

Realigning and Reevaluating U.S. Foreign Assistance EO

Administration Policy:

President Trump issued an Executive Order (EO) titled <u>Revaluating and Realigning</u> <u>United States Foreign Aid</u>, requiring all department and agency heads overseeing **foreign development assistance programs** to immediately pause new obligations and disbursements of development assistance funds for 90 days pending reviews of such programs.

This EO requires the Secretary of State to issue new guidelines for each agency for the review of such assistance programs. It also requires department and agency heads, in consultation with the Director of the Office of Management and Budget (OMB), to determine whether to continue, modify, or cease each foreign assistance program based upon the review recommendations, with the concurrence of the Secretary of State.

Background:

- The United States is the largest foreign aid donor in the world, accounting for nearly a <u>quarter</u> of total official development assistance from major donor governments.
- The majority of U.S. development assistance is provided through the U.S. Agency for International Development (USAID) and the Department of State.
 - Other agencies which provide development funding include the Millenium Challenge Corporation (MCC), the Department of Energy, Department of Agriculture, and Department of Labor.
- While the EO mentions "development assistance funds," the EO is expected to include all foreign assistance including security assistance with exceptions such as foreign military financing to Israel.
- Secretary of State Marco Rubio has <u>stated</u> "Every dollar we spend, every program we fund, and every policy we pursue must be justified with the answer to three simple questions: Does it make America safer? Does it make America stronger? Does it make America more prosperous?"
- House Foreign Affairs Committee Chairman Brian Mast has put a <u>hold</u> on Biden administration foreign assistance programs approved at the last minute, including combatting climate change in the Middle East.