand	January 02, 1973
Tonga	November 5, 1987
Tuvalu	March 12, 2002
Vanuatu	January 06, 1993
Vietnam	January 02, 1973

**Europe & Eurasia**

Albania	March 22, 1994
Armenia	April 18, 2002
Austria	January 02, 1973
Azerbaijan	April 18, 2002
Belgium	January 02, 1973
Bosnia and Herzegovina	February 23, 1996
Bulgaria	March 22, 1994
Canada	January 02, 1973
Croatia	April 08, 1999
Czech Republic	January 05, 1994
Denmark	January 02, 1973
Estonia	March 22, 1994

invalid	Federal Republic of Yugoslavia	January 02, 1973 Now
	Finland	January 02, 1973
	France	January 02, 1973
	Georgia	March 11, 1997
	Germany	January 02, 1973
	Greece	January 02, 1973
	Hungary	December 06, 1991
	Iceland	January 02, 1973
	Ireland	January 02, 1973
	Italy	January 02, 1973
	Kazakhstan	March 11, 1997
	Kyrgyzstan	March 11, 1997
	Latvia	March 22, 1994
	Lithuania	March 22, 1994
	Luxembourg	January 02, 1973
	Macedonia	March 08, 1996
	Malta	January 02, 1973
	Moldova	March 11, 1997
	Netherlands	January 02, 1973
	Norway	January 02, 1973
	Poland	December 06, 1991
	Portugal	January 02, 1973
	Romania	March 22, 1994
	Russia	March 11, 1997
	Serbia and Montenegro	May 6, 2003
	Slovakia	January 05, 1994
	Slovenia	March 08, 1996
	Spain	January 02, 1973
	Sweden	January 02, 1973
	Switzerland	January 02, 1973
	Tajikistan	April 18, 2002
	Turkey	January 02, 1973
	Turkmenistan	March 11, 1997
	Ukraine	March 11, 1997
	United Kingdom	January 02, 1973
	Uzbekistan	March 11, 1997
	<b>Near East</b>	
	Algeria	April 8, 1983/April 10, 1985
	Bahrain	January 02, 1973
	Egypt	August 01, 1977
	Iran	January 02, 1973
	Israel	January 02, 1973
	Jordan	January 02, 1973
	Kuwait	January 02, 1973
	Lebanon	January 02, 1973
	Libya	January 02, 1973
	Morocco	January 02, 1973

Oman	January 02, 1973
Qatar	January 02, 1973
Saudi Arabia	January 02, 1973
Tunisia	January 02, 1973
United Arab Emirates	January 02, 1973
Yemen	January 02, 1973
<b>South Asia</b>	
Afghanistan	January 2, 1973
Bangladesh	December 31, 1980
India	January 02, 1973
Nepal	January 02, 1973
Pakistan	January 02, 1973
Sri Lanka	January 02, 1973
<b>Western Hemisphere</b>	
Antigua & Barbuda	April 8, 1982
Argentina	January 02, 1973
Bahamas	December 13, 1973
Barbados	June 21, 1979
Belize	November 23, 1981
Bolivia	January 02, 1973
Brazil	January 02, 1973
Chile	January 02, 1973
Colombia	January 02, 1973
Costa Rica	January 02, 1973
Dominica	March 13, 1980
Dominican Republic	January 02, 1973
Ecuador	January 02, 1973
El Salvador	January 02, 1973
Grenada	April 03, 1984
Guatemala	January 02, 1973
Guyana	August 30, 1993
Haiti	January 02, 1973
Honduras	January 02, 1973
Jamaica	January 02, 1973
Mexico	January 02, 1973
Nicaragua	January 02, 1973
Panama	January 02, 1973
Paraguay	January 02, 1973
Peru	January 02, 1973
St. Kitts-Nevis	April 9, 1984
St. Lucia	March 13, 1980
St. Vincent & Grenadines	March 13, 1980
Suriname	April 14, 1976
Trinidad & Tobago	January 02, 1973
Uruguay	January 02, 1973
Venezuela	January 02, 1973

**International Organization**

Economic Community of West African States (ECOWAS)	February 17, 2000
NATO and its Agencies	January 2, 1973
Organization of African Unity	August 25, 1992
Organization of American States	January 2, 1973
Organization for Security and Cooperation in Europe	June 30, 1999
Regional Security Systems	January 4, 2004
United Nations and its Agencies	January 2, 1973

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

## **End-Use Monitoring of Defense Articles and Defense Services Government to Government Programs**

### Introduction

As a major arms exporter and a leader in worldwide arms control initiatives, the U.S. has legal responsibilities related to the control of U.S.-origin defense items. Of all responsibilities associated with the transfer of defense articles and services, none is more important than ensuring U.S.-origin defense items are used to further the security of the United States, its friends and allies. The continual challenge of meeting this responsibility grows as the variety and sensitivity of U.S.-origin defense items increases, and the methods of arms transfers diversify. In accordance with current law, sales of U.S.-origin defense articles and services may be made to countries only for purposes of internal security, legitimate self-defense, civic action, or regional or collective arrangements by authorized end users. The U.S. government and recipients of U.S.-origin defense items have a continual responsibility (from the time of the items' transfer until disposal) to ensure defense articles or services transferred under U.S. authorities are lawfully used.

### Background

In 1996, Congress amended [Public Law 104–164] the Arms Export Control Act (AECA) with Section 40A [22 U.S.C. 2785] which require "...to the extent practicable, such program shall be designed to provide reasonable assurances that the recipient is complying with the requirements imposed by the United States Government with respect to the use, transfers, and security of defense articles and monitoring of U.S. arms transfers, and security of defense articles and services." Section 40A also requires an annual report to Congress on the actions taken to implement the end use monitoring program to include detailed accounting of costs and number of personnel associated with the program. Annual Congressional Budget Justification submissions and the establishment of the Golden Sentry End-Use Monitoring (EUM) program is DoD's response to the passage of Section 40A.

The Golden Sentry EUM program oversees compliance of the proper use of U.S.-origin defense articles and services provided to friends or international organizations via government-to-government programs. Golden Sentry includes all required actions to minimize, and investigate, possible violations of the AECA, Foreign Assistance Act (FAA), or other associated requisite provisions of sales and/or transfers. Primarily, Golden Sentry's objectives are to minimize security risks to the U.S., its friends and allies, and to ensure compliance with the technology control requirements that are associated with U.S.-origin arms transfers via government-to-government programs.

### Enhanced End Use Monitoring

DoD applies tighter export controls for more sensitive defense articles and services transfers, and Golden Sentry has designated these items for "Enhanced EUM." Enhanced EUM reduces security risks to the U.S. and our allies by assuring that required export controls, specifically physical security and accountability requirements, are in place and enforced. Additionally, to ensure proper controls are maintained, DoD manages transportation for more sensitive items to the point of physical turnover to an appropriate agent representative of the recipient country. Below are the defense articles that have initially been identified for Enhanced EUM:

- Communication Security (COMSEC) Equipment (C4ISR)
- Night Vision Devices
- STINGER Missiles
- AMRAAM (AIM-120) Missiles

- JAVELIN Missiles
- TOW II-B Missiles
- Grant Assistance defense articles and services provided under the provision of Section 505 of the FAA, e.g., Military Assistance Program (MAP), Foreign Military Financing, et al.

Additional items being considered for Enhanced EUM are the AIM-9X and Harpoon Block II missiles, and the entire family of precision guided munitions, i.e., Joint Stand-Off Weapons (JSOW) and Joint Direct Attack Munitions (JDAM).

