

## **RELATED PROGRAMS**

## RELATED PROGRAMS

### *Resource Summary*

(\$ in thousands)

	FY 2012 Actual	FY 2013 CR <sup>(1)</sup>	FY 2014 Request	Increase / Decrease From FY 2012
The Asia Foundation	17,000	17,104	17,000	0
Center for Middle Eastern-Western Dialogue	840	845	90	(750)
Eisenhower Exchange Fellowship Program	500	503	400	(100)
Israeli Arab Scholarship Program	375	377	13	(362)
East-West Center	16,700	16,802	10,800	(5,900)
National Endowment for Democracy	117,764	118,485	103,450	(14,314)

(1) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

This page intentionally left blank

**Proposed Appropriation Language**

THE ASIA FOUNDATION

For a grant to The Asia Foundation, as authorized by The Asia Foundation Act (22 U.S.C. 4402), [~~\$15,400,000~~]*\$17,000,000*, to remain available until expended, as authorized.

# THE ASIA FOUNDATION

## *Resource Summary*

(\$ in thousands)

Appropriations	FY 2012 Actual	FY 2013 CR <sup>(1)</sup>	FY 2014 Request	Increase/Decrease From FY2012
Enduring Funds	17,000	17,104	17,000	0

(1) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

### *Program Description*

The Asia Foundation (TAF) is a private, non-governmental organization (NGO) that advances core U.S. interests in the Asia-Pacific region. For 59 years, working through its network of 17 offices in Asia, TAF has been a well recognized American organization solving local and regional problems in cooperation with and in support of Asian partners. TAF has local credibility, a nuanced understanding of the issues facing each country, extensive access, and strong relationships with host governments, local NGOs and the private sector. TAF operates throughout Asia, including key countries, such as Afghanistan, Pakistan, Indonesia, and China. TAF's longstanding field offices and country representatives are a unique and proven resource for the U.S. government, Congress, and the private sector, which seek TAF's expertise to deliver programs and rapidly respond to urgent needs. Authorized by the Asia Foundation Act of 1983, annual appropriated funds are the Foundation's single most important funding source, enabling it to maintain its strategic network throughout the region.

TAF's program priorities are closely aligned with U.S. foreign policy priorities and goals in Asia. Within the strategic goals of the Department of State, TAF focuses on country and regional programs that build democratic institutions and improve governance, the rule of law, and foster a strong and vibrant civil society; support economic reform policies and institutions required for open markets and trade; increase opportunities for women's participation, empowerment and protection of basic rights; advance environmental governance and protection; and encourage stability and regional cooperation among nations in the Asia-Pacific region through dialogue and leadership development. The Foundation's approach has always encouraged local ownership and capacity building to ensure sustainability. While keeping its operating costs low, TAF programs and exchanges have proven effective because TAF forms true partnerships with Asian public and private sector organizations to reform policies, build political will to improve governance, and create more open societies. Programs provide training, technical assistance, and exposure to new technology, while expanding important public-private linkages. TAF carefully monitors programs to ensure their impact and effectiveness. This is achieved by working closely with partners, providing financial training for accountability and setting indicators and benchmarks through specific project frameworks that are monitored by TAF field office staff. TAF also uses empirical research, such as surveys and focus groups, to develop baselines for programs.

#### **Democratic Institutions, the Rule of Law, and Civil Society**

TAF's programs strengthen democratic institutions, governance and parliamentary processes, and foster government accountability and improved performance. Programs promote the rule of law, free and fair elections, and a vibrant, tolerant civil society inclusive of Muslim organizations. TAF programs facilitate citizen participation, develop strategies for conflict management and protect human rights.

#### **Economic Reform, Open Markets, and Trade**

TAF supports reforms that create more competitive markets through advancing rule of law, protection of intellectual property rights, and encouraging transparency and open government in China, Indonesia, Bangladesh, and Vietnam. TAF also supports reforms that foster entrepreneurship, enhance the use of

## THE ASIA FOUNDATION

domestic capital, and attract vital foreign investment to Asian countries to bolster economic growth and create jobs. TAF's programs help identify and remove barriers to growth by using economic governance indices to assess the business climate. Through firm level surveys in Vietnam, Cambodia, Malaysia, and Indonesia, TAF works with small business associations and governments to advance policy reform.

### **Women's Empowerment**

TAF's programs support opportunities for women's participation in political processes, economic empowerment, and protection of women's rights. Programming includes topical areas such as countering trafficking and combating gender based violence. TAF programs enhance economic opportunities for women entrepreneurs. TAF also supports increased educational opportunities for girls and women in Afghanistan, including vocational training and expanded understanding of women's roles and rights under an Islamic framework in South Asia.

### **Environment**

TAF's programs ensure sustainability of the environment and natural resources critical to Asia's development. TAF works with civil society, government and private sector groups to strengthen the institutions and processes through which environmental resources are managed to improve environmental policy and governance. Programs include responsible mining in Mongolia, public participation in decision making in Vietnam, natural disaster preparedness training in China and the Pacific.

### **Regional Cooperation among Nations in the Asia-Pacific Region**

TAF contributes to regional stability through training and educational opportunities. These efforts develop a more skilled and well-informed diplomatic corps, improve regional programs, and foster stronger informal U.S.-Asian dialogue on issues such as democratization, human rights, civil society, climate change, and regional economic policy. TAF is the only American NGO to convene dialogues for emerging donors in Asia, including: India, China, Thailand, Korea, and Malaysia. This effort helps establish transparent and coordinated donor practices and programs, an effort backed by the United States.

