

**Defense Security Cooperation Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

I. Description of Operations Financed:

Coalition Support Funds (CSF): CSF reimburses key cooperating nations for support to U.S. military operations, procurement, and provision of specialized training, supplies, and specialized equipment for loan to coalition forces supporting U.S.-led operations in Afghanistan, Iraq, and Syria.

CSF finances specialized training, supplies, and equipment for coalition and friendly foreign forces willing to join the missions in Afghanistan, Iraq, and Syria, thus producing a safer, more effective force. The Coalition Readiness Support Program (CRSP), a subset of the CSF authority, enables the Department to achieve cost savings and ensure protection of both U.S. and foreign forces by having a store of CRSP equipment, such as: radios, counter-Improvised Explosive Devices (IEDs) equipment, and night vision devices, which can be rotated to friendly foreign forces. U.S. Forces-Afghanistan (USFOR-A), using Title 10 authority, manages the storage and handling of the CRSP equipment.

The Department request of \$900 million will enable partner nations to deploy forces in support of U.S. military operations. The deployed forces serve as force multipliers and reduce requirements for U.S. Armed Forces.

Included in the Department's request are funds to reimburse the Government of Pakistan in FY 2019 for military operations Pakistan undertakes on its border with Afghanistan, which supports U.S. operations. The Administration's decision to suspend security assistance to Pakistan is not a permanent cut; our hope is that it will incentivize Pakistan to take decisive action against terrorist and militant groups.

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I. Description of Operations Financed (cont.)

The Department also anticipates continued reimbursements to other key coalition partners such as Croatia, Georgia, Hungary, Jordan, and Mongolia for their participation in U.S.-led operations in Afghanistan, Iraq, and Syria.

Lift and Sustain: The Department request of \$150 million will provide funds to transport eligible foreign forces from approximately 25 countries supporting U.S.-led operations; as well as provide sustainment and subsistence while they serve with U.S. Forces in those operations. U.S. support enables these forces to remain in theater to contribute to contingency operations. Without these funds, coalition and friendly foreign countries that lack the financial means would not be able to participate; thus, requiring an increase in U.S. Forces.

Ministry of Defense Advisors (MoDA) Program: The MoDA Program deploys senior DoD civilian experts to Afghanistan as advisors with foreign counterparts to build defense institutions and enhance ministerial capabilities within the Ministry of Defense and Ministry of Interior. Key focus areas include personnel and readiness, acquisition and procurement, logistics and sustainment, strategy and policy, and financial management. As DoD security cooperation efforts help develop Afghan personnel and units, the institutions required to manage and support them must be developed as well. MoDA is designed to forge long-term relationships that strengthen the Afghan defense ministry, while also strengthening the DoD civilian workforce. MoDA will also support a new requirement for Human Resource Management Advisors in Iraq.

The MoDA Program has successfully recruited, trained, and deployed civilian advisors in support of the Resolute Support (RS) Train, Advise, and Assist (TAA) mission.

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I. Description of Operations Financed (cont.)

Key indicators of achievement include: increased Afghan ministerial capacity to direct and manage defense resources professionally, effectively and efficiently without external support; and advisor effectiveness in improving ministerial capacity to enhance U.S. national security.

Security Cooperation: The Department requests \$943 million to build on existing tools and authorities to enhance the United States' ability to support partner nations in counterterrorism (CT), crisis response and other transnational threats, as well as operations that support U.S. interests. The request also supports a newly consolidated operational support authority that makes global a version of the lift and sustain and coalition readiness support programs, for operations designated by the Secretary to be in the national interest.

Security Cooperation (SC) funds provide the ability to enable partner nations to deter and defeat existing and evolving terrorist and other transnational threats. In previous years, this funding was requested as the Counterterrorism Partnership Fund (CTPF). In accordance with changes in the FY 2017 National Defense Authorization Act, the Department has renamed this request, extended its geographic reach, and expanded its mission set. Previously, this funding was limited to the U.S. Central Command (USCENTCOM), the U.S. Africa Command (USAFRICOM) areas of responsibility, and other areas as determined by the Secretary of Defense consistent with statute. In anticipation of foreign fighters returning to other regions, the Department has expanded the scope to include the U.S. European Command (USEUCOM) and the U.S. Pacific Command (USPACOM) areas of responsibility. This funding will be available to the Department, as planned by the Geographic Combatant Commands (GCC), for security cooperation activities that provide support and assistance for foreign security forces to build capacity for missions beyond

