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Nunn-Lugar Cooperative Threat Reduction Programs: Issues for Congress

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ABSTRACT

Congress established the Nunn-Lugar Cooperative Threat Reduction Program (CTR) in 1991 so that the United States could assist the former Soviet republics with the safe and secure transportation, storage, and elimination of nuclear weapons. The CTR program seeks to reduce the threat these weapons pose to the United States and to reduce the proliferation risks from nuclear weapons and materials in the former Soviet Union. Congress has authorized and appropriated around $300-$400 million each year for CTR. Most in Congress support the core objectives of the CTR program, but some have questioned whether all of the proposed and ongoing projects contribute to U.S. national security. Some have also questioned Russia's commitment, both political and financial to the some of the projects. This report reviews many of the concerns that have been raised in Congress during debates over CTR. It also provides a summary of the funding for different CTR projects. It will be updated at least once each year.

Nunn-Lugar Cooperative Threat Reduction Programs: Issues for Congress

Summary

Congress established the Nunn-Lugar Cooperative Threat Reduction (CTR) program in 1991, authorizing the use of Defense Department funds to assist with the safe and secure transportation, storage, and dismantlement of nuclear, chemical and other weapons in the former Soviet Union. Initially, many supported U.S. assistance as an emergency response to fears about a loss of control over nuclear weapons in the disintegrating Soviet Union. Now, many see the CTR program as a part of a more comprehensive threat reduction and nonproliferation effort.

Congress has demonstrated continuing support for the CTR programs, providing between $300 million and $400 million in Defense Department funds each year between FY1992 and FY1998; and between $403 and $475 million each year between FY 1999 and FY2002. Congress has also increased its oversight efforts and added numerous reporting requirements. Many of these changes reflected congressional concern with the slow pace of implementation during the first few years and with the U.S. ability to account for its expenditures and progress on CTR projects. The Clinton Administration resolved most of the issues raised during the first few years of program, but the congressional debate over funding in recent years has revealed new concerns about the focus of some projects in the CTR program.

The Clinton Administration credited the CTR program with significant achievements in reducing threats from the former Soviet Union. Some Members of Congress disagree and believe that the CTR programs have diminished U.S. national security by subsidizing the Russian defense establishment. Others have argued that Clinton Administration claims of success are exaggerated and that the programs have produced more limited results. On the other hand, some Members of Congress believe that the program could do much more to protect the United States from proliferation and terrorist threats. Congress added funds to the FY1997 budget to expand efforts to enhance the security of nuclear and other weapons materials in the former Soviet Union. But, in FY2000 and FY2001, it refused to authorize the use of CTR funds for the construction of a chemical weapons dismantlement facility.

Members of Congress have also questioned the Administration's spending priorities for CTR programs. Most support efforts to dismantle nuclear weapons. However, Congress has prohibited the use of CTR funds for defense conversion projects, environmental restoration projects, and housing for retired officers, and, beginning in FY2000, in prohibited their use for the elimination of conventional weapons. Some Members of Congress have also argued that U.S. assistance to Russia should be linked to a number of areas of Russian military and foreign policy. Others, however, have argued that efforts to link CTR assistance to a wider range of Russian activities would backfire, with Russia forgoing the assistance and retaining its nuclear weapons while continuing the policies that brought U.S. objections. These issues were discussed at length during the House debate on FY1997 funding, but they were not included in the final legislation. In recent years, Congress has approved almost all of the Administration's request for CTR funding, but it continues to express concerns about the focus of some CTR projects.

Contents

Nunn-Lugar Cooperative Threat Reduction Programs: Issues for Congress

Introduction

Congress established the Nunn-Lugar Cooperative Threat Reduction (CTR) Program in November 1991. A failed coup in Moscow in August 1991 and the subsequent disintegration of the Soviet Union had raised concerns about the safety and security of Soviet nuclear weapons. Congress responded by authorizing the use of $400 million in FY1992 Department of Defense funds to assist with the safe and secure transportation, storage, and dismantlement of nuclear, chemical, and other weapons.[1] Congress appropriated an additional $300 to $400 million per year for the CTR programs between FY1993 and FY1998. It added $440.4 million in DOD funds for FY1999, $475.5 million in FY2000, and $443.4 million in FY2001 and $403 million in FY2002.[2] Most of these funds support projects in Russia, Ukraine, Belarus and Kazakhstan — the four nations that had Soviet nuclear weapons on their territories — but Congress has also authorized their use for projects and military contacts in other former Soviet republics.

The CTR programs seek to reduce the threat to the United States from nuclear and other weapons in the former Soviet Union. Towards this end, the programs focus on four key objectives:

- Destroy nuclear, chemical, and other weapons of mass destruction;
- Transport, store, disable, and safeguard these weapons in connection with their destruction;
- Establish verifiable safeguards against the proliferation of these weapons, their components, and weapons-usable materials; and

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[1]The amendment to the implementing legislation for the Conventional Armed Forces In Europe (CFE) Treaty (P.L. 102-228) was sponsored by Senators Nunn and Lugar. It established the Soviet Nuclear Threat Reduction Act of 1991. For more information on this legislation, see CRS Report 94-985, The Nunn-Lugar Program for Soviet Weapons Dismantlement: Background and Implementation, by Theodor Galdi. p. 1-4.

[2]Congress also appropriated funds for several nonproliferation programs managed by the Department of Energy. These include the Materials Protection Control and Accounting program and the Initiatives for Proliferation Prevention. Although these efforts began under the auspices of DOD's CTR program and seek similar objectives, they have been administered by the Department of Energy since 1996. This report does not provide detailed information about these programs. For details see Library of Congress, Congressional Research Service. Nuclear Weapons in Russia: Safety Security and Control Issues, CRS Issue Brief 98038.

- Prevent the diversion of scientific expertise that could contribute to weapons programs in other nations.[3]

While most Members of Congress support the central objectives of the Nunn-Lugar effort, some Members have questioned whether CTR programs truly enhance U.S. security. Some have objected to specific projects while others have generally challenged the notion that the programs reduce the threat to the United States. Many who hold this view believe that U.S. defense dollars could be better spent on U.S. defense programs. Others, however, believe that CTR programs can do more to stem proliferation and enhance U.S. security. Those who hold this view have supported adding funds to the budget requests for CTR.

These concerns are discussed in detail in the second half of this report. The report first offers an overview of the evolving rationale for the CTR programs and a brief description of processes used to implement the programs, the types of projects supported by CTR funds, and congressional action on these programs in past years.

Overview of the CTR Program

Evolving Rationale

Emergency Response to Potential Chaos. Initially, many in Congress saw U.S. assistance under the Nunn-Lugar amendment as an emergency response to risks that could arise when the Soviet Union dissolved into its constituent republics. Some feared that the command and control structure for Soviet nuclear weapons would collapse, allowing leaders in the various republics, or even rogue commanders in the field, to take control of these weapons. Many were also concerned about the possibilities that, in an environment of political and economic chaos, nuclear weapons or materials might be lost, stolen, or sold on the black market and that nuclear scientists and technicians might be tempted to sell their knowledge to nations seeking to develop these weapons. Senator Nunn noted that "...the former Soviet Union, still a nuclear superpower, is coming apart at the seams. The danger of proliferation of existing weapons, weapons materials, and weapons know-how is growing as both the Soviet economy and traditional Soviet control mechanisms lose effectiveness."[4] Most acknowledged that the United States would not be able to ensure complete control of all nuclear, chemical, and biological weapons and materials in the former Soviet Union, but many hoped that U.S. interest and assistance might "provide focus and priority to the destruction of a large part of these weapons."[5]

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[3]U.S. Department of Defense. Cooperative Threat Reduction. April 1995. Washington, D.C. p. 4.

[4]Senator Lugar added "there is a danger of seizure, theft, sale, or use of nuclear weapons or components during the period of transition, particularly if a widespread disintegration of the custodial system should occur." Congressional Record, v. 142, November 25, 1991. p. 18004-18005.

[5]Congressional Record, v. 142, November 25, 1991. p. 18004.

Threat Reduction, Nonproliferation, and Cooperation. Even after the sense of impending chaos in the former Soviet Union passed in 1992 and 1993, many U.S. analysts and Members of Congress remained concerned about the potential for diversion or a loss of control of nuclear and other weapons. Many began to view CTR programs as part of a long-term threat reduction and nonproliferation effort. In this vein, former Secretary of Defense William Perry frequently referred to CTR as "defense by other means."[6] He and other Clinton Administration officials argued that CTR programs have reduced the threat to the United States — by assisting with deactivation of thousands of nuclear weapons in Russia, Ukraine, Belarus, and Kazakhstan — for far less money than the United States has spent to maintain and operate nuclear forces to deter that threat.[7] And, by helping safeguard nuclear warheads, materials and components, the programs have reduced the risk that these materials would "leak out" of former Soviet republics. In addition, because projects funded by the CTR program require extensive cooperation and because they touch on closely held secrets of the Cold War era — nuclear weapons information — many CTR supporters believe these efforts can also foster cooperation and build understanding between the United States and the recipient nations.

Nonproliferation and Anti-terrorism. By the latter half of the 1990s, Members of Congress and analysts outside government began to show increasing concerns about proliferation risks posed by nuclear materials in the former Soviet Union.[8] Experts noted that the Soviet Union never instituted a comprehensive control and accounting system for these materials, relying instead on physical security and isolated facilities to protect against attacks from the outside and the control of the Communist regime to protect against subversion or theft from the inside. But they argued that these controls may no longer be sufficient to protect against theft or diversion.[9] Experts point to the frequent reports of smugglers carrying nuclear materials (although most have not been weapons-grade materials) into Europe for possible sale. These reports have not identified specific nations who were seeking the materials, but experts fear they could end up in places such as Libya or Iran, or that they could be sold to representatives from terrorist organizations. Although these groups may lack the know-how to manufacture nuclear explosive devices, some have

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[6]See, for example, U.S. Department of Defense. Cooperative Threat Reduction. April 1995. Washington, D.C., p. 1.