In addition, TAF will continue its support for Books for Asia, its best known and highly regarded English language book donation program. Books for Asia has provided over 45 million volumes since 1954, to academic institutions, government agencies, and NGOs. For its Books for Asia program, TAF tracks its performance through their ability to increase access to information on democratic principles and governance through English language materials, as measured by the annual number of books distributed. (See indicator featured in the Performance section of this chapter.) TAF set a baseline level of distributing 692,456 books in FY 2012 with planned targets of 700,000 books to be distributed in both FY 2013 and FY 2014. TAF also contributes to American Centers in Asia in cooperation with U.S. Embassy initiatives.

Apart from the appropriated funds, other TAF sources of revenue are tied to specific projects. The summary table below on sources of revenue reflects estimated TAF project funding in FY 2012 and FY 2013 as requested in the House Committee on Appropriations Report of the FY 2013 State, Foreign Operations and Related Programs appropriations bill.

# THE ASIA FOUNDATION

## *Sources of Revenue*

(\$ in thousands)

Funding Source	FY 2012 Actual	FY 2013 Estimate
Direct Appropriations	17,000	17,000
USAID-non-Afghanistan	29,150	34,200
USAID Afghanistan	25,150	17,300
Other U.S. Government	6,000	4,990
Multilateral	3,870	1,650
Other Bilateral Government	32,710	52,670
Private Individuals / Corporations	7,750	5,050
In-Kind Contributions (Books for Asia)	41,120	27,150
<b>TOTAL</b>	<b>162,750</b>	<b>160,010</b>

## *Performance*

English language materials are in high demand all throughout Asia. TAF's Books for Asia program distributes thousands of books written in English to schools, universities, libraries, civil society organizations, and government institutions across 20 countries. These books provide readers with a better understanding of democratic principles, governance, law, economics, and other key topics. This program serves as an effective outreach and public diplomacy tool and provides readers with greater exposure to the United States.

## THE ASIA FOUNDATION

<b>Strategic Goal 3: Expand and sustain the ranks of prosperous, stable and democratic states by promoting effective, accountable, democratic governance; respect for human rights; sustainable, broad-based economic growth; and well-being</b>								
<b>Strategic Priority</b>		Good Governance						
<b>Active Performance Indicator</b>		NEW APP INDICATOR: Increase access to information on democratic principles and governance through English language materials, as measured by the annual number of books distributed through the Asia Foundation's Books for Asia program.						
<b>Prior Year Results and Ratings</b>					<b>FY 2012</b>		<b>Planned Targets</b>	
<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>Target</b>	<b>Result and Rating</b>	<b>FY 2013</b>	<b>FY 2014</b>
N/A	N/A	N/A	N/A	N/A	Baseline	692,456 books (baseline)  New Indicator, No Rating	700,000 books	700,000 books
<b>Impact</b>		N/A, Baseline year						
<b>Methodology</b>		Annually, the Asia Foundation has a financial statement and A-133 audit performed by an independent certified public accounting firm. The Books for Asia program is explicitly addressed in this audit. This audit is conducted in accordance with generally accepted accounting principles (US GAAP). The audit encompasses a review of the inventory of the Books for Asia assets in the U.S. and Asia and program activities.						
<b>Data Source and Quality</b>		The data source for this indicator is an annual audit that encompasses a review of the inventory of the Books for Asia assets in the U.S. and Asia and the activity of the Books for Asia program including distribution of books to Asian institutions. The data quality for this indicator is high and reviewed by an independent auditor annually.						

### *Justification of Request*

The FY 2014 Budget Request of \$17 million reflects TAF's FY 2012 enacted level and is a \$1.6 million increase above the FY 2013 request level. This increase in the request will enable TAF to sustain programs that align with the Administration's "Asia Rebalancing" initiative, with specific focus on key countries of national interest. Although field operation and security costs are increasingly expensive, TAF has managed to maintain its field office network and a low program to operating cost ratio. TAF works hard to leverage funds from other sources. From bilateral and multilateral agencies and the private sector, TAF raises four dollars for every dollar of direct appropriations it receives, specifically directed towards programs that advance U.S. interests in Asia. TAF's low operating costs are reflected by TAF's Negotiated Indirect Cost Rate Agreement (NICRA). At 14.96 percent of direct costs, the NICRA rate for TAF is considered low among international NGOs. For nine consecutive years, TAF has received the highest rating for financial management, transparency, and accountability from Charity Navigator, an independent nonprofit evaluator.

## THE ASIA FOUNDATION

With the \$17 million request in FY 2014, TAF will sustain its programs with Asian governments and NGOs to improve democratic governance, expand the rule of law and civil society, increase economic opportunity and reform, improve environmental governance, build opportunities for women's participation and empowerment, and facilitate peaceful regional cooperation.

TAF will undertake a robust program in Burma to support the following: democratic governance reform, strengthening of civil society, conflict management in ethnic areas, building foreign affairs capacity for Burma's chairmanship of ASEAN in 2014, and education through the Books for Asia program with the American Center. In Afghanistan, Nepal, Indonesia, and China, TAF will work towards improving governance, transparency, and accountability. This will be achieved through improved financial management, service delivery, public participation, and training. TAF will support programs to increase political and economic opportunities for women throughout Asia, particularly in Afghanistan, Pakistan, Bangladesh, Indonesia, Vietnam, and China, and will increase programs to counter trafficking and gender based violence. TAF will further seek to bolster its conflict management programs. These programs have successfully brought together government and civil society in mediation, traditional tribal dispute resolution, and peace processes in trouble spots such as Afghanistan, Mindanao in the Philippines, Timor Leste, Nepal, Sri Lanka, and southern Thailand. TAF will initiate environmental governance programs in the Lower Mekong region, Indonesia, India, and Mongolia. TAF will support local government training in Nepal, Pakistan and Sri Lanka, and counter-corruption in Vietnam, Mongolia, and Nepal. TAF will also expand its well recognized public opinion surveys in Afghanistan, Thailand, and Sri Lanka, and the economic governance indices in Indonesia, Malaysia, Cambodia, Bangladesh, and Sri Lanka. TAF will continue its series of emerging donor dialogues to share strategies with Korea, India, China, Malaysia, and Thailand to cooperate with these countries as they develop their own aid programs. TAF will continue the Books for Asia program in order to increase educational opportunities for thousands of Asia's youth, to bolster technical capacity, and to help grow the capacity of libraries across Asia.

