

## Nonproliferation, Anti-terrorism, Demining, and Related Programs

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
NADR	351,415	398,784	440,100
NADR-ERF	10,000	-	-
NADR-SUP	35,000	-	-

The Nonproliferation, Anti-terrorism, Demining, and Related Programs (NADR) account supports a broad range of U.S. national interests by funding critical, security-related programs. NADR programs serve as an important tool for working with foreign nations to reduce transnational threats to America's security, as well as to mitigate local threats that cause regional instabilities and humanitarian tragedies. The FY 2006 request reflects the funding needed to support U.S. efforts to reduce threats posed by international terrorist activities, landmines, and stockpiles of excess weapons, as well as by nuclear, chemical, and biological weapons, missiles, and their associated technologies.

The NADR account supports U.S. efforts in four areas: nonproliferation, anti-terrorism, regional stability, and humanitarian assistance. The success or failure of the United States in dealing with problems in each of these areas will have implications for maintaining U.S. security and military superiority; efforts to promote reconciliation and stability in the Middle East, Asia, and the Pacific Rim; and access to critical resources and markets.

### Nonproliferation Efforts

One of the most direct and serious security threats facing the United States is the possibility of conflict involving weapons of mass destruction (WMD) of chemical, biological, radiological or nuclear origin, and missiles that could deliver such weapons. First and foremost is the immediate challenge of halting the clandestine spread of WMD materials and technology to rogue states, terrorist groups, and other non-state actors. Synonymous with this challenge is the need to reinvigorate the international community's commitment to support nonproliferation efforts and responsible nonproliferation behavior. The FY 2006 NADR request will fund bilateral and multilateral assistance programs that directly support U.S. nonproliferation objectives:

- to deny proliferators the supplies of materials and technology they need for their programs;
- to prevent and contain WMD and missile capabilities as well as advanced conventional weapons in key countries and regions;
- to secure and guard against leakage of WMD- and missile-related materials and expertise, primarily in Russia and other Eurasian countries;
- to promote the strengthening of international agreements that formalize and help verify nonproliferation constraints; and
- to ensure that peaceful nuclear cooperation serves nuclear safety, environmental, and nonproliferation goals.

NADR supports three nonproliferation programs on a bilateral basis: the Nonproliferation and Disarmament Fund (NDF), a contingency fund for unanticipated requirements or opportunities; the Nonproliferation of

Weapons of Mass Destruction Expertise program (formerly known as the Science Centers and Bio-Chem Redirection programs), which finance civilian research by former Soviet weapons experts in Russia, Ukraine, and the other Eurasian countries; and Export Control and Related Border Security assistance programs, which are designed to strengthen national export control systems in key countries. NADR funds also leverage other international donors in two multilateral fora. Under the International Atomic Energy Agency (IAEA), the U.S. voluntary contribution supplements the IAEA's operating budget to implement strengthened nuclear safeguards measures, allow expansion in nuclear safety cooperation with key countries, and combat nuclear and radiological terrorism. Funding for the Comprehensive Nuclear Test Ban Treaty (CTBT) helps strengthen the current international testing moratorium by supporting the establishment of the International Monitoring System (IMS) to detect nuclear explosions.

#### Anti-terrorism Efforts

The NADR account plays a key role in implementing a comprehensive approach to preventing and countering terrorist attacks on U.S. citizens and interests, at home and abroad, and helping to mitigate the impact of any attacks that may occur. NADR funds the Anti-terrorism Assistance (ATA) program, Terrorist Interdiction Program (TIP), Counterterrorism Engagement with Allies, and Counterterrorism Financing. ATA provides technical training and equipment to assist foreign countries in protecting facilities, individuals, and infrastructure. It also provides in depth training of counterterrorism investigators with the aim of stopping terrorists before they can strike, thus forming part of America's first line of defense. The TIP improves countries' capabilities to implement a watch/stop list at immigration control points with the aim of preventing or impeding terrorist travel, a key counterterrorism objective. CT Engagement programs build international political will leading to concrete steps in the war on terrorism and then helps to enable such steps through multilateral counterterrorism projects, thus leveraging U.S. funds to obtain additional monies from other donors. Counterterrorism Financing assists foreign countries' efforts to identify, freeze, and prevent the use of financial institutions, businesses, and charitable organizations as conduits for money to terrorist organizations, including giving countries an investigative ability to follow the money trail and arrest terrorists preemptively. The FY 2006 request will support ongoing core ATA programs and the development of new courses and activities to meet the evolving terrorist threat, new TIP countries' efforts to interdict terrorists, and U.S. efforts to sustain and further the counterterrorism agenda in defending the homeland and protecting U.S. interests abroad.

#### Regional Stability and Humanitarian Assistance

Finally, the NADR account funds programs that promote peace and regional stability, as well as meet humanitarian needs in post-conflict situations. The Humanitarian Demining Program (HDP) supports efforts to eliminate the threat to civilians resulting from the indiscriminate use of landmines and unexploded ordnance, which destabilize and damage efforts to restore peace and prosperity for years after conflict has ceased. Humanitarian mine action allows mine-affected nations to protect innocent civilians, return displaced persons to their homes, rebuild shattered economic infrastructure, return agricultural land to productivity, and allow the safe delivery of other humanitarian services. The Department is also requesting funds to continue the matching contribution program with the International Trust Fund for Demining and Mine Victims' Assistance, which conducts and monitors mine action activities primarily in the Balkan region.

In FY 2006, NADR will also fund the Small Arms/Light Weapons (SA/LW) destruction program, which is designed to eliminate stockpiles of excess small arms and light weapons left over from Cold War and post-Cold War conflicts. Destruction of these weapons contributes to U.S. force protection and regional security efforts by helping prevent the spread of illicit weapons to insurgent groups and terrorist organizations. The FY 2006 program will focus on destruction of shoulder-launched surface-to-air missiles, or MANPADS, that increasingly have been sought after and used by terrorist groups in Kenya, Iraq, and elsewhere.

**Nonproliferation, Anti-terrorism, Demining, and Related Programs**  
(\$ in thousands)

	<b>FY 2004 Actual</b>	<b>FY 2005 Estimate</b>	<b>FY 2006 Request</b>
<b>Nonproliferation Programs</b>			
Nonproliferation and Disarmament Fund	29,823	31,744	37,500
Export Control and Related Border Security Assistance	35,788	37,696	44,400
Science Centers/Bio Redirection	50,202	-	-
Nonproliferation of WMD Expertise	-	50,096	52,600
IAEA Voluntary Contribution	52,687	52,576	50,000
CTBT International Monitoring System	18,888	18,848	14,350
<b>Subtotal - Nonproliferation Programs</b>	<b>187,388</b>	<b>190,960</b>	<b>198,850</b>
<b>Anti-Terrorism Programs</b>			
Anti-terrorism Assistance	96,428	117,800	133,500
Anti-terrorism Assistance - ERF	10,000	-	-
Anti-terrorism Assistance - SUP	35,000	-	-
Terrorist Interdiction Program	4,971	4,960	7,500
CT Engagement with Allies	-	1,984	2,000
Counterterrorism Financing	-	7,192	7,500
<b>Subtotal - Anti-Terrorism Programs</b>	<b>146,399</b>	<b>131,936</b>	<b>150,500</b>
<b>Regional Stability &amp; Humanitarian Assistance</b>			
Humanitarian Demining Program	48,705	59,024	72,000
International Trust Fund	9,941	9,920	10,000
Small Arms/Light Weapons Destruction	3,982	6,944	8,750
<b>Subtotal - Regional Stability &amp; Humanitarian Assistance</b>	<b>62,628</b>	<b>75,888</b>	<b>90,750</b>
<b>Total</b>	<b>396,415</b>	<b>398,784</b>	<b>440,100</b>

## Nonproliferation and Disarmament Fund

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
NADR-NDF	29,823	31,744	37,500

The Nonproliferation and Disarmament Fund (NDF) negotiates, finances and executes carefully selected projects that support US diplomatic efforts to:

Eliminate weapons of mass destruction (WMD) and their delivery systems;  
Track, control, secure or eliminate dangerous materials (fissile, radiological, chemical or biological);  
Limit the spread of advanced conventional weapons.

NDF projects often take advantage of unanticipated opportunities that occur during the course of a fiscal year. NDF monies are not set aside or committed to any project, region, or country in advance. Faced with sudden political events, innovative technology or unforeseen circumstances that offer a chance to halt the spread of WMD, any USG agency and Department of State office can submit a proposal to use NDF funds towards an activity that fulfills U.S. national security objectives. Proposals span the globe, and frequently lie outside the scope of established USG programs for a region or country. Funding is approved by the Under Secretary for Arms Control and International Security (T) based on detailed recommendations from the T Assistant Secretaries and NP Deputy Assistant Secretaries.

Once the approved proposals complete the notification process in Congress, NDF implements the project. While NDF may transfer funds to a program or office it deems better suited to carry out the activity (e.g. MANPADS elimination), the technical complexity of most projects requires the project management experience of NDF staff, because many proposals are approved without a formal international agreement, MOU or implementing agreement, NDF must first negotiate agreement from foreign governments to support the activity. NDF staff then implements the project, putting contracts in place, personnel on the ground, and equipment on location to accomplish the project goals within the budget approved.

Recent NDF projects approved include:

- Removal of nuclear centrifuges, missiles, and other WMD related equipment from Libya;
- Establishment of programs in Iraq and Libya to re-direct former WMD weapons scientists and engineers to civilian occupations;
- Support for the World Health Organization's efforts to establish international guidelines to identify and secure dangerous pathogens and toxins;
- Cooperative work with China, Singapore, and Thailand on establishing biosecurity legislation and regulations;
- Establishment of a program in Libya to create an effective export and border control system;
- Establishment of a program in Libya to improve its nuclear and radiological material management infrastructure;
- Initiate efforts to destroy or convert the Rabta chemical weapons production facility in Libya;

- Helping countries worldwide control the export, import or other movement of materials needed to produce weapons of mass destruction or advanced convention weapons through the USG's "Tracker" program;
- Funding for MANPADS elimination in sensitive locations.

### Justification

The NDF has an established a record of accomplishment to include:

- Removal of WMD-related materials in Libya;
- Destruction or removal of ballistic missiles in Central Asia and the Middle East;
- Removal of weapons grade nuclear materials from Serbia;
- Development of systems foreign governments use to track sensitive exports;
- Securing of dangerous materials sites (e.g. Albania, Uzbekistan)
- Draining of the liquid sodium coolant from the BN-350 plutonium production reactor in Kazakhstan.

The United States has launched numerous diplomatic initiatives that depended upon NDF funding and the negotiating and programmatic execution skills of its staff. For FY 2006, the NDF is expected to support several classified efforts to secure or remove dangerous materials in sensitive locations, eliminate weapons delivery systems, support emergency interdiction efforts and help launch new nonproliferation initiatives.

The Administration is requesting \$37.5 million for the NDF in FY 2006 to support our nonproliferation efforts. To ensure that the NDF can continue to respond quickly to difficult challenges, the Administration requests that NDF funding, as in previous years, be made available notwithstanding any other provision of law, that funds be appropriated until expended, and that their use be authorized for countries other than the independent states of the former Soviet Union and international organizations. The NDF requests five percent of its funds for administrative and operational costs.

### **Program Assessment Rating Tool (PART) / Performance Evaluation**

For preparation of the FY 2006 budget, the Administration reevaluated the Department's Nonproliferation and Disarmament Fund (NDF) Program using the Program Assessment Rating Tool (PART). It was rated as effective, having instituted OMB recommendations that specific long-term performance measures be developed that focus on outcomes and meaningfully reflect the purpose of the program. The NDF program makes a unique contribution toward preventing future WMD and missile threats to the U.S. and its interests by forestalling and eliminating those threats. In response to OMB recommendations in the FY 2005 review of this program, NDF staff strengthened its PART long-term goals for the program for the FY 2006 budget. The Department's Bureau of Non-Proliferation also refined the NDF efficiency measure and incorporated it into the PART for the FY 2006 budget.

Key Indicators: (1) Ratio of total administrative cost to program cost; (2) Annual deployment of tracker; and (3) number of active projects.

## Export Control and Related Border Security Assistance

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
NADR-EXBS	35,788	37,696	44,400

Preventing the proliferation of Weapons of Mass Destruction (WMD), their missile delivery systems, and advanced conventional weapons are among our top priorities. Strong export and border control systems are the frontline of these efforts, and a key component of the war on terror. The EXBS program, drawing on expertise from a number of U.S. agencies and the private sector, is assisting governments in strengthening their export controls by improving their legal and regulatory frameworks, licensing processes, border control and other enforcement capabilities, outreach to industry, and interagency coordination.

FY 2006 EXBS program funding will continue the development of effective controls in a number of key countries, notably potential proliferation source and transit states in Eurasia, while stepping up our efforts in source countries in South Asia and key transit and transshipment states in Southeastern Europe, as well as countries with major transshipment ports in the Mediterranean, the Middle East, and Southeast Asia. We will also continue developing and initiating programs in Afghanistan, Africa and Latin America, some of which started in FY 2004 and FY 2005. FY 2006 EXBS program funding will position us to bring assistance to Libya to develop and implement an effective export control system if Libya is removed from the list of state sponsors of terrorism.

Also in FY 2006, we will take on full management and funding of the TRACKER export control information system, integrating its application into training programs planned or already underway for countries where it is not yet implemented.

A key tool in stemming the proliferation of WMD, their delivery systems, and other weapons and destabilizing technologies is having effective export and border control infrastructure and capabilities. To meet this objective, the United States works to ensure that potential suppliers have effective controls on exports of arms, dual-use goods, and related technologies, and that transit/transshipment countries have the tools to interdict illicit shipments crossing their territories and implement controls to prevent diversions.

### Continuing Work in Eurasia

\$ 4.0 million: Russia, Ukraine, and Kazakhstan retain significant WMD materials and expertise from the Soviet era. The EXBS program is working on many fronts with these countries, including efforts to enhance enforcement and border security capabilities and promote industry compliance with national export control laws.

\$ 4.96 million: high-risk transit and smuggling routes from source countries run through Central Asia and the Caucasus. The EXBS program's activities in the region, which remains on the front line of the war on terror, include enhancing border security capabilities and building effective legal controls to meet this challenge.

### Continuing Work Globally

\$ 2.0 million: tightened export controls in South Asia are vital to ensure that India and Pakistan do not become sources for sensitive materials and technology to other countries or terrorist organizations, particularly in the Middle East. Resources for new initiatives with Sri Lanka will extend export control capabilities in this region.

\$ 9.40 million: major transshipment ports and countries along high-risk smuggling routes in Southeast Asia, including Singapore, Taiwan and Thailand, and the Middle East, including Jordan and the United Arab Emirates, are of major concern as potential diversion points for WMD-related items due to their geographic location and large volume of container traffic. New initiatives are planned in Indonesia. Initial engagement with Libya on export controls accounts for \$1.0 million of this total for FY 2006. Launching a comprehensive program with Iraq accounts for \$1.0 million for assistance with laws and regulations, establishing a licensing process, and improving enforcement.

\$ 2.37 million: A number of Central European countries have demonstrated the political commitment to effective controls and established the requisite legal/regulatory, licensing and enforcement infrastructure, but need some additional training and equipment to improve enforcement capabilities. We anticipate that by the end of FY 2006, Bulgaria, Estonia, Lithuania, and Romania will join Poland, the Czech Republic and Hungary as countries that have moved to the “sustainability” phase of the EXBS program based on their success in establishing largely effective export control systems. For this reason, program funding for Central Europe continues to diminish as resources shift to other countries and regions of proliferation concern.

\$ 4.94 million: Balkan, Latin American, and African countries are potential sources, and transit and transshipment points, for WMD-related items and advanced conventional weapons. The Balkan nations have defense industries with over-capacity and a history of dealing with rogue countries. In addition, recent arms transfers have highlighted the critical need to strengthen these countries’ export controls. East African states are of increasing concern due to their proximity to the Middle East and porous borders, which facilitate the transfer of weapons and related items, potentially to terrorist organizations. Providing export control assistance to key transit/ transshipment states in East Africa supports the President’s counter-terrorism initiative. Assisting Latin American states to develop effective export control systems is in our domestic security interest. A large volume of containerized trade that enters the U.S. transits Latin America, especially through the Panama Canal. In addition, some of the countries in these regions are potential sources of dual-use technologies, nuclear materials, and missile components.

#### Improving Program Management

\$ 6.827 million: continue and expand the worldwide nonproliferation advisors program, which currently has 14 offices covering 21 countries. Funds will support the work of in-country and regional advisors, including overseeing and coordinating implementation of assistance projects, assessing foreign export control/border security capabilities and practices, recommending projects, and ensuring effective use of U.S.-provided equipment.

\$ 3.253 million: program administration, including contract support for accounts reconciliation, strategic planning, performance measurement, and database management; repair and maintenance for detection and imaging equipment; agencies’ overhead; and costs associated with team visits, such as translators and transportation to border points.