[7]According to DOD, the United States spends approximately $8 billion per year to maintain and operate its strategic offensive forces. See U.S. Department of Defense. Annual Report to the President And Congress. William J. Perry, Secretary of Defense, March 1996. Washington, D.C. p. 216.

[8]After a November 1998 visit to Russia to view projects funded by the CTR program, Senator Levin stated that "we will take back what we've learned ... to Congress in order to make sure that the anti-proliferation, anti-terrorist programs which we have put in place continue..." See Senators urge U.S. Cash for Russian Disarmament," Reuters, November 19, 1998.

[9]These problems are described in detail in Allison, Graham T., Owen R. Cote, Jr., Richard A. Falkenrath, and Steven E. Miller. Avoiding Nuclear Anarchy: Containing the Threat of Loose Russian Nuclear Weapons and Materials. Cambridge, MA, MIT Press, 1996. p. 20-48.

postulated that they could combine radioactive materials with conventional explosives in a "radiological" weapon that would spread poisonous radiation over a wide area.

After experts testified that Russian nuclear and chemical facilities, with their crumbling security and lack of accounting procedures, could provide a source for terrorists seeking nuclear or chemical materials, Congress, in the FY1997 Defense Authorization Act, expanded the CTR programs that focus on this threat.[10] Congress not only added funds for security at facilities with nuclear materials, it also indicated that more attention should be paid to security at facilities with materials that could be used in chemical or biological weapons.

Concerns about proliferation from Soviet nuclear, biological, and chemical weapons facilities intensified in the wake of the financial crisis that began in Russia in August1998. Congress addressed some these concerns in the FY1999 Defense Authorization Act, when it mandated that the Secretary of Defense provide Congress with a report on the number of individuals in the former Soviet Union with expertise in weapons of mass destruction and the risks that might exist if these individuals sold their knowledge to other nations. The Clinton Administration also responded in its FY2000 and FY2001 budgets, by requesting funds to expand several DOE and State Department programs that sought to assist Russia in safeguarding weapons materials and finding alternative employment for weapons scientists.[11] Some in Congress, however, questioned whether these programs would be effective in stemming proliferation, and it reduced funding for many of them.[12]

In January 2001, a task force sponsored by the Department of Energy called for increased funding for programs that sought to stem proliferation from Russia's nuclear facilities. This task force stated that "the most urgent unmet national security threat to the United States today is the danger that weapons of mass destruction or weapons-usable materials in Russia could be stolen and sold to terrorists or hostile

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[10]The March 1995 nerve agent attack in the Tokyo subway system by the Aum Shinryo cult raised the profile of this type of threat.

[11] See U.S. Library of Congress, Congressional Research Service. The Expanded Threat Reduction Initiative for the Former Soviet Union: Administration Proposals for FY2000. CRS Report RS20203, by Amy F. Woolf and Curt Tarnoff.. May 20, 1999.

[12] In February 1999, the General Accounting Office issued a report that reviewed and criticized DOE's Initiatives for Proliferation Prevention (IPP) program, which sought to provide alternative employment for Russian nuclear scientists. The report noted that Russian institutes had received only around one-third of the funds allocated to IPP projects and that taxes, fees, and other charges had further reduced the amount of money available to Russian scientists. The report also questioned DOE's oversight of the programs, noting that program officials do not always know how many scientists are receiving funds through the IPP program. See U.S. General Accounting Office. Nuclear Nonproliferation: Concerns with DOE's Efforts to Reduce the Risks Posed by Russia's Unemployed Weapons Scientists. GAO/RCED-99-54, February 1999. Washington, D.C.

nation states and used against American troops abroad or citizens at home."[13] Although it focused only on those programs funded through the Department of Energy, and not those funded by DOD through the CTR program, the task force concluded that the United States should expand its nonproliferation efforts in this area with a comprehensive strategic plan and $30 billion in funding over the next 10 years.

Program Implementation

When Congress passed the Nunn-Lugar amendment in 1991, many Members and experts outside government expected a relatively simple program. They seemed to envision an effort where, using funds from the DOD budget, officials from the United States would travel to Russia, Ukraine, Belarus, and Kazakhstan to quickly safeguard and help dismantle nuclear, chemical, and other weapons left vulnerable by the demise of the Soviet Union. But the process of program implementation, both within the U.S. government and between the United States and the newly independent states of the former Soviet Union, was far slower and more complex than many expected.

The U.S. Interagency Process. Within the U.S. government, the CTR program is an interagency effort. Initially, most of the funds for CTR projects came from the DOD budget,[14] but experts with the knowledge and skills needed to implement these projects resided in several different agencies. For example, the Department of Defense has provided most of the general policy direction, which essentially determined the types of projects funded by the CTR program, and much of the expertise needed to implement programs focused on weapons security and dismantlement. The State Department took the lead in negotiating the broad agreements needed before recipient nations could receive U.S. assistance under the CTR programs and in providing for broad policy coordination among the U.S. agencies and between the United States and recipient nations. It also manages funds for the International Science and Technology Centers in Moscow and Kiev. The Department of Energy plays a major role with its Materials Protection, Control and Accounting program which seeks to improve security and controls at facilities with nuclear materials, its Initiatives for Proliferation Prevention Program (IPP), which seeks to fund commercial employment opportunities for weapons scientists, and its Nuclear Cities Initiative, which is designed to assist Russia with the downsizing of its nuclear weapons complex and to promote alternative, commercial enterprises in Russia's nuclear cities. The Department of Commerce has also participated in projects that focus on establishing effective export controls in the recipient nations.

Within the Department of Defense, several organizations have responsibility for different aspects of the CTR program. For example, the Cooperative Threat Reduction Office, under the Undersecretary of Defense for Policy, takes the lead in developing broad U.S. policy objectives for the CTR program and for identifying

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[13]Baker, Howard and Lloyd Cutler, Co-Chairs, Russia Task Force. A Report Card on the Department of Energy's Nonproliferation Programs with Russia. The Secretary of Energy Advisory Board, United States Department of Energy. January 10, 2001. P. 1.

[14]Beginning in FY1996, funding for some projects that began under CTR auspices moved to the State Department and the Department of Energy.

specific projects that will help achieve these objectives; this office also participates in negotiations with recipient nations. The Joint Chiefs of Staff and Military Services also offer advice on the goals and direction of the CTR program. Until the end of September 1998, the CTR Program Office under the Undersecretary of Defense for Acquisition and Technology had also helped plan future CTR programs, and, through the Defense Special Weapons Agency (formerly the Defense Nuclear Agency), took the lead in contracting with U.S. firms that would provide technology and assistance to the former Soviet republics. This office also managed day-to-day interaction with representatives in recipient nations to make sure that U.S. assistance met their specific needs.[15]

In November 1997, Secretary of Defense Cohen announced that the CTR Program office, the Defense Special Weapons Agency, and a small program management staff from the Office of the Special Coordinator for Cooperative Threat Reduction would join with the On-Site Inspection Agency in a new Defense Threat Reduction Agency. This new entity, which began operations on October 1, 1998, is now responsible for managing the CTR program and implementing CTR projects.[16]

International Negotiations. The United States has negotiated "umbrella agreements" with each recipient nation that set out the privileges and immunities of U.S. personnel who work on CTR projects and establish the legal and customs framework for the provision of aid. The United States and recipient nations then negotiate agreements that identify specific projects, outline the amount of money that the United States would commit to the particular project and identify each party's rights and responsibilities when implementing the projects.

Project Implementation. According to the legislation establishing the CTR programs, Administration officials must *notify* Congress at least 15 days in advance of its intent to obligate funds for a specific project; this generally occurs before the United States and recipient nation have completed an agreement outlining the specific details of a project. After completing the agreement, the United States can begin *obligating* funds for that project and *expending* those funds. It sets aside the amount of money that will be needed to pay contractor fees, equipment costs, and other U.S. agencies (such as DOE) during the implementation of the agreed project. DOD then contracts with the U.S. firms who will provide the assistance. It can take several years for the expenditures on a project to equal the amount of money obligated for that project because funds are dispersed as work progresses and it can take several years for contractors to complete their work. This complex implementation process has contributed to some of the delays in the CTR programs, but U.S. officials have recognized the problems and improved implementation efforts in recent years.

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[15]U.S. Department of Defense. Annual Report to the President And Congress. William J. Perry, Secretary of Defense, March 1996. Washington, D.C., 1996. p. 64.

[16]U.S. Department of Defense. Defense Reform Initiative Report. William Cohen, Secretary of Defense, November 1997. Washington, D.C. 1997. p. 19-20.

Focus of the CTR Projects

The Department of Defense divides the CTR program into three distinct project areas.[17] These include destruction and dismantlement, chain of custody, and demilitarization. Table 1, below, displays the amount of money allocated to projects in each of these three areas as of early January 2002. This table divides funding into the three categories mentioned above — the amount notified to Congress, the amount obligated in each area, and the expenditures that have occurred to date. The Appendix at the end of this report provides a detailed list of the amount of money notified, obligated, and expended on specific projects in each of these categories.

Table 1. Allocation of Funds Among CTR Program Areas
(in millions of dollars)

	Notified	Obligated	Expended
Destruction and Dismantlement	1,946	1,582	1,273
Chain of Custody	1,080	861.5	$649.4
Demilitarization	389.5	360	345
Other	133	123.5	113.4

Source: CTR Program Office, Department of Defense

Destruction and dismantlement projects are designed to help with the elimination of nuclear, chemical, and other weapons and their delivery vehicles. To date, many of the projects in this area have helped Russia, Ukraine, Belarus, and Kazakhstan remove warheads, deactivate missiles, and eliminate launch facilities for the nuclear weapons covered by the START I treaty. The United States is also helping Russia design a destruction facility for its chemical weapons stockpile. As Table I indicates, more than half of the CTR funds currently obligated and notified to Congress support projects in this category.

Chain of custody activities include projects designed to enhance the safety, security, and control over nuclear weapons and fissile materials. Some of the first CTR projects provided Russia with bullet-proof Kevlar blankets, secure canisters, and improved rail cars to enhance the safety and security of warheads as they were transported from Ukraine, Belarus, and Kazakhstan to storage and dismantlement facilities in Russia. The United States is also helping Russia design and construct a storage facility that will house plutonium removed from nuclear warheads when they are dismantled. The CTR program is also funding several projects that are attempting to improve the security and accounting systems at storage facilities for nuclear weapons and materials to reduce the possibility of theft or losses at those facilities.