### *Funds by Object Class*

(\$ in thousands)

The Asia Foundation (TAF)	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase/Decrease From FY2012
4100 Grants, Subsidies & Contributions	17,000	17,104	17,000	0
<b>Total</b>	<b>17,000</b>	<b>17,104</b>	<b>17,000</b>	<b>0</b>

## Proposed Appropriation Language

### CENTER FOR MIDDLE EASTERN-WESTERN DIALOGUE TRUST FUND

For necessary expenses of the Center for Middle Eastern-Western Dialogue Trust Fund (*Hollings Center*), as authorized by section 633 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2004 (22 U.S.C. 2078), the total amount of the interest and earnings accruing to such Fund on or before September 30, [2013]2014, to remain available until expended.

# CENTER FOR MIDDLE EASTERN-WESTERN DIALOGUE

## *Resource Summary*

(\$ in thousands)

<b>Appropriations</b>	<b>FY 2012 Actual <sup>(1)</sup></b>	<b>FY 2013 CR <sup>(2)</sup></b>	<b>FY 2014 Request</b>	<b>Increase/Decrease From FY2012</b>
Positions - Enduring	0	0	0	0
Enduring Funds	840	845	90	(750)

(1) The FY 2012 level reflects the amount provided in the conference report to the FY 2012 Appropriations Act. Actual interest earned for FY 2012 is \$29,592.

(2) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

### *Program Description*

The FY 2004 Consolidated Appropriations Act (P.L. 108-199) created the Center for Middle Eastern-Western Dialogue Trust Fund (Trust Fund) to support the operations of the Center for Middle Eastern-Western Dialogue (Hollings Center). In fiscal years 2004, 2005, and 2006, Congress appropriated funds to the International Center for Middle Eastern-Western Dialogue Trust Fund. These funds were appropriated to, and formed the principal of, the Trust Fund to support the operations of the Hollings Center. Funds in the Trust Fund are invested only in interest-bearing obligations of the United States or in obligations guaranteed by the United States as to both principal and interest. The interest and earnings from such investments are credited to the Trust Fund and are also made available, subject to annual appropriation, for operations of the Center.

The Hollings Center's mission is to promote dialogue between the United States and the nations of the Middle East, Turkey, North Africa, and Central, Southwest, and Southeast Asia, as well as other countries with predominantly Muslim populations in order to open channels of communication, deepen cross-cultural understanding, expand people-to-people contacts, generate new thinking on important international issues, and identify solutions.

The Hollings Center has established itself as an independent nonprofit and is convening meetings for U.S. and regional experts about key issues of Middle Eastern-Western concern. Conference dialogue topics have focused on universities and higher education through special colloquiums; two-part "Next Generation" dialogues bringing together emerging political, cultural, business and community leaders under the age of 40 from the United States and other countries; and regional topics including the Caspian Sea and its neighbors, unity and diversity in Iraq, and the future of Afghanistan. The Hollings Center will actively serve as a bridge between Iranian and U.S. scholars and experts by including Iranian citizens in its conferences when possible. The Hollings Center's Board of Directors continues to work to identify potential partners in the United States, and in the broader Middle East and North Africa regions, and make recommendations for program activities and institutional management of the Hollings Center. Dialogues have led to follow-on initiatives and other outcomes and results, including generating ideas and recommendations for policy debates; informing participants' research, writing, and public appearances; and building new relationships, networks, and collaboration between participants.

The Hollings Center has conducted program activities in Istanbul while seeking to establish a permanent office there. As of FY 2011, the Hollings Center became an officially recognized foreign organization operating in Turkey.

## CENTER FOR MIDDLE EASTERN-WESTERN DIALOGUE

### *Performance*

This indicator will show both the impact and possibility of application of the new knowledge learned during the conferences held by the Hollings Center.

<b>Strategic Goal 6: Advance U.S. interests and universal values through public diplomacy and programs that connect the United States and Americans to the world</b>								
<b>Strategic Priority</b>		Shape the Narrative						
<b>Active Performance Indicator</b>		NEW APP INDICATOR: Percentage of participants who learned new ideas that they will be able to apply to their own work.						
<b>Prior Year Results and Ratings</b>					<b>FY 2012</b>		<b>Planned Targets</b>	
<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>Target</b>	<b>Result and Rating</b>	<b>FY 2013</b>	<b>FY 2014</b>
N/A	N/A	N/A	N/A	N/A	95% strongly agree or agree	95% strongly agree or agree  ◀▶ On Target	95%	100%
<b>Impact</b>		N/A						
<b>Methodology</b>		Evaluations are given at the conclusion of all conference dialogues. Participants are informed that the evaluation is voluntary but extremely useful for the Center. Participants are instructed to not put their name on the evaluations for anonymity. A participant is selected randomly to collect the evaluations from the other participants and return them to Center staff when completed. Center staff aggregate the data collected.						
<b>Data Source and Quality</b>		The end of conference evaluations are drafted by the Center. Evaluations consist of 16 to 18 quantitative questions and seven open ended questions for participants. Evaluations cover the conference outcomes, among other topics.						

### *Justification of Request*

The FY 2014 Request reflects \$90,000 in estimated net interest earnings of the Center for Middle Eastern-Western Dialogue Trust Fund, which is consistent to the earned interest reported in the most recent Treasury Combined Statement. Appropriated interest and earnings from the Trust Fund are allocated for the operations of the Hollings Center each year. These funds will be used for operations of the Center providing continued support for conferences, programs, and grants for ongoing research, professional development, and exchanges. In addition, funds previously made available to the Trust Fund in FY 2004-2006 for operation of the Center may be utilized to provide further support to the Hollings Center. For FY 2014 the Hollings Center's Board of Directors plans to use \$930,000 in principle and \$90,000 in earned interest from the Trust Fund to be used for the operations of the Hollings Center and related programming activity for initiatives that begin in January 2014.