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I. Description of Operations Financed (cont.)

conducting, supporting or facilitating counterterrorism and crisis response activities; to include: counter-terrorism, counter-weapons of mass destruction, counter-illicit drug trafficking, counter-transnational organized crime, maritime and border security, military intelligence, and other coalition operations in the national interest of the United States. The Department remains committed to the counterterrorism and crisis response security cooperation missions, and intends to remain largely focused on these missions and the core USCENTCOM and USAFRICOM regions, as reflected in the summary table and narratives below.

FOCUS AREAS

The preliminary allocation of funds is outlined below by region. The mix of initiatives and amounts may change as adversaries act and the Department prioritizes initiatives that best enhance partner nations' capabilities to respond.

U.S. AFRICA COMMAND

The DoD proposes allocating SC funds in the USAFRICOM region to counter regionally-based terrorist groups and to promote stability in the region. Funds will be used to assist countries in: (1) U.S.-partner interoperability and collaboration; (2) securing their respective borders; (3) denying access to Violent Extremist Organizations (VEOs); (4) conducting effective counter-incursion operations to disrupt VEOs; and (5) enabling African partners to interdict illicit trafficking in arms, drugs, money, weapons of mass destruction (WMDs), natural resources, and people that enable VEOs to grow and threaten U.S. and partner nations' interests.

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In addition to providing partners with operational training, equipment, and services, funds will support the development of partners' institutional capacity to absorb and apply new capabilities in their security forces. The funded activities will also support partners' institutional capacity to sustain critical capabilities.

U.S. CENTRAL COMMAND

The DoD proposes allocating SC funds throughout the USCENTCOM area of responsibility (AOR) to defeat ISIS, al-Qaeda, the Taliban, and other regionally-based terrorist groups. Funding will support CT partners in a region where civil war in Syria, ISIS' control of territory in Syria and Iraq, and other regional pressures challenge the security interests of the U.S., its allies, and partners. Additionally, funds will build the capacity of partners in the USCENTCOM AOR to combat VEOs. The governments of Afghanistan and Iraq, the Syrian Arab Coalition, and the vetted Syrian opposition are key partners in achieving this objective, and efforts to build their capacity are planned and funded through the Afghanistan Security Forces Fund, the Counter-ISIS Train and Equip Fund, and other associated authorities. Please reference the specific justification books for more details. Funds will also build the capacity of partners to prevent and disrupt development, proliferation, and use of WMD.

In addition to providing operational training and equipment, the SC will support development of partners' institutional capacity to absorb and apply new capabilities into security forces. The SC-funded activities will also support partner nations' institutional capacity to sustain critical capabilities. In many cases, the SC will fund

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U.S. engagements with partners to enhance U.S. understanding of partner capability gaps and increase interoperability and collaboration.

U.S. EUROPEAN COMMAND

The DoD proposes allocating SC funds throughout the USEUCOM AOR to defeat ISIS, AQ and affiliates and foreign terrorist fighter flow threats in order to secure NATO's southern flank. It will also fund the capacity building of partners to counter emerging security challenges, WMD proliferation, transnational organized crime, and the potential threat stemming from VEO migration across the Mediterranean Sea.

In addition to providing operational training and equipment, the SC will support development of partners' institutional capacity to absorb and apply new capabilities. The SC-funded activities will also support partners' institutional capacity to sustain critical capabilities. The SC will fund U.S. engagements with partners to enhance U.S. understanding of partners' capability gaps and to increase interoperability and collaboration.

U.S. PACIFIC COMMAND

The DoD proposes allocating SC funds in the USPACOM AOR to counter regional violent extremist organizations, ISIS and AQ-aligned threat groups, and other transnational threats, as well as other threats to U.S. interests. Activities will help disrupt the spread of terrorism and foreign fighter flows, preclude the use of the region as a safe haven and support node for illicit activities. SC funds will assist countries in denying

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access to VEOs and conducting effective CT operations to disrupt terrorist activity. Partner nations are serving as deterrents against the expansion of illicit activity across USPACOM in both the land-based and maritime domains. Activities will include operational training and equipment, the development of partners' institutional and operational capacities, and will foster joint and combined collaboration and operational capacity.