\$6.65 million: global outreach and automation activities, including TRACKER and regional conferences: The EXBS program assumes responsibility in FY 2006 for funding the TRACKER model export control information system, including software development, training, deployment and maintenance. These funds are also for activities aimed at engaging program countries in a regional or global forum to foster a sense of common responsibility and purpose, and share lessons learned and experiences that cannot be replicated through other vehicles. This will include the next International Export Control Conference; an international transshipment enforcement conference; and a Central Asia/Caucasus Regional Export Control Forum.

### **Program Assessment Rating Tool (PART)/Performance Evaluation**

For preparation of the FY 2006 budget, the Administration evaluated the Department's Export Controls Program using the Program Assessment Rating Tool (PART). The program was assessed as being effective. The program seeks to assist foreign governments to raise their export laws and regulations to international standards, and improve licensing, border control and investigative capabilities. The PART findings were one factor used in the overall decision-making process for resources allocations.

Key Measures: (1) Average dollars for contract training under ISSC; and (2) Number of countries that have developed and instituted valid export control systems meeting international standards.



**Export Control and Related Border Security Assistance**  
(\$ in thousands)

	<b>FY 2004 Actual</b>	<b>FY 2005 Estimate</b>	<b>FY 2006 Request</b>
<b>Africa</b>			
Kenya	1,088	50	300
South Africa	-	25	50
Tanzania	544	25	200
<b>Subtotal - Africa</b>	<b>1,632</b>	<b>100</b>	<b>550</b>
<b>East Asia and the Pacific</b>			
East Asia Regional	-	365	300
Indonesia	220	-	450
Malaysia	230	150	750
Singapore	430	500	800
Taiwan	550	550	800
Thailand	380	750	1,000
Vietnam	500	280	850
<b>Subtotal - East Asia and the Pacific</b>	<b>2,310</b>	<b>2,595</b>	<b>4,950</b>
<b>Europe and Eurasia</b>			
Europe Regional Export Controls	-	-	300
Albania	600	300	515
Armenia	300	300	700
Azerbaijan	600	1,545	1,650
Belarus	-	-	250
Bosnia and Herzegovina	600	500	675
Bulgaria	1,500	500	-
Croatia	850	690	910
Cyprus	400	400	200
Estonia	995	1,000	100
Kazakhstan	2,000	2,000	1,400
Kyrgyz Republic	500	500	810
Latvia	2,185	1,000	100
Lithuania	840	1,000	100
Macedonia	550	400	725
Malta	250	100	200
Moldova	640	495	320
Romania	715	750	-
Russia	1,800	2,800	1,000
Serbia and Montenegro	750	735	1,290
Slovakia	305	550	300
Slovenia	365	495	50
Tajikistan	300	300	600
Turkey	600	600	750

**Export Control and Related Border Security Assistance**  
(\$ in thousands)

	<b>FY 2004 Actual</b>	<b>FY 2005 Estimate</b>	<b>FY 2006 Request</b>
Turkmenistan	-	-	400
Ukraine	1,500	1,500	1,600
Uzbekistan	-	1,200	500
<b>Subtotal - Europe and Eurasia</b>	<b>19,145</b>	<b>19,660</b>	<b>15,445</b>
<b>Near East</b>			
Middle East Regional	-	-	100
Iraq	-	-	1,000
Jordan	730	860	1,000
Libya	-	-	1,000
Oman	400	400	500
United Arab Emirates	250	250	350
Yemen	470	525	500
<b>Subtotal - Near East</b>	<b>1,850</b>	<b>2,035</b>	<b>4,450</b>
<b>South Asia</b>			
Afghanistan	230	250	400
India	685	685	600
Pakistan	535	1,000	700
Sri Lanka	-	-	300
<b>Subtotal - South Asia</b>	<b>1,450</b>	<b>1,935</b>	<b>2,000</b>
<b>Western Hemisphere</b>			
WHA Regional	-	-	50
Argentina	-	50	100
Brazil	-	50	75
Panama	40	25	50
<b>Subtotal - Western Hemisphere</b>	<b>40</b>	<b>125</b>	<b>275</b>
<b>Global</b>			
Export Control Program Administration	1,850	1,500	2,253
Export Control Regional Advisors	6,426	7,596	6,827
Global Regional Export Controls	585	1,150	6,650
Program Equipment	500	1,000	1,000
<b>Subtotal - Global</b>	<b>9,361</b>	<b>11,246</b>	<b>16,730</b>
<b>Total</b>	<b>35,788</b>	<b>37,696</b>	<b>44,400</b>

## Nonproliferation of WMD Expertise

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
NADR-WMD	-	50,096	52,600

Nonproliferation of Weapons of Mass Destruction Expertise (NWMDE) is a global mission to confront the growing threat of terrorist or rogue state acquisition of weapons of mass destruction (WMD) and delivery systems. Side by side with control of materials and technologies and destruction of weapon stocks, NWMDE -- redirecting WMD know-how -- is a third essential form of USG efforts to prevent the proliferation of WMD and delivery systems. The United States, often in cooperation with allies, has transparent programs to develop alternatives to proliferation through which we have engaged tens of thousands of former WMD research and development experts, mainly in the former Soviet Union. Scientists in Iraq and Libya are accessible for the first time. While others remain beyond our reach, we look toward applying and adapting best practices and lessons learned to South Asia, the Middle East, and North Korea when those opportunities arise.

Given the different structures, magnitudes and capabilities of national WMD sectors in these various regions and the speed with which opportunities can develop, we have developed a strategic framework for NWMDE that is relevant to maturing programs in Eurasia as well as to nascent programs elsewhere. Recognizing best practices (and inadequacies) in the intergovernmental model developed over the early years of cooperative threat reduction, we augment that flagship program with targeted engagement for the biological weapons (BW) and chemical weapons (CW) sectors, using a mix of other-agency and consultant experts to accelerate the transition of former weapon institutes, while paying special attention to dual-use issues. Each program innovation is linked to an exit strategy for leaving the scientists engaged and the institutions that employ them better prepared to sustain themselves in peaceful work.

Our strategic approach centers on threat analysis, characterization of the target population, identification of other interested parties (governments, international organizations, non-governmental organizations), budget analysis, and developing an approach that will best accomplish our nonproliferation task in the most efficient, effective way. Our FY 2006 budget request supports five programs. Three programs, Science Centers, Bio-Chem Redirect, and the Bio-Industry Initiative, address the threat of WMD expertise proliferation from Eurasia. An overwhelming amount of expertise in all WMD areas and delivery systems in that region remains vulnerable, particularly to terrorist exploitation. These programs are the largest USG efforts to redirect former WMD scientists. For some BW and CW institutes, they are the only USG programs that engage these scientists and give us access to their institutes. We also expect to continue support for separate programs in Iraq and Libya to employ WMD scientists peacefully and sustainably. Finally, we will retain the flexibility to allocate funds as necessary to new initiatives not yet foreseen or to take advantage of new opportunities in existing programs.

### **Eurasia**

Since the inception of cooperative threat reduction programs involving the successor states of the USSR, redirecting former WMD researchers and institutes into peaceful work has provided a proven incentive against the diversion of WMD know-how to rogue states or terrorists. The United States and close allies developed a model for engagement of WMD scientists in collaboration originally with the Government of Russia, creating the first intergovernmental organization to screen research proposals, provide science management and financial oversight, and ensure cooperative policy-making by the founding governments. This now-mature model involves WMD scientists in eleven recipient countries and is evolving as directed by the United States and other funding parties towards greater reliance on commercial and other sustainable

forms of scientific redirection. The Science and Technology Centers in Moscow and Kiev are now major nonproliferation program implementation platforms for the Department of State NWMDE programs detailed below, other USG programs, including DoE's Russian Transition Initiative and DoD's Cooperative Threat Reduction Program, and agencies of other governments. These coordinated programs engage WMD scientists in peaceful research and also design and fund services, training, and competency building to guide former Soviet WMD/missile experts toward economic self-reliance and permanent transition to stable civilian employment. Canada's decision to implement a large part of its G-8 Global Partnership commitment through the ISTC is a good example of the broader importance of WMD scientist redirection.

### Science Centers Program

Through the intergovernmental Science Centers in Moscow (ISTC) and Kiev (STCU), the U.S. and other funding parties engage researchers in nuclear, missile, chemical, and biological institutes in collaboration with Western counterparts. We commit funding to qualified research proposals, selected on a competitive basis, with emphasis given to projects and activities that achieve long-term nonproliferation impact and move priority institutes closer to self-sustainability and graduation from further NADR funding. Beside funding discreet projects, the Science Centers program in FY 2006 will seek to accelerate: training of scientists in competitive grant-writing, patent filings and licensing of intellectual property, business training, and matchmaking with U.S. commercial partners. Funding will also provide the U.S. contributions to the operating budgets of both Centers. Domestic program expenditures include reviewing the proliferation risk, technical merit, and market potential of hundreds of proposals annually, as well as annual financial audits of the Centers' operations and a sample of U.S.-funded projects.

It is crucial to our success that we not only fund scientists' projects but also guide institutes as they comprehensively transform their operations to prepare for regional and global competition. Funding at FY 2006 levels would permit us to contribute to sustainability programs launched in FY 2004 and delivered through the Science Centers that will enable us eventually to reduce project funding in Russia and ten other Eurasian states.

Our proposed funding level would also permit us to maintain access and influence at sensitive research institutions, particularly in Russia, Ukraine, Kazakhstan and Uzbekistan, while weighing and responding to risks in new member states Azerbaijan, Tajikistan and Moldova. Maintaining relationships with former grantees through training, travel grants to Western conferences, and regional travel by NADR-funded technical experts is a growing element of our engagement and an important element of our program oversight.

### Bio-Chem Redirect Program

The Bio-Chem Redirect (BCR) program deals with the highly dual-use areas of biotechnology and chemistry. It is a targeted initiative that engages biological and chemical weapons scientists to combat biological and chemical terrorism and proliferation. The program was directed to expand by the White House following the 2001 review of security assistance and is the only USG program that focuses on redirecting former chemical weapons scientists. These areas are given special attention due to the high proliferation risk, dual-use nature of their science and technology, and the growing threat of use by terrorists.

Bio-Chem Redirect finances research that supports the transition of CBW scientists to transparent civilian work in global public health, crop and livestock health, environmental monitoring and remediation. This engagement requires the specialized expertise of the DHHS, USDA, EPA, and other specialized partners to oversee and collaborate. Bio-Chem Redirect is the only way to support the key role of these agencies in our

WMD redirection effort, providing the technical expertise needed to ensure the appropriate degree of close and continuing oversight.

The FY 2006 level will enable BCR to provide minimal support to the DHHS Biotechnology Engagement Program (BTEP) for human health-related biological research projects at top-priority biological and chemical institutes primarily in Russia, including the WHO-mandated smallpox repository at Vector and the massive Soviet-era bacterial disease repository at Obolensk. Specific activities include drug and vaccine development to combat infectious diseases (e.g. HIV/AIDS, hepatitis, multi-drug resistant tuberculosis); scientist exchanges (a key element of U.S. strategy to ensure transparency in our research collaboration); and provision of Good Laboratory, Manufacturing, and Clinical Practices training, which are essential to the institutes' ability to attract commercial clients and long-term sustainable income from non-USG sources. Our proposed funding level will permit BTEP to sustain only limited bio-engagement efforts with top priority institutes in Kazakhstan and Georgia.

BCR will continue to fund the USDA Agricultural Research Service (ARS) Collaborative Research in Biotechnology Program, to redirect scientists from the former Soviet anti-crop and anti-livestock programs to civilian plant and animal disease detection, characterization, monitoring, and prevention. USDA is the only BCR-funded agency that is active in Uzbekistan, where a substantial body of BW-relevant expertise was recently identified. USDA may begin a modest engagement of former BW institutes in Ukraine that have not yet been engaged by any U.S. nonproliferation program.

In FY 2006 BCR plans to maintain its support to EPA, which is the pillar USG engagement with former chemical weapons scientists. Projects focus primarily in the areas of environmental contamination, detoxification, bioremediation and phyto-remediation, and the development of Acute Exposure Guideline Levels (AEGs) for hazardous chemicals and other forms of contamination. Top priorities include projects at the newly engaged Pavlodar Chemical Plant in Kazakhstan, the environmental monitoring laboratory in Stepnogorsk, Kazakhstan, and the newly established environmental monitoring laboratory in Kirov, Russia. The Kirov lab is virtually the only vehicle currently available for engaging former BW scientists at the closed Kirov-200 military facility.

#### Bio-Industry Initiative

The Bio Industry Initiative (BII) was mandated by Congress to reconfigure large-scale former BW production plants in the former Soviet Union for non-weapons uses and engage former weapons scientists in accelerated drug and vaccine development, particularly for highly infectious diseases. BII specifically combats the threat of bioterrorism through reduced access to BW production and research capacities, as well as generation of BW attack countermeasures. BII works in concert with other programs such as the DoD Defense Threat Reduction Agency to ensure the scientists, equipment, pathogenic strains, and all BW-related capacities are reconfigured toward sustainable, controlled, commercial use.

BII works to integrate U.S. industry partnerships for both the redirection of former BW production facilities and the development of novel drugs and vaccines for highly infectious diseases to commercial use. In FY 2006 the program will continue to fund engineering assessments of former BW production facilities, marketing and business plan development, and research projects (through the ISTC) aimed at redirecting these facilities toward sustainable, commercial applications. FY 2006 is a critical year for BII, as several expert assessments begun in past years are now complete and larger reconfiguration projects are ready for funding.

BII will expand beyond Russia to help reconfigure large biological production facilities in the Caucasus and Central Asia, particularly in Georgia and Kazakhstan. BII's experience will also be applied to new programs in Iraq, Libya, and elsewhere as opportunities arise.

## Iraq

The WMD scientist redirection program for Iraq was planned as a two-phase exercise. The current short-term, start-up phase includes preparation for the redirection effort, establishment of a program office in Baghdad, and initial redirection activities (e.g. introductory seminars, workshops and long-term planning activities). In a two-year (minimum) operational stage, the program office will be the channel for funding large-scale projects employing Iraq's WMD scientific and technical community, estimated at approximately 500 key scientists and an additional number of skilled technicians, and focusing on areas of importance to the reconstruction of Iraq (e.g. environmental issues, water quality, public health and agriculture). Despite the uncertain security situation, there is strong internal support from Iraqi WMD and missile personnel for the program and constructive engagement with several Iraqi ministries.

As of the end of FY 2004, the start-up phase was well under way, funded entirely from a \$2 million allocation from the Nonproliferation Disarmament Fund (NDF). A program office has been established and staffed by Iraqis. An enabling intergovernmental agreement with Iraq is being negotiated that will provide the legal framework for an ongoing program under the Iraqi International Center for Science and Industry (IICSI). We are in discussion with Iraq and the United Kingdom about the agreement, and we anticipate other countries, international organizations, and nongovernmental organizations would join as contributors. Two American directors -- an Executive Program Director and a Science Director -- will work as USG employees until the IICSI has achieved status as an international organization, at which time they would work as international staff at the Center. A Science Advisory Council (SAC) comprised of Iraqi scientists from various WMD-related fields meets regularly at the interim Center to set priorities for future work, and approximately 120 former scientists with WMD experience were on short-term retainers with the Center as consultants by the end of CY 2004.

The FY 2004 NDF funds will be augmented by an additional \$2 million tranche from NDF in FY 2005 to finance IICSI operations and provide for completion of the short-term phase of the Program as originally envisioned.

To continue operations beyond FY 2005 and to finance the large-scale projects identified by the Center and designed to employ large numbers of WMD scientists for extended periods of time, significant additional funding will be needed in FY 2006. Possible activities to be financed include:

- Re-equipping and updating scientific research and reference laboratories destroyed during the war and subsequent looting to provide an employment base for WMD/missile personnel;
- Conducting a large-scale assessment of environmental damage resulting from the manufacture, storage, use and sub-standard disposal of chemical, biological and nuclear materials, with special focus on their impact on public health;
- Initiation of activity aimed at creating a monitored domestic pharmaceuticals manufacturing capability in Iraq (all medicines and drugs are presently imported);
- Detailed research and analysis of the state of Iraq's water resources and initiation of activities to remedy problems identified;
- Establishment and activation of research programs in support of introducing modern agricultural practices in Iraq.

## **Libya**

In conjunction with its decision to dismantle its WMD programs, the Government of Libya explicitly and emphatically requested Western assistance in re-orienting its involved scientists. A joint US-UK redirection scoping study, funded by the United Kingdom, is underway in FY 2005. Preliminary estimates suggest there are likely 250 key personnel and 1,500 support personnel who will need some degree of help. NDF funding of \$500,000 was identified in FY 2004 for start-up activities and an additional \$2,500,000 will be made available from the NDF in FY 2005 activities. Additional funding will be made available in FY 2006 for follow-up activities from this account to accomplishing this important nonproliferation mission.

