



(U) Democracy and Human Rights Programs in Europe and Eurasia

(U) INTRODUCTION

(U) Promoting democracy and respect for human rights is a central component of U.S. foreign policy, and the revitalization of democracy is a top U.S. national security priority. According to the Department of State (Department), since 2005, the pace of global democratic decline has accelerated, and 68 percent of the world's population now live in autocracies.¹

(U) Russia's full-scale invasion of Ukraine has raised additional concerns for the Department about the stability of democratic institutions in Eastern Europe in particular. Furthermore, according to the Department of State and United States Agency for International Development (USAID) Joint Regional Strategy for 2022–2026, there has been an "alarming increase" in democratic backsliding among former recipients of U.S. assistance in Europe and Eurasia.²

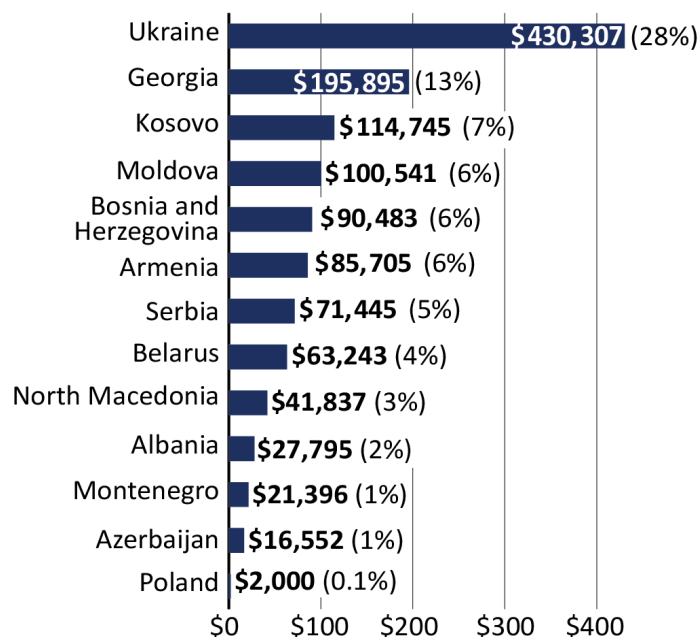
(U) Initially, OIG planned to execute an audit of Department of State programs to support democracy and human rights in selected European and Eurasian countries. However, because of similarities with a broader, congressionally mandated Government Accountability Office (GAO) audit, OIG decided to conclude its work on this topic with this information brief to avoid duplication of effort. This information brief is intended to provide an overview of the Department's funding for democracy and human rights assistance in Europe and Eurasia from FY 2019 through FY 2023. It also describes the roles of the bureaus involved in advancing democracy assistance programs and the Department's approach to democratic backsliding. Finally, it summarizes information on the sources the Department uses to gauge changes in levels of democracy (see Appendix A for additional details about this information brief).

(U) FUNDING FOR DEMOCRACY AND HUMAN RIGHTS ASSISTANCE

(U) From FY 2019 through FY 2023, the Department provided approximately \$1.5 billion in democracy and human rights assistance to recipients in Europe and

Eurasia. The three countries with the most recipients were Ukraine, with recipients receiving approximately \$430 million, Georgia, with recipients receiving approximately \$196 million, and Kosovo, with recipients receiving approximately \$115 million. Figure 1 shows the total amount of assistance countries received from the Department from FY 2019 through FY 2023.

(U) FIGURE 1: DEMOCRACY AND HUMAN RIGHTS ASSISTANCE IN EUROPE AND EURASIA, FY 2019–FY 2023 (IN MILLIONS)



(U) Source: Generated by OIG based on data provided by the Office of Foreign Assistance regarding funds provided to recipients in Europe and Eurasia from FY 2019 through FY 2023.³

(U) FUNDING SOURCES FOR DEMOCRACY AND HUMAN RIGHTS PROGRAMS

(U) The Department's democracy and human rights assistance programs are primarily managed by the Bureau of Democracy, Human Rights, and Labor (DRL); the Bureau of International Narcotics and Law Enforcement Affairs (INL); and the Bureau of European and Eurasian Affairs (EUR). From FY 2019 through FY 2023, these programs were funded by Assistance for Europe, Eurasia, and Central Asia (AEECA);

~~SENSITIVE BUT UNCLASSIFIED~~

the Economic Support Fund (ESF); and the International Narcotics Control and Law Enforcement (INCLE) appropriation accounts.