Efforts since the last report

Resources: A full time contractor employee was hired in 2003 to assist the EUM program manager. Additionally, in 2003, the Defense Security Cooperation Agency designated EUM as a major business activity (Program Element #27) for budget submissions in FY05 and beyond. Program Element #27 (PE #27) provides the resources needed to implement the Golden Sentry Enhanced EUM program throughout the security cooperation community. All PE #27 programming requirements for funding of EUM must ultimately be submitted to DSCA Policy, Plans and Programs (P3) Directorate for validation and approval for funding.

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

FY04		
	EUM WORKLOAD SURVEY	TOTAL SAO FUNDING
CENTCOM	205.1	12,433.0
EUCOM	740.4	21,095.0
NORTHCOM	8.2	815.0
PACOM	211.9	8,978.0
SOUTHCOM	780.8	9,273.0
<b>TOTAL</b>	<b>1,946.4</b>	<b>52,594.0</b>

Figures are represented in the thousands

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

EUM Tiger Team visit objectives are to:

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

- ✓ Two Tiger Team assessment visits were conducted in 2003: Japan (July) and Egypt (October)

EUM Guidance: DSCA published two policy memorandums in reference to Golden Sentry to strengthen the program direction.

1. The first memorandum published was ‘End-Use Monitoring (EUM) Responsibilities in Support of the Department of Defense Golden Sentry EUM Program (DSCA Policy Memo 02-43),’ dated 4 December 2002. This policy issuance delineated the responsibilities of the security cooperation community in support of the Golden Sentry program.
2. The second policy memorandum was titled ‘Revised Guidance for Stinger/Man Portable Air Defense Systems (MANPADS) (DSCA Policy Memo 03-10),’ dated 4 June 2003. This memorandum increased the inventory requirements by the Combatant Commands for foreign Stinger missiles stocks from 5% to 100% annually.

The Way Ahead

Resources: \$1.2 million is programmed towards PE #27 (Enhanced EUM) in FY05 that will be managed at the DSCA Headquarters. Additionally, the Secretary of Defense approved an FY04 Budget Program Decision for four additional civilian EUM employees at DSCA, two to join DSCA in FY04, and two in FY05. Two of the employees will be assigned for duty within various theaters of operations, either to the PACOM, EUCOM or CENTCOM areas of responsibility to maintain our Golden Sentry program momentum.

EUM Workload Survey:

Projected for FY05

	PROJECTED EUM WORKLOAD SURVEY	TOTAL SAO FUNDING
CENTCOM	257.9	15,627.9
EUCOM	784.0	22,335.1
NORTHCOM	8.2	821.9
PACOM	224.8	9,525.8
SOUTHCOM	835.3	9,920.2
<b>TOTAL</b>	<b>2,258.9</b>	<b>58,230.9</b>

Figures are represented in thousands

Guidance: A third policy memorandum titled ‘Golden Sentry End-Use Monitoring (EUM) Coordinating Guidance (DSCA Policy memo 04-01) is in final staffing and will be published in January 2004. It provides refined guidance for implementation of Policy Memorandum 02-43 dated December 2002 that delineates DoD responsibilities in support of the Golden Sentry End-Use Monitoring program. This latest policy guidance addresses how to fund Enhanced EUM requirements, outlines procedures for the conduct of Tiger Team visits, and end of year data reporting formats to meet congressional reporting requirements. Additionally, DSCA will publish a Golden Sentry Handbook to further assist stakeholders to properly implement the Golden Sentry program.

Automation Support for EUM: This proposed Security Cooperation Information ‘Portal’ (SCIP) EUM application will allow the implementing agencies, SAO and host nations to input deliveries, receipts,

inventories and final disposition of Enhanced EUM items via a web based automation tool. The SCIP application will benefit the entire security assistance community by “tracking” all Enhanced EUM items from shipment to the host nations, receipts, mandatory inventories and final disposal. Other EUM stakeholders will be able to “read” the Enhanced EUM inputs in a real-time, secure and “compartmentalized” environment via the web.

Tiger Team Visits: A minimum of four Tiger Team visits is scheduled for 2004. Tentatively planned EUM Tiger Team visits are to CENTCOM (Jordan), EUCOM (Israel), PACOM (Australia and New Zealand) and SOUTHCOM (Chile).

Internal Review: Critical to the future incorporation of EUM into the SAO’s operations, and formalizing EUM performance requirements, are mandatory SAO internal review programs conducted by the Combatant Commands. A key objective in 2004 will be the inclusion of EUM into the Combatant Commands’ formal internal review programs, e.g., Performance Evaluation Group and/or Inspector General Assessment visits.

Outreach Programs: Golden Sentry will continue its outreach program via attendance at conferences hosted by the Combatant Commands; hosting EUM “worldwide” meetings; partaking in bi-lateral and other stakeholders’ meetings in various venues worldwide.

### Conclusion

Much has been accomplished with the Golden Sentry Program. But, we recognize that there is much left to be achieved. However, we are confident that the momentum is positive and the EUM Golden Sentry program direction is clear: to protect key technologies and maintain our qualitative edge over those entities with interests unfriendly to those of our country and allies. The path of the Golden Sentry program is clear, and we look forward to further accomplishments in the future.



# End-Use Monitoring of Defense Articles and Defense Services

## Commercial Exports

This report describes the actions the Department of State took in the past fiscal year under Section 40A of the Arms Export Control Act (AECA) to implement end-use monitoring of the commercial export of defense articles, services, and related technical data subject to licensing under Section 38 of the AECA. The Directorate of Defense Trade Controls, in the Bureau of Political-Military Affairs (PM/DDTC), Department of State, is responsible for administering the International Traffic in Arms Regulations (ITAR) that implement the AECA. DDTC's functions include registration of manufacturers, brokers, and exporters, licensing of commercial defense trade, overseeing compliance with U.S. export regulations, supporting U.S. law enforcement agencies in criminal investigations and prosecutions of AECA violations, as well as the end-use monitoring of licensed transactions. End-use monitoring entails pre license or post shipment checks on any party or other aspect of a defense trade transaction in order to verify its bona fides.

DDTC is currently authorized a full-time complement of 73 State Department personnel, which is supplemented by eight detailed military officers and more than 30 contract personnel who ensure proper licensing and contribute to end-use monitoring efforts. DDTC's operational budget for FY 2003 amounted to approximately \$10.6 million.

### Overseas Monitoring: The Blue Lantern Program

Initiated in September 1990 as the first systematic end-use check program, the Blue Lantern program has strengthened export controls and has proven to be a useful instrument in: 1) deterring diversions, 2) aiding the disruption of illicit supply networks used by rogue governments and international criminal organizations, and 3) helping the Department make informed licensing decisions and ensuring compliance with the AECA and the ITAR. End-use checks performed under the Blue Lantern program have significantly encouraged compliance with legal and regulatory requirements and have proven particularly effective in addressing the growing problem of gray arms trade (the use of fraudulent export documentation to acquire defense articles through legitimate channels for end-users inimical to U.S. interests). U.S. mission personnel or in some instances DDTC personnel conduct Blue Lantern end-use checks abroad to verify the specific end-use and end-user of commercial defense exports and transfers controlled under the AECA.