The United States and the United Kingdom hosted a series of project development workshops – on water management and desalination, nuclear medicine and radiotherapy, oil and gas service technology development, and environmental monitoring – in Libya early in FY 2005. Currently, the US-UK-Libyan steering committee is identifying longer-term cooperative activities that will engage Libya's former weapon scientists in Western academic, public, and private sector activities. These may include:

- Technical and financial support for collaborative research and technology projects that advance national, regional or international development objectives such as improved water management and desalination technologies; establishment of a nuclear medicine regional center of excellence; conversion of a CW environmental monitoring laboratory to a national environmental monitoring laboratory; provision of spare parts and services for the petrochemical industry; and production of HIV, TB and malaria pharmaceuticals for sub-Saharan countries.
- Facilitation of Libyan scientist participation in select international science and technology conferences, workshops, trade shows and symposia.
- Training to develop international management and business skills
- Information technology support to improve communication between Libyan and US/UK scientists.

### **Program Assessment Rating Tool (PART)/Performance Evaluation**

For preparation of the FY 2006 budget, the Administration evaluated the Department's Nonproliferation of WMD Expertise Program using the Program Assessment Rating Tool (PART). The program was assessed as being moderately effective. The program primarily seeks to expand and enhance redirection programs to deter former Soviet and other nuclear, chemical, and biological weapons and missile experts from working for proliferators, terrorists or rogue states. The PART evaluation is one of the factors in the overall decision-making process for resources allocations.

Key Measures: (1) Total program investment to assist a WMD institute to reach financial self-sufficiency; (2) Number of Russian and other Eurasian proliferation-relevant institutes engaged in U.S.-funded civilian research projects; (3) Number of institutes and scientists graduated into commercially sustainable ventures; (4) U.S. private sector funding of collaborative research as a percentage of USG regular project funding; and (5) The reconfiguration of former BW production facilities for peaceful uses and engagement of former BW scientists in drug and vaccine development; and (6) Acceleration of scientist redirection programs begun in FY 2003 in Iraq and in FY 2004 in Libya.

**International Atomic Energy Agency - Voluntary Contribution**  
(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
NADR-IAEA	52,687	52,576	50,000

The Non-Proliferation Treaty (NPT) is the bedrock of our nuclear nonproliferation strategy. To preserve and strengthen the NPT in the face of real challenges, we will work to strengthen its verification organization, the International Atomic Energy Agency (IAEA). The United States has strongly supported the IAEA since its creation in 1957.

The IAEA is a critical and effective instrument for verifying compliance with international nuclear nonproliferation agreements. Its program of international safeguards monitors nuclear material worldwide and provides assurance that it is not diverted to make nuclear weapons. Efforts to strengthen safeguards over the last dozen years have provided critical new tools to detect and respond to clandestine nuclear programs. IAEA safeguards serve both as an essential barrier against the spread of nuclear weapons and as a first line of defense against nuclear terrorism.

The IAEA's expanding nuclear security programs will help states around the world improve their ability to protect nuclear materials and facilities, prevent nuclear smuggling, and apply better controls on radioactive materials to reduce the risk of radiological dispersal devices (AKA "dirty bombs").

Justification

In comparison with past years, our voluntary contribution for FY 2006 will focus less on filling gaps in funding for safeguards and more on maintaining programs that complement the activities funded by the regular budget. Over the past 20 years, demands on safeguards have risen steadily, both in the number of nuclear facilities subject to safeguards as well as the volume of nuclear material under safeguards. A historic increase in the IAEA's regular budget, to be phased in by 2007, will provide added staff to implement safeguards and significantly reduce the need for extra funds to buy safeguards equipment and replace the safeguards database.

For FY 2006, the Administration is requesting \$50 million for voluntary contributions to the IAEA. The majority of the amount requested would continue to support safeguard programs (e.g., equipment development, training, country issues, and environmental sample analysis), the nuclear security fund (physical protection of nuclear material, control of radioactive materials, illicit trafficking of materials) and other nuclear safety programs.

The IAEA will continue to rely on U.S. voluntary contributions for many key requirements, including technical experts and the development of the advanced technologies that will be critical to maintaining a strong safeguards system in the face of ever changing technologies and ever growing nuclear programs. As technology evolves safeguards equipment becomes obsolete and must be replaced by new, often more effective technologies. We will continue efforts to improve the IAEA's safeguards system, whose current, rigorous standards are due in large measure to U.S. leadership. This funding goes to U.S. laboratories, companies and individual experts who provide in-kind technical assistance and services to the IAEA.

In September 2001, as part of the war on terrorism, the IAEA initiated a review of its programs with a view to enhancing those that will help states protect against acts of nuclear and radiological terrorism. In March 2002, the IAEA Board of Governors approved a multi-dimensional action plan that will help states around the world address this critical problem. The IAEA established an extrabudgetary fund, the Nuclear Security



Fund, to support the IAEA's expanded nuclear security program. Overall contributions pledged to date total \$37 million. The bulk of these funds have come from the United States, but other IAEA member states are providing a growing share. These funds support IAEA efforts to combat nuclear terrorism, including developing and enhancing international standards and providing training and assistance on all aspects of the problem. This also includes training in physical protection techniques, assessment of security measures at specific nuclear facilities, and combating nuclear smuggling.

Since the Chernobyl accident in 1986, the IAEA has greatly expanded its nuclear safety activities, and it continues to rely heavily on voluntary contributions to fund technical assistance needed by member states and to provide the expertise to administer those programs effectively. In most cases the requirements for nuclear safety and security assistance are mutually reinforcing.

To summarize, this FY 2006 request will address critical nuclear non-proliferation needs, including activities designed to counter nuclear terrorism, implementing strengthened safeguards, develop advanced safeguards technology and procedures, confront unique safeguards challenges, and strengthen nuclear safety measures globally. Efforts to thwart nuclear smuggling are also expanding. Finally, the U.S. voluntary contribution will support the IAEA's Technical Cooperation Program and support projects, training, fellowships and equipment in countries that are parties to the NPT, with a preference for states that have an Additional Protocol in force.

Specific projects planned for FY 2006 include:

- Providing expert assistance and other support to expand international missions to assess the adequacy of physical protection measures at nuclear installations worldwide (known as International Physical Protection Advisory Services) to help counter the threat of nuclear terrorism;
- Providing additional cost free expert assistance to the IAEA's Office of Nuclear Security to bolster the speed and effectiveness of the IAEA's nuclear security activities;
- Providing training and advisory services for more IAEA member states to improve their illicit trafficking and emergency management and response programs;
- Upgrading the IAEA "model project," which helps countries develop the infrastructure to better control the safety and security of their radioactive sources;
- Developing improved techniques for safeguarding spent fuel in wet or dry storage, including relatively inaccessible forms, particularly techniques that would reduce the demands on inspectors;
- Installing unattended monitoring equipment in nuclear facilities such as the Rokkasho Reprocessing Plant in Japan;
- Taking a long-term approach to meeting equipment needs, emphasizing reliability, sustainability and standardization as ways to manage life cycle costs;
- Developing a next generation of safeguards equipment, particularly the next generation surveillance system, to replace and improve existing equipment;
- Training inspectors and other safeguards staff in all areas of safeguards implementation;

- Strengthening capabilities for implementation of strengthened safeguards and the Additional Protocol, including information analysis, use of satellite imagery, and inspection tools for detecting undeclared nuclear material and activities;
- Improving safeguards techniques for verifying the flow of materials at the front end of the fuel cycle, particularly at enrichment facilities;
- Strengthening quality control sensitivity of analyses by the Safeguards Analytical Laboratory and the Network of Analytical Laboratories, particularly in the analysis of environmental samples;
- Analyzing environmental samples from safeguards inspections to detect signatures of possible undeclared nuclear activities and materials;
- Supporting the Department of Safeguards' development of a Quality Management System to improve reliability and quality of safeguards equipment and to ensure that safeguards conclusions are based on credible evidence and sound procedures; and
- Supporting the IAEA's Technical Cooperation program, which provides assistance to developing countries in areas such as radiotherapy, insect eradication, and water resource management.

## CTBT International Monitoring System

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
NADR-CTBT	18,888	18,848	14,350

As a key element of our global efforts against the proliferation of nuclear weapons, the United States has a strong security interest in enhancing its ability, as well as that of its friends and allies, to detect and deter nuclear explosive testing anywhere in the world. Although the Comprehensive Test Ban Treaty (CTBT) is not in force, the International Monitoring System (IMS), on which work began following CTBT signing in 1996, provides important security benefits to the United States and its allies. While there can be no substitute for robust national efforts, the IMS offers an important supplement. It will collect worldwide data from 321 seismic, hydroacoustic, infrasound, and radionuclide stations. A number of these stations will provide the United States with new or improved data from regions not otherwise available and will strengthen U.S. verification capability.

In 2000, the first eleven IMS stations were certified as meeting agreed specifications for performance and reliability. In 2001, another twelve stations were certified, including seismic stations in France, Iran, Norway, Spain, and the United States, and a second hydrophone station in the Indian Ocean. In 2002, another twenty-three stations were certified, including seismic stations in Kazakhstan, Kenya, and Ukraine. In 2003, an additional twenty-one stations were certified bringing the total of certified stations to sixty-seven, or 21% of the full IMS network. In 2004, another twenty-five stations were certified, bringing the total number of certified stations to 92, or 29% of the full network. IMS is the largest program in the CTBT Preparatory Commission (Prepcom) budget. Other substantial programs include the International Data Centre (IDC) and data links between IMS stations and the IDC and between the IDC and member states. A more modest effort is devoted to development of a capability to conduct on-site inspections.

The FY 2006 request in NADR will fund the U.S. contribution to the ongoing work of the Prepcom. Under U.S. policy, the United States intends to fund its share of only IMS and IMS-related activities, which constitute the largest part of the Prepcom Budget. The United States will not fund other activities, including those related to establishing the on-site inspection system. By maintaining significant support for the Prepcom budget and leadership in work on technical and other issues, the United States will continue to be able to influence and guide the Prepcom's efforts to devise the best possible multilateral regime for monitoring nuclear explosions.

## Anti-terrorism Assistance

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
NADR-ATA	96,428	117,800	133,500
NADR-ERF	10,000	-	-
NADR-SUP	35,000	-	-

The Antiterrorism Assistance (ATA) program plays a key role in the U.S. Government's (USG) efforts to win the war on terrorism. The Coordinator for Counterterrorism (CT) relies on this program both to build the political will and the operational capacity of partner countries to cooperate with the United States in protecting American lives and interests both at home and around the world. By making U.S. partners better able to detect and thwart terrorists, this program forms part of the first line of America's defense, working to stop terrorists before they reach U.S. shores. Its provision of training and assistance to mitigate the effects of the use of weapons of mass destruction (WMD) works both to protect American lives abroad but also to increase the willingness of partners to work with us across the board in strengthening global CT efforts.

In order to prevail in the war on terrorism, the United States requires willing and able partners that can take effective action to prevent or mitigate terrorist attacks. As one of the world's preeminent providers of counterterrorism training, equipment, and advice to foreign countries, the ATA program plays a key role both in building the counterterrorist capacity of our partners and bolstering their resolve to confront and defeat the dangers of international terrorism. It expands the skills and abilities of foreign law enforcement officials who have primary responsibility in their nations for taking decisive action against international terrorists and networks that seek to target U.S. citizens, businesses, and other interests. These officials also have the primary responsibility for responding to and mitigating the impact of terrorist attacks that occur in their nations, including the possible use of WMD. ATA training and other assistance is the USG's primary means of improving the performance of partner nations in counterterrorist operations to prevent or prepare for future attacks, including cyber terrorism. Although this program has grown substantially since the tragic events of September 11, validated requirements for ATA courses, advice, and equipment have greatly exceeded resources available, as has demand from partner nations.

This program has had an enormous impact on the CT abilities of partner nations. These programs provide the operational and tactical capabilities needed to detect, confront, and defeat terrorists. In many countries, ATA-trained officials play key roles in local, regional, and global CT efforts. Key investigators in a number of recent attacks have been products of ATA training and were critical to tracking down and arresting many of the perpetrators, thus preventing further attacks. For many countries, ATA is the primary U.S. source for sophisticated CT equipment, including for SWAT teams and to cope with a WMD attack.

Graduates of ATA training have experienced remarkable success in their application of newly acquired antiterrorism skills.

In FY 2006, \$133,500,000 million is required to:

- Expand the scope and volume of existing U.S.-based training capabilities.
- Initiate new in-country programs in participant countries critical to the U.S. counterterrorism effort.
- Add flexibility to the program to respond rapidly and effectively to priority requirements whenever and wherever they occur.

The increased focus on in-country training and regional coordinators is part of a larger effort to increase the efficacy and efficiency of the program.

- *Afghanistan (\$6,000,000)* - The United States intends to transition the Afghan Presidential Protection Service into the role now occupied by the Karzai Protective Detail in FY2005. FY 2006 NADR-ATA funds will be utilized to sustain the training already provided and to progress into additional areas such as program management, logistics and instructor development training. ATA will provide advanced investigations and penetrating terrorist organizations training to appropriate Afghan security forces as the program continues to mature. Other programs that may be offered include Weapons of Mass Destruction (WMD), Crisis Response Team (CRT, providing SWAT training), and Explosive Incident Countermeasures (EIC, training bomb squads). This training is critical to the Afghan government's ability to contain terrorist elements.
- *Colombia (\$3,920,000)* - The process of training and equipping remaining anti-kidnapping units can be accomplished with only one American instructor assigned to the training camp to monitor the quality and content of training by Colombian instructors and to oversee the issuance of extensive tactical equipment. The Colombian Government will be asked to shoulder the expense of maintaining the camp as well as feeding and housing instructors and students. Depending on camp and base capacity, the Colombians will conduct additional CRT courses.
- *Indonesia (\$5,300,000)* - The FY 2006 counterterrorism training program activity for Indonesia will shift from two years of Task Force operational training, equipping, formation and deployment to program transition, sustainment, oversight and liaison. Six operational elements, consisting of 279 police officers trained in Crisis Response Team (CRT), Explosives Incidents Countermeasures (EIC), and Counterterrorism Investigation will have been formed and deployed by the end of FY 2005. In FY 2006, ATA will deliver advanced training in CRT and EIC train-the-trainer courses to assist the police in transitioning to self-training and Task Force expansion. Force integration and operational planning training will be offered to those in key command and control positions, while senior leaders and operational-level tactical commanders will participate in crisis management seminars and scenario-driven exercises. Force projection and operational capabilities assessments and advice and assistance consultations will be undertaken with police planners and logisticians. Finally, an ATA Liaison Office will be established at Task Force headquarters to manage an in-country advisor/observer program and provide sustaining technical assistance as the police train themselves and the Task Force grows. ATA training in Indonesia has been extremely productive; F 2006 funding will enable the U.S. to capitalize fully on the investment it has made in Indonesian counterterrorism capabilities.
- *Iraq (\$10,000,000)* - It is reasonable to assume that ATA will play a significant role in the development of effective civilian antiterrorism organizations in Iraq. We are currently supporting the training and equipping of a counterterrorism emergency response unit with Iraq supplemental funds. When this program ends in June 2005, we will build upon that investment with a more comprehensive country assistance plan. Experience has shown (Pakistan and Afghanistan) that \$10 million is a viable figure with which to sustain an in-country program.
- *Kenya (\$3,000,000)* - We have learned from experience that the third year of an In-Country program is critical for sustainment and institutionalization of the training and facilities upgrades that occurred in the developmental first two years. Protecting the \$14-million investment of FY's 2004 and 2005, \$3-million will assure that a thorough follow-up assessment of CT capabilities will be conducted, afford the necessary targeted consultations that will address specific issues and gaps identified in the first two years, guarantee that equipment and facilities are being properly maintained by Kenyan technicians with the needed skills sets and that replacement parts are available, support the cooperative relationship

with Government of Kenya officials by signaling the USG's continuing commitment, provide refresher courses for Kenyan trainers and instructors, and expand training opportunities for new, state-of-the-art CT specializations.