In addition to providing operational training and equipment, the SC will support development of partners' institutional and operational capacities to apply new capabilities across their joint forces and foster collaboration both internally and regionally.

European Deterrence Initiative - Ukraine Security Assistance Initiative: The Department request of \$200 million will address readiness and other military support and institutional transformation initiatives for Ukraine. This funding provides assistance and support to the military and national security forces of Ukraine, and for replacement of any weapons or defensive articles provided to the Government of Ukraine from the inventory of the United States.

II. Force Structure Summary:

N/A

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III. Financial Summary (\$ in thousands)

| A. BA Subactivities | FY 2017 <u>Actuals</u> | Budget <u>Request</u> | FY 2018 | | | | Current <u>Estimate</u> | FY 2019 <u>Estimate</u> |
|--|---------------------------|--------------------------|-----------------------------|----------------|---------------------|------------------|----------------------------|----------------------------|
| | | | <u>Congressional Action</u> | | | | | |
| | | | <u>Amount</u> | <u>Percent</u> | <u>Appropriated</u> | | | |
| Counterterrorism (CT) | 410,149 | 850,000 | 0 | 0.0 | 0 | 850,000 | 943,442 | |
| Security Cooperation | 410,149 | 850,000 | 0 | 0.0 | 0 | 850,000 | 943,442 | |
| EDI | 148,636 | 150,000 | 0 | 0.0 | 0 | 150,000 | 200,000 | |
| Ukraine Security Assistance Initiative | 148,636 | 150,000 | 0 | 0.0 | 0 | 150,000 | 200,000 | |
| OFS | 746,227 | 1,312,000 | 0 | 0.0 | 0 | 1,312,000 | 1,065,000 | |
| Coalition Support | 629,068 | 1,000,000 | 0 | 0.0 | 0 | 1,000,000 | 900,000 | |
| Lift and Sustain | 103,859 | 300,000 | 0 | 0.0 | 0 | 300,000 | 150,000 | |
| MoDA Program | 13,300 | 12,000 | 0 | 0.0 | 0 | 12,000 | 15,000 | |
| Total | 1,305,012 | 2,312,000 | 0 | 0.0 | 0 | 2,312,000 | 2,208,442 | |

| <u>Summary by Operation</u> | <u>FY 2017 Actuals</u> | <u>FY 2018 Estimate</u> | <u>FY 2019 Estimate</u> |
|---|------------------------|-------------------------|-------------------------|
| Operation FREEDOM'S SENTINEL (OFS) | \$1,156,376 | \$2,162,000 | \$2,008,442 |
| Operation INHERENT RESOLVE (OIR) | \$0 | \$0 | \$0 |
| European Deterrence Initiative (EDI) | \$148,636 | \$150,000 | \$200,000 |
| Base to OCO | \$0 | \$0 | \$0 |
| Counter Terrorism/Other Forces (CTOF) | \$0 | \$0 | \$0 |
| Operation ENDURING FREEDOM - Horn of Africa (OEF-HOA) | \$0 | \$0 | \$0 |
| Operation Totals | \$1,305,012 | \$2,312,000 | \$2,208,442 |

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III. Financial Summary (\$ in thousands)

| B. <u>Reconciliation Summary</u> | Change | Change |
|--|-------------------------------|-------------------------------|
| | <u>FY 2018/FY 2018</u> | <u>FY 2018/FY 2019</u> |
| OCO Funding | 2,312,000 | 2,312,000 |
| Congressional Adjustments (Distributed) | | |
| Congressional Adjustments (Undistributed) | | |
| Adjustments to Meet Congressional Intent | | |
| Congressional Adjustments (General Provisions) | | |
| Carryover | | |
| Subtotal Appropriated Amount | 2,312,000 | |
| Fact-of-Life Changes (2018 to 2018 Only) | | |
| Subtotal OCO Funding | 2,312,000 | |
| Baseline Appropriation | | |
| Reprogrammings | | |
| Price Changes | | 41,617 |
| Functional Transfers | | 43,442 |
| Program Changes | | -188,617 |
| Current Estimate | 2,312,000 | 2,208,442 |
| Less: Baseline Appropriation | | |
| Normalized Current Estimate | 2,312,000 | |