(U) AEECA—The successor to two earlier accounts created by the Support for East European Democracy Act of 1989 and the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Supports Act of 1992, this account specifically provides democracy and economic assistance to Eastern Europe and newly independent states of the former Soviet Union.

(U) ESF—This fund promotes U.S. foreign policy interests by providing targeted assistance to allies and countries transitioning to democracy. Purposes of this assistance include increasing the role of the private sector in the economy, strengthening institutions necessary for sustainable democracy, transitioning to transparent and accountable governance, and empowering citizens.

(U) INCLE—This account is aimed at addressing threats to U.S. security by supporting initiatives that counter narcotic activities; combat trafficking; and support rule of law, judicial reform, and law enforcement capacity building, among other things.

(b) (7)(F)

(U) According to INL officials, their foreign assistance programs support democracy and human rights through rule of law programs designed to strengthen criminal justice institutions, support anticorruption efforts, and build prosecutorial capacity. For example, in 2023, INL funded a program designed to support justice sector reform and strengthen anticorruption efforts in Ukraine. This program is described in more detail below.

(U) INL’S UKRAINE JUSTICE SECTOR REFORM

(U) The INL award, with a budget of approximately \$5.7 million and a duration of 24 months, sought to advance criminal justice sector reform by strengthening the institutional and professional capacities of Ukraine’s anticorruption agencies, Office of the Prosecutor General, and judiciary. The award was also designed to support legislative reforms aimed at strengthening the independence of anticorruption institutions and increasing transparency and accountability in the public sector. Among other activities, the award supports the Office of the Prosecutor General’s work to document, investigate, and prosecute possible cases of war crimes.

(U) BUREAU ROLES AND DEMOCRACY ASSISTANCE PROGRAMS

(U) The Department’s foreign assistance programs to promote democracy and human rights in Europe and Eurasia are implemented by DRL, INL, and EUR.

(SBU) According to DRL, its foreign assistance programs “support democratic reformers in new and fragile democracies, strengthen democratic institutions, and promote respect for the rule of law.”⁴ DRL recognizes the tremendous risks journalists take in holding some governments accountable. As a result, promoting independent media and the free flow of information is one area of focus for DRL’s democracy and human rights assistance. (b) (7)(F)

(SBU) EUR implements U.S. foreign policy in Europe and Eurasia. Among other priorities, EUR manages assistance funds for programs focused broadly on democracy, anticorruption, and rule of law; building capacity to counter disinformation and strengthen civil society; and promoting independent media and good governance. (b) (7)(F)


(b) (7)(F)

~~SENSITIVE BUT UNCLASSIFIED~~

(b) (7)(F)

(U) All three bureaus use Standardized Program Structure and Definitions (SPSD) codes to describe the various types of foreign assistance targeting democracy and human rights issues. SPSP codes provide a common language to describe democracy and human rights foreign assistance programs and allow information about those programs to be aggregated for analysis. For example, “rule of law” is one key component of the Department’s democracy and human rights programs, and its SPSP code is DR.1. From FY 2019 through FY 2023 the Department provided approximately \$330 million for DR.1 programs. Table 1 shows the six program areas under the democracy, human rights, and governance category and their respective elements.

(U) TABLE 1: SPSP CODES FOR DEMOCRACY, HUMAN RIGHTS, AND GOVERNANCE PROGRAM AREAS AND ELEMENTS

(SPSP Code) Democracy, Human Rights, and Governance Program Area/Program Area Element	
(DR.1) Rule of Law	 <ul style="list-style-type: none"> • (DR.1.1) Constitutions, Laws, and Legal Systems • (DR.1. 2) Culture of Lawfulness • (DR.1. 3) Checks and Balances with Judicial Independence and Supremacy of Law • (DR.1.4) Justice Systems and Institutions • (DR.1.5) Fairness and Access to Justices
(DR.2) Good Governance	 <ul style="list-style-type: none"> • (DR.2.1) Legislative Authority – Function and Processes • (DR.2.2) Non-security Executive Authority – Function and Processes • (DR.2.3) Local Government and Decentralization • (DR.2.4) Anti-Corruption Reforms • (DR.2.5) Executive Authority – Security Sector (Civilian)
(DR.3) Political Competition and Consensus Building	 <ul style="list-style-type: none"> • (DR.3.1) Consensus-Building Processes • (DR.3.2) Elections and Political Processes • (DR.3.3) Political Parties

