# Choose to Invest

### **Economic Support Fund**

State, Foreign Operations Appropriations Bill Title VII

#### What is Development Assistance?

The <u>Economic Support Fund</u> (ESF) provides assistance to countries of strategic importance to U.S. foreign policy and national security, helping them meet near- and long-term political, economic, development, and security needs. ESF also provides <u>direct</u> <u>budget support</u> to foreign governments, sovereign loan guarantees, and critical support to development <u>activities</u> that work in conjunction with activities funded under Development Assistance.

FY2026 Recommendation
No Less Than

\$3.89 Billion

FY2026 President's
Request
To Be Announced

FY2025 Enacted
\$3.89 Billion

ESF is generally managed by the Department of State and implemented by USAID. Strong ESF funding counters economic investments made by China via the Partnership for Global Infrastructure and Investment (PGII)—the G7 counter to the Belt and Road Initiative. Strengthening the economies of U.S. allies, creating new markets for domestic goods, and cracking down on corrupt and unfair trade practices deliver valuable returns for American taxpayers.

#### What the Funds Support

- Conflict prevention efforts in contexts significant to U.S. national security, such as <u>coastal West Africa</u>. Innovative
  pilot programs promote peaceful interdependence between refugees and host communities in the Sahel, reducing
  tensions in border regions.
- Development and economic programming in the Middle East and North Africa, including in Israel, Jordan, and
  Egypt. Funds provide vital national security support, helping address food insecurity, invest in economic growth,
  strengthen civil society, fight corruption, and establish good governance.
- <u>PGII collaboration</u> with the private sector for projects that focus on energy security, health and health security, digital connectivity, and transportation infrastructure.
- The <u>Countering People's Republic of China (PRC) Influence Fund (CPIF)</u> which is used to strengthen partner
  country's ability to maintain their own autonomy, security, and prosperity against PRC coercion. Funds confront
  unfair and illegal trade practices, cyber theft, and corrupt and coercive economic practices that hurt U.S. strategic
  and national competitiveness.
- <u>Budget support</u> to Ukraine and Europe, Eurasia, and Central Asia in the face of Russian aggression. This includes
  addressing the impacts of Russia's war in Ukraine and the region, making critical investments to secure Ukraine's
  energy infrastructure.
- Economic resilience and democratic stability initiatives in the Western Hemisphere that address irregular migration and improve U.S. national security.
- Efforts to prevent conflict, counter violent extremism, promote the rights of women and girls, and prevent and respond to gender-based violence.



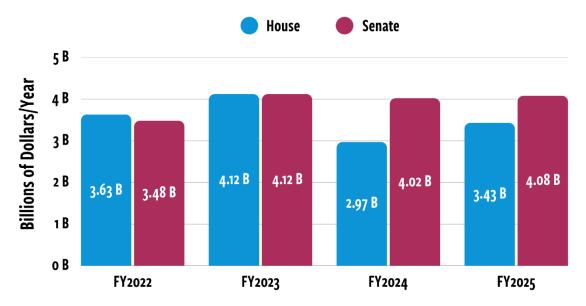
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FY2026

#### **Results**

- In FY2023, U.S. investments in Egypt supported <u>550 small and medium enterprises</u> and helped small businesses generate \$29 million in export revenue. Skills training for 87,000 students was also provided, increasing employment and new opportunities for women—a significant potential for economic growth.
- The International Development Finance Corporation (DFC) invested \$553 million in the Port of Colombo's (Sri Lanka) development to encourage private-sector growth and attract foreign exchange inflows, countering China's investments in the Indian Ocean region.
- The Department of State supported Voices Against Violence initiative has addressed how violence against women <u>serves as a cause of migration</u> in Central America. It has also provided assistance to <u>survivors of ISIS violence</u>, including torture and sexual slavery.
- USAID projects have supported Jordan's economic reform efforts to reduce regulatory barriers, thus supporting startups and small businesses. These reforms have allowed Jordan to jump ahead <a href="29">29</a> places on the World Bank's Doing Business report, making it the second most improved business climate worldwide.
- U.S. funding for the <u>Global Concessional Financing Facility</u> (GCFF) allows countries hosting large refugee populations to access loans at more concessional terms to address development challenges. The GCFF has benefited <u>6.3 million</u> refugees and <u>7.2 million</u> host community members across health, nutrition, financial services, education, and infrastructure programs.
  - o The GCFF is helping Moldova support the influx of refugees following Russia's invasion of Ukraine.

#### **Funding History**



\*Funding levels may not accurately reflect those in the appropriations bills and/or reports due to rounding.