- *Malaysia (\$900,000)* - Malaysia CT Center: To add efficiency and promote regional cooperation in CT policy with Malaysia's neighbors, we will continue to utilize Malaysia's Southeast Asia Regional Center for Counter-Terrorism (SEARCTT). These costs reflect support to that activity including providing training courses and employing a SEARCTT liaison officer.
- *Pakistan (\$6,000,000)* - The FY 2006 program continues a sustained effort to upgrade local and national CT law enforcement institutions. DS/ATA will continue to support and use facilities that were either built or extensively refurbished in Pakistan. The program will focus on building the CT capability and capacity principally in three areas: investigative, tactical operations, and establishing and maintaining interagency cooperation among the federal and provincial police institutions. There will be a strong emphasis on continuing efforts to strengthen the federal government's Federal Investigation Agency's CT unit, the Special Investigation Group (SIG). This, in turn, will promote stronger interaction with the various provinces' Criminal Investigative Divisions (CID) with emphasis on joint training. CRT, EIC and possibly VIP protection tactical training are scheduled for candidates from both the SIG and CID units. Additional courses, to include CT investigations, Intelligence Analysis, and other investigations training, are also anticipated. ATA will continue to assist the GOP with Information Technology interconnectivity among the four Provincial CT units and with the SIG, and will conduct Cyber Terrorism training.
- *Philippines (\$5,000,000)* - An "Intensive Training" program is planned for the Philippines that will maximize sustainment while minimizing costs by using available in-country training facilities. Training will include: CRT, EIC, Investigative training, shipping and receiving costs and maintaining an in-country ATA Program Manager and Assistant, based on the Indonesian model.
- *ATA Program Management (\$7,550,000)*

Translations	\$3,250,000
Travel	\$ 800,000
Administrative Contractors	\$1,600,000
Alumni Network	\$ 500,000
General and Administration	\$1,400,000
- *Domestic-based Training, Fly-Away (short-term in-country delivery) Training, and Technical Consultations (\$65,370,000)*

AF Regional	(\$12.09 million)
EAP Regional	(\$8.66 million)
EUR Regional	(\$14.95 million)
NEA Regional	(\$14.39 million)
SA Regional	(\$9.97 million)
WHA Regional	(\$5.31 million)
- *CT Senior Policy Workshops (\$1,000,000)* - The CT Senior Policy Workshops aim to assist high level partner nation officials in improving interagency coordination and effectiveness in the CT arena. They will also be designed to improve coordination between the USG and participants. They will offer the U.S. an opportunity to engage senior officials of partner nations on issues of a strategic nature. Each workshop would have specifically tailored objectives jointly developed by the U.S. and the participant

nation. Although this is a minor budget item, it represents a crucial element in realizing long-term CT objectives.

- *MATT (\$8,085,000)* - Mobile Antiterrorism Training Teams (MATT): Since the attacks of September 11, 2001, ATA programs have focused on many participant nations that are facing the problems of security personnel with limited, or non-existent, training and high internal threats. In a number of instances, partner nations have been compelled to cancel training or recall their student delegations early to respond to crises at home. To address this critical problem, we developed the MATT concept as a means to rapidly deliver in-country training in critical security skills, such as VIP protection, Bomb Squad operations, and Crisis Response Team (CRT). The FY 2006 program will provide the capacity to respond to approximately four major short-notice training and associated equipment grant activities annually. The flexibility offered by this program is crucial as the U.S. continues the Global War on Terrorism in a changing and highly ambiguous environment. This flexibility is critical and has proven beneficial to responding to unanticipated and/or unfunded requirements, such as Afghanistan and Saudi Arabia.
- *New Course Development, Piloting and Initial Iterations (\$3,375,000)* - The CT Joint Task Force Organization and Operations Course will train students in the joint command and control structures necessary to institutionalize joint/combined counterterrorism planning, investigations, and operations. Drawing heavily on lessons learned in the USG's efforts to rationalize effective coordination and communication among various agencies, this course will also cover computer and communications equipment that is necessary to integrate joint operations. Three iterations will be delivered.

The Marine Antiterrorism Course will train students from units with a maritime counterterrorism mission on basic maritime tactical practices and procedures necessary to patrol and secure inland and intra-coastal waterways. Subjects will include small boat operations, advanced navigational procedures, maritime patrol, threat/suspect identification, pursuit, boarding, search, and arrest procedures. Requested funding will provide for development, equipment, a pilot course, and three standard iterations.

Combined Exploitation Cell Model – This initiative will develop a one-week course and a software application database designed to provide the end user access to investigative data from around the world. Improvised explosive device (IED) component data, such as the type of explosives, power source, blasting caps, and containers, would be stored in a manner facilitating link analysis to better identify international terrorist organizations and their methods of attack, with a focus on developing actionable intelligence.

- *Program Equipment and Other Support (\$7,500,000)* - "Enabling" equipment grants ensure the successful transfer of knowledge and skills gained in the classroom to the operational environment. These grants support the entire ATA program and include the same equipment on which the student delegations receive their training. With associated equipment grants, students can immediately begin operating in their own jurisdiction with the techniques and capabilities their training provides. Additionally, Resident CT Investigative Advisors will be established in key countries to mentor partner nation personnel and facilitate the implementation of practices taught in the Interdicting of Terrorist Organization (ITO) series of courses. An approximate cost breakdown is \$3.5 million for enabling equipment, and \$4 million for the establishment of ten Resident CT Investigative Advisors.
- *Tri-Border Initiative (\$500,000)* - The Tri-Border region remains a focal point for Islamic extremist and terrorist fundraising in Latin America. The "3+1" Tri-border Area CT dialogue with Brazil, Paraguay, and Argentina aims to improve the capacity of the Tri-Border countries to control borders, share

intelligence, and conduct successful law enforcement against illicit activities that finance terrorism elsewhere. Funds will be applied to assess existing capabilities in a systematic and comprehensive manner, in order to identify training needs and priorities.

### **Program Assessment Rating Tool (PART)/Performance Evaluation**

For preparation of the FY 2006 budget, the Administration reevaluated the Department's Anti-Terrorism Assistance Program using the Program Assessment Rating Tool (PART). While the FY 2006 reassessment score has not been determined as of this report, the program's second PART review in FY 2005 showed an improved rating from moderately effective to effective. The program achieved outstanding scores in the area of program purpose and design, recognizing that the program fills a specific need to build capacity of key countries abroad to fight terrorism. The PART evaluation is one of the factors in the overall decision-making process for resources allocations.

The FY 2005 PART assessment recommended managers fully implement the country rating system, develop efficiency measures and incorporate both into the PART for the FY 2006 budget. Both of these recommendations were implemented in the FY 2006 submission.

Key Indicators: (1) Average length of time a participating country spends in basic CT training; and (2) Number of participating countries that achieve a capability to effectively deter, detect and counter terrorist organizations and threats and sustain those capabilities.



**Anti-terrorism Assistance**  
(\$ in thousands)

	<b>FY 2004 Actual</b>	<b>FY 2005 Estimate</b>	<b>FY 2006 Request</b>
<b>Training</b>			
Afghanistan	7,153	6,000	6,000
Afghanistan - ERF	10,000	-	-
Afghanistan - SUP	35,000	-	-
Africa	10,718	11,975	12,090
Colombia	-	3,920	3,920
East Asia and the Pacific	8,707	9,979	8,660
Europe and Eurasia	20,079	17,298	14,950
Indonesia	5,778	5,300	5,300
Iraq	-	-	10,000
Kenya	-	4,000	3,000
Malaysia	-	870	900
Mobile Antiterrorism Training Team (MATT)	4,776	8,085	8,085
Near East Asia	11,781	12,641	14,390
Pakistan	3,645	6,000	6,000
Philippines	-	500	5,000
South Asia	6,524	7,984	9,970
Tri-Border Initiative	-	500	500
Western Hemisphere	5,331	6,653	5,310
<b>Subtotal - Training</b>	<b>129,492</b>	<b>101,705</b>	<b>114,075</b>
<b>Program Administration</b>			
Alumni Network	-	500	-
Course Translations	2,748	-	-
New Course Development	3,300	4,595	3,375
Program Equipment	-	4,000	7,500
Program Management	5,888	6,000	7,550
Senior Policy Engagement Conferences	-	1,000	1,000
<b>Subtotal - Program Administration</b>	<b>11,936</b>	<b>16,095</b>	<b>19,425</b>
<b>Total</b>	<b>141,428</b>	<b>117,800</b>	<b>133,500</b>

## Counterterrorism Financing

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
NADR-CTF	-	7,192	7,500

The CTF program is working bilaterally, regionally, and multilaterally with countries whose financial systems are deemed most vulnerable to terrorist financing. U.S. counterterrorism finance assistance programs are aimed at reinforcing the legal, judicial, financial regulatory, financial intelligence, and law enforcement capabilities of foreign governments to detect, dismantle, and deter terrorist financing networks and thwart terrorist acts. These training programs will be conducted on a bilateral and multilateral basis, in the United States or in the host country, depending on the needs of each country. The focus areas of this program are as described below:

- To establish the legal framework, the United States will assist host governments to draft, amend and enact the legal measures necessary to criminalize terrorist financing and money laundering and provide the necessary authorities to develop strong cases in order to prosecute financial crimes.
- On the financial regulatory front, the United States will continue to train bank examiners and financial regulators on methods to detect money laundering and terrorist financing and share “best practices” with financial regulators and private financial institutions, considered the frontline of the war against terrorist financing.
- To reinforce Financial Intelligent Units (FIU) capabilities, the United States will provide advanced training courses for FIU personnel to collect, analyze and disseminate suspicious transaction reports and identify appropriate Information Technology solutions to make FIU’s more efficient.
- For financial crime investigations, the United States will continue to train law enforcement authorities on the most effective methods to investigate terrorist financing and money laundering crimes.
- To ensure that terrorist financiers are brought to justice, the United States will provide training to host government prosecutors, judges, and magistrates on case development and techniques to successfully prosecute terrorist financing crimes and to block and forfeit their assets.

Moreover, the program is intensifying its focus on combating the abuse of charities, alternative remittance systems, and cash couriers by terrorist financiers. Multilaterally, we will work with regional and international organizations such as the United Nation Counter Terrorism Committee, Financial Action Task Force, the European Union, and G-8, as well as other foreign government experts such as the U.K. Charities Commission, to enhance the coordination of CT finance capacity building efforts. We have assessed the financial systems of 19 of the 24 CT finance priority countries and have provided training to the majority of them. Afghanistan and Iraq will be added to our list of priority countries as they need to build sound financial institutions and establish government oversight mechanisms to combat terrorist financing and money laundering.

In FY 2006, \$7.5 million in NADR funds will further develop the CT finance regimes in countries already assessed through these programs and establish CT finance regimes for the newly added priority countries as listed below:

### FY 2006 Counterterrorism Financing Programs

<b>Region/Purpose</b>	<b>Amount</b>
Africa	1,500,000
East Asia	1,300,000
Europe	300,000
Near East	2,100,000
South Asia	1,100,000
Western Hemisphere	900,000
CTF Regional Programs	7,200,000
IT Equipment for Programs Abroad	100,000
Program Management Support	200,000
<b>FY 2006 CTF Programs Total</b>	<b>7,500,000</b>

## CT Engagement with Allies

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
NADR-CTE	-	1,984	2,000

The Office of the Coordinator for Counterterrorism (S/CT) works to ensure that the policies, plans, and activities of foreign governments support U.S. objectives in the Global War on Terrorism (GWOT) through intense diplomatic engagement and provision of funds for priority projects, both bilaterally and through multilateral and regional organizations in the areas of border security, maritime security, legal reform and counterterrorism finance assistance that enhances the security of Americans both at home and abroad.

The focus will be on prevention of terrorism through active U.S. leadership in multilateral approaches that will leverage financial assistance from other donor organizations to further strengthen the GWOT. To continue diplomatic engagement efforts for multilateral diplomatic engagement activities in FY 2006, we plan to invest in the following capacity building initiatives:

Support implementation of the G-8 Secure Facilitated Travel Initiative (SAFTI), the key counterterrorism deliverable at the Sea Island Summit.

Support counterterrorism goals in Latin America through the Inter-American Committee Against Terrorism (CICTE) Executive Secretariat.

Strengthening legal regimes in partner countries.

Support implementation of the Organization for Security and Cooperation in Europe (OSCE) travel document security initiative, as proposed by the U.S. and adopted at a recent OSCE Ministerial level meeting.

Support training and assistance conferences and provide donor assistance to the Asia Development Bank to support counterterrorism proposals, consistent with a recent APEC Summit commitment.

Provide support to the African Union, which has recently opened a counterterrorism center in Algiers. Continued U.S. assistance will help to shape this organization to support U.S. counterterrorism goals in Africa.

## Terrorist Interdiction Program

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
NADR-TIP	4,971	4,960	7,500

The Terrorist Interdiction Program (TIP) serves to enhance the security of Americans both at home and abroad by strengthening international cooperation in the fight against terrorism and assisting participating nations with securing their borders. TIP strives to significantly impact terrorists' freedom of movement between countries by providing participating nations with a computer network enabling immigration and border control officials to quickly identify suspect persons attempting to enter or leave the country. TIP also provides participating nations with increased capability to collect, compare, and analyze traveler data and contribute to the global effort to understand terrorist methods and track their movements.

Terrorists are known to take advantage of nations with little or no effective capability to identify or track their passage, and which therefore pose little risk of apprehension. By providing a fast, secure and reliable means to gather information on every person entering or leaving through national ports of entry, and the means to check each person's identity against a current terrorist watchlist, on the spot, TIP provides the potential to dramatically complicate and/or disrupt terrorist planning and execution.

TIP installs and maintains the Personal Identification Secure Comparison and Evaluation System (PISCES) at selected air, land and sea points of entry in participating nations. PISCES workstations installed throughout a country are linked by wide area network to the participating nation's immigration, police or intelligence headquarters. The headquarters is provided with the automated capability to monitor activities at immigration points, evaluate traveler information and conduct real time data analysis.

TIP provides all necessary hardware and software, full installation, operator training, and system sustainment. Additionally, TIP assists with immigration business process improvement at ports of entry chosen for PISCES installation.

TIP provides the structure and methodology for meaningful counterterrorism cooperation between the United States and the participating nation. Host nation and USG elements can identify trends and patterns, track suspicious individuals, collect evidentiary data, and link information in post-event analysis.

For FY 2006, the Department will focus primarily on expanding the watchlist capabilities in Afghanistan (\$500K), Iraq (\$2.0M), Pakistan (\$500K) and Thailand (\$2.0M), as well as sustaining previous system installations in 15 other countries and upgrading systems in those countries where the need is greatest (\$1.5M). Funds requested for 2006 should also permit initial installation of the watchlist system in one or two additional high priority countries among the 60 nations, identified by inter-agency assessment, whose participation in this program would benefit U.S. counterterrorism efforts (\$1.0M). TIP was assessed as "effective" in its re-evaluation under the PART process for the FY 2006 budget cycle.

### **Program Assessment Rating Tool (PART)/Performance Evaluation**

For preparation of the FY 2006 budget, the Administration reevaluated the Department's Terrorist Interdiction Program using the Program Assessment Rating Tool (PART). In its second PART review, the program showed an improved rating from results not demonstrated to effective. The assessment found the program purpose and design to be excellent, providing foreign governments with the Personal Identification Secure Comparison and Evaluation System (PISCES) that enables border control officials to quickly identify and detain or track suspect persons seeking to cross their borders and collect, compare, and analyze

traveler data. The program has responded to OMB's findings and recommendations by improving its long-term performance measures, establishing an adequate efficiency measure and working to strengthen its program management staff. The PART process provided information that was taken into account in the overall decision-making process for resources allocation.

Key Indicators: (1) Number of TIP PISCES phased installations completed per yearly appropriation; (2) Percentage of the highest priority countries capable of screening for terrorists through implementation of the Terrorist Interdiction Program; and (3) Percentage of foreign government usage of the Terrorist Interdiction Program's watchlist system across all sites at which the system is installed.

**Terrorist Interdiction Program**  
(\$ in thousands)

	<b>FY 2004 Actual</b>	<b>FY 2005 Estimate</b>	<b>FY 2006 Request</b>
<b>Africa</b>			
Djibouti	271	-	-
Kenya	400	-	-
Tanzania	300	-	-
Uganda	150	-	-
<b>Subtotal - Africa</b>	<b>1,121</b>	-	-
<b>East Asia and the Pacific</b>			
Cambodia	150	-	-
Philippines	750	-	-
Thailand	1,000	-	-
<b>Subtotal - East Asia and the Pacific</b>	<b>1,900</b>	-	-
<b>Near East</b>			
Iraq	500	-	-
Jordan	350	-	-
Morocco	350	-	-
<b>Subtotal - Near East</b>	<b>1,200</b>	-	-
<b>South Asia</b>			
Pakistan	750	-	-
<b>Subtotal - South Asia</b>	<b>750</b>	-	-
<b>Global</b>			
Terrorist Interdiction Program	-	4,960	7,500
<b>Subtotal - Global</b>	<b>-</b>	<b>4,960</b>	<b>7,500</b>
<b>Total</b>	<b>4,971</b>	<b>4,960</b>	<b>7,500</b>

## Humanitarian Demining Program

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
NADR-HD	48,705	59,024	72,000

The U.S. humanitarian demining program supports our nation's strategic objective to “Advance sustainable development and global interests” by providing a “humanitarian response” to the harmful social and economic effects generated by landmines, unexploded ordnance (UXO) and abandoned ordnance (AO). Administered by the Office of Weapons Removal and Abatement, the humanitarian demining program comprises an integral part of a comprehensive post-conflict strategy. Program goals are to protect the victims of conflict, restore access to land and infrastructure, advance peace and promote conflict resolution, develop host nation capacity, demonstrate support for friends, allies and partners, improve the global humanitarian mine action response, expand the funding base for mine action and facilitate small arms/light weapons destruction efforts. The United States furthers these goals by supporting landmine surveys, mine and UXO clearance and mine risk education, and by helping to develop indigenous mine action capabilities in mine-affected nations.