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[17]This division, and the description in the next few paragraphs come from U.S. Department of Defense. Cooperative Threat Reduction. April 1995. Washington, D.C. p. 5-6. The fourth category, "Other," includes administrative expenses and a special project on Arctic nuclear waste.

Demilitarization efforts include projects that are encouraging Russia, Ukraine, Belarus, and Kazakhstan to convert military efforts to peaceful purposes. These include the International Science and Technology Centers, which provide grants to scientists and engineers who had produced nuclear or other weapons of mass destruction so that they can pursue projects with peaceful objectives. Demilitarization funds also support projects that seek to convert defense facilities and factories in the former Soviet Union to peaceful purposes. And they support military-to-military contacts between officers in the United States and those in the former Soviet republics. According to the Department of Defense, these contacts allow the United States to help train military officials in the other nations so that they can better protect weapons, technology, and weapons expertise.[18]

CTR Programs in Congress

This section will briefly describe trends that have characterized the funding history and legislative oversight of the CTR programs. A more detailed description of the program's legislative history from 1991 through 1995 can be found in CRS Report 94-985, *The Nunn-Lugar Program for Soviet Weapons Dismantlement: Background and Implementation*.

Congress has demonstrated continuing support for the CTR programs. Although some Members have sought to reduce or delay funding in response to concerns about specific programs, Congress has approved most of the funds that the Executive Branch requested for these efforts. The Senate has generally supported higher funding levels and a broader mandate for the CTR program than has the House, in part because the House has historically been less supportive of foreign assistance programs, but also because the program's original sponsors, Senators Nunn and Lugar, and, more recently, Senator Domenici, remained active in their support.

Funding. When Congress first passed the Nunn-Lugar Amendment, it authorized the *transfer* of $400 million in FY1992 funds from other DOD accounts for threat reduction activities in the former Soviet Union. Few of these funds were spent in FY1992, so Congress extended the transfer authority for FY1992 funds and authorized the *transfer* of an additional $400 million from other DOD accounts in FY1993. In FY1994 and FY1995, the Clinton Administration requested and Congress approved *new appropriations* of $400 million annually for CTR programs.[19] In FY1996, Congress approved $300 million of the $371 million in Defense Department funds requested by the Clinton Administration. Congress also included $33 million in the State Department budget and $70 million in the Department of Energy budget to continue projects that had begun in the CTR program.

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[18]U.S. Department of Defense. Cooperative Threat Reduction. April 1995. Washington, D.C. p. 6.

[19]Spending authority for $329 million in unobligated funds had lapsed by the end of FY1994 and $20 million was rescinded from FY1995 funds. After the first four years, only $1.236 billion of the $1.6 billion authorized by Congress remained available for use.

The Clinton Administration requested $327.9 million in DOD funds for the CTR program in FY1997. The House approved only $302.9 million in its version of the FY1997 Defense Authorization Bill (H.R. 3230), but the Senate added $37 million, for a total of $364.9 million in its version of the bill (S. 1745). The Senate also added $57 million to the Department of Energy request of $95 million for materials control and accounting programs at facilities in the former Soviet Union. The House accepted the Senate provisions and these additions were included in the final version of the FY1997 Defense Authorization Act.

The Clinton Administration requested $382.2 million in DOD funds and $167 million in Department of Energy funds for FY1998. The House approved $284.7 million in DOD funds; it rejected funding that the Administration had requested for chemical weapons destruction, nuclear reactor core conversion, and nuclear weapons storage security. The House also rejected some funding for DOE programs. The Senate, in contrast, approved the full request of $382.2 million for DOD and $167 million for DOE. The House accepted the Senate provisions and Congress approved the full request in the FY1998 Defense Authorization Act (P.L. 105-85).

The Clinton Administration requested $442.4 million in DOD funds and $167 million in DOE funds for FY1999. The Senate approved $440.4 million in DOD funds for CTR programs, but the House approved only $414.4 million. Among other changes, the House reduced the amount requested for chemical weapons destruction activities by $53.4 million and added $31.4 million for strategic arms elimination activities in Russia and Ukraine. In its report on the Bill (H.Rept. 105-532), the House National Security Committee noted that strategic offensive arms pose a direct threat to U.S. security, while Russia's chemical weapons pose more of an environmental problem than a threat to U.S. security.[20] The Conference Committee adopted the Senate's position, however, approving $440.4 million without reallocating funds from chemical weapons destruction to strategic offensive arms destruction. Congress also approved a total of $172 million in DOE funds, adding $5 million to the $20 million request for the Initiatives for Proliferation Prevention Program.

The Clinton Administration requested $475.5 million in DOD funds for CTR programs in FY2000. The Senate approved the full request but the House approved only $444.1 million and eliminated all funding for the construction of a chemical weapons destruction facility. The House Armed Services Committee again expressed its concerns with U.S. funding for Russia’s chemical weapons destruction program, and cited a recent GAO study to question the nonproliferation benefits of such a facility. It mandated, instead, that U.S. assistance seek to improve security at existing chemical weapons storage facilities. The Conference Committee on the FY2000 Defense Authorization Bill approved the Administration’s request for $475.5 million for CTR programs, but it also approved House position precluding funding for the construction of a chemical weapons destruction facility.

The Clinton Administration also requested $205 million for the Department of Energy’s programs FY2000; Congress approved the full $145 million for DOE’s

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[20]U.S. Congress, House, Committee on National Security. National Defense Authorization Act For Fiscal Year 1999. Report 105-532, Washington, D.C. May 12, 1998. p. 352.

MCP&A program. But it reduced the requests for $30 million for the Initiatives for Proliferation Prevention (IPP) program and an additional $30 million for the Nuclear Cities Initiative (NCI) to $25 million for IPP and only $7.5 million for NCI. These reductions reflected the concerns raised in the February 1999 GAO report that questioned DOE's oversight and the effectiveness of the programs.[21]

The Clinton Administration requested $458.4 million for CTR in its FY2001 budget. The Senate Armed Services Committee approved the full amount in its version of the FY2001 Defense Authorization Bill. It did, however, limit the use of funds for the construction of the chemical weapons destruction facility until the Secretary of Defense could certify that Russia was committed to providing at least $25 million per year to help construct and operate the facility; that Russia was committed to destroying all its remaining nerve agent; that other nations were committed to providing funding for the social infrastructure around this facility; and that Russia was committed to destroying its chemical weapons production facilities. The House, in contrast, again eliminated all funding for the chemical weapons destruction facility and provided only $433.4 million for CTR. The House prevailed and the Conference Report authorizes the appropriation of only $433.4 million for CTR and precludes any expenditures on the construction of a chemical weapons destruction facility in Russia. Instead, it expresses the sense of Congress that the international community should do more to help Russia eliminate its chemical weapons in accordance with its obligations under the Chemical Weapons convention.

The Clinton Administration also requested $174 million for the Department of energy's MPC&A program, $22.5 million for the IPP program, and 17.5 million for the NCI program in FY2001. Congress approved the requested funding, and even added several million dollars to the IPP and NCI programs.

The Bush Administration requested $403 million for CTR funding FY2002. Although this represented a reduction of $40 million from FY2001, the funding request did not necessarily represent a decline in support for the CTR program. Several projects, such as the construction of the plutonium storage facility at Mayak, had received the full amount of funding needed in previous years. Therefore, the Administration did not request additional funds in FY2002. The House and Senate both approved the Administration's request, including the request for $50 million for the chemical weapons destruction in Russia. The House did, however, continue to express concerns about this project (these are discussed below.)

The Bush Administration's budget request for FY2002 sharply reduced the planned funding for the Department of Energy's MPC&A program. DOE had planned to request more than $200 million at the end of the Clinton Administration, but the Bush Administration reduced the program to 138.8 million. However, after the September 11 attacks renewed concerns about the possible leakage of nuclear materials from Russia to terrorist organizations, Congress restored the funding to the FY2001 level of around $179 million and added an additional $120 million in the

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[21] U.S. General Accounting Office. Nuclear Nonproliferation: Concerns with DOE's Efforts to Reduce the Risks Posed by Russia's Unemployed Weapons Scientists. GAO/RCED-99-54, February 1999. Washington, D.C.

Emergency Supplemental Appropriations Bill. The Administration, in its budget, also reduced funding for the NCI program to only $6.6 million, and sought to eliminate the program by consolidating it with the IPP program. Congress did combine the two programs into a new Russian Transition Initiative, but it increased funding from the President's request for a total of around $30 million to $42 million, and added $15 million more in the Emergency Supplemental Appropriations Bill.

The Bush Administration also conducted a comprehensive review of U.S. nonproliferation programs with Russia during 2001.[22] Many analysts and observers feared that this review would produce sharp reductions in U.S. assistance to Russia. The President had pledged his support for the programs during the campaign, but some in his Administration had questioned whether they were an efficient use of U.S. defense dollars and an effective way to reduce the threat to the United States. However, after completing the review, the Administration announced that it would increase funding and expand some of the programs in FY2003.[23] Most of the increase, however, would affect the DOE programs. The request for the CTR Program is likely to increase by only around 10%.

Legislative Mandate. Between 1992 and 1995, Congress expanded the mandate of CTR programs beyond the initial efforts to aid in the safe and secure transportation, storage, and elimination of nuclear, chemical, and other weapons. For example, in the Defense Authorization Act for FY1993 (P.L. 102-484, Sec. 1412), Congress indicated that threat reduction programs should also seek to prevent diversion of scientific expertise from the former Soviet Union; facilitate demilitarization of defense industries; establish science and technology centers in Russia and Ukraine; and expand military-to-military contacts between officers in the United States and the former Soviet republics. The mandate expanded further in FY1994 when Congress indicated, in P.L. 103-160, that threat reduction funds could also be used to assist in environmental restoration at former military sites and provide housing for former military officers who had been demobilized as a result of the dismantling of strategic offensive weapons. The Clinton Administration had stated that these types of programs were needed to help convince officials in Ukraine, Kazakhstan, and Belarus to eliminate the nuclear weapons on their territories. In FY1994, Congress also established the Defense Enterprise Fund to facilitate defense conversion efforts by providing grants for joint ventures between U.S. industry and industrial concerns in the former Soviet Union.