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

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

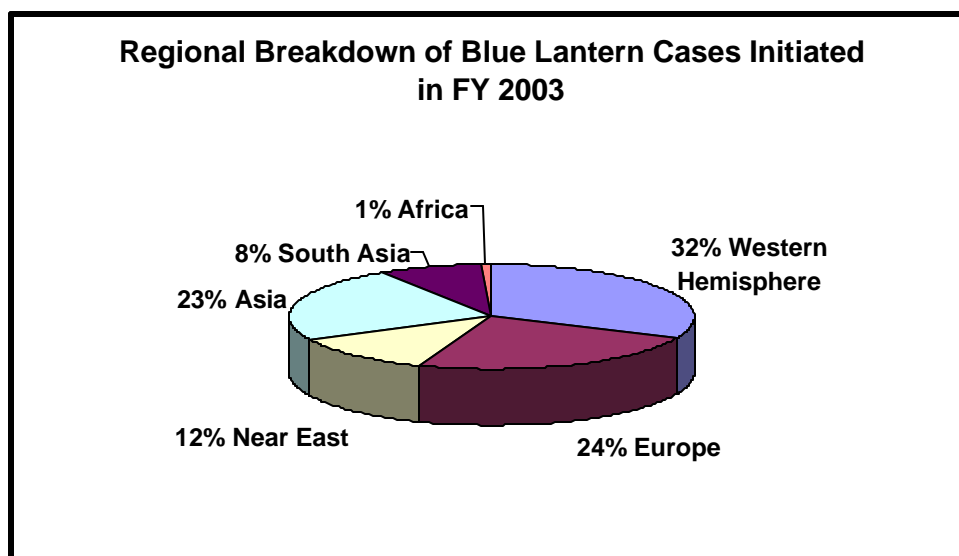
Although most commercial defense trade is legitimate, a small percentage of cases can fall prey to gray arms manipulations. The goal of the Blue Lantern program is to prevent gray arms networks from relying

on our export control process to obtain military items and technologies. The roughly 400 Blue Lantern checks conducted each year are the result of a targeted selection process to efficiently identify transactions that are most vulnerable to this type of diversion or misuse. License candidates for pre or post checks undergo review by Licensing and Compliance officers, who compare the facts of the case with specified, time-tested criteria to determine a transaction's suitability for a Blue Lantern check. Since DDTC reviews over 50,000 transactions annually, the knowledge and trend analysis derived from the 400 checks is used by DDTC to better assess the national security concerns associated with the export of specific defense articles controlled by the U.S. Munitions List.<sup>1</sup>

### Results of End-Use Checks in FY 2003

In FY 2003, DDTC initiated 413 checks, consistent with the average of 400 checks annually. Blue Lantern checks performed in FY 2003 resulted in 76 unfavorable cases, which is the highest number of unfavorable checks in the history of the Blue Lantern program. A regional breakdown of the 413 checks performed in 2003 follows in Table 1.

Table 1:



### Analysis of Unfavorable Checks by Commodity:

In terms of the commodities involved in unfavorable determinations, the most prevalent are firearms and ammunition, which together represented 49 percent (37/76) of unfavorable cases. Although the number of checks on firearms licenses also increased during FY 2003 (due to concerns over the proliferation of small arms and light weapons), these checks uncovered an unusually high number of firearms retailers that were either involved in criminal activity, diversion of firearms to unauthorized end-use, or were otherwise unreliable recipients of firearms. The percentage of unfavorable checks involving aircraft spare parts at risk of diversion to prohibited countries such as China and Iran (who actively seek spare parts to circumvent U.S. embargoes and to increase the operational readiness of military aircraft in their inventories), jumped from 18 percent in 2002 to 24 percent (18/76) in 2003. The increase in the percentage of unfavorable checks involving aircraft spare parts is also noteworthy because, unlike checks on firearms and ammunition, which increased significantly in 2003, the number of checks conducted on aircraft spare parts decreased in

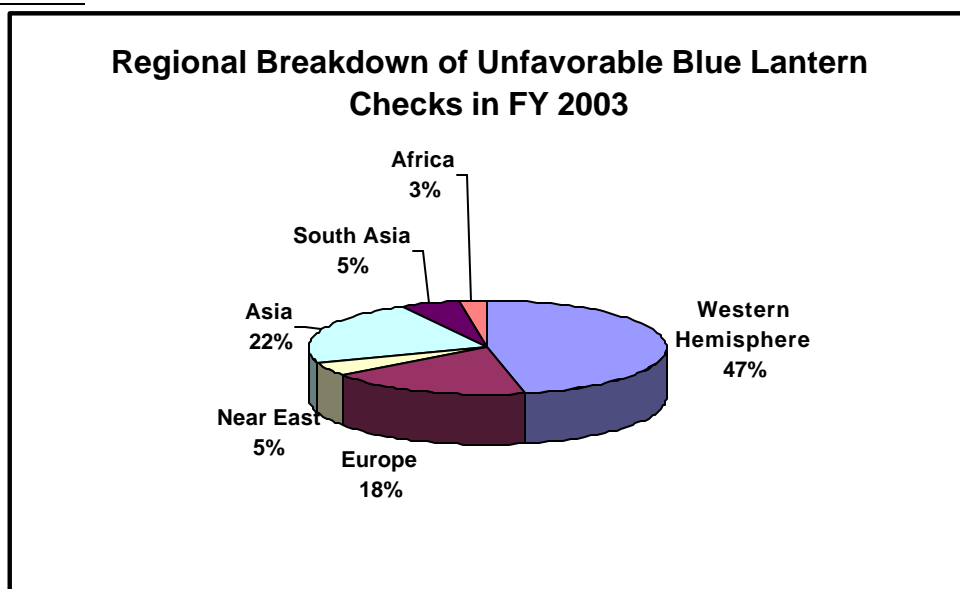
<sup>1</sup> Due to the targeted approach of the Blue Lantern Program, caution must be used when using this data for statistical purposes.

2003. The next category, electronics and communications equipment, captured seventeen percent (13/76) of the unfavorable cases. The remaining unfavorable checks involved commodities such as missile spare parts, military training equipment, and night vision equipment.

#### Analysis of Unfavorable Checks by Region:

In FY 2003, countries in Latin America, Canada, and the Caribbean (Western Hemisphere) comprised 47 percent of the unfavorable checks. However, this high proportion may be attributed to the greater number of checks conducted in this region in FY 2003. The region of Asia, in which 97 checks were conducted, continues to generate a high proportion of unfavorable cases (22 percent).

Table 2:



Generally, the unfavorable cases in the Western Hemisphere region involved commodities such as firearms, ammunition, and explosives. Asia's unfavorable cases revealed aircraft and helicopter spare parts, as well as electronics and communications equipment, to be in high demand.

#### Reasons for Unfavorable Checks in FY 2003:

In 31 percent of unfavorable cases in 2003, the foreign entities involved in the proposed transactions were not legitimate entities or were otherwise found ineligible to receive the items requested. Twenty-seven percent of the unfavorable cases revealed an unauthorized end-use or possible diversion of subject items. In 12 percent of the unfavorable cases, the purported end-user did not order the items that were the subject of the inquiry. In 8 percent of unfavorable cases, the foreign end-user could not adequately justify the purchase of what was established by DDTC to be an excessive quantity of items requested. Also in 8 percent of the unfavorable cases, the foreign company was not found or the responsible officers did not cooperate with the inquiry.

The following examples illustrate the effectiveness of the Blue Lantern Program in FY 2003:

- A pre-license check conducted on helicopter spare parts to an Asian country via a European intermediary discovered that the parts were in fact destined for an embargoed country. Case is under investigation by the Compliance and Enforcement Division.