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III. Financial Summary (\$ in thousands)

| <u>C. Reconciliation of Increases and Decreases</u> | <u>Amount</u> | <u>Total</u> |
|--|----------------------|---------------------|
| FY 2018 President's Budget Request (Amended, if applicable) | | 2,312,000 |
| 1. Congressional Adjustments | | |
| a. Distributed Adjustments | | |
| b. Undistributed Adjustments | | |
| c. Adjustments to Meet Congressional Intent | | |
| d. General Provisions | | |
| e. Carryover | | |
| FY 2018 Appropriated Amount | | 2,312,000 |
| 2. Baseline Appropriation | | |
| 3. Fact-of-Life Changes | | |
| FY 2018 OCO Funding | | 2,312,000 |
| 4. Reprogrammings (Requiring 1415 Actions) | | |
| Revised FY 2018 Estimate | | 2,312,000 |
| 5. Less: Baseline Appropriation | | |
| FY 2018 Normalized Current Estimate | | 2,312,000 |
| 6. Price Change | | 41,617 |
| 7. Functional Transfers | | 43,442 |
| a. Transfers In | | |
| 1) Drug-Interdiction and Counter-Drug Program | 43,442 | |
| Transfer of funds to DSCA to support counter-illicit drug operations pursuant to Title 10, USC, Sec 333. (FY 2018 Baseline: \$0 thousand; +0 FTEs) | | |
| 8. Program Increases | | 84,783 |
| a. Annualization of New FY 2018 Program | | |
| b. One-Time FY 2019 Increases | | |
| c. Program Growth in FY 2019 | | |
| 1) Ukraine Security Assistance Initiative | 47,300 | |
| Funding increase will support readiness and other military support and institutional transformation | | |

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III. Financial Summary (\$ in thousands)

| C. <u>Reconciliation of Increases and Decreases</u> | <u>Amount</u> | <u>Total</u> |
|---|----------------------|---------------------|
| initiatives for Ukraine. (FY 2018 Baseline: \$150,000 thousand) | | |
| 2) Security Cooperation Funding increase will support additional train and equip requirements and expanded authorities codified in 10 U.S.C., Chapter 16. (FY 2018 Baseline: \$850,000 thousand) | 34,700 | |
| 3) Ministry of Defense Advisor Program Funding increase will support increased planning levels of advisors in Afghanistan, to include increase in reach-back support. (FY 2018 Baseline: \$12,000 thousand) | 2,783 | |
| 9. Program Decreases | | -273,400 |
| a. Annualization of FY 2018 Program Decreases | | |
| b. One-Time FY 2018 Increases | | |
| c. Program Decreases in FY 2019 | | |
| 1) Lift and Sustain Funding reduced to reflect historical execution levels. (FY 2018 Baseline: \$300,000 thousand) | -155,400 | |
| 2) Coalition Support Funding reduced to coincide with the decrease in participation and operations tempo of key coalition forces and specialized training and equipment requirements. (FY 2018 Baseline: \$1,000,000 thousand) | -118,000 | |
| FY 2019 Budget Request | | 2,208,442 |

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IV. Performance Criteria:

Performance measures support oversight, planning, and implementation of the defense strategy and Geographic Combatant Commanders' (GCCs) Theater Security Cooperation strategies. These programs enable the Department of Defense to strengthen and deepen partnerships across the globe both to address the dynamic security environment, as no country alone can address the globalized challenges we collectively face, and to help manage fiscal realities. With reduced force structure and resources, the Department must make greater efforts to coordinate our planning to optimize the contributions of our allies and partners to their own security and to Department of Defense combined activities.

Security Cooperation Account

The foreign security forces capacity building programs are designed to build partner nation capacity enabling foreign countries to conduct a wide array of defense and security operations and/or to support on-going allied or coalition military or stability operations that benefit the national security interests of the United States. The purpose of this authority is to advance U.S. national security interests by leveraging the interests the United States shares with its partners. The authority builds off of the consolidation of multiple security cooperation authorities. The authority is timely, strategy-driven, integrated across diplomacy and defense, and measurable.