The 104th Congress reversed previous trends and reduced the mandate for CTR programs. In the FY1996 Defense Authorization Act, P.L. 104-106, Congress stated that CTR funds could not be used for peacekeeping exercises or to provide housing for military officers. It also denied additional funding for the Defense Enterprise Fund. These restrictions expanded in FY1997 (and remained in FY1998) with added prohibitions on the use of CTR funds for environmental restoration at former military

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[22] Pincus, Walter. U.S. is Reviewing Aid for Russia's Nuclear Programs. Washington Post. March 30, 2001. p. 5.

[23] Allen, Mike. Bush Pledges More Aid For Russian Arms Cuts. Washington Post. December 28, 2001. p. 1.

sites, job retraining, and defense conversion. In the FY2000 Defense Authorization Bill, Congress made these prohibitions permanent.

Congress did, however, expand the mandate for threat reduction programs in other areas in the FY1997 Defense Authorization Act. During debate over that legislation, the Senate passed a new amendment sponsored by Senators Nunn, Lugar and Domenici that added $94 million to DOD and DOE budgets to expand U.S. efforts to contain and control nuclear, chemical and biological weapons in the former Soviet Union. Most of these funds have been allocated to DOE programs that are designed to enhance the safety and security of nuclear materials in the former Soviet Union, and therefore, are not technically a part of the CTR program. Nevertheless, this amendment demonstrated that Congress remained willing to extend U.S. assistance to former Soviet republics when it believed that the effort would ease proliferation risks and enhance U.S. security. This pattern continued in the Defense Authorization Act for FY1999, when Congress allocated $2 million for biological weapons proliferation prevention activities in Russia and authorized the use of CTR funds for emergency assistance to remove weapons of mass destruction or materials and equipment related to these weapons from any of the former Soviet republics.[24]

In the FY2000 Defense Authorization Act, Congress again limited the mandate for the CTR program. For example, the conference committee adopted the House language that eliminated funding for the construction of a facility that would be used to destroy chemical weapons. The House had questioned funding for this facility for several years; in FY2000, its position was bolstered by a GAO report that questioned the cost of this facility and its contribution to U.S. nonproliferation objectives.[25] Congress further limited the mandate for CTR in the FY2000 legislation when it prohibited the use of CTR funds for the elimination of conventional weapons or delivery vehicles intended for conventional weapons. The conferees noted that they believed the CTR program should remain focused on the eliminating the theat from weapons of mass destruction.

Oversight and Reporting Requirements. Congress has expanded its oversight of expenditures on CTR projects over the years. In FY1992, Congress did not specify how the Bush Administration should spend any of the $400 million that it had provided under the Nunn-Lugar Amendment. By FY1995, Congress had begun to approve or reject funding requests in each of the program areas identified in the Administration's budget. Congress has also added many reporting requirements to the legislation over the years. For example, in FY1992, Congress indicated that the

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[24]DOD has used CTR funds for this purpose in several instances, without specific congressional authorization. For example, in November 1997, the United States purchased 21 nuclear-capable MIG-29 aircraft from the Republic of Moldova. The United States feared that Moldova might sell these aircraft to a nation seeking nuclear delivery capabilities. In April 1998, using CTR funds, the United States and Great Britain worked with the Georgian government to move 8.8 pounds of highly enriched uranium and 17.6 pounds of highly radioactive spent fuel from a nuclear reactor outside Tbilisi, Georgia to Dounreay, Scotland.

[25] U.S. General Accounting Office. Weapons of Mass Destruction: Effort to Reduce Russian Arsenal May Cost More and Achieve Less than Planned. GAO/NSIAD-99-76. Washington, D.C. April 1999.

Administration should provide at least 15 days notice prior to obligation of funds to specific projects. By FY1995, Congress had mandated that the Administration provide, among other things, audit and accounting reports for U.S. assistance in the recipient nations, reports on compliance with arms control agreements, and a report on the multiyear plans for the CTR program. Furthermore, during debate over the FY2000 Defense Authorization Bill, the Senate expressed concerns about Russia's financial commitment to the CTR programs and about other areas of Russia's nuclear weapons programs. As a result, it requested that the Administration inform Congress whenever Russia asks the United States to absorb a greater portion of the costs for specific projects. It also required the Administration re-submit certifications on arms control compliance and weapons modernization that had been required by earlier versions of the legislation.

Issues For Congress

Program Implementation

Pace of Implementation. The slow pace of implementation proved to be the key concern for Congress during the first few years of CTR efforts. The Bush Administration spent less than $30 million during the program's first year. After three years, the Bush and Clinton Administrations had obligated $434 million but spent only around ten percent of the $1.2 billion that Congress had appropriated for CTR efforts.[26] Authority to spend $329 million of the original $1.2 billion had lapsed by the end of 1994.

Analysts have highlighted several factors that slowed the process of obligating funds for CTR projects during the program's early years. First, some have noted that the Bush Administration did not support the program, believing it was premature and that U.S. defense funds would be better spent on U.S. defense programs. Although the Bush Administration sent negotiating teams to Moscow for protracted discussions, it did little to identify specific projects until Congress grew restless with the inaction.[27]

Another source of delay was the negotiation of umbrella agreements with the recipient nations, a process that took several years to complete. Congress authorized U.S. assistance in late 1991; the agreement with Russia was signed in June 1992, with Belarus in October 1992, with Ukraine in October 1993, and with Kazakhstan in December 1993.[28] Negotiations on agreements for specific CTR projects have also

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[26]Most of these obligations and expenditures occurred during 1994. See Lockwood, Dunbar. Getting Down to Business. Bulletin of the Atomic Scientists, v. 51, January/February 1995. P. 12. See also, Fact Sheet: Preventing Nuclear Smuggling. U.S. Congress, Arms Control and Foreign Policy Caucus. October 21, 1994. p. 2.

[27]Wilson, Heather. Missed Opportunities: Washington Politics and Nuclear Proliferation. The National Interest, v. 34, Winter 1993/1994. p. 29.

[28]For a detailed description of the process leading up to the signing of the umbrella (continued...)

proven to be time consuming. The United States has had to identify responsible officials in newly independent states where lines of authority and responsibility have not always been clear. In addition, the United States has had to overcome the suspicions of many of these officials to convince them that they should accept U.S. assistance.[29] In some cases, these officials were unwilling to allow U.S. access to sensitive nuclear facilities in Russia unless the U.S. allowed Russian officials reciprocal access at U.S. facilities.

Even after the United States completed agreements with the recipient nations, it was unable to accelerate the obligation and expenditure of CTR funds because most of the funds were to be used to pay U.S. contractors who would then undertake the projects in the recipient nations. For several years, the Department of Defense used its standard contracting procedures to seek proposals and award contracts for these projects. In early 1994, the Department of Defense established a separate CTR program office to expedite the contracting process.

This change, along with the political commitment expressed by the Clinton Administration and the completion of negotiations with the recipient nations, have accelerated the CTR program. Obligations have increased from around $100 million in early 1994 to over $2.6 billion in January 2001. The rate of expenditures has also accelerated, with nearly $2 billion expended through the end of the year 2000. Table 2 summarizes the amount of money allocated to projects in each of the recipient nations in early January 2002.

Table 2. Allocation of CTR Funds by Recipient Nation

(in millions)

	Notified	Obligated	Expended
Russia	2,320	1,818	1,367
Ukraine	661.7	592	537.3
Belarus	70.0	69.4	68.7
Kazakhstan	163.5	156	147.6
Other	333.6	291	260

Source: CTR Program Office, Department of Defense

Accountability. Congress has also expressed concerns about the U.S. ability to account for funds spent on CTR projects. Because Congress saw few results in the early years, some worried that CTR funds were being squandered on airplane tickets

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[28](...continued)
agreements, see CRS Report 94-985, The Nunn-Lugar Program for Soviet Weapons Dismantlement: Background and Implementation, by Theodor Galdi. p. 8-11.

[29]Stern, Jessica E. U.S. Assistance Programs For Improving MPC&A in the Former Soviet Union. The Nonproliferation Review, Winter 1996. p. 18.

and hotel rooms for U.S. delegations to Moscow.[30] In addition, in 1994, the General Accounting Office reported that the United States had yet to conduct any audits or examinations to confirm that CTR funds were being used in the intended manner.[31] As a result, in the FY1995 Defense Authorization Act, Congress mandated that the Secretary of Defense submit a report on U.S. efforts to ensure that assistance provided under CTR programs "is fully accounted for and that such assistance is being used for its intended purposes."[32]

In a study published in 1995, the General Accounting Office reported that the United States had begun to conduct audits and examinations of CTR projects in Russia and Ukraine.[33] But this same study raised new questions about the use of U.S. assistance when it reported that some scientists who received grants from the International Science and Technology Centers (ISTC) "may also continue to be employed by institutes engaged in weapons work."[34] GAO interpreted this finding to mean that the centers had not succeeded in redirecting weapons scientists to peaceful endeavors. Other critics of the CTR program claimed that GAO's findings indicated that, by supporting Russian weapons scientists, U.S. funds were supporting Russian weapons programs.

The State Department disputed both of these conclusions, noting that the grants from the ISTC were intended to supplement, not replace the scientists income from work in other institutes. This was a not a defense conversion project, but a nonproliferation program that sought to provide weapons scientists with added income from work on peaceful projects so that they would not sell their knowledge and skills to nations outside the former Soviet Union. And the State Department claimed that the United States could be sure that the scientists were not using ISTC grants to support their work at defense-related institutes.

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[30]In response to these concerns, Senator Hank Brown requested a review by the General Accounting Office. See U.S. General Accounting Office. Soviet Nuclear Weapons: Priorities and Costs Associated with U.S. Dismantlement Assistance. GAO/NSIAD-93-154, March 1993. Washington, D.C. p. 4-8.