The FY 2006 request for \$72 million demonstrates a continued USG commitment to foster a world that is safe from landmines, articulated in the February 2004 presidential landmine policy announcement. Since 1993, the United States has contributed more than \$900 million in resources to support mine action activities in over 40 countries. NADR Humanitarian Demining Program funding is being requested for 15 country programs and a variety of multi-nation mine action initiatives. Funds will be provided to commercial firms, international organizations, and non-governmental organizations via contracts and grants and will be used to support mine/UXO clearance operations, to purchase mine detection and clearance equipment and supplies, to facilitate training for mine action and/or to provide mine risk education and instructional materials based on country need. Additional funds for mine action are being requested and justified under the NADR International Trust Fund section.

The humanitarian demining program has achieved a number of successes. For example:

- Afghanistan: In 2004 State funded demining and clearance teams have cleared 13,697,162 sq. meters of land and destroyed 197,881 explosive devices. Of special interest our EOD teams have additionally destroyed 82 man-portable air defense systems (MANPADS) and 36,402 rockets.
- Azerbaijan: The robust USG assistance provided since FY 2000 has added much needed stability to the program and increased Azerbaijan National Agency for Mine Action ability to synchronize operations, expand capacity and ensure quality training and oversight. Between 2001 and 2004, 13.8 million square meters of land has been cleared. A national plan has been developed to eliminate the threat of landmines and UXO from all accessible areas of the country by 2008.
- Laos: With substantive US assistance, Laos established the National Regulatory Agency in September 2004 to manage HMA, is expanding HMA operations, and has developed a comprehensive strategic plan. US assistance is focused on the development of a responsive and accountable mine action program and increased capacity. Laos cleared 8.8 million square meters (m<sup>2</sup>) of mines and UXO in 2003.
- Lebanon: The highly successful integration of mine detection dog teams, mechanical flails, and manual deminers has produced a greatly increased rate of mine and UXO clearance and a significant expansion in the amount of cleared land returned to productive use (2002: 145,600 m<sup>2</sup>; 2003; 331,845 m<sup>2</sup>). Lebanon is well on the way to achieving an indigenous HMA capacity by the end of FY 2007.



- Mozambique: By the end of 2003 there was substantial progress towards fulfilling the Mozambican five year Mine Action Plan (2002-2006), which supports the Government's National Poverty Reduction Action Plan. Clearance of approximately 6.9 million m<sup>2</sup> of land by government, commercial and NGO operators led to safe working and living environments for 136 villages. U.S. assistance to HALO Trust operations supports reaching impact-free in the four northern provinces by 2007. Continued assistance to the U.S. military trained Armed Defense Force humanitarian demining cadre will sustain quality of skills and logistical resources.

### Country Programs

The FY 2006 request will sustain and expand existing U.S. demining efforts in those countries most severely affected by landmines (Afghanistan, Angola, Cambodia, Laos, and Vietnam). It will also permit continuation of accelerated efforts in countries that are approaching mine safe status, such as Azerbaijan. Provision of specific assistance is based on a careful assessment of both the socio-economic impact of landmines in a particular nation and on the overall Department's Strategic Objectives and Goals as set forth in the USAID/DoS Strategic Planning Framework. Guidelines for this assessment are found in the Department's Humanitarian Mine Action Strategic Plan. For countries with a mature program, funds will both replenish equipment and support expansion of other efficient and proven methods, such as mine detection dog teams.

### Crosscutting Initiatives, Emergency Response and Post-Graduation Support

Demining funds are also requested to support multi-country activities carried out under the program lines identified as follows:

- Crosscutting Initiatives: These funds will support programs that increase data and information exchange among the global demining community; non-technical research on mine action; and Survivors' Assistance initiatives.
- Emergency Response: These funds will support the Quick Reaction Demining Force (QRDF) and an Emergency Contingency Fund that will allow for worldwide crisis response. The QRDF was established in 2000 under cross-cutting initiatives, but given the importance of emergency response a new category was created this year.
- Post-Graduation Support: These funds will provide occasional refresher or other specialized training, specific technical support, or equipment replacement that is required to maintain the efficacy of a "graduated" program to both continue their work and protect our past investment. This is a new category; previously, countries needing limited support were retained on the rolls as active country programs - a practice that distorted the true picture of host nation capabilities.

### Administrative Expenses

Administrative expense funding supports travel, supplies, utilities and contractual services, particularly for computer operations, on behalf of the organization administering the humanitarian demining program. Frequent travel is essential to provide aggressive program oversight and ensure the efficient and effective use of mine action funds.

### **Program Assessment Rating Tool (PART) / Performance Evaluation**

For preparation of the FY 2006 budget, the Administration reevaluated the Department's Humanitarian Demining Program (HDP) using the Program Assessment Rating Tool (PART). The program was again rated as effective. The program makes a unique contribution in providing mine risk education and mine clearance training and assistance with the goal of helping foreign mine-affected nations develop indigenous

mine action capabilities. The PART findings were one factor used in the overall decision-making process for resources allocations.

In response to recommendations in the FY 2005 PART review, the HDP revised existing annual performance measures and developed an additional performance measure toward better indications of progress toward the long-term target that measures the number of countries achieving an indigenous mine action capacity with little external funding support. HDP also demonstrated progress on its efficiency measure and incorporated the measure into the PART for the FY 2006 budget.

Key Indicators: (1) Countries reaching sustainment or end state/cumulative budget authority; (2) Square meters of land cleared in U.S. program countries (2) Number of U.S. program countries able to sustain future operations with indigenous capacity with little to no external funding.

**Humanitarian Demining Program**  
(\$ in thousands)

	<b>FY 2004 Actual</b>	<b>FY 2005 Estimate</b>	<b>FY 2006 Request</b>
<b>Africa</b>			
Angola	5,300	5,907	6,000
Chad	950	1,000	3,000
Eritrea	1,452	2,800	-
Mozambique	1,492	2,336	2,500
Senegal	112	-	-
Sudan	2,858	2,500	3,000
<b>Subtotal - Africa</b>	<b>12,164</b>	<b>14,543</b>	<b>14,500</b>
<b>East Asia and the Pacific</b>			
Cambodia	3,466	3,920	3,500
Laos	1,412	2,500	3,000
Vietnam	2,714	2,850	3,500
<b>Subtotal - East Asia and the Pacific</b>	<b>7,592</b>	<b>9,270</b>	<b>10,000</b>
<b>Europe and Eurasia</b>			
Azerbaijan	2,468	3,500	4,000
Georgia	1,500	3,000	3,000
<b>Subtotal - Europe and Eurasia</b>	<b>3,968</b>	<b>6,500</b>	<b>7,000</b>
<b>Near East</b>			
Iraq	-	-	16,000
Jordan	950	-	-
Lebanon	900	2,300	1,000
Yemen	773	700	1,000
<b>Subtotal - Near East</b>	<b>2,623</b>	<b>3,000</b>	<b>18,000</b>
<b>South Asia</b>			
Afghanistan	12,519	12,000	11,000
Sri Lanka	1,775	2,700	3,500
<b>Subtotal - South Asia</b>	<b>14,294</b>	<b>14,700</b>	<b>14,500</b>
<b>Western Hemisphere</b>			
OAS Demining	2,611	1,766	1,600
<b>Subtotal - Western Hemisphere</b>	<b>2,611</b>	<b>1,766</b>	<b>1,600</b>

**Humanitarian Demining Program**  
(\$ in thousands)

	<b>FY 2004 Actual</b>	<b>FY 2005 Estimate</b>	<b>FY 2006 Request</b>
<b>Global</b>			
Demining Mine Surveys	-	3,000	-
Demining Administrative Expenses	690	690	700
Demining Crosscutting Initiatives	4,019	2,750	2,400
Demining Emergency Response	-	-	2,000
Demining New Country Programs	-	2,000	1,000
Demining Post-Graduation Support	-	-	300
Demining Research and Training	744	805	-
<b>Subtotal - Global</b>	<b>5,453</b>	<b>9,245</b>	<b>6,400</b>
<b>Total</b>	<b>48,705</b>	<b>59,024</b>	<b>72,000</b>

## International Trust Fund

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
NADR-ITF	9,941	9,920	10,000

The program supporting the International Trust Fund (ITF) for Demining and Mine Victims' Assistance is a special component of the U.S. humanitarian demining program, which supports our nation's strategic objective to "Advance sustainable development and global interests" by providing a "humanitarian response" to the harmful social and economic effects generated by landmines, unexploded ordnance (UXO) and abandoned ordnance (AO). In addition, U.S. contributions to the ITF foster regional stability through mine action projects.

The ITF was established by the Republic of Slovenia, yet operates as an independent international organization. It commenced financial operations in September 1998, initially focusing on Bosnia and Herzegovina. The ITF has been a success both operationally and financially and has become the demining instrument of choice for the international community in the Balkans. Currently, the ITF provides financial support for over two-thirds of all demining operations being conducted in the region. Among ITF's successes are:

- Facilitated the clearance of 48,745,706 square meters of land in five Balkan countries from 1999 to December 2004.
- Advances regional cooperation through its work as a founding member of the South East Europe Mine Action Coordination Council (SEEMAC).
- Fostered, mine victims' assistance programs through the Slovenian Rehabilitation Institute and rehabilitation centers in Bosnia and Herzegovina, which, among other services, provided 418 prosthetic limbs to survivors.

In May 1998, Congress appropriated \$28 million for the ITF to assist mine-affected countries in the Balkan region. Since then, the U.S. has contributed more than \$62 million in matching and unilateral contributions to support mine action in the Balkans and the Caucasus. These funds have been provided to the ITF to match other donor contributions, thus effectively doubling funding for the ITF's projects.

The FY 2006 request for \$10 million will continue matching dollar-for-dollar the contributions of other international donors. In 2004, the ITF operated in Albania, Bosnia and Herzegovina, Croatia, Serbia and Montenegro, coordinating a broad range of mine action activities. The bulk of the FY 2006 contribution will fund humanitarian mine action in Bosnia and Herzegovina and Croatia, which despite the assistance provided through the ITF remain the most heavily mine impacted of the Balkan states.

## Small Arms/Light Weapons Destruction

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
NADR-SALW	3,982	6,944	8,750

Cold War-era surpluses of small arms and light weapons (SA/LW) worldwide—often poorly secured and susceptible to theft or illicit transfer—have become a major source of arms on the global black market. The Small Arms/Light Weapons Destruction Program seeks to destroy surplus and illicit stocks of military SA/LW and associated ammunition, as well as to assist states to properly secure remaining SA/LW stocks required for legitimate defense needs so that they will not leak into the black market. The program supports U.S. national interests in promoting regional stability, minimizing threats to civilian populations, combating terrorism and crime, rebuilding post-conflict societies, and protecting U.S. and allied forces deployed overseas. SA/LW generally refers to military-style automatic rifles, machine guns, man-portable anti-tank and anti-aircraft missiles, rocket-propelled grenade launchers, and light mortars.

If not expeditiously destroyed or secured, stocks of arms and ammunition left over after the cessation of hostilities frequently circulate into neighboring regions, exacerbating conflict and crime. Given that destruction and select improvements to storage facilities are relatively inexpensive and can generally be accomplished using locally available infrastructure and personnel, the program offers large dividends in threat reduction for a modest investment and complements the war on terrorism.

The small arms/light weapons program has had a number of successes, including:

- The destruction/disabling of over 10,500 man-portable air defense systems (MANPADS) since 2003.
- The destruction of over 700,000 SA/LW and over 77 million rounds of ammunition in 20 countries since the program's inception in FY 2001.

The FY 2006 request will sustain existing SA/LW programs in countries with significant excess weapons stocks (e.g., Cambodia, Kazakhstan, Serbia and Montenegro, Ukraine and Yemen). It also will support continued destruction of weapons collected in post-conflict countries such as Afghanistan and Sudan.

In addition to anticipated requirements for the established SA/LW destruction programs, the additional funds will continue to support MANPADS elimination and unforeseen SA/LW destruction needs. After the attack on a civilian airliner in Mombasa, Kenya in November 2002, efforts to counter MANPADS proliferation through the elimination of excess or illicit stocks became a priority of the USG—a priority that has been reinforced by the 2003 FBI sting operation in Newark and attacks on aircraft in Iraq. As the program has matured since its inception in 2001, a requirement for a rapid response capability to meet urgent/unforeseen SA/LW destruction needs has emerged. One recent example is Liberia, where reallocated FY 2003 and FY 2004 funds were used to support weapons destruction as part of the demobilization, disarmament, and reintegration process in the wake of the August 18, 2003 Comprehensive Peace Agreement. A second example is Sao Tome and Principe, where reallocated FY 2004 funds were used for the destruction of hazardous ordnance that posed a humanitarian threat.

**Small Arms/Light Weapons Destruction**  
(\$ in thousands)

	<b>FY 2004 Actual</b>	<b>FY 2005 Estimate</b>	<b>FY 2006 Request</b>
<b>Africa</b>			
Burundi	-	200	-
Guinea-Bissau	-	200	-
Liberia	160	-	-
Sao Tome and Principe	50	-	-
Sudan	-	300	300
Tanzania	-	200	-
<b>Subtotal - Africa</b>	<b>210</b>	<b>900</b>	<b>300</b>
<b>East Asia and the Pacific</b>			
Cambodia	300	250	200
Philippines	-	100	150
<b>Subtotal - East Asia and the Pacific</b>	<b>300</b>	<b>350</b>	<b>350</b>
<b>Europe and Eurasia</b>			
Albania	-	300	300
Belarus	-	300	300
Bosnia and Herzegovina	-	400	400
Bulgaria	500	244	400
Georgia	-	-	300
Kazakhstan	-	500	700
Serbia and Montenegro	-	800	800
Tajikistan	-	-	300
Ukraine	642	1,500	1,500
<b>Subtotal - Europe and Eurasia</b>	<b>1,142</b>	<b>4,044</b>	<b>5,000</b>
<b>Near East</b>			
Yemen	-	-	800
<b>Subtotal - Near East</b>	<b>-</b>	<b>-</b>	<b>800</b>
<b>South Asia</b>			
Afghanistan	-	500	1,000
Sri Lanka	-	200	-
<b>Subtotal - South Asia</b>	<b>-</b>	<b>700</b>	<b>1,000</b>
<b>Western Hemisphere</b>			
Bolivia	-	100	-
Colombia	-	200	200
Ecuador	-	150	200
Nicaragua	300	300	-
Peru	-	200	200

**Small Arms/Light Weapons Destruction**  
(\$ in thousands)

	<b>FY 2004 Actual</b>	<b>FY 2005 Estimate</b>	<b>FY 2006 Request</b>
<b>Subtotal - Western Hemisphere</b>	<b>300</b>	<b>950</b>	<b>600</b>
<b>Global</b>			
MANPADS	2,000	-	-
New Country Programs	-	-	700
SA/LW Conference	30	-	-
<b>Subtotal - Global</b>	<b>2,030</b>	<b>-</b>	<b>700</b>
<b>Total</b>	<b>3,982</b>	<b>6,944</b>	<b>8,750</b>



## Global HIV/AIDS Initiative

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
GHAI	488,103	1,374,000	1,970,000

The FY 2006 request includes \$170 million for the 15 focus countries that was previously requested in USAID's Child Survival and Health account.

The Global HIV/AIDS Initiative account is the principle source of new funding for the President's Emergency Plan for AIDS Relief (the Emergency Plan). The Emergency Plan's vision is to help turn the tide of this global pandemic. The FY 2006 request for the GHAI account is \$1.97 billion, a significant increase that will continue the ramp-up of activities in 15 focus countries and other bilateral programs. This includes country activities, centrally-funded programs, international partners, technical oversight and management, and strategic information and evaluation.

**Country Activities** – \$1.302 billion to expand integrated prevention, care and treatment programs in 15 focus countries: Botswana, Cote d'Ivoire, Ethiopia, Guyana, Haiti, Kenya, Mozambique, Namibia, Nigeria, Rwanda, South Africa, Tanzania, Uganda, Vietnam, and Zambia. An additional \$50 million will be used to increase funding for HIV/AIDS activities in other countries, complementing funds provided from the Child Survival and Health Programs Fund (CSH), the Economic Support Fund (ESF), Assistance for Eastern Europe and the Baltic States (SEED), Assistance for the Independent States of the Former Soviet Union (FSA), and from accounts of the Department of Health and Human Services (HHS).

**Central Programs** – \$393 million for central programs that are used for technical leadership and for technical assistance and the rapid expansion of activities in the focus countries such as: anti-retroviral therapy, including quality assurance; safe medical injections; safe blood supply; orphans and vulnerable children; abstinence and faithfulness; human capacity development; twinning of U.S. and overseas institutions; and supply chain management.

**International Partners** - \$127 million will supplement funding from the CSH and HHS accounts for international partners. \$100 million will go to the Global Fund to Fight AIDS, Tuberculosis and Malaria from this account in addition to \$200 million proposed under the CSH and HHS accounts.