# CENTER FOR MIDDLE EASTERN-WESTERN DIALOGUE

## *Funds by Object Class*

(\$ in thousands)

Center for Middle Eastern-Western Dialogue Program (CMEWD)	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase/Decrease From FY2012
4100 Grants, Subsidies & Contributions	840	845	90	(750)
<b>Total</b>	<b>840</b>	<b>845</b>	<b>90</b>	<b>(750)</b>

## Proposed Appropriation Language

### EISENHOWER EXCHANGE FELLOWSHIP PROGRAM

For necessary expenses of Eisenhower Exchange Fellowships, Incorporated, as authorized by sections 4 and 5 of the Eisenhower Exchange Fellowship Act of 1990 (20 U.S.C. 5204–5205), all interest and earnings accruing to the Eisenhower Exchange Fellowship Program Trust Fund on or before September 30, [2013]2014, to remain available until expended: *Provided*, That none of the funds appropriated herein shall be used to pay any salary or other compensation, or to enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376; or for purposes which are not in accordance with OMB Circulars A-110 (Uniform Administrative Requirements) and A-122 (Cost Principles for Non-profit Organizations), including the restrictions on compensation for personal services.

# EISENHOWER EXCHANGE FELLOWSHIP PROGRAM

## *Resource Summary*

(\$ in thousands)

<b>Appropriations</b>	<b>FY 2012 Actual <sup>(1)</sup></b>	<b>FY 2013 CR <sup>(2)</sup></b>	<b>FY 2014 Request</b>	<b>Increase/Decrease From FY2012</b>
Positions - Enduring	0	0	0	0
Enduring Funds	500	503	400	(100)

(1) The FY 2012 level reflects the amount provided in the conference report to the FY 2012 Appropriations Act. Actual interest earned in FY 2012 is \$326,640.

(2) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

### *Program Description*

The Eisenhower Exchange Fellowship Program (EEF) was created in 1953 to honor President Eisenhower. The Eisenhower Exchange Fellowship Act of 1990 (P.L. 101-454) authorized a permanent endowment for the program and established a trust fund for this purpose.

The 1992 Department of State and Related Agencies Appropriations Act (Title V, P.L. 102-140) provided \$5 million to the trust fund to establish a permanent endowment for the EEF. The FY 1995 Department of State and Related Agencies Appropriations Act provided an additional payment of \$2.5 million to the trust fund. Interest and earnings from the trust fund are made available for the Eisenhower Exchanges Fellowships, Inc., by annual appropriation.

The EEF brings outstanding professionals who are emerging leaders in their countries to the United States and sends American counterparts abroad with a tailored program for each participant. EEF consists of these major components:

- Multi-Nation Program – Provides two-month U.S. fellowships for an Eisenhower Fellow representing 20 to 25 countries;
- Single Region or Common Interest Program – Provides two-month U.S. fellowships for 20 to 25 Fellows representing a range of professions from a single geographic region or professional area;
- USA Program – Sends eight to 12 Americans abroad, for one to two months, to countries where their fields can be enriched by persons, organizations, and institutions encountered; and
- Eisenhower Fellowships Network – Links alumni Fellows worldwide, enabling Fellows to collaborate on projects, extend and strengthen relationships, and develop international links. Approximately 1,700 men and women from over 100 countries have joined the ranks of Eisenhower Fellows since 1953, a significant percentage of who remain actively engaged in the Eisenhower Fellowships Network.

Eisenhower Exchange Fellowship identifies, empowers and links emerging leaders from around the world, helping them to achieve consequential outcomes across sectors and borders. EEF provides a transformational experience leading to lifetime engagement in a global network, where dialogue and collaboration make the world more prosperous, just and peaceful.

## EISENHOWER EXCHANGE FELLOWSHIP PROGRAM

### *Performance*

Regardless of country of origin, the common aspect across all fellowships is the emphasis on strengthened leadership among participants. This indicator will allow EEF to present how the fellowships impact awareness and potential as rising leaders. EEF is collecting this data.

<b>Strategic Goal 6: Advance U.S. interests and universal values through public diplomacy and programs that connect the United States and Americans to the world</b>								
<b>Strategic Priority</b>		Expand and Strengthen People to People Relationships						
<b>Active Performance Indicator</b>		NEW APP INDICATOR: Percentage of fellows who one year after fellowship have a more positive perception of themselves as leaders.						
<b>Prior Year Results and Ratings</b>					<b>FY 2012</b>		<b>Planned Targets</b>	
<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>Target</b>	<b>Result and Rating</b>	<b>FY 2013</b>	<b>FY 2014</b>
N/A	N/A	N/A	N/A	N/A	Baseline	97% (Baseline)  New Indicator, No Rating	97%	97%
<b>Impact</b>		Baseline; N/A						
<b>Methodology</b>		Percentage based on number of responses to e-mail survey.						
<b>Data Source and Quality</b>		E-mail survey of participants conducted by the Eisenhower Exchange Fellowship Program. No significant data limitations.						

### *Justification of Request*

The FY 2014 Request reflects \$400,000 in estimated interest earnings for the Eisenhower Exchange Fellowship Program Trust Fund. The FY 2012 actual net interest earned of \$326,640 is consistent to the earned interest reported in the most recent Treasury Combined Statement. Within this funding level, EEF will continue to support the following priorities:

- Providing learning and networking opportunities for mid-career international and U.S. leaders in preparation for increasingly senior positions in government, business, and non-governmental organizations;
- Exposing these emerging leaders to best practices in building democratic institutions and free markets; and
- Advancing peace through the increased international dialogue, understanding, and collaboration that result from the fellowships and from an active global alumni leadership network.

