

## **FACT SHEET**

### **Request for Foreign Assistance Funds to Address the Financial Crisis**

President Obama intends to request \$448 million from Congress in emergency funding to help targeted developing countries respond to the current and anticipated effects of the crisis on extremely poor and vulnerable populations.

This targeted assistance will complement the actions of the International Monetary Fund (IMF), the World Bank, and other donors to stabilize macroeconomic conditions and restore the health of the international financial sector.

The President will ask allocate this assistance on the basis of the most recent information on the crisis and its impacts on vulnerable populations at the time the funds become available. Conditions remain extremely volatile, and the efficiency of our assistance will depend on its responsiveness to rapidly changing local circumstances.

The principal criterion by which the targeted recipients of this aid would be identified is the severity of the effects of the crisis, in terms of lost jobs and incomes on the extreme poor and those at risk of falling back into extreme poverty.

The requested assistance will be provided in three ways:

1. Significant, short-term financial support for social safety net programs – including, cash for work, education programs, health programs and food.
2. Credit guarantees designed to re-energize private sector lending to small and medium sized businesses and other targeted economic sectors that can rapidly create jobs and restore the incomes of the poor.
3. Technical assistance to governments and financial institutions to support all of these activities.

The requested funds would be implemented by the Department of State and the U.S. Agency for International Development (USAID), in partnership with the Department of Treasury, the Overseas Private Investment Corporation (OPIC) and other Federal agencies, as appropriate.