**Technical Oversight and Management** - \$63 million is for technical oversight and management costs. This includes the salaries and travel costs of the people that monitor and backstop the program from the headquarters of the various agencies (the U.S. Agency for International Development (USAID), the Department of Health and Human Services (HHS), the Department of Defense (DOD), and the Peace Corps (PC)) that implement the Emergency Plan, as well as up to \$12 million for the administrative expenses of the Office of the U.S. Global AIDS Coordinator.

**Strategic Information** - \$35 million is for the Strategic Information system that is used to monitor program performance, including tracking progress toward goals and evaluating interventions for efficacy; and to provide descriptive information about Emergency Plan activities.

### Use of FY 2006 Funding In the Focus Countries:

**Botswana (\$41 million).** Botswana is experiencing one of the most severe HIV/AIDS epidemics in the world, with the second-highest HIV-prevalence in Sub-Saharan Africa. UNAIDS estimates that 37.3% of adults 15-49 years of age are infected with HIV. During FY 2006, Emergency Plan funding will be used to rapidly strengthen Botswana's fight against HIV/AIDS through focused prevention, improved counseling and testing services, and expanded treatment and care. The United States Government HIV/AIDS program in Botswana (BOTUSA) will play a key role by partnering with the Government of Botswana (GOB), organizations of the United Nations, the Merck and Gates Foundations' African Comprehensive HIV/AIDS Partnership (ACHAP), and other donors to provide services for people and communities heavily impacted by HIV/AIDS.

In order to reach all three strategic plan targets for BOTUSA, the behavioral prevention activities will be more focused in order to allocate additional funds to treatment. Prevention activities that will continue include the popular *Makgabaneng* radio serial drama, the Ministry of Education life skills instructional materials project, and the small and medium-sized grants to youth and faith-based organizations focusing on abstinence and faithfulness activities. Through these activities, an estimated 15,199 new HIV infections will be averted. Also, BOTUSA will help prevent 1,876 new mother-to-child HIV infections through ongoing capacity development in the GOB and other partners. The focus of this effort is to support routine testing in 100% of all antenatal clinics with 95% of mothers accepting services, increase access to treatment to 100% of HIV infected pregnant women and improve the quality of PMTCT services.

BOTUSA will continue to provide vital technical and financial support to key partners, GOB, and umbrella organizations to strengthen non-governmental, faith-based and community-based organizations providing care and support. In 2006, these efforts will reach at least 40,000 new people living with HIV/AIDS and orphans and vulnerable children. The USG will continue to support HIV counseling and testing services through *Tebelopele* voluntary counseling and testing centers and GOB routine HIV testing in clinical settings.

In 2006, BOTUSA will rapidly expand treatment, providing services at least 10,500 new patients through a network of 32 government hospitals and 13 clinics. This will be accomplished through improving antiretroviral (ARV) delivery services in rural areas using the outreach model, strengthening private-public partnership, providing human resources to strengthen monitoring and evaluation for national ARV program, decentralizing HIV laboratory testing from current hospital based delivery and improving access to special groups. Botswana will conduct one targeted evaluation on ARV drug resistance, adherence to ARV treatment and survival rates.

**Cote D'Ivoire (\$30 million).** The Ivory Coast has a generalized HIV epidemic and the highest HIV prevalence in West Africa with an estimated stable adult population prevalence of 7.0%. FY 2006 funding will be essential to help make up ground that has been lost during a severe political crisis in 2004. Prevention activities targeting vulnerable populations such as unformed services, mobile populations and sex workers require rapid expansion to achieve effective population coverage. Prevention of mother-to-child transmission (PMTCT), voluntary counseling and testing and comprehensive HIV treatment services will be expanded with additional resources building on existing models. By the end of FY 2005, orphans and vulnerable children (OVC), palliative care and decentralized care and treatment models will be well placed to expand with establishment of effective models and a mechanism to provide small grants with management and technical support. Partnerships with faith based and community based organizations reaching out to rural populations and crisis afflicted regions will be established in FY 2005 and further expanded in FY 2006 with improved links between services. The USG has played an integral role in expanding comprehensive HIV treatment in Cote d'Ivoire since the launch of the 1998 national pilot drug access initiative and will continue FY 2005 efforts in 2006 to support the national treatment roll out plan

and complement other Global Fund activities. Lack of human capacity is a serious obstacle and an evaluation in FY 2005 will lead to activities to address gaps in critical human resources in FY 2006.

**Ethiopia (\$92 million).** Ethiopia is the second most populous country in sub-Saharan Africa, with a 2003 population estimated at 70 million people from 83 ethnic groups and languages, in an area almost twice the size of Texas. The national adult prevalence for 2003 is estimated at 4.4%, with a 12.6% urban rate and a 2.6% rural rate. In FY 2006 funds will be used to further expand and scale up prevention, care, and treatment activities in rural and urban areas of all 11 regions and several refugee camps in the west and north. Abstinence and faithfulness awards will support development and delivery of information, education, and behavioral change messages that will reach approximately 750,000 youth through the training of over 600 religious leaders and more than 12,000 youth peer educators. U.S. government efforts will reach an additional 270,575 HIV positive patients with basic palliative care by March 2006 and even more by the end of the year. In 2006, the Emergency Plan will support up to 156,540 orphans and vulnerable children, which feeds into the long range goal of 500,000 by 2008. Interventions for most-at-risk populations will focus on condom distribution and other activities at sites along the Addis-Djibouti corridor.

In 2006, the Emergency Plan will continue provide technical assistance, training, supportive supervision, and commodities to 55 hospitals (25 from 2004, plus 30 new sites shared with the Global Fund) and an estimated 311 health centers, in the 11 regions of Ethiopia, as well as assistance to non-governmental organizations (NGOs) and community- and faith-based organizations for provision of community- and home-based care and support. The U.S. government will continue its collaboration with the Ministry of Health and the World Health Organization to integrate Ethiopia's TB and HIV/AIDS programs in targeting sites so that comparative advantages are maximized to ensure quality, coverage, and use of antiretroviral therapy (ART) by at least 50 percent of eligible people living with HIV/AIDS (PLWHA) -- or over 200,000 persons -- in over 100 health networks nationwide by 2008.

**Guyana (\$21 million).** Available evidence suggests that HIV/AIDS is a growing problem in Guyana, and that it is now a generalized epidemic. The Emergency Plan funds will be used to rapidly expand prevention, treatment, and care activities through improvement of the central medical center in the capital city and an increase in the number of integrated HIV/AIDS service sites elsewhere in the country. Additional activities will include the updating of the FY 2004 national treatment guidelines, training, and continuing support for the Voluntary Counseling and Testing and Prevention of Mother-to-Child Transmission programs, continuing integration and transfer of management of HIV/AIDS programs to the MOH, improving laboratory infrastructure and services, monitoring and evaluation, establishing improved communications, developing capacity and leadership in the health sector, and other national-level support to address HIV/AIDS. Care and prevention activities will be centered around HIV/AIDS treatment services sites, strengthening the network model and ensuring linkages and cross referral to community services. Geographic expansion to at least four additional antiretroviral delivery sites is expected in 2006 and will also include care programs including the integration of HIV testing and counseling and referral services into TB and sexually transmitted disease (STD) clinical services.

Prevention activities will be scaled up through the media, capacity building and community outreach through local non-governmental organizations (NGOs) and faith-based organizations (FBOs), workplace programs, and peer education/services support for programs reaching high-risk groups such as the military, miners, sex workers, border communities, and transportation workers. There will continue to be a strong emphasis on abstinence and faithfulness programs that will endorse virginity, caution young women to be wary of men's efforts to seduce them before they are ready for sex, and convey that abstinence is a social norm among young people. Separate messages, using similar mediums will target persons in relationships with messages of know your status and be faithful. Audiences to be targeted will be youth in the last years of primary school and first years of secondary school through work with school health clubs, youth camps,

development of the family health and life education component of the country strategy, and support for the Minister of Health's "keeping the pledge" for the abstinence and behavioral change aspects of his FY 2004 prevention and awareness campaign.

**Haiti (\$47 million).** According to the United Nations Development Program, seventy-five percent of Haiti's 8.5 million people are living at or below the absolute poverty level and Haiti has the highest HIV prevalence of any nation in the Latin America/Caribbean region. An estimated 5.6% of the population is HIV infected. Haiti is second only to Brazil in the absolute numbers of persons living with HIV in the Western Hemisphere with estimated number between 157,710 and 275,742.

Emergency Plan funds will be used to scale-up prevention, treatment and care activities, strengthen the public health network capacity through training, and develop public/private partnerships. A strong emphasis on abstinence and be faithful (AB) messages will continue for youth in and out of school, continuing the policy of starting with pre-teens, and emphasizing secondary abstinence for teens and those in their early twenties. Focused activities to reach groups particularly at risk including mobile men, men who have sex with men, sex workers, non-formal sector workers, and men in uniform will be scaled up.

The FY 2005 initiatives for strengthening the public health network and increasing uptake of testing and facility-linked care, including traditional healers will also be scaled up in FY 2006. Additionally, the management and human resources support to the Ministry of Health (MOH) through networks of public/private partnerships and direct support from Centers for Disease Control and Prevention will also be increased. Further emphasis will be placed on providing palliative care to reach greater numbers of people living with HIV/AIDS (PLWHA) through the use of both community and facility-linked care and support. Care will be provided through networks of faith-based organizations (FBOs), non-governmental organizations (NGOs) and community-based organizations (CBOs). Since PLWHA have a very high likelihood of developing active tuberculosis, support will be expanded to HIV/TB centers to better integrate HIV testing and treatment programs for this high-prevalence population. TB patients who are co-infected with HIV will be provided appropriate follow up for treatment with antiretrovirals and distribution of the basic care package. The estimated number of orphans and vulnerable children (OVC) has doubled since 2000. Support to OVC through indigenous NGO, FBO and CBO partners as well as US-based private voluntary organizations (PVOs) will be scaled up to reach the maximum number of children.

Finally, anti-retroviral treatment (ART) will be scaled up to include eight additional clinical sites. There will be increased emphasis on quality assurance/quality control and each site will be "twinned" with a US-based institution. Earlier investments in capacity building should result in a transfer of HIV/AIDS related activities to increasingly decentralized service providers. This will help improve access to prevention, care and treatment for thousands of Haitians.

**Kenya (\$162 million).** Emergency Plan funds will be used to continue rapid expansion of treatment and care activities, building on previous service delivery and capacity building activities. We will strengthen the collaboration between early funding partners and other in-country programs, specifically focusing on reaching our target of providing services for 500,000 orphans and vulnerable children (OVCs). The Emergency Plan will also increase prevention of mother-to-child transmission (PMTCT) services by another 10 percent from the previous year. Additionally in 2006, it will reduce incidence of HIV infection in young people through mass media, community level communication, youth centers, and other approaches. Through this effort, the United States government (USG) team will emphasize teaching young people how to avoid HIV infection through abstinence and delay of sexual debut. It will also reduce HIV incidence by using 300 local faith-based, community-based and non-governmental organizations (FBOs, CBOs, and NGOs) to do community level program implementation of culturally appropriate prevention activities. Some of these civil society organizations will implement HIV prevention interventions targeting

750,000 secondary and university students, teachers, and community members. Finally, funding will allow more than 175,000 people with HIV/AIDS to receive palliative care services.

In 2006, the USG will also continue to work with other donors to provide technical assistance, training, supportive supervision, and commodities to 50 hospitals and 400 health care centers in 35 districts in Kenya. The U.S. government will continue its collaboration with Kenya's National Leprosy and TB Program, the Ministry of Health, UNAIDS, and the World Health Organization to further integrate Kenya's TB and HIV/AIDS programs.

**Mozambique (\$58 million).** In 2004, HIV prevalence in pregnant women was 14.9% (2004 projection based on 2002 data), an estimated 1.4 million people were living with HIV/AIDS, and there were approximately 273,000 AIDS orphans. The United States Government (USG) will assist the Government of Mozambique (GoM) efforts to mitigate the HIV/AIDS epidemic through the development of guidelines and protocols, training, strengthening of laboratory services, monitoring and evaluation, commodities procurement and logistics, and communications for the country's integrated health network. In 2006, this assistance will continue to support all of Mozambique's integrated HIV/AIDS network sites and all of the patients receiving palliative care and treatment services at these sites. At the same time, USG partners will provide direct services to patients, reaching 30,000 Mozambicans with antiretroviral therapy at 33 USG-supported sites by the end of 2006. As part of this scale-up, the United States Government will also dramatically increase the number of women reached with services to prevent mother-to-child HIV transmission. Expanded HIV prevention efforts will encompass several hundred thousand youth in programs that foster abstinence and faithfulness. These programs will also involve parents and leaders who can help children and young adults successfully commit to abstinence and being faithful (AB). Targeted behavior change activities in the workplace and through the media will help individuals in high-risk groups, such as the military, migrant laborers, and long-distance truck drivers, to better judge their personal risk of HIV infection and then take steps – abstinence, behavior change and condom use (ABC) -- to reduce risk.

The home-based palliative care and orphan support services provided by the USG's community-based and faith-based partners will continue to be implemented in conjunction with the clinical service sites, thereby strengthening linkages and referrals to make available the full range of essential HIV/AIDS services to infected and affected individuals and families. By the end of FY 2006, these community-based services will directly reach approximately 125,000 orphans and vulnerable children and 130,000 people living with HIV/AIDS.

**Namibia (\$49 million).** Namibia's severe, generalized HIV epidemic continues to grow rapidly. With an HIV prevalence of 22%, it is among the top five most affected countries. The first AIDS case was reported in 1986, and 10 years later AIDS became the leading cause of death. Namibia, one of the most sparsely populated countries in Africa with a total population of 1.83 million, has an estimated 250,000 HIV-infected individuals. The HIV seroprevalence rate among pregnant women has increased rapidly, from 4.2% in 1992 to 22% in 2002.

FY 2006 Emergency Plan funds will be used to rapidly expand prevention, care, and treatment services to a wider population by building on previous service delivery and capacity-strengthening activities. This will include continued expansion and consolidation of treatment to 35 Ministry of Health and Social Services and Mission hospitals, expansion of counseling and testing services, strengthening the referral and follow-up process for care/treatment services throughout the health care network, and continued expansion of effective services to prevent mother-to-child transmission to all antenatal clinics in the country. Improved access to clinical care for opportunistic infections will be expanded from the center of excellence through the health network to the clinic level by strengthening linkages between the community and health system.

Prevention activities will be scaled-up through the media, community action forums, door-to-door campaigns, and peer educator programs for high-risk groups such as the military, prisoners, police, truckers, other mobile workers, and commercial sex workers. The United States Government's strong emphasis on abstinence and faithfulness for youth ages 8-24 will continue to reach both in- and out-of-school youth with supportive prevention initiatives through non-governmental organizations and faith-based groups. Working with communities and faith-based organizations, programs to reach orphans and vulnerable children (OVC) will be expanded. An OVC database, soon to be completed by the Ministry of Women Affairs and Child Welfare, will guide the expansion.

**Nigeria (\$127 million).** Nigeria is heavily impacted by the HIV/AIDS epidemic. There is around 3.5 million people infected with HIV, approximately 1.8 million HIV/AIDS orphans, and the seroprevalence among women attending antenatal clinics in 2003 was 5.0%.

The Emergency Plan funds for Nigeria will be used to build on FY 2005 successes in the six initial focus states, consolidating lessons learned and rapidly expanding prevention and care activities as well as treatment with antiretroviral drugs (ARVs). FY 2006 funding will be used to establish Centers of Excellence, build capacity in secondary and community-based facilities, and strengthen the referral systems within this network-based design. A key element of the referral system is ensuring adequate access to tuberculosis diagnosis and treatment for HIV/AIDS patients, as well as routine HIV counseling and testing for TB patients. To greatly expand the reach of current diagnostic and treatment facilities, many of the TB treatment programs that were strengthened in FY 2005 will be expanded to include HIV testing, counseling and administration of antiretroviral therapy (ART) in their package of services.

Community engagement is the key to the successful expansion of prevention, care and support activities, and the HIV/AIDS epidemic has presented communities with many new challenges. The community-based partnerships initiated with faith-based organizations and civil society organizations in FY 2005 will have built capacity in other grassroots organizations by FY 2006. This will enable them to utilize additional resources effectively to provide community-based care and support, along with abstinence and be faithful messages, to significantly more individuals affected by HIV/AIDS. The newly integrated Strategic Information collection system will begin to capture these results, and will inform programmatic decisions that will be made in coming years.

**Rwanda (\$75 million).** HIV/AIDS imposes an extreme hardship on an already impoverished population. Approximately 49,000 people die each year from AIDS. Rwanda's average life expectancy, now only 44 years, could drop further with an advancing AIDS epidemic. Because most Rwandans are subsistence farmers, illness of a breadwinner is devastating to families. AIDS, compounding the social upheaval resulting from the genocide, has orphaned an estimated 160,000 children. Only 28% of households with an HIV/AIDS patient are able to pay for even basic care, leading families to borrow money, sell assets, or forego needed treatment.