- Possible diversion and misuse of electronics and communications equipment was precluded by a Blue Lantern pre-license check, which found that the Asian end-user did not have a relationship with the intermediary who ordered the parts. The intermediary then admitted that the equipment was intended for its own research. The license was denied.
- A post-shipment check for helicopter parts to a European government revealed that the government had returned the parts to the intermediary because it was not satisfied with them. When embassy attempted to contact the intermediary, the company could not be found. The results were reported to our Compliance and Enforcement Division for appropriate action.
- A license for helicopter spare parts destined for an Asian country was not issued when the intermediary to the transaction did not respond to embassy inquiries. The company appeared to be operated by one man who visited the office about twice a week.
- A pre-license check conducted on firearms and ammunition to a retailer in Central America revealed that the owner of the company had been involved in criminal activity. The license application was denied.
- A license request for pistols and revolvers to a Caribbean country was not issued because the Blue Lantern pre check found that the end-user company who had purportedly ordered the firearms could not be located.

#### End-Use Monitoring and Outreach

The profile of the Blue Lantern Program has been enhanced by DDTC's outreach efforts to US embassies, US exporters, and foreign governments. In FY 2003, DDTC officers presented Blue Lantern briefings at various US embassies throughout Asia and Central America to provide additional guidance to posts on the implementation of end-use checks. Briefings were also given to relevant host government officials to make them aware of the goals and purpose of the program as well as to facilitate its implementation abroad.

DDTC's visit to several countries in Central America directly addressed concerns over the proliferation of small arms in those countries. Furthermore, DDTC officers also attended conferences in the US and abroad in order to increase understanding of the program by foreign governments and US exporters and to emphasize the utility of end-use monitoring in fighting the gray arms trade. DDTC plans to continue outreach efforts in the future.

#### Compliance/Enforcement: State-ICE Cooperation

Cooperation between State and Immigration and Customs Enforcement at the Department of Homeland Security (DHS/ICE has the responsibility for investigating criminal violations of the AECA) also plays a vital role in tackling and inhibiting gray arms activity. In fiscal year 2003, cooperative programs between State and ICE facilitated more than 665 commercial arms seizures at U.S. ports of exit totaling almost \$106 million, a significant increase from the \$65 million reported in FY 2002.

Effective enforcement and compliance with U.S. regulations could not be possible without the existence of cooperation between DHS/ICE and the Directorate of Defense Trade Controls. As part of this cooperative effort that has as its goal the verification of licensed exports and the compliance of exporters, DDTC electronically provides licensing data to all ICE Officers. This information allows for accurate, real-time monitoring by ICE officials of commercial arms moving in and out of the United States. Through ICE's

Operation Exodus, DDTC also provides authoritative opinions, rulings, and advice on a daily basis to ICE concerning licensing and other regulatory requirements.

## **Commercial Exports Licensed or Approved Under the Arms Export Control Act**

The data in the following chart on commercial arms sales are compiled on the basis of information available to the Department as of January 2004. The first column, entitled "Actual Deliveries preliminary," shows the preliminary dollar value totals by destination of exports during fiscal year 2003. These export totals are compiled from expired or completed licenses returned to the Department by the U.S. Customs Service, pending the availability of a more comprehensive method. The totals are preliminary because the vast majority of State Department munitions export licenses are approved for four calendar years, thereby allowing shipments to span five fiscal years, and are not returned by the U.S. Customs Service until the license is completed or expired. With full implementation of the Automated Export System (AES) and mandatory reporting by industry of actual shipment data, information that more realistically reflects "up-to-date" export transactions is expected to be available. In some instances, training and technical assistance are not included in the chart. For further information, see also the classified annex to this document.

The second and third columns in the chart show the estimated dollar value totals by destination of possible deliveries in fiscal years 2004 and 2005. These estimates are based primarily on the dollar values of licenses approved for each destination during the prior two fiscal years (the dollar values of the authorized licenses are not shown, but the value of the authorizations provided to the U.S. defense industry reported in FY 2003 amounted to \$17 billion in defense articles and \$44 billion in defense services). Not all export approvals result in signed contracts and actual exports. Key factors that affect the final export value include the availability of the licensed item for shipping, and how quickly the license is returned to the Department. (See also the classified annex.) Other factors that cannot be quantified are economic and security considerations at the final destinations and changing U.S. foreign policy and national security considerations. In exercising defense trade controls, the Department administers embargoes on commercial arms transfers to more than two dozen countries in any given year as a result of U.S. law and foreign policy/national security considerations and UN Security Council decisions. Several other countries are subject to special scrutiny due to non-proliferation, regional security (e.g., disputed territories or borders), or human rights concerns. Countries for whom there were no actual deliveries in fiscal year 2003 and which had no authorized license for fiscal years 2002 and 2003 do not appear in this report.

The procedures for estimating defense commercial sales for out years (fiscal years 2004 and 2005) were revised for the 1995 CPD. Previous procedures for such estimates called for extrapolating exports for the first year at forty percent of the actual dollar value of licenses approved in the previous two fiscal years. The second out year's exports would have been estimated at sixty percent of that two-year total.

However, based on historical data, the Department now estimates exports for the first out year (fiscal year 2004) to be ten percent of the total dollar value of approved licenses for the previous two fiscal years (fiscal years 2002 and 2003). The exports for the second out year (fiscal year 2005) are estimated to be fifty percent of those for fiscal year 2003.

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

<i>Region Name</i>	<i>Country Name</i>	<i>Actual</i>	<i>Estimated Deliveries</i>	
		<i>FY 2003</i> <i>(Preliminary)</i>	<i>FY 2004</i>	<i>FY 2005</i>
<b>AFRICA</b>				
	ANGOLA	301	966	2,671
	BENIN	0	7	0
	BOTSWANA	468	4,656	15,148
	BURKINA FASO	0	0	0
	BURUNDI	0	0	0
	CAMEROON	0	328	1,563
	CAPE VERDE	0	8	42
	CHAD	0	0	0
	COMOROS	0	0	0
	CONGO	0	0	0
	COTE D'IVOIRE	346	139	414
	DJIBOUTI	102	1,011	56
	ERITREA	2	18	91
	ETHIOPIA	28	222	187
	GABON	0	1	0
	GHANA	95	30	100
	GUINEA	0	699	2,552
	KENYA	11	987	2,230
	MADAGASCAR	0	148	738
	MALAWI	0	7	35
	MALI	0	523	2,617
	MAURITANIA	23	2	12
	MAURITIUS	191	24	0
	MONGOLIA	0	891	150
	MOZAMBIQUE	0	0	0
	NAMIBIA	6	147	640
	NIGER	0	0	0
	NIGERIA	1,502	2,375	3,625
	REUNION	0	0	0
	RWANDA	25	3	13