(SPSP Code) Democracy, Human Rights and Governance Program Area/Program Area Element

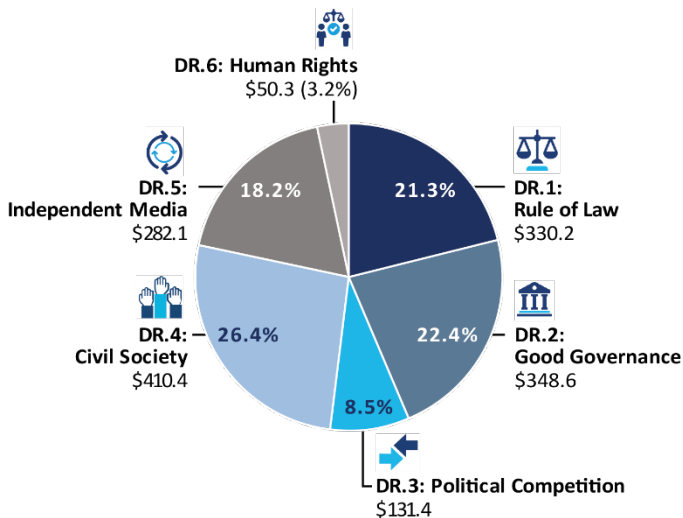
(DR.4) Civil Society	 <ul style="list-style-type: none"> • (DR.4.1) Enabling Environment for Civil Society • (DR.4.2) Civil Society Organizational Capacity Development • (DR.4.3) Civic Education, Citizen Participation and Public Accountability • (DR.4.4) Civic Education and Democratic Culture • (DR.4.5) Democratic Labor and Trade Unions
(DR.5) Independent Media and Free Flow of Information	 <ul style="list-style-type: none"> • (DR.5.1) Enabling Environment for Media and Free Flow of Information • (DR.5.2) Professional and Institutional Capacities of Media • (DR.5.3) Outlets and Infrastructure
(DR.6) Human Rights	 <ul style="list-style-type: none"> • (DR.6.1) Human Rights Systems, Policies and Protection • (DR.6.2) Transitional Justice • (DR.6.3) Equal Rights for Marginalized Communities

(U) Source: Generated by OIG based on the Department’s Updated Foreign Assistance Standardized Program Structure and Definitions.

(U) Of the \$1.5 billion provided to recipients in Europe and Eurasia for Democracy, Human Rights, and Governance programs, the top three program areas that received funding were civil society, good governance, and rule of law with 26.4 percent, 22.4 percent, and 21.3 percent of funding, respectively. Figure 2 presents the breakdown of spending by program area.

~~SENSITIVE BUT UNCLASSIFIED~~

(U) FIGURE 2: SPENDING BY DEMOCRACY, HUMAN RIGHTS, AND GOVERNANCE SPSPD PROGRAM AREA—FY 2019–FY 2023 (IN MILLIONS)



(U) Source: Generated by OIG based on data provided by the Office of Foreign Assistance regarding funding provided to recipients in Europe and Eurasia from FY 2019 through FY 2023.

(U) DEMOCRATIC BACKSLIDING

(U) DRL, INL, and EUR have stated that their programs are designed to promote democracy and human rights throughout Europe and Eurasia and to target countries at risk of democratic backsliding. Specifically, the Department and USAID’s Joint Regional Strategy for 2022–2026 includes objectives to “strengthen democratic systems . . . and counter democratic backsliding and rising authoritarianism.”⁵

(U) USAID’s Center of Excellence on Democracy, Human Rights, and Governance defines democratic backsliding as “a change in a combination of competitive electoral procedures, civil and political liberties, and accountability” and states that “backsliding occurs through a series of discrete changes in the rules and informal procedures that shape those elections, rights, and accountability.”⁶

(U) However, the Department does not have its own established definition of “democratic backsliding” for use across its programming. Instead, DRL, INL, and EUR officials told OIG that they rely on a range of indicators to assess levels of democracy in the countries in which

they work. For example, DRL and INL officials reported examining increases and decreases in democracy indicators such as the separation of powers, free and independent media outlets, and prosecutorial capacity. According to bureau officials, monitoring these indicators allows them to gauge and counter changes in democracy in the countries in which they work. EUR officials reported taking a similar approach, noting that they rely on analyses of key democracy indicators produced by the embassies in each of the countries in which EUR works. Although the bureaus reported relying on specific indicators to measure changes in democracy, without a common definition of democratic backsliding or a shared set of specific indicators to measure it, it is unclear how the Department can reliably or consistently determine whether its democracy and human rights programs are having the intended overall effect of countering backsliding.