# EISENHOWER EXCHANGE FELLOWSHIP PROGRAM

## *Funds by Object Class*

(\$ in thousands)

<b>Eisenhower Exchange Fellowship Program (EEF)</b>	<b>FY 2012 Actual</b>	<b>FY 2013 CR</b>	<b>FY 2014 Request</b>	<b>Increase/Decrease From FY2012</b>
4100 Grants, Subsidies & Contributions	500	503	400	(100)
<b>Total</b>	<b>500</b>	<b>503</b>	<b>400</b>	<b>(100)</b>

## **Proposed Appropriation Language**

### **ISRAELI ARAB SCHOLARSHIP PROGRAM**

For necessary expenses of the Israeli Arab Scholarship Program, as authorized by section 214 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2452), all interest and earnings accruing to the Israeli Arab Scholarship Fund on or before September 30, [2013]2014, to remain available until expended.

# ISRAELI ARAB SCHOLARSHIP PROGRAM

## *Resource Summary Detail*

(\$ in thousands)

<b>Appropriations</b>	<b>FY 2012 Actual <sup>(1)</sup></b>	<b>FY 2013 CR <sup>(2)</sup></b>	<b>FY 2014 Request</b>	<b>Increase/Decrease From FY2012</b>
Positions - Enduring	0	0	0	0
Enduring Funds	375	377	13	(362)

(1) The FY 2012 level reflects the amount provided in the conference report to the FY 2012 Appropriations Act. Actual net interest earned in FY 2012 is \$5,597.

(2) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

### *Program Description*

The Israeli Arab Scholarship Program (IASP) funds scholarships for Israeli Arabs to attend institutions of higher education in the United States. This program was authorized by Section 214 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (P.L. 102-138). The Israeli Arab Scholarship Program Fund (Fund) consists of a permanent endowment of \$4,978,500 was established in 1992 with funds made available under Section 556(b) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act of 1990 (as amended by Section 551 of the Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1991).

IASP funds are invested only in interest-bearing obligations of the United States or in obligations guaranteed by the United States as to both principal and interest. The interest from such investments is credited to the Fund and made available subject to annual appropriation to carry out the scholarship program.

### *Performance*

This indicator links to the goal of the IASP: to offer scholarships to a more diverse audience within Israel by providing scholarships to the underserved population of Israeli Arabs.

## ISRAELI ARAB SCHOLARSHIP PROGRAM

Strategic Goal 6: Advance U.S. interests and universal values through public diplomacy and programs that connect the United States and Americans to the world								
Strategic Priority		Expand and Strengthen People to People Relationships						
Active Performance Indicator		NEW APP INDICATOR: Number of underserved Israeli-Arabs who have successfully completed their studies via the scholarship.						
Prior Year Results and Ratings					FY 2012		Planned Targets	
FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Target	Result and Rating	FY 2013	FY 2014
N/A	N/A	N/A	N/A	N/A	89%	89% ◀▶ On Target	92%	90%
Impact		N/A						
Methodology		Grantees who completed program as a percentage of all grantees. The 2014 target is expected to be slightly lower, given the declining interest in the original IASP trust.						
Data Source and Quality		Data is sourced from the Fulbright Office for the NEA region. Data quality based on the actual completion of program by participants.						

### *Justification of Request*

The FY 2014 Request seeks authority for \$12,500 in estimated interest earnings. This request is consistent to the earned interest reported in the most recent Treasury Combined Statement. Due to the low interest earned by this trust fund, the Department intends to allow for the accumulation of interest and earnings over time to effectively implement the scholarship program. In addition, opportunities for highly qualified Israeli-Arab graduate students to attend institutions of higher education in the U.S. will be executed as part of the Fulbright program.

### *Funds by Object Class*

(\$ in thousands)

Israeli Arab Scholarship Program (IASP)	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase/Decrease From FY2012
4100 Grants, Subsidies & Contributions	375	377	13	(362)
<b>Total</b>	<b>375</b>	<b>377</b>	<b>13</b>	<b>(362)</b>

This page intentionally left blank

## Proposed Appropriation Language

### EAST-WEST CENTER

To enable the Secretary of State to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to the Center for Cultural and Technical Interchange Between East and West in the State of Hawaii, [~~\$10,800,000~~]*\$10,800,000*:  
*Provided*, That none of the funds appropriated herein shall be used to pay any salary, or enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376.

# EAST-WEST CENTER

## *Resource Summary*

(\$ in thousands)

<b>Appropriations</b>	<b>FY 2012 Actual</b>	<b>FY 2013 CR <sup>(1)</sup></b>	<b>FY 2014 Request</b>	<b>Increase/Decrease From FY2012</b>
Positions - Enduring	0	0	0	0
Enduring Funds	16,700	16,802	10,800	(5,900)

(1) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

### ***Program Description***

Recognizing the systemic importance of Asia (including East, South and Southeast Asia) and the Pacific to the United States, the Congress established the East-West Center (EWC) in 1960 to strengthen U.S. – Asia Pacific relationships through “cooperative study, training and research.” The Center is intended to advance two vital U.S. national interests: (1) enhancing U.S. “soft power” by improving Asia and Pacific understanding and appreciation of American values and society; and (2) augmenting U.S. capacity to deal with and lead the rapidly growing Asia Pacific region. As a public diplomacy institution, the EWC works in partnership each year with more than 700 organizations throughout the United States and in the region, stretching and leveraging the value of the Federal contribution.

The Administration has recently outlined a program of increased engagement with the Asia Pacific region, and the EWC has a major role to play as a well-known and respected institution that promotes such engagement.

The EWC works closely with and complements the public diplomacy activities of the Department of State, which plays a significant role in its governance. The Secretary of State appoints one third of the members of the EWC Board, and an Assistant Secretary of State serves ex officio on the Board.