<i>Region Name</i>	<i>Country Name</i>	<i>Actual FY 2003 (Preliminary)</i>	<i>Estimated Deliveries</i>	
			<i>FY 2004</i>	<i>FY 2005</i>
	SENEGAL	0	1,123	5,013
	SEYCHELLES	0	9	44
	SIERRA LEONE	0	189	0
	SOMALIA	0	0	0
	SOUTH AFRICA	578	31,631	11,762
	TANZANIA	0	83	93
	TOGO	0	0	0
	UGANDA	200	406	2,028
	ZAMBIA	9	639	2,855
	ZIMBABWE	0	0	0
	<b><i>AFRICA Totals :</i></b>	<b>3,887</b>	<b>47,272</b>	<b>54,679</b>
<b><i>EAST ASIA &amp; PACIFIC</i></b>				
	AUSTRALIA	95,396	199,795	685,625
	BRUNEI	98	1,235	2,762
	BURMA	0	0	0
	CAMBODIA	0	0	0
	CHINA	0	14	0
	FIJI	0	1	3
	FRENCH POLYNESIA	0	1	3
	HONG KONG	481	10,481	2,425
	INDONESIA	1,642	18,797	69,424
	JAPAN	902,108	2,127,795	5,839,101
	KIRIBATI	0	34,836	169,992
	LAOS	0	0	0
	MACAU	85	0	0
	MALAYSIA	3,781	26,307	82,551
	MARSHALL ISLAND	0	7,003	35,017
	MICRONESIA	0	1	0
	NAURU	0	0	0
	NEW CALEDONIA	108	114	403
	NEW ZEALAND	9,747	36,526	45,677
	PALAU	0	22	108
	PAPUA NEW GUINEA	0	7	7



<i>Region Name</i>	<i>Country Name</i>	<i>Actual</i>	<i>Estimated Deliveries</i>	
		<i>FY 2003 (Preliminary)</i>	<i>FY 2004</i>	<i>FY 2005</i>
	PHILIPPINES	555	3,323	4,990
	SINGAPORE	7,269	116,200	112,877
	SOLOMON ISLANDS	0	400	2,000
	SOUTH KOREA	27,781	227,693	764,506
	TAIWAN	9,788	200,000	200,000
	THAILAND	7,700	17,412	40,614
	TONGA	162	14	68
	VANUATU	0	400	2,000
	VIETNAM	0	14	72
	<b><i>EAST ASIA &amp; PACIFIC Totals :</i></b>	<b><i>1,066,701</i></b>	<b><i>3,028,391</i></b>	<b><i>8,060,225</i></b>
<b><i>EUROPE &amp; NIS</i></b>				
	ALBANIA	0	441	0
	ANDORRA	0	13	40
	AUSTRIA	312	2,511	6,614
	AZERBAIJAN	0	94	468
	BELARUS	0	0	0
	BELGIUM	20,180	20,601	65,232
	BOSNIA HERZEGOVINA	0	654	547
	BULGARIA	128	1,637	1,555
	CROATIA	112	8,919	340
	CYPRUS	8	259	1,288
	CZECH REPUBLIC	887	2,923	6,072
	DENMARK	7,044	43,559	174,235
	ESTONIA	47	1,318	247
	FALKLAND ISLANDS	0	0	0
	FAROE ISLANDS	0	0	0
	FINLAND	3,333	10,673	22,907
	FRANCE	18,948	169,271	309,482
	GEORGIA	0	807	2,304
	GERMANY	41,015	329,722	1,090,149
	GIBRALTAR	0	3	17
	GREECE	8,453	147,941	503,191
	GREENLAND	0	35	176

<i>Region Name</i>	<i>Country Name</i>	<i>Actual FY 2003 (Preliminary)</i>	<i>Estimated Deliveries</i>	
			<i>FY 2004</i>	<i>FY 2005</i>
	HUNGARY	119	831	1,336
	ICELAND	7	122	431
	IRELAND	584	6,754	20,022
	ITALY	532,665	136,563	384,380
	KAZAKHSTAN	0	726	3,346
	KYRGYZSTAN	0	108	540
	LATVIA	25	1,541	6,727
	LIECHTENSTEIN	0	9	1
	LITHUANIA	0	1,379	854
	LUXEMBOURG	563	26,478	46,118
	MACEDONIA	495	523	363
	MALTA	16	2	9
	MOLDOVA	0	119	50
	MONACO	5	1	2
	NETHERLANDS	8,580	54,655	154,191
	NORWAY	3,671	45,992	139,855
	POLAND	1,336	8,177	27,592
	PORTUGAL	745	8,036	35,930
	ROMANIA	147	1,762	3,015
	RUSSIA	1,623	9,761	40,840
	SAN MARINO	0	33	165
	SERBIA	0	12	58
	SLOVAKIA	0	783	3,486
	SLOVENIA	1,086	1,525	374
	SPAIN	35,193	65,827	158,328
	SWEDEN	10,220	60,974	110,286
	SWITZERLAND	1,834	15,327	22,838
	TURKEY	25,165	79,004	225,087
	TURKMENISTAN	0	10	50
	UKRAINE	0	19,417	97,034
	UNITED KINGDOM	59,460	1,069,820	2,696,062
	UZBEKISTAN	0	227	863
	YUGOSLAVIA	0	234	1,080

<i>Region Name</i>	<i>Country Name</i>	<i>Actual FY 2003 (Preliminary)</i>	<i>Estimated Deliveries</i>	
			<i>FY 2004</i>	<i>FY 2005</i>
	<b><i>EUROPE &amp; NIS Totals :</i></b>	784,006	2,358,113	6,366,177
<b><i>NEAR EAST</i></b>				
	ALGERIA	119	59,674	279,485
	BAHRAIN	246	4,864	9,214
	EGYPT	15,061	73,697	90,126
	IRAQ	0	10,309	51,547
	ISRAEL	16,455	227,385	450,799
	JORDAN	707	17,024	55,850
	KUWAIT	9,360	35,876	141,852
	LEBANON	144	989	1,921
	MALDIVES	0	4	0
	MOROCCO	1,442	4,132	7,154
	OMAN	839	7,471	28,679
	QATAR	219	2,943	13,820
	SAUDI ARABIA	36,150	42,153	156,222
	TUNISIA	290	2,207	6,360
	UNITED ARAB EMIRATES	20,535	62,227	254,757
	YEMEN	45	585	2,172
	<b><i>NEAR EAST Totals :</i></b>	101,612	551,540	1,549,958
<b><i>NON-REGIONAL</i></b>				
	CLASSIFIED TOTALS	433,974	1,000,000	1,000,000
	INTERNATIONAL ORG.	5,726	403,240	1,252,166
	<b><i>NON-REGIONAL Totals :</i></b>	439,700	1,403,240	2,252,166
<b><i>SOUTH ASIA</i></b>				
	AFGHANISTAN	12	4,078	16,349
	BANGLADESH	512	1,313	586
	BHUTAN	5	1	2
	DIEGO GARCIA	0	65	0
	INDIA	5,651	17,740	64,359
	NEPAL	6	527	478