(U) SOURCES USED TO ASSESS CHANGES IN DEMOCRACY

(U) DRL and EUR officials reported referencing Freedom House reports to gauge changes in democracy. Freedom House is a nonprofit organization whose mission is to expand and defend freedom globally. Freedom House publishes research on more than 200 countries and territories, assessing the state of freedom and democracy around the world.⁷ Freedom House determines an overall democracy score based on ratings of issues such as national and local governance, electoral process, independent media, civil society, judicial framework and independence, and corruption.^{8,9}

(U) EUR’s Joint Regional Strategy references Freedom House’s *Nations in Transit* report to assess changes in democracy. *Nations in Transit* is an annual report measuring the level of democratic governance in 29 countries from Central Europe to Central Asia. According to Freedom House’s most recent *Nations in Transit* report, democratic governance in the region¹⁰ declined in 2023 for the 20th consecutive year. Specifically, of the 29 countries covered in the report, 10 experienced declines in their democracy score, and only 5 improved, compared with the year before. The 10 countries that declined were Armenia, Bosnia and Herzegovina, Kazakhstan, Kyrgyzstan, Montenegro,

~~SENSITIVE BUT UNCLASSIFIED~~

~~SENSITIVE BUT UNCLASSIFIED~~

North Macedonia, Poland, Russia, Serbia, and Uzbekistan. The five that improved were Bulgaria, Lithuania, Romania, Slovenia, and Ukraine.¹¹

(U) With respect to INL, an INL official said Transparency International's corruption index was useful in assessing programming decisions. Transparency International is a nonprofit organization focused on stopping corruption and promoting transparency and accountability. Transparency International's annual Corruption Perceptions Index ranks countries and territories by their perceived levels of public sector corruption.¹²

(U) DRL and EUR officials also reported referencing the Varieties of Democracy Project (V-Dem) data on democracy, which is managed by the V-Dem Institute. The V-Dem Institute is the executive management arm of V-Dem, which is one of the largest social science data collection projects in the world. V-Dem's dataset consists of 470 unique democracy indicators measuring seven key principles of democracy in countries around the globe.¹³ In addition, V-Dem's annual *Democracy Report* provides an overview of the state of democracy

in the world.¹⁴ V-Dem has also published 189 journal articles, 149 working papers, and 39 policy briefs on topics related to democracy.

(U) CONCLUSION

(U) According to multiple sources, the pace of democratic decline has accelerated around the world, and Russia's war of aggression in Ukraine has further highlighted the importance of democratic institutions in Eastern Europe in particular. As the Department's efforts to provide democracy and human rights assistance in Europe and Eurasia continue, Department bureaus will need to regularly review their approach to such programming to ensure appropriate coordination, implementation, and oversight of taxpayer funds. Although OIG is not making recommendations in this information brief, OIG encourages the Department to continue to explore ways to ensure prudent oversight of its democracy and human rights programs to ensure it is well positioned to fully evaluate the effectiveness of its programs.



HELP FIGHT
FRAUD, WASTE, AND ABUSE

1-800-409-9926

[Stateoig.gov/HOTLINE](https://stateoig.gov/HOTLINE)

If you fear reprisal, contact the
OIG Whistleblower Coordinator to learn more about your rights.

~~SENSITIVE BUT UNCLASSIFIED~~

(U) Appendix A

(U) The Office of Inspector General (OIG) prepared this Information Brief in accordance with the Council of the Inspectors General for Integrity and Efficiency's *Quality Standards for Federal Offices of Inspector General*, which accounts for adherence to professional standards of independence, due professional care, and quality assurance, including procedures to ensure the accuracy of the information presented. Initially, OIG planned to execute an audit of Department of State programs to support democracy and human rights in selected European and Eurasian countries. However, early in audit fieldwork, OIG learned that the Government Accountability Office (GAO) had undertaken a broader congressionally mandated audit¹⁵ reviewing how the Department and other agencies have responded to the trends of rising authoritarianism and democratic erosion over the last 5 years, including how agencies assess country needs and any challenges that they face in countering democratic erosion. Because of the similarities in purpose of the broader GAO audit and OIG's planned audit, OIG, in consultation with GAO, decided to conclude its work on this topic with this information brief to avoid duplication of effort. OIG is issuing this Information Brief to help inform the GAO audit and OIG's stakeholders about the Department's funding for democracy and human rights assistance in Europe and Eurasia.

