Secretary of State Mike Pompeo recently released $195 million in suspended Fiscal Year (FY) 2016 Foreign Military Financing (FMF) for Egypt before the conditions attached to these funds were met. By September 30, 2018, Pompeo will have to make a decision about the fate of another $195 million in FY17 FMF that is tied to congressional human rights conditions. Based on the track record of the current and past administrations, it is very likely he will use a national security waiver to bypass the attached conditions and release the funds. POMED's latest fact sheet explains the role of human rights conditions in U.S. military assistance to Egypt, and provides an overview of the Trump administration's upcoming decision points on Egypt's FMF appropriations.

The annual appropriations law gives the administration three options:

1. **OPTION #1**
   - certify progress on human rights conditions
   - release funds to Egypt's Federal Reserve account

2. **OPTION #2**
   - do not certify progress on human rights conditions
   - issue a national security waiver
   - release funds to Egypt's Federal Reserve account

3. **OPTION #3**
   - do not certify progress on human rights conditions
   - withhold funds and either return to the Treasury or reprogram

The administration created its own fourth option for FY16:

4. **OPTION #4**
   - do not certify progress on human rights conditions
   - issue a national security waiver
   - place an executive hold pending fulfillment of certain conditions

Has there been sufficient progress on these conditions?

**condition 1**
RESOLUTION OF THE 2013 NGO “FOREIGN FUNDING” TRIAL, IN WHICH 43 DEFENDANTS, INCLUDING 17 AMERICANS, WERE CONVICTED ON POLITICIZED CHARGES

**STATUS:** Egypt's highest court of appeals ordered a retrial in the 2013 NGO case to take place in November. To date, however, not a single defendant in the NGO trial has been exonerated.

**condition 2**
REPEAL OR WHOLESALE REVISION OF EGYPT’S DRACONIAN 2017 NGO LAW

**STATUS:** The government of Egypt claims the 2017 law regulating NGOs in Egypt has not been implemented. But the law remains on the books in its current form and parts of the law are being implemented.

**condition 3**
DISCONTINUATION OF EGYPTIAN DIPLOMATIC, MILITARY, AND ECONOMIC COOPERATION WITH NORTH KOREA

**STATUS:** U.S. administration officials suggest that Egypt has forced North Korea to reduce the size of its embassy in Cairo and discontinue military transactions. But steps to reduce North Korea's engagement are quickly reversible.

Yet on July 25, 2018, Secretary Pompeo’s State Department elected to release the funds, which were not in danger of expiring, citing “steps Egypt has taken over the last year” to address U.S. concerns.
THE HOUSE version of the FY19 appropriations bill would allocate $1.3 billion in military assistance to Egypt with no conditions attached.

THE SENATE version of the FY19 appropriations bill would allocate $1 billion in military assistance with $300 million conditioned on human rights and Egypt’s compliance with United Nations Security Council Resolution 2270 and other such resolutions regarding North Korea. In coming months, the House and Senate will have to agree on a final appropriations bill that reconciles the two competing versions.

**FOREIGN MILITARY FINANCING TO EGYPT, FY17-19**

**AUGUST 22, 2017** – The administration reprogrammed $65.7 million in FY17 FMF, partly over human rights concerns.

**MAY 4, 2018** – Media reported that Senator Patrick Leahy (D-VT) placed an informal hold on $105 million of FY17 FMF notified to Congress in January 2018 and warned he would also hold the $195 million conditioned on human rights should the State Department try to release those funds, until Egypt

1) repeals the 2017 NGO law,
2) resolves the 2013 NGO case,
3) grants U.S. military access to the Sinai,
4) provides a transparent investigation of Giulio Regeni’s death, and
5) adequately compensates American tourist April Corley, who was mistakenly bombed by Egyptian forces in 2015.

**FY18 APPROPRIATIONS**

Building upon the human rights conditions regularly placed on FMF funds since 2012, Congress in FY18 added the condition that Egypt must investigate and prosecute cases of extrajudicial killings and forced disappearances, and increased the amount of FMF conditioned on human rights to $300 million.

**FY19 APPROPRIATIONS**

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