<i>Region Name</i>	<i>Country Name</i>	<i>Actual</i>	<i>Estimated Deliveries</i>	
		<i>FY 2003 (Preliminary)</i>	<i>FY 2004</i>	<i>FY 2005</i>
	PAKISTAN	590	17,132	82,921
	SRI LANKA	110	1,431	3,042
	<b><i>SOUTH ASIA Totals :</i></b>	<b>6,886</b>	<b>42,287</b>	<b>167,737</b>
<b><i>WESTERN HEMISPHERE</i></b>				
	ANGUILLA	0	0	0
	ANTIGUA-BARBUDA	29	12	36
	ARGENTINA	324	3,134	3,835
	ARUBA	0	35	90
	BAHAMAS	5	112	461
	BARBADOS	45	1,092	302
	BELIZE	79	260	137
	BERMUDA	1	13	62
	BOLIVIA	43	1,153	5,352
	BRAZIL	7,111	22,001	64,169
	BRITISH VIRGIN ISLANDS	0	0	1
	CANADA	154,212	273,521	426,472
	CAYMAN ISLANDS	10	88,333	272,764
	CHILE	2,408	13,204	37,214
	COLOMBIA	8,425	13,817	32,925
	COSTA RICA	423	2,462	1,292
	DOMINICA	26	11	43
	DOMINICAN REPUBLIC	776	7,416	1,238
	ECUADOR	1,056	3,480	3,273
	EL SALVADOR	903	1,236	2,038
	FRENCH GUIANA	111,780	41,011	186,228
	GRENADA	24	9	43
	GUADELOUPE	0	0	0
	GUATEMALA	273	469	1,629
	GUYANA	140	16,823	80,477
	HAITI	0	4	0
	HONDURAS	13	1,060	1,768
	JAMAICA	241	1,017	863
	MARTINIQUE	0	0	0

<i>Region Name</i>	<i>Country Name</i>	<i>Actual FY 2003 (Preliminary)</i>	<i>Estimated Deliveries</i>	
			<i>FY 2004</i>	<i>FY 2005</i>
	MEXICO	12,494	43,913	66,375
	MONTSERRAT	0	1	3
	NETHERLANDS ANTILLES	40	157	52
	NICARAGUA	299	113	349
	PANAMA	20	20,817	1,089
	PARAGUAY	0	558	2,787
	PERU	162	1,746	7,242
	ST KITTS AND NEVIS	2	1,801	4
	ST LUCIA	45	21	56
	ST VINCENT & GRENADINES	4	2	9
	SURINAME	17	12	13
	TRINIDAD & TOBAGO	145	530	239
	TURKS & CAICOS ISLANDS	3	3	2
	URUGUAY	135	509	314
	VENEZUELA	22,989	16,336	24,573
	<b>WESTERN HEMISPHERE Totals :</b>	<b>324,702</b>	<b>578,204</b>	<b>1,225,819</b>
	<b>Grand Totals :</b>	<b>2,727,494</b>	<b>8,009,047</b>	<b>19,676,761</b>

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

	<b>Actual FY 2003</b>	<b>Estimated FY 2004</b>	<b>Proposed FY 2005</b>
Appropriated Funds			
Egypt Grant	1,300.000	1,300.000	1,300.000
Israel Grant	2,100.000	2,160.000	2,220.000
Jordan Grant	198.000	206.000	206.000
Other Countries Grants	437.000	587.500	1,191.000
Administrative Costs	37.000	40.500	40.500
Total FMF Appropriation	<u>4,072.000</u>	<u>4,294.000</u>	<u>4,957.500</u>
Plus: Supplemental	2,059.100	287.000	
Plus: Transfer from Other Accounts-ERF		77.000	
Less: Transfer to Other Accounts-ACI	-113.000	-17.000	
Less: Appropriation Rescinded	-26.468	-25.234	
Total Budgetary Resources Available for Obligation	<u>5,991.632</u>	<u>4,615.766</u>	<u>4,957.500</u>
Plus: 2002 unobligated supplemental funds carried forward to and obligated in 2003	307.500		
Less: Unobligated balances for administrative costs expiring	<u>.002</u>		
Total FMF obligations	<u>6,299.130</u>	<u>4,615.766</u>	<u>4,957.500</u>
Total FMF Outlays (Net)	<u>5,749.710</u>	<u>5,431.000</u>	<u>4,547.000</u>

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

	<b>Actual FY 2003</b>	<b>Estimated FY 2004</b>	<b>Proposed FY 2005</b>
Budget Authority			
Direct Loan Subsidy Appropriation	0.000	0.000	0.000
Subsidy Re-estimates	0.000	0.000	0.000
Total Budget Authority	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Total Obligations	0.000	0.000	0.000
Outlays (Net)	6.951	0.000	0.000

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

	<b>Actual FY 2003</b>	<b>Estimated FY 2004</b>	<b>Proposed FY 2005</b>
Budget Authority for Guarantee Claims:			
Permanent Indefinite Authority	25.500	40.000	8.000
Collections of Guarantee Claims	7.071	12.853	25.603
Total Budget Authority	<u>32.571</u>	<u>52.853</u>	<u>33.603</u>
Total Obligations and Disbursements for Guaranteed Claims	32.571	52.853	33.603
Offsetting Collections			
Repayment of Direct Loans	-195.018	-107.940	-100.954
Repayment of FFB Loans	-234.075	-223.494	-220.486
Purchase of Loans from the Military Debt Reduction Account (11X4174)	-221.286	0.000	0.000
Total Offsetting Collections	<u>-650.379</u>	<u>-331.434</u>	<u>-321.440</u>
Outlays (Net)	-617.808	-278.581	-287.837

**Direct Loan Financing Account (11X4122)**

(\$ in millions)

	<b>Actual FY 2003</b>	<b>Estimated FY 2004</b>	<b>Proposed FY 2005</b>
Budget Authority and Obligations			
Direct Loans	3800.000	550.000	0.000
Interest on Treasury Borrowing	115.849	88.493	83.562
Payment for Negative Subsidy	0.000	0.275	0.000
Downward Subsidy Re-estimate	397.451	64.233	0.000
Interest on Downward Re-estimate	124.988	20.024	0.000
Total Budget Authority and Obligations	4438.288	723.025	83.562
Disbursements	783.917	239.200	427.588
Offsetting Collections:			
Collections from Loan Subsidy Account	-6.951	0.000	0.000
Interest on Uninvested Funds - Treasury	-40.533	0.000	0.000
Loan Repayments from Country	-710.913	-559.142	-418.861
Total Offsetting Collections	-758.397	-559.142	-418.861
Outlays (Net)	25.520	-319.942	8.727

**Military Debt Reduction Financing Account (11X4174)**

(\$ in millions)

	<b>Actual FY 2003</b>	<b>Estimated FY 2004</b>	<b>Proposed FY 2005</b>
Budget Authority and Obligations			
Loan Purchase from Liquidating Acct	221.287	0.000	0.000
Loan Purchase from Commercial Bank	0.000	31.839	0.000
Interest on Debt to Treasury	10.924	12.368	12.065
Downward Subsidy Re-estimate	0.000	0.016	0.000
Total Budget Authority and Obligations	232.211	44.223	12.065
Disbursements	232.208	44.226	12.065
Offsetting Collections:			
Collections from Loan Subsidy Account	-5.225	-0.087	-14.000
Collection on Upward Subsidy Re-estimate	-1.506	-0.068	0.000
Collection from Liquidating Account	0.000	-31.839	0.000
Interest on Uninvested Funds	-5.527	0.000	0.000
Loan Repayments from Country	-2.502	-15.552	-20.052
Total Offsetting Collections	-14.760	-47.546	-34.052
Outlays (Net)	217.448	-3.320	-21.987



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

	<b>Actual FY 2003</b>	<b>Estimated FY 2004</b>	<b>Proposed FY 2005</b>
Appropriation	80.000	91.700	89.730
Recession	-0.520	-0.541	0.000
Unobligated funds carried forward from previous year available for obligation	<u>2.122</u>	<u>1.841</u>	<u>0.000</u>
Total budgetary resources available for obligation	81.602	93.000	89.730
Current Year Obligations	79.941	93.000	89.730
Unobligated balance of new authority carried forward for new obligations:	<u>0.039</u>	<u>0.000</u>	<u>0.000</u>
Prior Year downward obligation adjustments carried forward and available for new obligations	1.802	0.000	0.000
Total unobligated balance carried forward and available for new obligations	<u>1.841</u>	<u>0.000</u>	<u>0.000</u>
Net Outlays	70.349	89.000	90.000