### **East-West Center Leadership**

Approximately 62,000 individuals have participated in the EWC’s activities over 53 years, many of whom occupy important positions in many sectors throughout the region. The EWC focuses on individuals who influence others’ views, especially journalists, political leaders, intellectual leaders, and teachers, who may each influence thousands. At the highest political levels, the current Prime Ministers of India and Malaysia were EWC program participants early in their careers, as were most of the leaders of the Pacific Island nations, and numerous cabinet members and parliamentarians. Many EWC alumni are career military and public servants, as well as university and non-governmental organization (NGO) leaders.

In recent years, the EWC has played a leadership role in promoting U.S. engagement in multilateral institutions through its involvement in the Pacific Economic Cooperation Council and the APEC Business Advisory Council and has a number of projects that support Association of Southeast Nations (ASEAN) cooperation. The EWC manages the Brunei-U.S. Partnership for ASEAN English Language Education, which was announced in the Joint Statement of the Third ASEAN-US Leaders’ Meeting in Bali. Other new EWC programs include a Pacific Island leaders program to be launched in August 2013 in cooperation with Taiwan and a U.S.-China partnership for exchange of best practices in social entrepreneurship and private philanthropy.

## EAST-WEST CENTER

The East-West Center has 50 alumni chapters and hosts a major international alumni conference every two years in the region that attracts hundreds of alumni with the goal of maintaining alumni connections within the region and in the United States. In 2014, the alumni conference will take place in Okinawa.

### **Program Direction, Administration and Overall Mission Support**

The overall administration of the EWC includes the activities and functions of the Board of Governors; the International Advisory Panel, which provides external guidance and internal evaluation of EWC programs; the Office of the President, which provides the overall planning, coordination, and direction of programs, including fund-raising; and the Office of Administration, which provides personnel, fiscal, budget, computer systems and facilities management services.

### ***Performance***

The common goal across the East-West Center’s various programmatic activities is to build/promote better relations between the U.S. and Asia Pacific. This is similar to the broad Educational and Cultural Affairs (ECA) indicator of a change in understanding of the United States, but instead focuses on the regional aspect and will garner both sides (i.e., American and foreign).

<b>Strategic Goal 6: Advance U.S. interests and universal values through public diplomacy and programs that connect the United States and Americans to the world</b>								
<b>Strategic Priority</b>		Expand and Strengthen People to People Relationships						
<b>Active Performance Indicator</b>		NEW APP INDICATOR: Percentage of East-West Center participants that stated they had a stronger understanding of Asia-Pacific/ U.S. relations after their programmatic activity.						
<b>Prior Year Results and Ratings</b>					<b>FY 2012</b>		<b>Planned Targets</b>	
<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>Target</b>	<b>Result and Rating</b>	<b>FY 2013</b>	<b>FY 2014</b>
N/A	N/A	N/A	N/A	New Indicator, No Rating	85%	85% ◀▶ On Target	93%	93%
<b>Impact</b>		N/A						
<b>Methodology</b>		EWC participants are requested to complete a survey regarding experience in the EWC activity. The performance metric is included in the survey. The results are collected in a central repository that currently handles all participant data information and reporting.						
<b>Data Source and Quality</b>		Survey of East-West Center (EWC) participants during FY 2012. Data provided by the East-West Center and represents yes/no responses about whether the participant’s experience met the performance metric.						

## EAST-WEST CENTER

### *Justification of Request*

The FY 2014 Request of \$10.8 million is a decrease of \$5.9 million from the FY 2012 Actual level. Since the program funding for the EWC largely comes from external sources and infrastructure costs are fixed, the request will lead to smaller, but still important programs constructed around core elements of its mission where programmatic funding is available. In addition, the EWC anticipates other organizational restructuring.

Focusing on the EWC's performance indicators in FY 2014, the EWC will bring in approximately 1,800 participants. This represents a reduction of nearly 2,000 participants from the FY 2012 levels. EWC will hold 5 to 10 exchange and training programs bringing American and foreign young leaders, women leaders, and journalists, to operate a Pacific island program, continue teacher exchanges and training at the high school and small college level, and to operate a small Okinawa program in FY 2014.

### *Funds by Object Class*

(\$ in thousands)

	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase / Decrease From FY2012
<b>4100 Grants, Subsidies &amp; Contributions</b>	16,700	16,802	10,800	(5,900)
<b>Total</b>	16,700	16,802	10,800	(5,900)

## Proposed Appropriation Language

### NATIONAL ENDOWMENT FOR DEMOCRACY

For grants made by the Department of State to the National Endowment for Democracy, as authorized by the National Endowment for Democracy Act, [~~\$104,000,000~~]*\$103,450,000*, to remain available until expended: *Provided*, That the President of the National Endowment for Democracy shall submit to the Committees on Appropriations not later than 45 days after the date of enactment of this Act a report on the proposed uses of funds under this heading on a regional and country basis.

# NATIONAL ENDOWMENT FOR DEMOCRACY

## *Resource Summary*

(\$ in thousands)

Appropriations	FY 2012 Actual	FY 2013 CR <sup>(1)</sup>	FY 2014 Request	Increase/Decrease From FY2012
Enduring Funds	117,764	118,485	103,450	(14,314)

(1) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

### *Program Description*

The National Endowment for Democracy (NED) is a non-profit organization created in 1983 to strengthen democratic institutions around the world. NED's four affiliated core institutes – the American Center for International Labor Solidarity (ACILS), the Center for International Private Enterprise (CIPE), the International Republican Institute (IRI), and the National Democratic Institute (NDI) – represent public American institutions that work abroad in sectors that are critical to the development of democracy. In addition, NED support helps develop and fund key initiatives of nongovernmental organizations (NGOs) that foster independent media, human rights and other essential democratic institutions, values and processes.