A. FY17 PRIOR YEAR ASSESSMENT

- Previously conducted solely as Global Train and Equip programs, DSCA supported development and implementation of 157 building partner capacity cases aligned with priorities in the Department of Defense's OSD-Policy guidance, the Guidance on Employment of the Force, and the Geographic Combatant Commanders' Country Campaign Plans. Global Train and Equip programs met field-identified requirements with the Geographic Combatant Commands, leading the annual effort to produce and submit proposals, with the Joint Staff, Defense Security Cooperation Agency, Military

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IV. Performance Criteria:

Departments, and other DoD Components in support. Proposals leveraged both political and military expertise to ensure impacts in the country or region are strategic and benefit U.S. national security objectives.

- Previously, the Authority to Build the Capacity of Foreign Security Forces provided Combatant Commanders with the resources to enable partner nations to participate in counterterrorism operations and stability operations. In FY 2017, funding was used to support 41 individual DoD and Department of State approved programs in 18 countries.

B. FY18 CURRENT YEAR ASSESSMENT

- In FY 2018, Title 10 U.S.C., Chapter 16, Section 333 train and equip authorities will be used to address Combatant Commander's identified priorities to support partner nations in conducting a wide array of functional operations. The Department of Defense and the Department of State will approve each program. The Department of Defense will notify all programs to Congress.

C. FY19 PLANS AND OBJECTIVES

- In FY 2019, the program will be used to address Combatant Command identified priorities to support partner nations in conducting counterterrorism operations; counter-illicit drug trafficking operations; counter weapons of mass destruction operations; counter-transnational organized crime operations; maritime and border security operations; military intelligence operations, operations or activities that contribute to international coalition operations, and other security cooperation requirements. The Department of State is required to concur on each program implemented under section 333. The Department of Defense will notify all section 333 programs to Congress.

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V. Personnel Summary

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VI. OP 32 Line Items as Applicable (Dollars in thousands):

| <u>OP 32 Line</u> | <u>FY 2017</u> <u>Actuals</u> | <u>Change</u> <u>FY 2017/FY 2018</u> | | <u>FY 2018</u> <u>Estimate</u> | <u>Change</u> <u>FY 2018/FY 2019</u> | | <u>FY 2019</u> <u>Estimate</u> |
|--|----------------------------------|---|----------------|-----------------------------------|---|-----------------|-----------------------------------|
| | | <u>Price</u> | <u>Program</u> | | <u>Price</u> | <u>Program</u> | |
| 308 Travel of Persons | 487 | 8 | 0 | 495 | 9 | 0 | 504 |
| 399 Total Travel | 487 | 8 | 0 | 495 | 9 | 0 | 504 |
| 917 Postal Services (U.S.P.S) | 3 | 0 | 0 | 3 | 0 | 0 | 3 |
| 920 Supplies & Materials (Non-Fund) | 30,401 | 517 | 0 | 30,918 | 557 | 0 | 31,475 |
| 923 Facilities Sust, Rest, & Mod by Contract | 61,950 | 1,053 | 0 | 63,003 | 1,134 | 0 | 64,137 |
| 932 Mgt Prof Support Svcs | 5,772 | 98 | 0 | 5,870 | 106 | 0 | 5,976 |
| 964 Other Costs (Subsistence and Support of Persons) | 9,331 | 159 | 0 | 9,490 | 171 | 0 | 9,661 |
| 987 Other Intra-Govt Purch | 85,537 | 1,454 | 0 | 86,991 | 1,566 | 1 | 88,558 |
| 988 Grants | 1 | 0 | -1 | 0 | 0 | 0 | 0 |
| 989 Other Services | 1,111,530 | 18,896 | 984,804 | 2,115,230 | 38,074 | -145,176 | 2,008,128 |
| 999 Total Other Purchases | 1,304,525 | 22,177 | 984,803 | 2,311,505 | 41,608 | -145,175 | 2,207,938 |
| Total | 1,305,012 | 22,185 | 984,803 | 2,312,000 | 41,617 | -145,175 | 2,208,442 |