(U) ABBREVIATIONS

AECA	Assistance for Europe, Eurasia, and Central Asia
DRL	Bureau of Democracy, Human Rights, and Labor
ESF	Economic Support Fund
EUR	Bureau of European and Eurasian Affairs
INCLE	International Narcotics Control and Law Enforcement
INL	Bureau of International Narcotics and Law Enforcement Affairs
OIG	Office of Inspector General
SPSD	Standardized Program Structure and Definitions
USAID	United States Agency for International Development
V-Dem	Varieties of Democracy Project

(U) ACKNOWLEDGEMENTS

(U) OIG appreciates the Department's continuing commitment to cooperation with our office and ongoing engagement with and support of our Ukraine response oversight efforts.

(U) Visit OIG's Ukraine Response Oversight website, <https://www.stateoig.gov/ongoing-work-ukraine-response-oversight>, to follow our work or contact us at publicaffairs@stateoig.gov for additional information.

(U) End Notes

¹ (U) Department of State and U.S. Agency for International Development, *Joint Strategic Plan FY 2022 – 2026*, March 2022, page 31.

² (U) Department of State Bureau of European and Eurasian Affairs and USAID Bureau of Europe and Eurasia, *Joint Regional Strategy*, November 2022, page 20.

³ (U) From FY 2019 through FY 2023, the Department also provided approximately \$9.5 million to the Organization for Security and Cooperation in Europe and approximately \$281.6 million of democracy and human rights assistance to

recipients in Europe and Eurasia through the Europe and Eurasia Regional account. The Department was unable to provide disaggregated funding data by country for the Europe and Eurasia regional fund.

⁴ (U) Department of State Bureau of Democracy, Human Rights, and Labor, *Functional Bureau Strategy*, January 2022, page 17.

⁵ (U) Department of State Bureau of European and Eurasian Affairs and USAID Bureau of Europe and Eurasia, *Joint Regional Strategy*, November 2022, page 23.

SENSITIVE BUT UNCLASSIFIED

⁶ (U) USAID, *Theories of Democratic Change: Phase I: Theories of Democratic Backsliding*, May 13, 2015, page 2.

⁷ (U) Freedom House, "About Us," <https://freedomhouse.org/about-us>.

⁸ (U) Freedom House, *Nations in Transit 2024*, page 27.

⁹ (U) The ratings are based on a scale of 1 to 7, with 7 representing the highest level of democratic progress and 1 the lowest. The Democracy Score is an average of ratings for the categories tracked in a given year.

¹⁰ (U) The Freedom House Nations in Transit Report covers 29 countries in Eurasia, while the Department's Bureau of European and Eurasian Affairs covers 50 countries.

¹¹ (U) Freedom House, *Nations in Transit 2024*, pages 3, 5, and 26.

¹² (U) Transparency International, "Transparency International Charter," <https://www.transparency.org/en/the-organisation/our-charter>.

¹³ (U) The seven key principles of democracy measured by V-Dem are: (1) electoral, (2) liberal, (3) participatory, (4) deliberative, (5) egalitarian, (6) majoritarian, (7) consensual.

¹⁴ (U) V-Dem, "The V-Dem Institute," <https://www.v-dem.net/about/v-dem-institute>.

¹⁵ (U) The congressional mandate is contained in the FY 2023 State, Foreign Operations, and Related Programs Explanatory Statement and provides: "Following consultation with the Committees on Appropriations, the Comptroller General . . . shall conduct an assessment of USAID, DRL, and INL democracy programs funded by prior Acts from fiscal years 2018 through 2022." See "Democracy Assessment" on page 2659 in Book 2, Division K, of The Joint Explanatory Statement and text to accompany Public Law 117-328, available at <https://www.congress.gov/117/cprt/HPRT50348/CPRT-117HPRT50348.pdf>.