[31]U.S. General Accounting Office. Weapons of Mass Destruction: Reducing the Threat from the Former Soviet Union. GAO/NSIAD-95-7, October 1994. Washington, D.C. p. 7.

[32]U.S. Congress. House. National Defense Authorization Act for Fiscal Year 1995. Conference Report, 103-701, 103d Congress, 2d Session. Washington, G.P.O., August 12, 1994. p. 226.

[33]U.S. General Accounting Office. Weapons of Mass Destruction, Reducing the Threat From the Former Soviet Union: An Update. GAO/NSIAD-95-165, June 1995. Washington, D.C.

[34]U.S. General Accounting Office. Weapons of Mass Destruction, Reducing the Threat From the Former Soviet Union: An Update. GAO/NSIAD-95-165, June 1995. Washington, D.C. p. 27.

Value of U.S. Assistance Under CTR

Relationship to U.S. National Security. The Clinton Administration states that the CTR program has helped the United States achieve "some tremendous gains ... toward ensuring our security by helping to eliminate weapons that could be aimed at us and by helping to prevent weapons proliferation to hostile countries."[35] To support this conclusion, the Administration cites numerous developments, including the complete withdrawal of nuclear weapons from Ukraine, Belarus, and Kazakhstan; the accelerated reductions of strategic offensive weapons in Russia, the enhancement of safety, security, and control of fissile material and weapons in Russia; the transfer of 600 kilograms of enriched uranium from insecure facilities in Kazakhstan to secure facilities in Oak Ridge, Tennessee; and the increases in transparency and understanding afforded by the cooperation among military officials from all the participating nations.[36]

Some supporters of the CTR have argued that the projects have not done as much as they could to advance U.S. national security interests because they focused more on security and control over nuclear *weapons* than on the security and control of *materials* that can be used to make nuclear, chemical, or biological weapons. They note that, in relative terms, these materials are in a far more precarious position than nuclear weapons and that proliferation resulting from the leakage of materials out of the Soviet Union is a far more likely threat to the United States than proliferation from the illegal sale or transfer of warheads. They believe that terrorist groups or nations such as Libya and Iran might use these materials to develop their own weapons of mass destruction.[37] In response to these concerns, Senators Nunn, Lugar, and Domenici sponsored an amendment to the FY1997 Defense Authorization Bill that would expand funding, through both the CTR programs and Department of Energy programs, for efforts to secure and control fissile and other materials that pose a proliferation risk.[38] And, as was noted above, a recent report by a DOE Task Force called for a further expansion of these efforts to address "the greatest unmet national security threat"to the United States.

On the other side of the debate, some observers, both in Congress and outside government, have argued that the CTR programs could diminish U.S. national

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[35]U.S. Department of Defense. Cooperative Threat Reduction. April 1995. Washington, D.C., p. 1.

[36]U.S. Department of Defense. Annual Report to the President and Congress. William Perry, Secretary of Defense, March 1996. Washington, D.C., 1996. p. 67-68.

[37]Mann, Paul. Post-Cold War Nightmare. Aviation Week and Space Technology, v. 144, June 17, 1996. p. 58-63. See also Senator Sam Nunn, Opening Statement, Senate Permanent Subcommittee on Investigations, Hearings on Global Proliferation of Weapons of Mass Destruction and Illicit Trafficking of Nuclear Materials. March 13, 1996.

[38]Senator Lugar stated "If the United States is to have any chance of stopping the detonation of a weapon of mass destruction on our soil, prevention must start at the source, the weapons and materials depots and research institutions in the former Soviet Union." Congressional Record, v. 142, June 26, 1996. p. S6990.

security by subsidizing the Russian defense establishment. During the debate over CTR funding for FY1997, Representative Solomon stated that "if we are giving them this money, it is freeing up other money" and he added that "we are subsidizing the Russian Government to dismantle old nuclear missiles while they are still in the process of modernizing and building up other nuclear missiles." Representative Hunter summarized this point of view when he asked, "does it make sense for us to subsidize the Soviet Union to the tune of some $300 million?"[39] Secretary of Defense Rumsfeld appeared to share these concerns during his confirmation process in January 2001 when he said that Russia should not request additional funding for weapons dismantlement while it continued to build new weapons.

Although the debate over this issue has calmed in recent years, some Members of Congress remain concerned. For example, in its report on the FY1999 Defense Authorization Act, the House National Security Committee noted that it remained concerned about Russia's willingness to eliminate weapons systems without U.S. assistance, in spite of its START I Treaty obligations and in light of the fact that it continued to spend its own resources on strategic offensive arms modernization programs.[40] In addition, Congress prohibited funding for a chemical weapons destruction facility in the FY2000 Defense Authorization Act, in large part because a GAO study had raised questions whether that this facility would further U.S. nonproliferation objectives, and, therefore, enhance U.S. national security. The GAO study also raised questions about the plutonium storage facility at Mayak, and noted that the United States "lacked clear assurances" from Russia that this facility would house nuclear materials removed from weapons that had threatened the United States. As a result, Congress conditioned U.S. funding for a second wing at this facility on U.S.-Russian agreement on transparency measures that would provide these assurances.

Those who support the CTR programs have argued that U.S. funds are not supporting the Russian defense industry or other Russian military and foreign policy activities. They note that the United States does not provide Russia with cash that it can divert to these efforts; it provides technology, expertise, and other in-kind assistance for specific projects.[41] These analysts also contend that, without U.S. assistance, Russia would simply choose not to pursue the safe and secure elimination of its older nuclear weapons while continuing to spend its own funds to modernize its forces or pursue other military goals and foreign policy goals.[42] Hence, the CTR

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[39]Congressional Record, v. 142, May 15, 1996. p. H5070-H5071.

[40]U.S. Congress, House, Committee on National Security. National Defense Authorization Act For Fiscal Year 1999. Report 105-532, Washington, D.C. May 12, 1998. p. 350.

[41]Senator Nunn has stated that "we are not furnishing cash to the Russians. They do not have any way to convert this cash to their own defense programs that do not relate to this. They are basically being furnished equipment and know-how for a specific purpose." Congressional Record, v. 142, June 26, 1996, p. S6996.

[42]Responses to Questions for the Record. Provided by the Office of the Assistant Secretary of Defense (International Security Policy), Special Coordinator for Cooperative Threat (continued...)

program has provided Russia and the other recipient nations with an incentive to pursue denuclearization efforts that are a high priority for the United States.

Relationship to Key Program Objectives. Some observers dispute the Clinton Administration's positive assessment of the value of CTR assistance by noting that the program has failed to result in the verified dismantlement of any nuclear warheads.[43] The Clinton Administration and other supporters of the CTR programs have responded to this criticism by stating the "CTR program never set out to dismantle warheads directly." The goal was, instead, to *facilitate* in the "transportation, storage, safeguarding and destruction of nuclear and other weapons."[44] And officials in Russia have repeatedly insisted that they have the means to dismantle their warheads themselves and, therefore, do not need U.S. assistance with that effort.

Even those who do not use the single measure of dismantled warheads have questioned whether U.S. assistance has achieved the goals that the Clinton Administration attributed to the program. For example, the Clinton Administration argued that CTR assistance has resulted in the complete denuclearization of Ukraine, Kazakhstan, and Belarus. But others point out that most CTR projects were in their early stages when these nations gave up the nuclear weapons on their territories, so the amount of CTR money actually expended (as opposed to the amount obligated to those projects) was too low to have produced significant results. Russia had also eliminated many of its strategic offensive forces covered by the START I Treaty before it received much assistance from CTR programs. The General Accounting Office highlighted this point in its 1995 report, stating that "to date, the *material impact* (emphasis added) of the aid actually delivered by the CTR program's destruction and dismantlement projects has generally been limited."[45]

The Clinton Administration contended that GAO's measure of material impact understates the effects of the CTR program because it does not measure the effect that U.S. assistance had in demonstrating the high priority the U.S. places on the safe and secure elimination of these weapons. It also did not measure the effect that

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[42](...continued)
Reduction, to the Senate Armed Services Committee, Subcommittee on Strategic Forces, March 1996.

[43]At least one analyst has stated that warhead dismantlement should be the key measure of success for U.S. assistance because Dr. Ashton Carter, who later served as the Assistant Secretary of Defense responsible for CTR policy, had proposed such a goal in an academic study he authored before he joined the Clinton Administration. See Rich Kelly. The Nunn-Lugar Act: A Wasteful and Dangerous Illusion. CATO Institute Foreign Policy Briefing, no. 39, March 18, 1996. p. 3.

[44]U.S. Department of Defense. Cooperative Threat Reduction. April 1995. Washington, D.C. p. 19-20.

[45]U.S. General Accounting Office. Weapons of Mass Destruction, Reducing the Threat from the Former Soviet Union: An Update. GAO/NSIAD-95-165, June, 1995. Washington, D.C. p. 12.

promises of U.S. assistance might have had on political decisions in recipient nations. For example, the Administration noted that the promise of U.S. assistance under the CTR program played a significant role in convincing leaders in Ukraine, Belarus, and Kazakhstan to eliminate all nuclear weapons on their territories. These three nations had each agreed to return their nuclear weapons to Russia in the 1992 Lisbon Protocol to the START I Treaty, but each began to question this commitment and all voiced concerns about the costs of eliminating the delivery vehicles and basing facilities for these weapons.[46] After the Clinton Administration promised that the United States would provide assistance with the costs of deactivating and dismantling their weapons if the nations resumed their commitment to become nuclear-free, each of these nations approved the START Treaty, joined the NPT as non-nuclear weapons states, and proceeded to return the warheads on their territories to Russia.

The Clinton Administration acknowledged, as GAO noted, that Russia began eliminating its strategic offensive weapons under START I even before it began receiving U.S. assistance. And it did not dispute those who state that Russia probably has the resources to comply with START I without U.S. assistance. But Clinton Administration officials noted that U.S. assistance can ensure that the reduction process takes place in the "safest and most secure manner possible."[47] U.S. assistance can also accelerate the reduction process and help Russia reach the treaty limits earlier than it could by itself.

