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U.S. Assistance to Russia -- Fiscal Year 2006

In Fiscal Year 2006, the estimated \$949.3 million budgeted by all U.S. Government agencies for assistance programs for Russia is allocated roughly as follows, based on information available as of the date of this fact sheet:

Democracy Programs	\$45.2 million
Economic Programs	\$7.0 million
Social Reform	\$23.6 million
Security & Law Enforcement	\$860.0 million
Humanitarian	\$8.7 million
Cross-Sectoral Initiatives	\$4.8 million

Democracy Programs. U.S. Government democracy assistance in Russia continues despite concerns about Russia backsliding on human rights and democratization. Although Russia made progress in some areas, key concerns include: the continued centralization of power in the executive branch through changes in the parliamentary election laws and a move away from the direct election of regional governors; government pressure on the media; legislation signed into law by President Putin in January 2006 that could severely hinder the work of non-governmental organizations (NGOs) in Russia; and continuing violence and human rights abuses in Chechnya and the rest of the North Caucasus.

Recognizing these challenges, U.S. assistance programs focus on supporting civil society, independent media, the rule of law and respect for human rights, free and fair elections, and government accountability, particularly at the local level. Additionally, U.S. assistance supports organizations that work on issues such as voter and civic education, election monitoring, and nonpartisan training for political leaders and young people. U.S. assistance programs also provide training for journalists, work to increase professional communication between Russian and American judges and attorneys and encourage judicial independence and effectiveness. U.S. assistance programs seek to increase the independence of the judiciary; strengthen the professional standards of several thousand local and regional television and radio stations; support civil society by assisting tens of thousands of civic, business, philanthropic and advocacy associations; and significantly accelerate and expand the emerging trend for regional governors and mayors to engage NGOs as partners in social programs and as interlocutors through public hearings on major funding and program decisions.

Economic Reform. U.S. Government assistance programs help the development of small and medium-sized enterprises through support to small business associations, micro-finance institutions and training. Programs with the Central Bank target improved bank supervision and anti-money laundering. The U.S.-Russia Investment Fund provides direct investment to support private Russian companies. FY 2006 is the last year of funding for economic reform programs in Russia, except for the Russian Far East, the North Caucasus, and limited programs in Russian strategic cities.

Social Reform. U.S. assistance programs help Russia address serious problems in maternal and child health, reproductive health, child welfare, and infectious disease -particularly HIV/AIDS, tuberculosis, Hepatitis B, and avian flu preparedness. One clear sign of success is the reversal in Russia's infant mortality rate, which had
increased in the past fifteen years. U.S. Government programs also address family support issues that cause child abandonment.

U.S. Government-funded activities reduce the HIV/AIDS infection rate in Russia, which is among the most rapidly growing in the world, through collaborative efforts in education and research. The medical communities in the United States and Russia are also working together to develop improved treatment and care for Russians living with AIDS. U.S. assistance will also continue support for the Bratislava Initiative -- an agreement between Presidents Bush and Putin to jointly collaborate in addressing the global threat of HIV/AIDS. The United States is also providing assistance to Russia through the World Health Organization (WHO) for avian influenza preparedness, disease surveillance, and public education communications.

Security and Law Enforcement Programs. U.S. Government programs in Russia that consolidate, secure, or destroy and dismantle weapons of mass destruction account for the lion's share of U.S. Government assistance to Russia in Fiscal Year 2006. These programs support one of the U.S. Government's highest priorities in our relations with Russia: facilitating cooperation to reduce the risk of proliferation of weapons of mass destruction (WMD). The Defense Department's Cooperative Threat Reduction (CTR) Program assists Russia with the destruction of strategic missiles and delivery systems, the enhancement of security for Russia's nuclear weapons in storage and during transport, and the construction of a facility for the safe destruction of chemical weapons.

In order to improve interoperability with coalition or NATO forces, the International Military Education and Training (IMET) Program provides training in English, in peacekeeping operations, non-commissioned officer development, search and rescue, civil/military interaction, and military medicine for military and civilian officials of the Ministry of Defense. The program is moving from strategic to tactical interoperability, focusing on the future of the Russian peacekeeping brigade. The State Department-led Export Control and Related Border Security (EXBS) Program assists Russia in stemming the proliferation of WMD, their delivery systems, and related technologies. The program also offers assistance on many facets of nonproliferation including building better strategic trade controls in the areas of licensing both dual-use and munitions items, enforcement activities ranging from detection, investigation, and prosecution of proliferation relevant incidents; government outreach to help industry understand their need to comply with strategic trade controls, and the legal and regulatory structure of nonproliferation in line with international standards.

The Departments of State and Energy administer complementary programs to counteract the threat of WMD. Department of Energy activities assist in securing and disposing of nuclear and radiological material, shutting down Russia's three remaining plutonium production reactors, engaging former weapons scientists in viable peaceful research endeavors, improving of border security, and strengthening the nonproliferation regime. Department of State programs, including the Science Centers Program, Bio-Chem Redirect Program, and Bio-Industry Initiative, help redirect the activities of former weapons scientists toward peaceful research endeavors. Today, these redirection programs are developing models to bring former Soviet scientists with weapons expertise into self-sustaining enterprises.

The State Department's Anti-Crime Training and Technical Assistance Program supports diverse activities, including: implementation of the July 2002 Criminal Procedure Code and the August 2004 Law on Witness Protection; adoption of modern investigative techniques in the fight against narcotics trafficking, trafficking in persons, money laundering, terrorist finance, and cybercrime; the development of U.S.-Russian legal cooperation under the Mutual Legal Assistance Treaty; adoption of community-based policing in the Sakhalin region of the Russian Far East; the protection of intellectual property rights; and support of research into crime and corruption in Russia.

Humanitarian Assistance. The Department of State allocated \$6.6 million in FY 2006 to assist internally displaced persons in the North Caucasus. This assistance provides shelter, medical care, psychological counseling, educational assistance, water and sanitation services, and other necessities to those displaced by the conflict in Chechnya. An additional \$5 million in FY 2005 Supplemental funds will be spent by USAID for humanitarian, conflict mitigation, and relief and recovery assistance for

needy families and communities in Chechnya, Ingushetia, and elsewhere in the North Caucasus. Since 1999, the U.S. Government has provided over \$136 million for relief assistance in the North Caucasus.

Cross-Sectoral Initiatives. U.S. Government assistance helps to contribute to economic and democratic reform, and to promote mutual understanding in Russia through exposure to U.S. society and personal connections to Americans. It also supports independent Russian research and policy institutions that produce scholarly articles and advice for policy makers that are specifically adapted to Russia. U.S. Government assistance implementers are also helping to bring civil society, local government, media and business together to combat corruption across Russia.

The State Department operates an umbrella program known as the Regional Initiative (RI), designed to promote cross-cutting development in the Russian Far East. The RI helps coordinate assistance activities in this region, provides information to local residents about programs active in the area, and encourages greater participation of regional governments in ongoing programs.

Exchange programs are a vital means for Russians to experience directly how the U.S. market economy and pluralistic society work. Many alumni of U.S. Government exchange programs occupy key positions in Russian business, government, media, education, and civil society. They are key proponents within Russian society of liberal democratic values. In FY 2005, over 4,100 Russians came to the United States on U.S. Government-funded exchange and professional training programs. Since 1993, over 65,000 Russians have come to the United States on these programs.



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