FY 2006 Emergency Plan funds will be used to build on existing prevention, care and treatment activities, with an emphasis on building capacity of local organizations in six provinces. The United States Government (USG) will help scale-up prevention of mother-to-child transmission, voluntary counseling and testing and antiretroviral therapy (ART)/clinical care services through innovative approaches including performance-based financing which builds managerial capacity of sites and districts, and graduates the management of those sites to Rwandan health institutions. ART services will be scaled-up from 42 to 80 sites, and will emphasize improved integration and decentralization of services, strengthened monitoring and referral systems, supervision and quality assurance, and management of pediatric HIV. The USG will continue to expand prevention and treatment of opportunistic infections and to strengthen integration of TB and counseling and testing services.

The USG will competitively procure services for orphans and vulnerable children (OVC) and other community-based care and prevention programs, prioritizing Rwandan organizations, in particular faith-based institutions. USG and OVC partners will help develop a standard national OVC benefits package and leverage ongoing food aid. An important component of USG activities will be to strengthen and formalize referral, monitoring, and tracking systems between clinical and community care services. Prevention activities will include mass media, information, education and communication and interpersonal communication campaigns. The programs will include behavior change activities focusing on abstinence and faithfulness, and will target youth, high-risk groups such as the military and prisoners.

**South Africa (\$151 million).** In spite of a high per capita GDP (\$3,443), 40% of South Africans live in poverty. In the first decade of democracy, adult HIV prevalence has risen from less than 3% to an estimated 21.5%. With 5.6 million citizens infected with HIV, South Africa has more infected adults and children than any other country in the world. South Africa's HIV epidemic is generalized and regional antenatal seroprevalence rates range from 13.1% to 37.5% in the nine provinces.

Emergency Plan funds will be used to expand prevention, treatment and care activities building on the successful models and best practices developed in FY 2004 and FY 2005. In HIV prevention, the United States Government (USG) will continue to assist in the South African Government's (SAG) efforts to fully integrate high quality prevention of mother-to-child transmission (PMTCT) services into routine antenatal care and will support the SAG goal of providing universal access to PMTCT services. The USG will also support efforts of the public sector, non-governmental organizations (NGOs) and faith-based organizations (FBOs) to delay the age of first sexual encounter and reduce the number of sexual partners; support evidence-based abstinence and be faithful, including behavior change among youth (AB), communication programs at national and community levels; expand access to HIV prevention services through community-based FBOs and NGOs; and support programs to reduce stigma and discrimination. In the treatment area, the USG will aggressively support the SAG's Comprehensive Plan to expand quality antiretroviral therapy by supporting programs in public, private and NGO health care settings to provide treatment to a total of over 200,000 HIV-positive individuals at over 150 sites. The USG also will continue to strengthen the human resource and health system capacity to provide quality treatment services to HIV-positive individuals, and will train over 10,000 health care providers in antiretroviral (ARV) treatment services. In the care area, the USG agencies will expand the number of communities and HIV-positive individuals receiving care through public and private sector organizations as well as NGOs and FBOs. The number of orphan and vulnerable children (OVC) programs will more than double between FY 2004 and FY 2006, expanding coverage to reach at least 150,000 OVC in the most HIV affected provinces and among disadvantaged populations. The USG will support the SAG strategy to develop a more comprehensive counseling and testing program intended to provide universal access to an adult population through over 3,000 health care facilities as well as non-medical sites. Finally, the USG will provide financial and technical assistance in strengthening strategic information systems: to conduct highly focused evaluations that improve program performance, effectiveness and efficiency; to document best practices in prevention, treatment and care; and, to carefully monitor and evaluate program performance against established targets.

**Tanzania (\$105 million).** Tanzania faces a generalized HIV/AIDS epidemic, with an 8.8% prevalence rate. Resources from the Emergency Plan will be used to extend the rapid scale up of prevention, care, and treatment activities. After initial set up of a coordinated approach with the Government of Tanzania and other donors, the United States Government (USG) anticipates funding a pyramid of implementing organizations, the development of a network to provide a continuum of care, dramatic growth in service delivery, capacity building, and system strengthening activities. This will include geographic expansion and improved coordination of services to reach the goal of integrated services within the continuum of care for people living with HIV/AIDS.

Emphasis on voluntary counseling and testing (VCT) and prevention of mother-to-child transmission (PMTCT) services will expand prevention efforts and ensure that those needing treatment will be identified and linked with care and support services. USG programs will also promote the integration of PMTCT and VCT with antenatal care services. By the end of 2006, PMTCT services will be established in all regions in the country, starting with regional hospitals, and expanding to all appropriate district health facilities. A full spectrum of prevention messages and programs will be scaled-up through behavior change communication initiatives, with an emphasis on abstinence and faithfulness among youth and targeted prevention programs focused on high-risk groups such as the military, police, truckers, miners, and commercial sex workers.

Care and treatment programs will greatly expand. During FY2006, an Integrated Logistics System will be fully implemented to strengthen antiretroviral inventory planning, control, and distribution. Blood safety and laboratory services will also be dramatically scaled up in coordination with treatment services. Care and support programs will also be expanded using community-based non-governmental organizations (CBOs) and faith-based organizations (FBOs). CBOs and FBOs will assist with the delivery of services including diagnosis and treatment of opportunistic infections and will also help people link with ART treatment sites and other support services. Linkages will also be made with programs offering nutritional care and services for people living with HIV/AIDS and their households. Work with orphans and vulnerable children (OVCs) affected or infected by HIV/AIDS will accelerate, as the U.S. Government and other donors will work with the Tanzanian Department of Social Welfare in implementing the Tanzanian National Framework for Management and Coordination of OVCs. Capacity building will continue to support and strengthen diagnostic laboratories, surveillance and strategic information systems, and human resource planning/training to enable the rapid scale-up underway and ensure long-term sustainability.

**Uganda (\$186 million).** Uganda is one of the poorest countries in the world and considered to be the historical epicenter of the HIV/AIDS epidemic. Uganda suffers from major problems in its health care system but is one of the few countries in the world to have reduced its HIV incidence rate. Uganda's success lies in its approaches fighting the disease in spite of an impoverished setting with a weak healthcare infrastructure and few resources. Less than half of Ugandans live within five kilometers of a health service unit. Gaps in staffing, facilities, commodities, and coordination continue to hinder service delivery. UNAIDS estimates that there are more than 70,000 new infections every year in Uganda, including nearly 16,000 children. More than 50% of those infected are women, more than 15% are children and 5% of those infected have active tuberculosis. Life expectancy has dropped to 42 years due to HIV/AIDS (UNAIDS). However, in spite of all those challenges, Uganda's HIV prevalence declined dramatically from over 20 percent among women at urban antenatal sites in 1990 to less than 10% today, still leaving an estimated million Ugandans living with HIV/AIDS and over 2 million orphans.

In 2006, Emergency Plan funds will expand the number of individuals receiving antiretroviral therapy (ARTs) by rapidly scaling up existing ART service delivery, building ART capability in HIV/AIDS care and support sites and working with new public and private sector partners to support ART delivery. In counseling and testing, the Emergency Plan will continue to expand traditional voluntary counseling and testing (VCT) services, routine counseling and testing initiatives and innovative grassroots programs such as door-to-door VCT projects.

In FY 2006, the Emergency Plan will increase the number of individuals, including orphans and vulnerable children, receiving palliative care and support through increased service delivery through civil society and faith-based facilities, networks of Persons Living with HIV/AIDS, and traditional healers. Through continued national campaigns and grants to community-based and faith-based organizations, primary and secondary school students and out-of-school youth will be reached with abstinence messages. Their parents/guardians, teachers, and young married couples, especially men, will also be targeted with abstinence and be faithful (AB) messages.



**Vietnam (\$28 million).** Vietnam has a concentrated epidemic and an estimated 215,000 HIV infected individuals. Ho Chi Minh City (HCMC) has by far the largest number of infected people (2004 estimate of 50,000). Vietnam is a high-burden tuberculosis (TB) country and HIV prevalence among TB patients has been steadily rising.

In 2006, the United States Government (USG) will continue to assist ministries including the Ministry of Health and the Ministry of Defense, in addition to local and international non-governmental organizations (NGOs) and businesses to develop high quality, integrated, comprehensive prevention, care and support, and treatment programs. Additionally, USG will support building sustainable surveillance, health management information, and monitoring/evaluation systems. The program will also support new under-funded ministries to respond to the epidemic.

Prevention programs will focus on targeted peer outreach and complementary voluntary counseling and testing (VCT) focusing on high-risk groups; geographic expansion of quality prevention of mother-to-child transmission models; support to government, NGOs and workplace initiatives to deliver information, education and communications on abstinence and partner reduction through mass media, community outreach and VCT; increased access to HIV prevention services through government care systems, faith-based organizations and community based organizations; and support for programs and policies to reduce stigma and discrimination and increase advocacy for People Living with HIV/AIDS.

Care activities will focus on expanding access to free opportunistic infection and palliative care medication while building on successful comprehensive services at the provincial, district, and commune levels. Support will focus on clinical and community-based health care, home care, counseling, and referral between prevention services and TB, sexually transmitted infection, and HIV care services. Orphan and vulnerable children programs will be developed and expanded based upon results of initial needs assessments.

Treatment will focus on expansion of high quality antiretroviral therapy through government hospitals and district health centers; the development of sustainable, government-centered antiretroviral procurement and distribution systems; quality technical training for health care workers administering treatment; technical assistance for monitoring for adherence, resistance, and adverse effects from therapy. The USG is collaborating with other donors including the Global Fund, World Health Organization/ Department for International Development (DfiD) and the *Ensemble pour une Solidarite Therapeutique Hospitaliere en Reseau* (ESTHER) program. Financial and technical assistance will be provided to strengthen strategic information systems to monitor and evaluate the effectiveness of USG-supported programs and to assist in building sustainable national information management.

**Zambia (\$132 million).** Zambia is facing its most critical health, development and humanitarian crisis to date. An estimated 15.6% of the adult population is infected with HIV (18% of adult women and 13% of adult males); 920,000 Zambian adults and 90,000 children are living with HIV/AIDS in a total population of 10 million people. This means that one in every ten Zambians is HIV infected. In urban areas one out of four adults is infected (23.1% HIV prevalence); a staggering one-third of the population in border towns has HIV/AIDS; and in rural areas the rate is 10.8%. The infection rate among pregnant women is 19.1%.

Emergency Plan funds will help build capacity and systems for long-term sustainability of HIV/AIDS prevention, treatment, and care services, and advance policy initiatives and leadership that support HIV/AIDS prevention, treatment, and care services. FY 2006 activities will also continue expansion and consolidation of treatment to 75 public institutions and 12 mission and private institutions. Activities in 2006 will further development of an antiretroviral (ARV) referral screening process in the health centers and continue expansion of prevention of mother-to-child transmission (PMTCT) to all antenatal care clinics

in the country. Activities supporting PMTCT, voluntary counseling and testing, treatment and care will be further expanded to military facilities.

Prevention activities will be scaled up through the media, community action forums, door-to-door campaigns, and peer educator programs for high-risk groups such as discordant couples, the military, prisoners, police, truckers and sex workers. The strong emphasis on abstinence and faithfulness for children and youth up to the age of 24 will continue to reach youth with supportive prevention initiatives both in and out of school through the churches and other faith based groups. Care and support programs for those living with HIV, as well as orphans and vulnerable children, will also be expanded.

Clinical care for opportunistic infections will begin to extend to the clinic levels with a stronger community/health-network connection. Combined tuberculosis and HIV activities will also be expanded. In addition, several cross-cutting issues will be addressed in 2006 including human capacity development, development of sustainability and new partners, increasing the role of the private sector, addressing stigma and discrimination, gender equity, and opportunities for twinning with other institutions.

**Global HIV/AIDS Initiative**  
(\$ in thousands)

	<b>FY 2004 Actual</b>	<b>FY 2005 Estimate</b>	<b>FY 2006 Request</b>
<b>Africa</b>			
Botswana	8,806	27,543	40,505
Cote d'Ivoire	7,523	20,912	29,906
Ethiopia	15,231	55,560	91,855
Kenya	34,631	107,020	162,348
Mozambique	11,083	45,884	57,757
Namibia	14,147	34,514	49,132
Nigeria	25,415	81,303	127,200
Rwanda	16,382	39,938	74,765
South Africa	31,787	101,859	150,698
Tanzania	25,027	80,326	104,672
Uganda	44,598	104,779	185,843
Zambia	29,210	81,831	131,587
<b>Subtotal - Africa</b>	<b>263,840</b>	<b>781,469</b>	<b>1,206,268</b>
<b>East Asia and the Pacific</b>			
Vietnam	10,000	22,145	28,015
<b>Subtotal - East Asia and the Pacific</b>	<b>10,000</b>	<b>22,145</b>	<b>28,015</b>
<b>Western Hemisphere</b>			
Guyana	5,097	13,153	21,362
Haiti	13,047	39,373	46,995
<b>Subtotal - Western Hemisphere</b>	<b>18,144</b>	<b>52,526</b>	<b>68,357</b>
<b>Global</b>			
Central Programs	129,797	251,231	392,825
International Partnerships	-	27,000	127,000
Other Bilateral Programs	16,500	35,000	50,000
Rapid Expansion Fund	-	117,000	-
Strategic Information/Evaluation	14,850	30,000	35,000
Technical Oversight and Management	34,972	57,549	62,535
<b>Subtotal - Global</b>	<b>196,119</b>	<b>517,780</b>	<b>667,360</b>
<b>Total</b>	<b>488,103</b>	<b>1,373,920</b>	<b>1,970,000</b>

The FY 2006 request includes \$170 million for the 15 focus countries that was previously requested in USAID's Child Survival and Health account.

## President's Emergency Plan for AIDS Relief

(\$ in thousands)

	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
Department of State and USAID	1,606,468	2,190,633	2,564,000
Child Survival & Health Programs Fund	1,065,180	763,641	539,000
Global HIV/AIDS Initiative	488,103	1,373,920	1,970,000
Foreign Military Financing	1,490	1,984	2,000
Other Accounts (including ESF, FSA, AEEB)	51,695	51,088	53,000
Department of Health and Human Services	762,107	577,200	596,000
Department of Labor	9,930	1,984	--
Department of Defense	4,250	7,495	--
<b>Total, President's Emergency Plan for AIDS Relief</b>	<b>2,382,755</b>	<b>2,777,312</b>	<b>3,160,000</b>

### Overview

The global HIV/AIDS pandemic is one of the greatest challenges of our time. Worldwide, over 39 million people are now infected. In 2004 alone, three million people died of AIDS and an estimated five million more became infected. Every day, 8,000 people die. The World Health Organization reports that AIDS is now the leading cause of death among adults ages 15-59 around the world. With its severe social, economic, and political consequences, HIV/AIDS presents a security threat and violates a basic principle of development – that each generation do better than the one before.

The United States has responded to the global challenge of HIV/AIDS with the President's Emergency Plan for AIDS Relief (the Emergency Plan). The Emergency Plan was envisioned to target \$10 billion in funding to dramatically ramp up prevention, treatment, and care services in 15 of the most affected countries of the world, representing approximately 50 percent of HIV infections worldwide. The Emergency Plan was also intended to devote \$4 billion to ongoing support in about 85 countries with existing bilateral programs, and pledges \$1 billion over five years to the Global Fund to Fight AIDS, Tuberculosis, and Malaria.

The vision of the Emergency Plan, laid out by the President in the five-year U.S. Global HIV/AIDS Strategy, is to do no less than turn the tide of this global pandemic. To achieve this vision, the Emergency Plan focuses significant new resources on some of the most afflicted countries in Africa, the Caribbean and South East Asia – the fifteen focus countries of the Emergency Plan. There are three specific goals in the focus countries:

- Treat **two** million HIV-infected individuals;
- Prevent **seven** million new HIV infections; and
- Care for **ten** million people infected or affected by HIV/AIDS, including orphans and vulnerable children.

In addition, to amplify the global response, The Emergency Plan will:

- Encourage bold leadership at every level to fight HIV/AIDS;
- Apply best practices in all USG bilateral HIV/AIDS programs, in concert with host government's HIV/AIDS strategies; and
- Encourage partners, including multilateral organizations and other governments, to coordinate at all levels for effective and efficient use of resources, and to adhere to principles of sound management and accountability.

The Emergency Plan is remaking government by implementing a new leadership model for coordinating those existing capabilities – a model that brings together, under the direction of the U.S. Global AIDS Coordinator, all of the programs and personnel of all agencies and departments of the United States Government engaged in this effort. This leadership model has been translated to the field, where the U.S. Chief of Mission in each country is leading a coordinated interagency process on the ground. The Office of the Global AIDS Coordinator's program development and implementation model supports field-driven planning in the focus countries with guidance and technical assistance from interagency core teams led by the Coordinator's Office. Primary implementers of the Emergency Plan include the U.S. Agency for International Development (USAID), the Department of Health and Human Services (HHS), the Departments of State (DoS), Defense (DoD) and Labor (DoL), and the Peace Corps. Coordination with the Departments of Agriculture and Commerce offer further opportunities to broaden service delivery and reach special populations.