Scope of the CTR Programs

As was noted above, the Clinton Administration has divided the CTR program into three distinct project areas: destruction and dismantlement; chain of custody; and demilitarization.[48] Early projects — such as the provision of storage containers, bullet-proof blankets, and secure rail cars — were chain of custody efforts. Many projects that received significant funding in recent years focused on strategic offensive arms elimination and other dismantlement and destruction activities. To date, funding for demilitarization efforts has been relatively low and Congress has refused to fund some projects in this area. This is discussed in more detail below.

Several factors have affected the balance of funding among CTR program areas. For example, the focus of U.S. efforts has shifted as time has passed. Early projects

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[46]For more details on the views in these nations and the efforts to convince them to eliminate the nuclear weapons on their territories, see CRS Issue Brief 91144, Nuclear Weapons in the Former Soviet Union: Location, Command and Control, by Amy F. Woolf, updated regularly. p. 4-9.

[47]See the Statement of Undersecretary of Defense, Walter Slocombe in U.S. Congress. Senate. Committee on Armed Services. National Security Implications of U.S. Ratification of the Strategic Arms Reduction Treaty — START II. Hearing, 104 Congress, 1st Session. May 17, 1995. Washington, G.P.O., 1996. P. 11.

[48]In its FY1998 budget request, the Clinton Administration sought $210 million for destruction and dismantlement projects; $100.7 million for chain of custody activities; $41 million for reactor core conversion; and $30.5 million for military contacts and other program support. Demilitarization projects are included in this last category.

assisted the safe and secure transportation of warheads out of the non-Russian republics, a process that is now complete. In recent years, a significant portion of U.S. funding has assisted with elimination of the missiles and launchers that once carried these warheads. This effort may also wind down in a few years, when all four recipient nations complete their reductions under the START I Treaty, but it could resume in the future if the Russian parliament approves the START II Treaty and the United States provides funding to help Russia eliminate weapons covered by that agreement.

Some analysts argue that these funding outcomes reflect political and organizational, as much as policy priorities.[49] For example, although CTR programs are an interagency effort, some analysts believe the Department of Defense has more influence than other agencies because its budget contains the funds for CTR programs. Because the Department of Defense has preferred to focus on dismantlement and destruction activities, these efforts have received the most CTR funding in recent years.[50]

The preferences and priorities of officials in the recipient nations have also affected the funding for CTR programs. For example, officials in the non-Russian republics indicated that they could not eliminate the nuclear weapons on their territories unless they received financial assistance for this effort. As a result, CTR funding for strategic offensive arms and nuclear infrastructure elimination has grown in recent years. At the same time, although the United States would have liked to allocate more funds for chain of custody efforts, officials in Russia did not share this priority. The United States experienced particular difficulties gaining cooperation from the Ministry of Atomic Energy (MINATOM), which is responsible for nuclear materials and facilities in Russia. Several analysts have noted that officials at MINATOM have been unwilling to give the United States access to sensitive facilities where most nuclear materials are stored.[51]

Officials in Russia have also taken steps that slowed the implementation of some projects. For example, the United States is helping Russia design and construct a facility at Mayak, near the Russian city of Chelyabinsk, to store materials and components from nuclear weapons. It has allocated $15 million to help design the facility and $330 million for construction, but this project has been delayed several

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[49]For example, the decision to provide blankets, storage containers, and rail cars came from "a laundry list compiled largely of notions picked up from cocktail party conversation with members of the Russian delegation. The intent was not to promote U.S. security interests, but to make some progress that was politically sustainable with the Congress." See Wilson, Heather. Missed Opportunities: Washington Politics and Nuclear Proliferation. The National Interest, v. 34, Winter 1993/1994. p. 29.

[50]See, for example, the discussion in Ellis, Jason D. Nunn-Lugar's Mid-Life Crisis, forthcoming, Survival, Winter 1996/7. p. 17.

[51]See U.S. General Accounting Office. Weapons of Mass Destruction. Reducing the Threat from the Former Soviet Union: An Update. GAO/NSIAD-95-165, June 1995. Washington, D.C., pp. 24-25. See also, Jessica E. Stern. U.S. Assistance Programs for Improving MPC&A in the Former Soviet Union. The Nonproliferation Review. Winter 1996. p. 17-32.

times. Officials in Russia altered the design plans and the two sides were unable to agree on the details of the final design or construction schedules for the facility. In early 1997, Clinton Administration officials noted that the two sides had resolved many of these issues and construction was proceeding. However, they noted that the project could slow again because MINATOM had not been able to provide its full financial contribution to the project and because the two nations had not reached an agreement on transparency measures that would assure that materials stored in the facility remained there.

The congressional debate over CTR funding in recent year has indicates that some in Congress disagree with the Clinton Administration's priorities for CTR programs. For example, concerns about DOD's priorities were part of the reason that Congress expanded funding for DOE programs directly in the FY1997 Defense Authorization Act. The following discussion highlights some of the specific differences in priorities.

Dismantlement and Destruction Activities. Most Members of Congress continue to support U.S. assistance with the dismantlement and destruction of nuclear and other weapons in the former Soviet Union. Some, however, have questioned whether the United States needs to provide so much assistance on some projects that may not have direct implications for U.S. national security. Specifically, some Members have questioned whether the United States should help fund the elimination of Russia's chemical weapons. In FY1998 and FY1999, the House cut out funding for the chemical weapons destruction facility; the funds were restored by the Conference Committee. In its report on the FY1999 Defense Bill (H.Rept. 105-532), the House noted that it believed strategic offensive arms elimination should take priority over chemical weapons destruction because Russia's chemical weapons stockpile does not pose a direct security threat to the United States.[52] Members who support U.S. assistance for chemical weapons destruction note that it does contribute to U.S. security, both by reducing the threat from Russian weapons and by supporting Russian compliance with the international Chemical Weapons Convention. Nevertheless, in FY2000and FY2001, the Conference Committee adopted the House position and eliminated funding for the chemical weapons destruction facility. Congress did, however, approve the Bush Administration's request of $50 million for chemical weapons destruction activities, including $35 million for the construction of the chemical weapons destruction facility in Russia, in the FY2002 budget. The House Armed Services Committee continued to express concerns about this project, but appeared willing to proceed as long as Russia maintained its financial commitment to the effort and as long as the international community appeared willing to help with funding. The Bush Administration has indicated that it will request an increase in funding for this effort in FY2003.

Chain of Custody Activities. Most Members of Congress also believe that chain of custody projects generally serve U.S. interests by reducing the risks of proliferation. Some have, however, questioned the U.S. approach to implementing these projects, in part because large sums of money have been obligated with few

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[52]U.S. Congress, House, Committee on National Security. National Defense Authorization Act For Fiscal Year 1999. Report 105-532, Washington, D.C. May 12, 1998. p. 352.

apparent results. In addition, some questioned the need for added funds in these areas because the United States and Russia had not yet concluded agreements needed to implement some of the projects. Nevertheless, Congress approved the Administration's FY1998 request for $100.7 million for chain of custody activities. These funds will be used to support the design and construction of the fissile materials storage facility at Mayak, the provision of containers that will hold the stored fissile materials, and improvements in security at weapons storage areas.

Some in Congress believe that the Administration has devoted too few resources to ensuring the safety and security of materials that could be used to produce nuclear, chemical, or biological weapons. This concern, and questions about the U.S. ability to deter or respond to terrorist attacks with these weapons, prompted Senators Nunn, Lugar, and Domenici to sponsor the Defense Against Weapons of Mass Destruction Act of 1996. Although Administration officials testified that they did not need additional funds for CTR programs, this legislation added $37 million to the CTR budget. The added funds supported materials protection, control, and accounting projects and efforts to dismantle facilities that had produced chemical and biological weapons.[53] Congress approved an additional $20 million in DOD funds in FY1998 for the dismantlement of chemical and biological weapons facilities and $137 million in DOE funds in FY1998 for materials protection, control, and accounting projects. In FY1997, Congress also mandated that DOD use $10 million to support a DOE project that will help Russia design a nuclear power reactor to replace a reactor that had both generated power and produced plutonium for nuclear weapons. Although the House initially rejected added funding for this project, Congress eventually approved the requested $41 million for this effort in FY1998. The House also approved the Administration's request for $29.8 million for this project in FY1999, although it noted that management had moved back to DOD and that it believed responsibility for the program should reside in DOE.

Demilitarization Programs. Congress added demilitarization programs to the CTR mandate in FY1993. Most Members continue to support funding for the International Science and Technology Centers in Moscow and Kiev[54]. But, many have been critical of projects designed to convert plants in Russia's defense industry to peaceful endeavors. Some believe that this funding will simply subsidize the Russian defense industry and would rather use the funds for defense conversion or other projects in the United States. In addition, in its 1995 report, the General Accounting Office found that most CTR defense conversion efforts were "converting dormant facilities that once produced items related to weapons of mass destruction," rather than eliminating current production capacity.[55]

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[53]Congress also added $57 million to the $95 million requested by the Department of Energy for its materials protection, control and accounting programs in Russia. In addition to supporting programs already in the budget, DOE can use these funds to demonstrate a verification technology that can be used to account for the plutonium removed from nuclear warheads.

[54]Since FY1996, funding for these Centers has been included in the State Department Budget.

[55]U.S. General Accounting Office. Weapons of Mass Destruction, Reducing the Threat from (continued...)

The Clinton Administration responded to these criticisms by noting that defense conversion projects at dormant facilities would reduce pressure on Russia to reopen these plants and either rearm itself or sell high-tech weapons abroad. In addition, U.S. assistance was never designed to convert all of Russia's defense industry to civilian purposes, but, instead, to promote conversion by encouraging U.S. investment in Russian enterprises. Congress was not swayed by these arguments. The FY1998 Defense Authorization Act contains an amendment that prohibits the use of funds in the CTR budget for defense conversion in the former Soviet Union. But ongoing projects that use private corporate funds or are funded through the Defense Enterprise Fund or DOE's Industrial Partnering Program will continue.