**Special Defense Acquisition Fund (11X4116)**

(\$ in millions)

	<b>Actual FY 2003</b>	<b>Estimated FY 2004</b>	<b>Proposed FY 2005</b>
Purchases of Equipment (Obligations)	0.000	0.000	0.000
Gross Budget Authority (a)	0.000	0.000	0.000
Offsetting Collections	-143	0.000	0.000
Net Budget Authority	-143	0.000	0.000
Financing Disbursements	1.410	3.000	0.000
Offsetting Collections	-143	0.000	0.000
Net Outlays	1.267	3.000	0.000
Return of Unobligated Balances to the Treasury due to Program Cancellation (Excess Unobligated Balance) to Treasury account 1614, "Other Earnings from Business Operations and Revolving Funds"	10.000	10.000	10.000

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

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

Fiscal Year	Request		Authorized		Appropriated	
	Budget Authority	Program	Budget Authority	Program	Budget Authority	Program
1970	275.000	350.000	250.000	340.000	70.000	0.000
1971	772.500	885.000	750.000 (a)	840.000 (a)	700.000 (a)	0.000
1972	510.000	582.000	400.000	550.000	400.000	0.000
1973	527.000	629.000	400.000 (b)	550.000	400.000 (b)	0.000
1974	2,725.000	2,960.000	2,525.000 (c)	2,930.000 (c)	2,525.000 (c)	0.000
1975	555.000	872.000	405.000	872.500	300.000	0.000
1976 (d)	2,430.200	2,430.200	1,298.750	2,968.375	1,205.000	0.000
1977	2,179.600	2,179.600	740.000	2,022.100	740.000	0.000
1978	707.750	2,217.500	682.000	2,152.350	675.850	0.000
1979 (e)	1,042.500	5,767.500	1,044.300	6,155.500	1,024.500	0.000
1980	658.880 (f)	2,188.000 (f)	673.500	2,235.000	645.000 (b)	0.000
1981	734.000	2,840.000 (g)	500.000	3,116.000	500.000 (b)	3,046.187 (b)
1982	1,481.800	4,054.400	800.000	4,069.525	800.000	3,883.500
1983	950.000 (h)	5,273.300 (h)	800.000	4,169.525	1,175.000 (b)	5,106.500 (b)
1984	1,000.000	5,656.000	1,315.000	5,761.500	1,315.000 (b)	5,716.250 (b)
1985	5,100.000	5,100.000	(i)	(i)	4,939.500 (b)	4,939.500 (b)
1986	5,655.000	5,655.000	5,371.000	5,371.000	5,190.000	5,190.000 (j)
1987	5,861.000 (k)	5,661.000	(i)	(i)	4,053.441 (l)	4,053.441 (l)
1988	4,421.150	4,421.150	(m)	(m)	4,017.000 (n)	4,049.000
1989	4,460.000	4,460.000	(o)	(o)	4,272.750	4,272.750
1990	5,027.000	5,027.000	(p)	(p)	4,827.642	4,827.642 (q)
1991	5,016.900	5,016.900	(r)	(r)	4,663.421 (s)	4,663.421 (s)
1992	4,610.000	4,610.000	(t)	(t)	3,928.548 (u)	3,928.548 (u)
1993	4,099.225	4,099.225	(v)	(v)	3,245.414 (w)	3,245.414 (w)
1994	3,231.657	3,232.157	(x)	(x)	3,052.397 (x)	3,052.397 (x)
1995	3,130.858	3,130.858	(y)	(y)	3,151.279 (y)	3,151.279 (y)
1996	3,262.020	3,262.020	(z)	(z)	3,208.390 (z)	3,208.390 (z)
1996 Sup	70.000 (A)	70.000 (A)	(A)	(A)	70.000 (A)	70.000 (A)
1997	3,228.250	3,228.250	(B)	(B)	3,224.000 (B)	3,224.000 (B)
1998	3,274.250	3,274.250	(C)	(C)	3,296.550 (C)	3,296.550 (C)
1999	3,275.910	3,275.910	(D)	(D)	3,380.000 (D)	3,380.000 (D)
2000	3,430.000	3,430.000	(E)	(E)	4,819.994 (E)	4,819.994 (E)
2001	3,538.200	3,538.200	3,550.000	3,550.000	3,576.000 (F)	3,576.000 (F)
2002	3,674.000	3,674.000	3,627.000	3,627.000	3,650.000 (G)	3,695.000 (H)
2002 Sup	387.000	387.000	(I)	(I)	357.000 (I)	357.000 (I)
2003	4,107.200	4,107.200	4,107.200	4,107.200	4,072.000 (J)	4,072.000 (J)
2003 Sup	2,059.100	2,059.100	(K)	(K)	2,059.100 (K)	2,059.100 (K)
2004	4,414.000	4,414.000	(L)	(L)	(L)	77.000 (M)
2004 Sup	287.000	287.000	(N)	(N)	287.00 (N)	287.000 (N)
2005	4,957.500	4,957.500				

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

- (a) Includes \$500M for Israel authorized by P.L. 91-441 and appropriated by P.L. 91-665.
- (b) CRA limitation.
- (c) Includes \$2,200M for Emergency Security Assistance requested, authorized and appropriated for Israel.
- (d) Includes transitional quarter (FY 197T).
- (e) Includes \$2,200M supplemental program for Israel and a \$1,500M supplemental program for Egypt.
- (f) Includes a \$10M amendment for Sudan and \$15M for Oman.
- (g) Includes \$200M proposed budget amendment for Egypt.

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

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

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

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

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

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

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

### Military Assistance Program

(\$ in millions)

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

**International Military Education & Training Program**  
(\$ in millions)

<b>Fiscal Year</b>	<b>Request</b>	<b>Authorized</b>	<b>Appropriated</b>
1976 (a)	37.000	33.750	28.750
1977	32.200	30.200	25.000
1978	35.000	31.000	30.000
1979	32.100	31.800	27.900
1980	32.900	31.800	25.000 (d)
1981	32.500	34.000	28.400 (d)
1982	42.000	42.000	42.000
1983	53.700 (o)	43.000	46.000
1984	56.532	56.452	51.532 (d)
1985	60.910	(r)	56.221 (d)
1986	65.650	56.221	54.490 (s)
1987	68.830	56.000	56.000
1988	56.000	(v)	47.400
1989	52.500	(w)	47.400
1990	54.500	(y)	47.196 (A)
1991	50.500	(B)	47.196
1992	52.500	(C)	47.196 (G)
1993	47.500	(H)	42.500 (I)
1994	42.500	(J)	22.250 (J)
1995	25.500	(K)	25.500 (K)
1996	39.781	(M)	39.000 (M)
1997	45.000	(N)	43.475 (N)
1998	50.000	(O)	50.000 (O)
1999	50.000	(P)	49.951 (P)
2000	50.000	(Q)	49.810 (Q)
2001	57.875	55.000	57.748 (R)
2002	<del>50.800</del>	65.000	70.000 (S)
2003	80.000	85.000	79.480 (T)
2004	91.700		(U)
2005	89.730		

**NOTE:**

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



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

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

- (Q) P.L. 106-113 appropriated \$49.810M for FY 2000. The Authorization was waived.
- (R) P.L. 106-429 appropriated \$55M for FY 2001 and \$2.875M for an emergency supplemental in support of the Southeast Europe Initiative. P.L. 106-554 rescinded \$.127M.
- (S) P.L. 107-115 appropriated \$70M for FY 2002.
- (T) P.L. 108-7 appropriated \$80M for FY 2003, of which \$.52M was rescinded.
- (U) P.L. 108-199. The Authorization was waived.