Funding is being ramped up over five years as recipient countries build the necessary human capacity and infrastructure needed for long-term success and accountability.

## **FY 2006**

In FY 2006, the third year of the five-year plan, the Administration requests \$3.2 billion to combat HIV/AIDS, TB and malaria under two separate appropriations, Foreign Operations and the Department of Health and Human Services. The chart below and the following narrative break down the \$3.2 billion request by program use.

<b>PROGRAM AREA</b>	<b>FY 2006 REQUEST (<i>\$ in millions</i>)</b>
<b>Fifteen Focus Countries</b>	<b>1,852</b>
<b>Other Bilateral Programs</b>	<b>466</b>
<b>International Partners</b>	<b>361</b>
<b>HIV/AIDS Research</b>	<b>350</b>
<b>TB and Malaria</b>	<b>131</b>
<b>Total Emergency Plan</b>	<b>3,160</b>

### **Fifteen Focus Countries**

For FY 2006, the Administration is requesting a total \$1.852 billion (\$1.793 billion GHAI and \$59 million HHS) for the focus countries (Botswana, Cote d'Ivoire, Ethiopia, Guyana, Haiti, Kenya, Mozambique, Namibia, Nigeria, Rwanda, South Africa, Tanzania, Uganda, Vietnam and Zambia). These funds will finance individual focus country budgets, as well as, central programs that carry out activities in the focus countries, strategic information and evaluation activities, and central technical oversight and management.

FY 2006 is a crucial year for the Emergency Plan, as previous work building human capacity and infrastructure begins to pay off and the program is able to rapidly increase the number of people receiving prevention, treatment, and care services in the focus countries.

The Emergency Plan is designed to meet the congressionally mandated targets for an “effective distribution of HIV/AIDS funds” among prevention, care, and treatment activities for the FY 2006 budget within the focus countries. These funding targets are:

- **55%** on treatment services for people living with HIV/AIDS;
- **25%** on care of those infected with or affected by HIV/AIDS (**10%** on orphans and other vulnerable children and **15%** on palliative care);
- **20%** on prevention activities, **33%** of which is to focus on activities that promote abstinence-until-marriage.

#### Treatment activities in FY 2006

Providing treatment is a primary focus of the Emergency Plan. The Emergency Plan will implement strategies to provide long-term, widespread, high-quality, safe and essential HIV/AIDS treatment services to people living with HIV/AIDS. The Emergency Plan’s 2006 strategy to provide treatment to at least 860,000 HIV-infected people in the focus countries consists of the following:

- Rapidly scaling up treatment availability through the network model by building on and expanding established clinical programs, training and mobilizing existing health care personnel, and strengthening supply chain management systems.
- Building capacity for long-term sustainability of quality HIV/AIDS treatment programs by strengthening national human resource capacity for HIV/AIDS services (health care worker recruitment and retention, curriculum development, training and technical assistance), developing and implementing effective treatment protocols, and strengthening HIV/AIDS related health infrastructure, including facilities, data and financial management systems, and research capacity.
- Advancing policy initiatives that support treatment, including product registration, drug procurement and financing, import and taxation regulations, and human resource policies.

#### Care activities in FY 2006

The Emergency Plan’s 2006 strategy to provide care for nearly 4.3 million people infected and affected by HIV/AIDS in the focus countries consists of the following:

- Rapidly scaling-up existing palliative and orphan and vulnerable children care services, including basic health care such as diagnosis and treatment of tuberculosis and other opportunistic infections, symptom management and end-of life-care, along with social and emotional support services.
- Building capacity for long-term sustainability of palliative and orphan and vulnerable children care and support services, through training and support to community-based responses for orphan care, including strengthening the organizational capacity of community and faith-based organizations to address the needs.
- Advancing policy initiatives that support and improve basic health care and support services for people infected with and affected by HIV/AIDS, including orphans and other vulnerable children.

- Expanding high quality HIV/AIDS counseling and testing.

#### Prevention activities in FY 2006

By the end of FY 2006, an estimated 143.4 million people will have received prevention education services, one component of averting infections, and focus country prevalence rates will be stabilized or reduced. The Emergency Plan's strategy to accomplish these objectives consists of scaling up existing prevention services, including the following:

- The promotion of the abstinence, behavior change, and correct and consistent condom use (ABC) approach, community outreach, prevention of mother-to-child transmission (PMTCT), and improved safe blood and medical practices, including safe medical injections.
- Building capacity for effective long-term prevention programs, including innovative strategies for HIV/AIDS testing, supporting interventions for those at high risk of infection, reaching mobile populations, improving diagnosis and treatment of sexually transmitted infections (STIs) for HIV infected persons, and strengthening the institutional capacity of implementing organizations.
- Advancing policy initiatives that support prevention of HIV infection, including protection against stigma and discrimination, use of routine and confidential testing, access to health information and care, gender equity, and the development and enforcement of laws to protect against sexual exploitation.

The Global AIDS Coordinator will continue to take maximum advantage of synergies and leverage provided by international cooperation in the fight against HIV/AIDS in achieving U.S. goals in the focus countries, particularly with projects funded by the Global Fund to Fight AIDS, Tuberculosis, and Malaria. The Global AIDS Coordinator will also continue to facilitate the involvement of faith-based organizations and other organization types.

Finally, in addition to the treatment, care, and prevention goals for FY 2006, the Global AIDS Coordinator will work to increase political and public support for the worldwide fight against HIV/AIDS and for the Emergency Plan for AIDS Relief.

#### **Other Bilateral Programs**

Beyond the focus countries, a priority initiative for FY 2006 is to strengthen other USG bilateral HIV/AIDS programs by working across these programs to improve HIV/AIDS leadership, coordination, collaboration, and adherence to best practices worldwide. The President's Emergency Plan offers a fresh opportunity to develop and implement consistent HIV/AIDS policies and programs across our bilateral prevention, care, and treatment initiatives and to harmonize and standardize reporting.

In the previous two years of the Emergency Plan, the Office of the Global AIDS Coordinator conducted interagency reviews to identify countries of special concern outside of the focus countries, to receive additional funding and strengthened programming. These countries have included the "next wave" countries of India, Russia, and China, as well as countries such as Swaziland, Lesotho, and Ukraine, which continue to struggle with HIV/AIDS. In FY 2006, similar processes will guide the distribution of \$50 million additional GHAI funding for bilateral programs outside of the focus countries.

USAID will continue to work in 85 countries in addition to the focus countries. Eight of these countries have HHS programs as well and will be targeted for intensive collaboration among U.S.G. agencies and a

more integrated approach to prevention, care, and treatment. The other countries will continue their strong emphasis on prevention while adding important care and treatment activities, as appropriate to the situation.

HHS will continue to work and increase its program activities in ten countries in addition to the focus countries and four regional offices. Activities will focus primarily on providing technical assistance for surveillance, laboratory, and voluntary counseling and testing (VCT) activities; providing training and capacity building; enhancing laboratory capacity to support HIV care and treatment; expanding HIV counseling and testing; improving the safety of the blood supply in countries; and, expanding all elements of basic Prevention of Mother-to-Child Transmission (PMTCT) services. The USG plans to continue working with several key partners, including Ministries of Health, local non-governmental organizations, and US-based universities and other technical assistance providers to develop sustainable programs.

The budget request for Other Bilateral Programs in FY 2006 is \$466 million, including \$50 million GHAI funds. The remaining funds are requested within the HHS and USAID budgets

### **International Partners, including the Global Fund to Fight AIDS, Tuberculosis, and Malaria**

The contributions of multilateral institutions and international organizations combating HIV/AIDS provide a vital opportunity for a comprehensive response. The diverse drivers and consequences of HIV/AIDS, and its many complicated interactions with a variety of other social, political, and economic circumstances, demand an equal number of diverse actors with varied expertise. The U.S. Government will strengthen its relationships with multilateral institutions and international organizations such as the World Health Organization (WHO), UNAIDS, UNICEF, and the World Bank to amplify global action against HIV/AIDS by encouraging coordination, based on comparative strengths, to fill gaps in current activities and ensure efficient and effective use of funds.

As part of this initiative, the Administration requests a total of \$300 million in FY 2006 to maintain U.S. leadership in the Global Fund to Fight AIDS, Tuberculosis and Malaria (the "Global Fund"). The USG support for the Global Fund is a multilateral complement to bilateral efforts. Of the total request, \$100 million is from the GHAI account, \$100 million is within USAID's Child Survival and Health account, and the remaining \$100 million is within HHS's National Institutes of Allergy and Infectious Diseases (NIAID) account.

The Global Fund aims to pursue a balanced approach covering prevention, treatment, care and support in addressing HIV/AIDS, TB and Malaria. According to the Global Fund, resources are disbursed on the basis of proposals evaluated through independent review processes based on the most appropriate scientific and technical standards, taking into account local realities and priorities. The Geneva-based organization is a financial instrument, not an implementing agency thus its funding is provided without technical assistance attached unless requested by grantees and specifically written into the original grant agreements.

U.S. priorities for the Global Fund include ensuring that grants are improving the health of the people receiving services, building strong monitoring and evaluation procedures for projects, and increasing the involvement of the private sector at all levels. Ensuring on-the-ground coordination of USG-funded activities and integration with Global Fund-supported programs (as well as those supported by other governments and organizations) is essential to ensure that activities are non-duplicative and additive. USG staff, contractors, and grantees in country will work closely with host country governments to ensure overarching coordination of varied activities and funding sources. USG staff often participates on the Country Coordinating Mechanisms (CCMs), which develop grant proposals in-country, and provide valuable technical assistance within the CCMs, including in some cases writing the grant proposals.



## **HIV/AIDS Research, Tuberculosis (TB) and Malaria**

The budget request maintains research to combat HIV/AIDS and continues the fight against tuberculosis and malaria. The request includes \$350 million for HHS/National Institutes of Health (NIH) in research funding, \$120 million for USAID bilateral TB and malaria programs, and \$11 million for the efforts of HHS/Centers for Disease Control and Prevention specifically to combat TB and malaria.

### International HIV/AIDS Research

NIH- sponsored international research includes efforts to develop: HIV vaccine candidates and chemical and physical barrier methods, such as microbicides, to prevent sexual transmission; behavioral strategies targeted to the individual, family, and community to alter risk behaviors associated with sexual activity and drug and alcohol use; drug and non-drug strategies to prevent mother-to-child transmission; therapeutics for HIV-related co-infections and other conditions; and approaches to using antiretroviral therapy in resource-poor settings. Development of research infrastructure is essential to these research programs. Specific international infrastructure needs include: (1) developing research sites through establishment of stable, targeted cohorts, development of recruitment strategies, and enhancement of laboratory, clinical, and data management capabilities; (2) increasing the number of scientists, clinicians, and health care workers trained in basic, clinical, and behavioral research, data management, and ethical considerations; (3) developing research collaborations; and (4) transferring appropriate clinical and laboratory technologies.

### Tuberculosis Activities

The World Health Organization estimates that worldwide, one-third of all people living with HIV/AIDS are infected with TB and up to half of all deaths among AIDS patients are directly due to TB. Persons who are dually infected with HIV and TB are up to 50 times more likely to develop TB in any given year than those who are HIV negative.

The USG is a leader in combating international TB. USG tuberculosis control efforts focus on supporting the implementation of the Global Plan to Stop Tuberculosis, and are carried out in concert with the STOP TB Partnership. Both HHS/CDC and USAID play critical roles in the partnership.

USAID TB activities are active in 43 countries and aim to increase tuberculosis case detection and treatment success by providing support to expand and strengthen the WHO recommended Directly Observed Treatment Short-course (DOTS) strategy. Specific assistance includes training, laboratory strengthening and quality control, monitoring and supervision, technical assistance to improve TB drug management, grants for anti-TB drugs through the Global TB Drug Facility, and initiatives to involve all providers, including the private sector and NGOs in the provision of DOTS. USAID also supports research in areas such as new drugs and diagnostics, improved TB treatment regimens, and approaches to improve care of persons co-infected with TB and HIV/AIDS. USAID implements these programs in close collaboration with the STOP TB partnership, host country national TB programs, local and international NGOs such as the International Union Against TB and Lung Disease, the WHO, and CDC.

CDC works closely with other federal partners, the World Health Organization, the International Union Against TB and Lung Diseases, the Royal Dutch Tuberculosis Foundation (KNCV), and the TB control programs of numerous countries to control the global spread of disease. CDC efforts are primarily focused on improving the quality of TB control programs in countries with a high burden of TB, those with a high burden of TB resulting from generalized HIV epidemics, and those that contribute most to the U.S. epidemic.

## Malaria Activities

As many as 900 million cases of malaria occur every year, which both directly and indirectly cause up to two million deaths. Ninety percent of these deaths occur in Africa, and most of the victims are young children. The USG supports prevention and control of malaria throughout the world in partnership with medical and public health professionals; national and international organizations, and foreign governments.

USAID has been a partner in the global Roll Back Malaria (RBM) initiative since its inception in late 1998. Working particularly in Africa, but also to a lesser degree in Asia, USAID assists about 30 national malaria programs and three regional initiatives, building malaria control networks and developing new technologies and approaches. USAID's programs focus on preventing malaria infection and illness, through increasing access to insecticide treated netting and, where appropriate, assisting countries to implement indoor residual spraying operations. USAID also promotes effective treatment of malaria illness, including a response to drug resistance, with a particular focus on increasing availability and roll out of Artemisinin combination therapy (ACT) drugs. Other areas of focus are: protecting pregnant women from malaria, developing new tools and approaches for malaria prevention and control, such as new drug development and a malaria vaccine, and addressing the needs of populations in complex humanitarian emergencies.

HHS/CDC conducts multidisciplinary research in the United States and internationally -- both in the laboratory and in the field -- to develop new tools and improve existing interventions against malaria worldwide. HHS/CDC also translates research findings into appropriate policies and effective practices, provides consultation, technical assistance, and training as requested by outside agencies and malaria-endemic governments.

## Conflict Response Fund

(\$ in thousands)

Account	FY 2004 Actual	FY 2005 Estimate	FY 2006 Request
CRF	-	-	100,000

The United States has a vital stake in stabilizing failed and failing states. When we help foreign societies make the transition out of conflict and civil strife onto the path of democratic governance and market-led growth, we deny a breeding ground to terrorists, traffickers, warlords and other threats to our interests.

The new Office of the Coordinator for Reconstruction and Stabilization (S/CRS) will lead, coordinate, and institutionalize U.S. Government civilian capacity to prevent or prepare for post-conflict situations, and to help stabilize and reconstruct societies in transition from conflict or civil strife so they can reach a sustainable path toward peace, democracy and a market economy. S/CRS will offer a robust interagency resource for planning and launching new operations, managing banks of personnel, funds, and information that can be tapped quickly and targeted precisely, and for distilling and applying lessons learned in a systematic way. Organizing civilian operations in a more focused, rapid and effective manner will save lives, be more efficient, and position the United States to lead the international community.

None of these benefits can be realized, however, absent a reliable and rapid source of financing. The Secretary of State needs the ability to get U.S. assistance and personnel on the ground quickly, when they can affect the dynamic of stability operations and best leverage international contributions. Predictable, pre-positioned funds will enable the Secretary of State to exercise necessary leadership while improving our ability to mitigate or avert conflict abroad.

The Conflict Response Fund would support two types of activities. First, when the Secretary directs that S/CRS mount a crisis response, we will allocate monies to address urgent stability and reconstruction needs including the mobilization of an immediate civilian presence in the field. These allocations will provide immediate and high impact assistance to the country or region and specialized technical and logistical expertise that up to now have not been routinely available within the U.S. Government for crises response. Second, a portion would be used for appropriate agencies to establish quick-response arrangements with firms, non-governmental organizations (NGOs), academic institutions, and other USG entities. These would be competed and pre-positioned for quick activation, akin to building the pipeline for delivery of programs. Many existing contractual arrangements were not established with this requirement in mind, and therefore necessary funding vehicles either do not exist or are restricted or otherwise unavailable. Examples of pre-positioned arrangements could include engineering and reconstruction expertise, rule of law and transitional justice, technical economic assistance, organization of elections, development of local public administration systems, as well as necessary mission launch support services such as communications for remote field operations.

Since experience has shown that the response in the first few months of a crisis often determines whether an intervention ultimately succeeds or fails, the Conflict Response Fund will pay for those critical, urgent, initial costs to address basic needs in a variety of sectors, realizing that additional resources from other sources may be needed to fund follow-on assistance activities over a longer timeframe. The Fund could also provide a vehicle through which funds could be transferred from other foreign assistance accounts in order to bring additional resources to bear on a particular post-conflict emergency.

These funds will not be used to provide assistance in response to natural disasters because existing contingency funding is available for that purpose.

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