Congress has also strongly opposed the use of CTR funds for housing construction and environmental restoration projects. In support of these projects, Secretary Perry noted that several former Soviet republics have laws that prohibit the demobilization of military units unless there is civilian housing for the officers retiring from that unit. But these new nations suffer from severe housing shortages. So, without assistance in the construction of housing, the recipient nations would not have been able to complete the deactivation and elimination of nuclear weapons on their territories.[56] Secretary Perry noted similar reasons for U.S. assistance with environmental restoration at former nuclear weapons facilities. Both Ukraine and Belarus claimed that the Soviet Union had seriously undermined the environment when establishing nuclear missile bases in their nations. As a result, these nations sought U.S. assistance with both weapons deactivation and environmental restoration as a part of the effort to eliminate those bases.

Many in Congress were not convinced by these arguments. They have argued that the funds could be better used for projects in the United States; some suggested that the funds could provide housing for U.S. veterans who lack sufficient resources. As a result, Congress banned the use of CTR funds for housing construction or environmental restoration in the FY1996, FY1997, and FY1998 Defense Authorization Acts.[57]

Russia's Financial Commitment to CTR Projects

Both supporters and critics of the CTR program have noted that final costs of some projects could grow as the projects proceed. In addition, they have noted that, in many cases, Russia seems less willing, or able, to commit resources to these projects than does the United States. As a result, some have expressed concerns that the United States could end up paying far more than it intended to complete projects

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[55](...continued)
the Former Soviet Union: An Update. GAO/NSIAD-95-165, June 1995. Washington, D.C. p. 30.

[56]U.S. Department of Defense. Cooperative Threat Reduction. April 1995. Washington, D.C., p. 18.

[57]These prohibitions are in Section 1503 of the FY1997 Defense Authorization Act. See Congressional Record, v. 142, July 30, 1996. p. H9708.

that were initiated with the expectation that Russia would contribute a substantial portion of the funding. The Clinton Administration has acknowledged that Russia's economic weakness may limit its contribution to some CTR projects, but it does not agree that the United States will end up footing Russia's portion of the bill.

Nevertheless, Congress included several provisions in the FY1998 Defense Authorization Act that are designed to limit the size of the U.S. contribution to some projects and to ensure that Russia contributes its own resources. For example, Section 1404 of the FY1998 Defense Authorization Act states that no FY1998 CTR funds can be obligated or expended on strategic offensive arms elimination projects in Russia that are related to the START II Treaty until the Secretary of Defense certifies that Russia has agreed to share the costs for the projects. This provision responded not only to concerns about Russia's willingness to commit its own resources to the arms elimination process, but also to lingering concerns about Russia's strategic modernization programs.[58] As was noted above, some Members of Congress believe that U.S. dismantlement assistance is "subsidizing" Russia's modernization programs because Russia can direct its resources towards modernization while the United States pays to eliminate its older weapons systems.

Congress has also sought to limit the U.S. contribution to the construction of the plutonium storage facility at Mayak. The United States had stated that it planned to limit its contribution to $275 million, but Russia has not agreed on that amount and Russia has been unable to provide its portion of the funding thus far.[59] As a result, Section 1407 of the FY1998 Defense Authorization Act states that FY1998 CTR funds cannot be obligated or expended on this project until the United States and Russia reach an agreement that specifies the total cost to the United States for this project.[60]

Linkage Between U.S. Assistance and Russian Policies

Virtually all supporters and critics of the CTR programs agree that U.S. assistance should be linked, in some way, to policies in the recipient nations. Many disagree, however, on which activities should be linked to U.S. assistance and how high the standards for behavior should be.

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[58]U.S. Congress. House. National Defense Authorization Act for Fiscal Year 1998. Report of the Committee on National Security, 105-132, 105th Cong. 1st Sess. Washington, June, 16, 1997. p. 413-414.

[59]U.S. Congress. House. National Defense Authorization Act for Fiscal Year 1998. Report of the Committee on National Security, 105-132, 105th Cong. 1st Sess. Washington, June, 16, 1997. p. 417.

[60]Section 1407 also precludes the obligation or expenditure of FY1998 funds on the Mayak facility until the United States and Russia conclude a transparency agreement that would permit the United States to monitor the quantities and types or materials stored at the facility. U.S.-Russian negotiations on this issue have yet to produce an acceptable agreement.

Requirements in Current Legislation. When Congress first passed the Nunn-Lugar amendment in 1991, it mandated that the President certify annually that each of the recipients is committed to:

- making a substantial investment of its own resources for dismantling or destroying nuclear, chemical, and other weapons;
- forgoing any military modernization that exceeds legitimate defense requirements or is designed to replace destroyed weapons of mass destruction;
- forgoing the use of fissile materials and other components from destroyed nuclear weapons in new nuclear weapons;
- facilitating U.S. verification of weapons destruction that uses U.S. money;
- complying with all relevant arms control agreements; and
- observing internationally recognized human rights, including the protection of minorities.

Through FY1997, the Clinton Administration consistently certified that each of the recipient nations — Russia, Ukraine, Belarus, and Kazakhstan — met these conditions. The Administration withdrew its certification for Belarus for FY1998 because that nation has demonstrated a pattern of human rights abuses.[61] Some observers have, nonetheless, questioned the Administration's certifications. The debate results, in part, from the fact that the President must certify that each of the recipient nations is *committed* to the actions specified in the conditions. Some observers argue that this formulation leaves too much room for interpretation because the Clinton Administration can base its certification on statements by Russian leaders, rather than actual events or activities.

For example, the Clinton Administration acknowledges that, at the present time, some Russian activities raise questions about compliance with the Biological Weapons Convention and the bilateral Chemical Weapons Data Exchange and Destruction Agreements.[62] But the Administration certified that Russia had satisfied the condition

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[61]The Administration has also stated that it will certify all the other former Soviet republics, with the exception of Tajikistan, so that they can participate in CTR projects. Congress authorized the expansion of the program to these other states in the FY1997 Defense Authorization Act. The Administration expects these states to participate in programs offering military-to-military contacts.

[62]Senator Kyl proposed an amendment to the FY1998 Defense Authorization Bill that would have required the United States and Russia to resolve all compliance issues related to the bilateral Chemical Weapons Data Exchange and Destruction Agreements before Russia could receive any CTR funds. The Clinton Administration objected to this language, arguing that the destruction of Russia's CW capability was in the U.S. interest and that Russia was committed to complying with the requirements of the bilateral agreements. The final text of the Defense Authorization Act addressed these concerns by requiring that the United States

(continued...)

that it comply with all relevant arms control agreements by highlighting the extensive steps Russia has taken to comply with START I and other treaties and by referring to statements that President Yeltsin had made, both publicly and privately, about his *commitment* to resolve outstanding questions on the other treaties. In another example, the Clinton Administration has pointed to the ongoing political reforms in Russia as evidence that Russia is committed to observing internationally recognized human rights, but many other observers have argued that Russia continues to oppress its minorities, with the 1996 conflict in Chechnya as the primary example.

In some cases, critics argue that the United States does not have enough information to draw the conclusions needed in the certifications. For example, the Clinton Administration certified that Russia was not using fissile materials from dismantled weapons in new weapons because Russia has agreed to sell the United States 500 metric tons of uranium from nuclear weapons. But many observers have noted that this represents a small proportion of the highly enriched uranium that the Soviet Union produced over the years. And the United States has no way of knowing what Russia is doing with the rest of the uranium, regardless of any verbal assurances received from the Yeltsin government. Similarly, the Clinton Administration has noted that Russia does not plan to reuse plutonium from eliminated weapons because it has sought U.S. assistance with the construction of a long-term storage facility for this material. Russian officials have stated that they did not need such a facility when they were reusing materials in new weapons. But, many observers have noted that the United States does not know how much plutonium the Soviet Union produced, so it will never know whether the plutonium placed in the storage facility came from old stockpiles or dismantled warheads.

In some cases, critics have questioned the conditions in the current legislation because they allow the recipient nations to pursue activities that can threaten U.S. national security. For example, when certifying that recipient nations are using their own resources to eliminate nuclear and other weapons, the Administration has pointed to the progress that these nations have made in reducing their weapons under the START I Treaty. But some observers charge that Russia, in particular, must not be committing enough of its own resources to weapons dismantlement because it has continued to commit resources to weapons modernization programs. They argue, similarly, that these ongoing modernization programs indicate that Russia is not satisfying the condition that it forgo any military modernization that exceeds legitimate defense requirements. Critics claim that two programs in particular — the continuing production of the follow-on to the SS-25 ICBM (now designated the SS-27 ICBM) and reports of continuing work on a huge underground military complex at Yamanatau in the Urals Mountains — provide evidence of excessive military modernization in Russia.

The Clinton Administration agreed that Russia was modernizing its ICBM force with the new, single-warhead SS-27 missile, but it argues that this program is neither prohibited by nor inconsistent with Russia's obligations under arms control treaties. To the contrary, the United States has tried to craft arms control agreements so that

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[62](...continued)
and Russia make "substantial progress" in resolving compliance questions.

the Soviet Union (now Russia) would replace its large, multiple warhead missiles with single-warhead systems. This is because most analysts believe single-warhead missiles do not pose the same destabilizing first strike threat as multiple warhead systems. And, because Russia has to eliminate so many multiple warhead missiles under START II, it can only keep its forces at the levels permitted by that treaty if it produces new single-warhead systems. With respect to the underground facility at Yamanatau, the Clinton Administration has noted that this project seems misplaced in light of Russia's economic crisis, but it does not believe the complex is a threat to the United States at this time.

Proposals for Changes in the Linkage between U.S. Assistance and Russian Policies. Several members of Congress and analysts outside government have suggested changes in the certification process and new links between U.S. assistance under the CTR program with Russian behavior in a number of areas.