**Peacekeeping Operations**  
(\$ in millions)

Fiscal Year	Request	Authorized	Appropriated
1979	(a)	30.900	27.400
1980	(a)	21.100	22.000 (b)
1981	25.000	25.000	25.000 (c)
1982	19.000	19.000	14.000 (d)
1983	43.474	19.000	31.100 (c)
1984	46.200	46.200	46.200 (c)
1985	49.000	(e)	44.000 (c)
1986	37.000	37.000	34.000 (f)
1987	39.000	37.000	31.689
1988	46.311	31.689	31.689
1989	41.689 (g)	41.689	41.689
1990	33.377	32.773	32.773
1991	32.800	32.800	32.800
1992	378.000 (h)	28.000	28.000 (c)
1993	27.166	27.166	27.166
1994	77.166	82.435 (i)	82.435 (i)
1995	75.000	75.000	75.000 (j)
1996	100.000	70.000	70.000
1997	70.000	65.000	65.000
1998	90.000	77.500	77.500
1999	83.000	76.500	76.500
2000	130.000	152.418	152.418 (k)
2001	134.000	127.000 (l)	126.382 (m)
2002	150.000	135.000	375.620 (n)
2003	108.250	115.000	214.252 (o)
2004	94.900		50.000 (p)
2005	104.000		

- (a) Executive Branch request included ESF and PKO in one account—Security Supporting Assistance (SSA).
- (b) CRA limitation (P.L. 96-123).
- (c) CRA limitation.
- (d) In addition, \$125M appropriated under CRA (P.L. 97-51) and authorized by P.L. 97-132 for the Multinational Force and Observers.
- (e) Authorization waived in Continuing Resolution (P.L. 98-473).
- (f) Reflects amount appropriated under P.L. 99-190 (final CRA). Pursuant to P.L. 99-177 (Gramm-Rudman-Hollings), \$1.462M of this amount is not available for obligation.
- (g) Includes \$10M transfer from DOD allocated to Department of State pursuant to P.L. 101-45 used for UN mineclearing operations in Afghanistan.
- (h) Reflects an amendment to the FY 1992 budget to provide the United States' share to initiate UN Peacekeeping activities in Cambodia and El Salvador, and for other peacekeeping requirements.
- (i) Includes appropriation of \$75.623M plus \$6.812M transferred from other accounts.
- (j) The President's FY 1996 Budget shows PKO Budget Authority of \$75M in FY 1995. Subsequent to the release of the President's Budget, \$.85M was transferred out of the PKO account and into the IMET account (\$.35M for Botswana and \$.5M for Senegal) to enhance PKO training.

- (k) Includes \$2.466M transferred to IO&P account for KEDO. Does not reflect \$.582M rescission under the Consolidated Appropriations Act, 2001 (P.L. 106-554).
- (l) Authorization waived according to Section 525, Foreign Operations, Export Financing, and Related Appropriations Act 2001, (P.L. 106-429).
- (m) Reflects rescission of the Consolidated Appropriations Act, 2001 (P.L. 106-554) and includes \$2.279M UN reimbursement.
- (n) Reflects FY02 ERF and Supplemental Funds and \$620,000 UNAMSIL reimbursement.
- (o) Reflects FY03 Supplemental Funds and .65% statutory reduction
- (p) Reflects FY04 Supplemental Funds

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

Borrowing Authority – Permanent Indefinite Appropriation (a)

Fiscal Year	Request	Appropriated	Actual	Estimated
1985	274.000	109.000	0.000	
1988	0.000	532.000	0.000	
1989	0.000	0.000	452.065	
1990	0.000	0.000	731.510	
1991	0.000	0.000	127.014	50.000
1992	0.000	0.000	0.000	50.000
1993	0.000	0.000	62.678	50.000
1994	0.000	0.000	49.608	50.000
1995	0.000	0.000	39.300	50.000
1996	0.000	0.000	23.577	50.000
1997	10.599	0.000	16.500	50.000
1998	28.000	0.000	28.000	
1999	31.000	0.000	37.500	
2000	35.000	0.000	38.000	
2001	31.000	0.000	58.000	
2002	27.000	0.000	27.000	
2003	25.500	0.000	25.500	
2004	40.000	0.000	40.000	
2005	8.000	0.000		8.000

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

**Economic Support Fund**  
(\$ in millions)

Fiscal Year	Request	Authorized	Appropriated
1964	435.000	380.000	330.000
1965	405.000	405.000	401.000
1966	764.000	684.000	684.000
1967	750.000	715.000	690.000
1968	720.000	660.000	600.000
1969	595.000	410.000	365.000
1970	515.000	414.600	395.000
1971	600.000	414.600	414.600
1972	800.000	618.000	550.000
1973	848.800	(a)	600.000 (a)
1974	732.000	629.000	611.500
1975	1,425.300	1,377.000	1,200.000
1976	1,923.300	1,856.200	1,739.900
197T	50.200	464.100 (b)	279.700 (b)
1977	1,893.500	1,895.000	1,757.700
1978	2,232.200	2,235.000 (c)	2,219.300 (c)
1979	2,204.400 (d)(e)	2,202.000	2,282.000
1980	2,115.100 (e)(f)	1,935.000	1,946.000 (g)
1981	2,030.500	2,065.300	2,104.500 (g)
1982	2,931.500	2,973.500	2,926.000
1983	2,886.000 (h)	2,873.500	2,962.250 (g)
1984	2,949.000 (i)	3,074.000	3,254.250 (g)(j)
1985	3,438.100	(k)	6,084.000 (l)
1986	4,024.000	3,800.000	3,800.000 (m)(n)
1987	4,390.800 (o)	(p)	3,600.000 (q)
1988	3,600.000 (r)	(p)	3,200.820 (r)
1989	3,281.000 (r)	(p)	3,258.500
1990	3,849.100 (s)	(p)	3,916.510 (t)
1991	3,358.000 (u)	(p)	3,175.000 (v)
1992	3,240.000 (w)	(p)	3,216.624 (g)
1993	3,123.000 (x)	(p)	2,670.000
1994	2,582.000	(p)	2,364.562
1995	2,434.500 (y)	(p)	2,368.600
1996	2,494.300 (z)	(p)	2,359.600
1997	2,408.000	(p)	2,362.600
1998	2,497.600	(p)	2,419.600
1999	2,513.600 (aa)	(p)	2,592.831 (bb)
2000	2,543.000 (cc)	(p)	2,782.187 (dd)
2001	2,363.000	(p)	2,314.896 (ee)
2002	2,289.000	(p)	2,824.000 (ff)
2003	2,490.000	(p)	4,802.082 (gg)
2004	2,535.000	(p)	3,263.309 (hh)
2005	2,520.000	(p)	

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

(gg) Net of 0.65% rescission of Consolidated Appropriations Resolution, 2003 (P.L. 108-7). Includes \$2.422 billion in emergency supplemental appropriations and \$100 million reimbursement from the Iraq Relief and Reconstruction Fund.

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