NED grantees are often at the forefront of meaningful democratic change around the world. In both 2010 and 2011 the Nobel Peace Prize was awarded to a NED grantee. Tawakkul Karman, the mother of three young children and a courageous activist, was honored most recently in 2011 for her work as founder of [Women Journalists Without Chains](#) in Yemen. As a voice for women's rights and freedom of expression, the organization has quickly become a media and women's rights resource in the region. In Pakistan, a human rights and democracy organization, *Mehergarh*, led a civic effort resulting in legislation that extended workplace protections to women and provided recourse for victims of sexual harassment. NED grantees have also successfully used the "Defending Civil Society" report, an initiative undertaken by the World Movement for Democracy, for which NED provides the secretariat, and the International Center for NonProfit Law, to counter attacks against nongovernmental organizations and to advocate for the newly established U.N. Special Rapporteur on Freedom of Assembly and Association.

NED has a distinctive grant-making philosophy which distinguishes it in the donor field. NED views its work as a support system for groups that are working to build up their credibility and effectiveness as democratizing forces in their own society, and as a means to counter and offer an alternative to anti-democratic elements. NED does not administer programs directly, but rather provides funding for NGOs. A bipartisan Board of Directors makes funding decisions based on established criteria.

NED's grants program, which makes approximately 1,200 grants per year in nearly 100 countries, is bolstered by the International Forum for Democratic Studies, a democracy research center that publishes the Journal of Democracy and administers the Reagan-Fascell Fellows Program, the World Movement for Democracy (WMD), a global hub for democracy networking and solidarity, and the Center for International Media Assistance, which studies and makes recommendations on strengthening media assistance abroad. One way NED tracks its performance is through providing support to NGOs that help develop and fund key initiatives that foster human rights, independent media and other essential democratic institutions, values, and processes as measured by the number of grants awarded in a fiscal year. For FY 2012, NED originally set a baseline of awarding 1,225 grants. NED exceeded this total by awarding 1,392 grants in FY 2012. NED has planned targets of awarding 1,250 grants in FY 2013 and 1,260 grants in FY 2014.

## NATIONAL ENDOWMENT FOR DEMOCRACY

NED's work is guided by strategic goals to be pursued through its global grants program and democratic activities: **supporting democrats in highly repressive societies**, such as China, Cuba, Burma and Iran; **assisting democratic transitions** in Egypt, Tunisia and Libya; **aiding democrats in semi-authoritarian countries**, such as Russia and Venezuela; **helping new democracies succeed** in Latin America and Africa; **mobilizing political and moral support for democracy activists** through activities like "Defending Civil Society" and grants that provide emergency support for activists in need; **building cross-border networks** in places like the Middle East and North Africa, similar to the pioneering work done by NED in the post-communist world; **strengthening cooperation within the democracy assistance community** to find the most effective ways to respond to common challenges; and **using research to improve democratic practice**, linking scholarship and activism.

NED recognizes the critical role that evaluation plays in the strategy and policy formation of democracy assistance efforts and strives to implement the same standards of innovation and cost effectiveness that apply to the other aspects of NED grant making. At the project level, NED regularly conducts extensive monitoring and evaluation which ensures that project objectives are being met, NED's grant regulations are being followed, and that NED support is helping to build the capacity of its grantees. NED commissions a minimum of two independent evaluations each year that examine a sub-set of projects within one country or a theme across countries. Evaluations in Haiti and Russia were completed in FY 2012. The Haiti evaluation was a pilot effort for NED and included qualitative research undertaken by a local evaluation firm. The evaluation of the Russia portfolio looked at how NED support to civil society organizations has contributed to civic and political activism in Russia. Additionally, in FY 2012 NED completed a retrospective study of the 22 external evaluations that were conducted between FY 1992 and FY 2010. This retrospective evaluation extracted lessons learned and led to NED strengthening its own evaluation approaches and methodologies. In FY 2013, NED has commissioned an evaluation of its programs in the Democratic Republic of Congo. Preparations are underway for an evaluation of its women's leadership development programs in the Middle East North Africa (MENA) region. In FY 2014, NED plans to conduct an evaluation of its program in Nicaragua.

NED utilizes its tailored evaluation tools to assess needs and opportunities, report on results, and demonstrate the difference that NED's grants are making in the challenging political environments where grantees operate. In addition to profiling the outcome and impact of individual grants, NED is continuously working to organize and disseminate its institutional body of knowledge, notably lessons learned, to the larger democracy assistance community.

### *Performance*

A new performance indicator for NED is featured below. As a non-profit organization strengthening democratic institutions around the world, NED does not administer programs directly, but instead provides material support to other carefully selected NGOs through its grants program. NED's grants allow groups to build up their credibility and effectiveness in order to offer alternatives to anti-democratic elements.

## NATIONAL ENDOWMENT FOR DEMOCRACY

<b>Strategic Goal 3: Expand and sustain the ranks of prosperous, stable and democratic states by promoting effective, accountable, democratic governance; respect for human rights; sustainable, broad-based economic growth; and well-being</b>								
<b>Strategic Priority</b>		Civil Society						
<b>Active Performance Indicator</b>		NEW APP INDICATOR: Support to NGOs that helps develop and fund key initiatives that foster human rights, independent media and other essential democratic institutions, values, and processes as measured by the number of grants awarded in the fiscal year.						
<b>Prior Year Results and Ratings</b>					<b>FY 2012</b>		<b>Planned Targets</b>	
<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>Target</b>	<b>Result and Rating</b>	<b>FY 2013</b>	<b>FY 2014</b>
N/A	N/A	N/A	N/A	N/A	Baseline	1225 grants (baseline)  New Indicator, No Rating	1250 grants	1260 grants
<b>Impact</b>		N/A; Baseline year						
<b>Methodology</b>		Data are derived from board-approved grant documents as well as quarterly and semi-annual narrative reports that are submitted to the NED by its grantees, including the four core institutes. Grants awarded include discretionary and core institute projects.						
<b>Data Source and Quality</b>		The Grantee reports are submitted on a quarterly or semi-annual basis, depending on the type of grant and grantee. Information in these reports varies but usually includes details of activities and perception of impact on the democratic situation in a country. The reports are carefully reviewed by NED staff to determine the extent to which the project is meeting its intended objectives. Activities are verified by NED staff during visits to the field.						