Stricter Standards for Certification. Some have proposed that Congress alter the certification process by removing the "committed to" section of legislation. This change could reduce the Administration's flexibility when determining whether recipients should continue to receive U.S. assistance because the certification might have to reflect ongoing activities, without reference to stated intentions by officials in the recipient nations. For example, the United States would have to certify that the recipient nations were actually complying with all arms control agreements, not just committed to such compliance. Although Congress has not adopted this change for all arms control efforts, it did, in the FY1999 Defense Authorization Act, block expenditures on chemical weapons and biological weapons projects until the Administration provides such certifications with respect to chemical weapons and biological weapons agreements, or until the Administration certifies that these projects are in the U.S. national security interest.

Some have also proposed that Congress alter the legislation so that the United States would have to certify that Russia had ceased all nuclear modernization programs without reference to whether the U.S. deems the programs to be in excess of legitimate defense requirements. Those who favor this approach see it as a response to concerns about whether U.S. assistance is subsidizing ongoing military programs in Russia.[63]

Some supporters of CTR programs have objected to these proposed changes. They note that strict compliance with arms control agreements is an elusive objective. The United States and Russia often have questions about the other side's compliance records; most of the perceived problems are not central to the treaty's objectives or significant enough to justify a disruption in ongoing CTR projects. And some have noted that CTR projects, such as the construction of a chemical weapons destruction facility, could actually help the recipient nations meet their arms control obligations.

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[63]In the debate over CTR programs in the FY1997 Defense Authorization Bill, Representative Solomon stated, "What we are doing is financing their remodernization of a new class of weapons; they are tearing down the obsolete silos, building new ones with our money so that these warheads that they are not abolishing or doing away with can be remounted. We should not be paying for it." Congressional Record, v. 142, May 15, 1996. p. H5075.

Cutting off assistance in response to question's about Russia's compliance to date with chemical weapons agreements could actually prove counterproductive. CTR supporters have also noted the efforts to link CTR assistance to Russian nuclear weapons modernization could produce unintended consequences. They believe that, if forced to choose, Russia would continue its modernization programs and leave older weapons in place. This would not serve the long-standing U.S. interest in eliminating Russia's large, multiple-warhead ICBMs.

Broader Linkage to Russian Defense and Foreign Policy. During debate over the FY1997 and FY1998 Defense Authorization Bills, many Members of the House supported proposals to link U.S. assistance under CTR programs to a number of Russian foreign and defense policies. These included not only Russia's compliance with arms control agreements and nuclear weapons modernization programs but also Russia's military operations in Chechnya, its relationship with other former Soviet republics, its planned sale of short range missiles to China, and its cooperation programs with other nations including Cuba, Iran, Iraq, Libya, and Syria.[64] Many who supported efforts to link CTR assistance to this broad range of issue areas believed that the United States could discourage Russian activities that were inconsistent with U.S. security interests.

Others have argued that such links would be ineffective. They note that the value of U.S. CTR assistance, at around $400 million per year, is too low to provide the United States with much leverage over Russian actions. And they argue that Russia would probably forgo U.S. aid if it believed it needed to pursue other actions to satisfy its national security needs. Others have stated that the CTR program was the wrong place to raise these issues because the United States would undermine its own interests if it stopped the CTR programs to punish Russia for its behavior in other areas.[65] Representative Dellums summarized this perspective when he stated "If we have foreign policy concerns ... there are other places where we can fight that battle. But to use the CTR program as the vehicle to challenge on all these other bases I would suggest ... that it cuts off our nose to spite our face."[66]

Conclusion

When Congress first passed the Nunn-Lugar amendment in November 1991, it sought to provide U.S. assistance quickly in response to the expected collapse of

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[64]The link to the missile sale to China was contained in an amendment, sponsored by Representatives Rohrabacher and Solomon, to the FY1998 Defense Authorization Bill; the other provisions were in an amendment, sponsored by Representative Solomon, to the FY1997 Defense Authorization Bill. The Solomon Amendment failed by a vote of 220-202; the Rohrabacher amendment failed by a vote of 215-206.

[65]Representative Hamilton noted that "it would stop a program that is making the biggest contribution to nonproliferation in the very part of the world which represents the greatest nonproliferation threat. It would stop a program that every single day reduces the nuclear threat to the United States." Congressional Record, v. 142, May 15, 1996. p. H5073.

[66]Congressional Record, v. 142, May 15, 1996. p. H5076.

nuclear control and security in the Soviet Union. Even though the original impetus for U.S. assistance has passed, Congress continues to provide strong support for the Cooperative Threat Reduction Program. Nevertheless, Congress has prohibited CTR expenditures on some demilitarization programs and has questioned progress on several other projects. At the same time, Congress approved more money for CTR programs to enhance the security of nuclear materials than the Administration requested.

The issues raised in the past few years are likely to reappear in future debates over CTR funding. As long as Members remain concerned about security at nuclear facilities and the potential for nuclear materials to leak to rogue nations or terrorist groups, many are likely to continue to support active U.S. involvement in efforts to secure these materials. But as long as Russia continues to pursue programs and policies that run counter to U.S. preferences and interests, many Members are likely to continue to question the net value of U.S. assistance to Russia and the other former Soviet republics.

Appendix: Funding Status of CTR Programs

January 2001 (in current dollars)

	Notified	Obligated	Disbursed
Destruction and Dismantlement	**$1,946,026,000**	**$1,582,042,880**	**$1,272,979,152**
Strategic Offensive Arms Elimination			
Russia	$935,450,000	$684,337,208	$540,218,400
Ukraine	$515,049,000	$453,259,301	$402,217,227
Belarus	$3,343,000	$3,341,716	$3,341,210
Kazakhstan	$59,917,000	$59,478,065	$57,523,934
WMD Infrastructure Elimination			
Ukraine	$23,400,000	$16,633,033	$14,429,075
Kazakhstan	$36,006,000	$29,354,603	$28,164,057
Environmental Restoration Belarus	$24,914,000	$24,914,299	$24,363,912
Continuous Communications Links			
Ukraine	$2,222,000	$2,064,955	$1,947,192
Belarus	$1,025,000	$1,001,777	$1,000,766
Kazakhstan	$2,400,000	$2,361,131	$2,310,376
Chemical Weapons Destruction, Russia	$295,800,000	$271,340,042	$176,621,786
Biological Weapons Proliferation Prevention			
Kazakhstan	$5,000,000	$4,991,632	$793,413
Former Soviet Union	$33,000,000	$20,562,958	$14,043,608
Nukus Chemical Resarch, Uzbekistan	$8,500,000	$8,402,160	$6,004,196
Chain of Custody	**$1,079,813,291**	**$861,484,762**	**$649,274,183**
Material Control and Accounting			
Russia	$44,789,000	$44,098,946	$43,707,686
Ukraine	$22,215,000	$22,178,971	$21,745,995
Belarus	$2,593,000	$2,598,683	$2,593,438
Kazakhstan	$22,156,000	$22,156,763	$21,828,566
Emergency Response Training and Equipment			
Russia	$16,436,000	$14,945,376	$14,825,535
Ukraine	$3,110,000	$2,946,727	$2,796,108
Belarus	$5,000,000	$4,893,307	$4,822,180
Kazakhstan	$4,672,000	$4,689,520	$3,987,859
Export Controls			
Russia	$2,260,000	$2,224,084	$2,224,084
Ukraine	$13,949,000	$13,911,885	$13,845,736
Belarus	$12,301,000	$12,122,795	$12,079,848
Kazakhstan	$7,168,000	$7,168,275	$7,112,658
Georgia	$1,170,000	$1,137,548	$1,112,726
Nuclear Reactor Safety Initiative, Ukraine	$11,000,000	$11,000,000	$10,992,768

Russia Only:			
Armored Blankets	$3,322,000	$2,991,247	$2,991,247
Fissile Material Containers	$73,507,291	$73,399,559	$69,110,813
Fis. material storage facility	$387,125,000	$322,251,506	$187,677,133
Storage facility design	$15,000,000	$14,998,584	$14,955,828
Fissile material processing and packaging	$0	$0	$0
Weapons transportation security	$73,500,000	$58,710,397	$42,708,575
Weapons storage security	$306,900,000	$171,576,163	$117,973,956
Rail Car Security Enhancements	$21,500,000	$21,379,883	$21,338,514
Reactor Core Conversion	$26,050,000	$25,971,293	$24,709,681
Auburn Endeavor, Georgia	$4,090,000	$4,133,250	$4,133,249
Demilitarization	**$389,488,000**	**$359,605,275**	**$345,204,565**
Science and Technology Centers			
Russia	$35,000,000	$34,892,568	$34,892,567
Ukraine	$15,000,000	$15,000,000	$14,690,031
Belarus	$1,034,460	$1,034,460	$1,034,460
Kazakhstan	$9,000,000	$9,000,000	$9,000,000
Other	$3,965,540	$3,965,540	$3,965,540
Defense Enterprise Fund			
Russia	$10,000,000	$10,000,000	$10,000,000
Belarus	$5,000,000	$5,000,000	$5,000,000
Kazakhstan	$7,000,000	$7,000,000	$7,000,000
Other	$44,670,000	$44,670,000	$44,670,000
Defense Conversion			
Russia	$43,661,000	$34,859,818	$34,364,188
Ukraine	$55,730,000	$55,067,264	$54,640,907
Belarus	$19,253,000	$19,252,551	$19,243,156
Kazakhstan	$17,200,000	$17,041,468	$16,934,049
Industrial Partnering Program (all)	$10,000,000	$10,000,000	$9,175,229
Research & Development Foundation, Russia	$10,000,000	$10,000,000	$10,000,000
Defense and Military Contacts			
Russia	$14,664,333	$11,906,805	$10,036,598
Ukraine	$7,500,000	$5,091,703	$3,653,939
Belarus	$472,000	$472,075	$419,911
Kazakhstan	$2,300,000	$1,551,911	$1,216,855
Other	$33,752,667	$19,840,906	$14,017,370
CP	$4,285,000	$3,958,206	$1,249,765
Special Project	$40,000,000	$40,000,000	$40,000,000
Arctic nuclear waste study - Russia	$30,000,000	$29,988,749	$28,695,959
Administrative Costs	$103,239,709	$93,547,739	$84,675,684
Grand Total	$3,548,567,000	$2,926,669,405	$2,380,829,543

Source: CTR Program Office, Department of Defens