### *Justification of Request*

The total funding request of \$103.5 million in FY 2014 is \$14.3 million less than the FY 2012 Enacted level. Over the last five years, NED has received on average \$16 million in grants from the State Department in addition to its dedicated appropriation. NED will work hard to maintain its strong grants program in priority countries and respond expeditiously and effectively with vital assistance to activists working in the most challenging environments.

### **Africa**

NED will remain focused on the most difficult challenges to democracy in Africa with the Democratic Republic of Congo (DRC), Sudan, and Somalia as priority countries. NED will intensify efforts in the totalitarian states of Eritrea, Ethiopia and Rwanda. Where fragile democracies face a growing assault by Islamic radicalism in Mali, Niger, and Nigeria, NED grants will reinforce democratic values and behavior. As NED reprioritizes global programming, programs in weak, but consolidating democracies such as Sierra Leone, Liberia, Togo, Guinea, Cote d'Ivoire, Somaliland and Kenya may be scaled back.

# NATIONAL ENDOWMENT FOR DEMOCRACY

Similarly, support to beleaguered democrats in semi-authoritarian regimes such as Uganda, Burundi, and Zimbabwe may be reduced.

## Asia

The four country priorities for Asia will continue to be China (including Tibet, Xinjiang, and Hong Kong), North Korea, Burma and Pakistan. In the other countries of Asia where democratic progress, or democratic backsliding, are in the balance, including Thailand, Malaysia, the Philippines, Vietnam, Nepal and Sri Lanka, more modest programs will assist democratic forces where highly focused work may be able to influence political and institutional trajectories.

## Eurasia

NED will continue to support pro-democracy NGOs in all nine countries of the region, prioritizing new programs in Russia, Georgia and the Kyrgyz Republic. Due to its size, regional influence, its highly developed NGO sector, and emerging civil society movement in the regions, Russia will remain a top priority for NED. Moreover, greater opportunities for democratic development are emerging as it becomes more common to view current leadership as anachronistic and unable to develop creative policies to cope with the challenges of depopulation, corruption, extreme inequality and deepening conflict in the North Caucasus.

## Europe

FY 2014 funding will focus on upcoming elections in the priority countries of Ukraine, Belarus and Bosnia and Herzegovina. In Ukraine, NED will assist a broad range of NGOs, political parties, trade unions, business associations and independent media in the run up to the 2015 election. NED, the leading U.S. donor in Belarus, will take advantage of the country's political and economic crisis and encourage the democratic opposition to unite, campaign for reform and foster democratic change around the 2015 election. In Bosnia and Herzegovina, which will hold a key presidential and parliamentary election in 2014, NED will expand accountability programs that counter ethnic-based voting.

## Latin America and the Caribbean

NED will prioritize Cuba, Haiti, Venezuela, Bolivia, Ecuador and several Central American countries. Challenges to democracy in Argentina and Paraguay may lead NED to expand its attention and funding in both countries. Support for programs in Colombia and Peru will likely decrease, while programming in Central America, including Nicaragua and Honduras, will increase.

## Middle East/North Africa

NED will give priority to difficult transitions in Egypt, Tunisia, Libya and Yemen. Major programs in war-torn Iraq and Afghanistan, and more modest programs for other countries wracked by conflict and division, such as Syria, Lebanon and West Bank and Gaza, will continue. NED will also provide a lifeline for democrats in closed regimes such as Iran, Bahrain, Saudi Arabia and elsewhere in the Gulf. Turkey will remain a priority as an important example critical to transitions in the region.

## Global

The Global program leverages the work of organizations based in multiple regions to address crosscutting challenges. The program connects them to one another to learn and share technical expertise, provide

# NATIONAL ENDOWMENT FOR DEMOCRACY

solidarity, collaborate on key areas of advocacy, and foster the development and adherence to democratic norms in regional, national and international bodies.

## Democratic Activities

Democratic activities includes activities carried out directly by NED that enhance and inform the grants program and are consistent with the Endowment’s purposes as set forth in the National Endowment for Democracy Act. They include the International Forum for Democratic Studies (including the Reagan-Fascell Democracy Fellows Program, publication of the *Journal of Democracy* and development of a library and database of information about democracy movements); the World Movement for Democracy; the Center for International Media Assistance; the encouragement of cooperation for democracy promotion among the democracies; and periodic briefings that introduce key participants of democracy movements to decision makers and opinion leaders in Washington. Funds for these activities are leveraged with non-US Government sources.

## Administration

The NED’s current provisional indirect cost rate, negotiated with the Department of State, is 16.91 percent. The indirect cost rate covers expenses associated with, among other things, salaries and fringe benefits, travel, office space costs, communications costs, and other costs to administer its grants program. This latter item includes the costs associated with selecting grantees, negotiating awards, processing payments to grantees, carefully monitoring the grantees' progress, assuring that program objectives are met and grant terms and conditions are observed, evaluating and auditing the programs, resolving any issues that arise, preparing financial reports and ultimately closing out the awards.

### *Funds by Object Class*

(\$ in thousands)

National Endowment for Democracy (NED)	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase/Decrease From FY2012
4100 Grants, Subsidies & Contributions	117,764	118,485	103,450	(14,314)
<b>Total</b>	<b>117,764</b>	<b>118,485</b>	<b>103,450</b>	<b>(14,314)</b>

This page intentionally left blank