

**ADVANCING U.S. INTERESTS ABROAD:
THE FY 2015 FOREIGN AFFAIRS BUDGET**

HEARING
BEFORE THE
COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES
ONE HUNDRED THIRTEENTH CONGRESS
SECOND SESSION

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ADVANCING U.S. INTERESTS ABROAD: THE FY 2015 FOREIGN AFFAIRS BUDGET

THURSDAY, MARCH 13, 2014

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 1:20 p.m., in room 2172, Rayburn House Office Building, Hon. Ed Royce (chairman of the committee) presiding.

Chairman ROYCE. This hearing of the Committee on Foreign Affairs will come to order.

We are again privileged to hear from Secretary of State John Kerry. Last year, Secretary Kerry spoke before our committee following a trip to Asia dealing with issues related to the North Korean regional crisis.

Today, Russian regional aggression is at the forefront, and I am pleased that the House took a position and spoke very decisively this week condemning Russian actions in clear and unmistakable terms. The U.S. has a strong interest in a democratic and prosperous Ukraine. To that end, the House last week passed important legislation to bolster the troubled Ukrainian economy. The Senate should move on this legislation today, and leave IMF debates until later.

While the committee is interested to hear about events in Ukraine, the purpose of this hearing is to question the Department's budget request for fiscal 2015. Needless to say, resources are tight and must be aligned with clear goals and objectives. This committee is responsible for oversight of how Department resources are spent, and we expect the Department to think strategically, not reactively. There is no margin for waste. There is no margin for abuse, and I am pleased that the Inspector General position was finally filled on a permanent basis after a 5-year vacancy. Mr. Secretary, thank you for hearing the request of this committee and acting.

Last year, Secretary Kerry testified that the U.S. "is the guardian of global security." Today, U.S. guardianship is frayed. Committee members are very concerned that Iran negotiations will leave the Iranian regime alarmingly close to a nuclear weapon. Syria, according to the United Nations, is the worst humanitarian crisis since Rwanda. Libya is failing and forgotten. In Egypt, we haven't pushed an economic reform agenda based on individual property rights that is desperately needed there. For Asia, a senior Pentagon official asserted the other week that because of budget

constraints, America's high profile pivot to Asia "is being looked at again, because candidly, it can't happen." Mr. Secretary, as always, the committee stands ready to work with you on these and other critical issues.

The Department must do a better job of holding foreign assistance recipients accountable, ensuring that they are meeting benchmarks for reform and development, especially in countries like Afghanistan, where so much has been invested. Our assistance is not an entitlement; it is a sign of our willingness to help others help themselves.

Nor should foreign assistance dominate our relationships with partners and with our allies. This committee's Electrify Africa legislation is an example of using assistance to improve the local investment environment while creating jobs here in the United States, all at a cost savings to the American taxpayer.

Our efforts abroad must be aided by robust broadcasting to help advance our national interests. The current media climate is crowded with state media, like RT from Russia and CCTV from China, as well as non-state media like Hezbollah's television station. These are our competitors on the ideological battlefield, and as former Secretary Clinton told this committee, right now, we are losing. Reforming the Broadcasting Board of Governors is no longer an option, it is a requirement, and I am pleased to be working on legislation with my colleagues to do just that.

Mr. Secretary, our Nation faces many challenges, and the difficulty of prioritizing is compounded by our fiscal crunch. Through it all though, I look forward to working together to ensure that America maintains the leadership role we both support.

And I will now turn to Ranking Member Engel for any comments that he might have this afternoon.

Mr. ENGEL. Thank you very much, Mr. Chairman, for holding this hearing to review the administration's Fiscal Year 2015 international affairs budget request.

Mr. Secretary, as ranking member, I want to welcome you. It is a pleasure to welcome you back to the committee. I want to begin by commending you for your tireless work on a wide range of critical issues. Your efforts underscore the great importance of continued U.S. engagement in the world and strong American leadership.

At a time of crisis in the Middle East, Central Africa and now Europe, the internal affairs budget request supports our diplomatic and development efforts in these and other regions. It provides critical funding to strengthen our allies, fight the spread of infectious disease, combat terrorism, and support many other essential activities.

The international affairs budget also stimulates job creation and economic growth here at home. By helping countries build their economies and develop free markets, we make it easier for American companies to sell their products abroad.

The budget request also provides critical resources to help ensure the security of our diplomats and development workers. These brave men and women serve on the front lines every day, and we must ensure there is adequate funding to keep them safe.

Finally, the international affairs budget includes humanitarian assistance that reflects the compassion and generosity of the Amer-

ican people. While we cannot solve all of the world's problems on our own, we have a moral obligation to help ensure that hungry children don't starve, that refugees displaced by war or natural disaster have basic shelter and that the poorest of the poor do not succumb to easily preventable diseases.

All together, the international affairs budget accounts for less than 1 percent of the Federal budget. And let me repeat that: 1 percent of the Federal budget. In my view, that is a very sound investment in our security, economy and humanitarian goals.

Secretary Kerry, I know you agree with me that the United States must maintain its leadership in global health. However, I am frustrated to see that the budget request proposes significant reductions to numerous global health programs. I would like to work with you to ensure that we have the funding necessary to maintain the tremendous gains that have been made in the fight against HIV/AIDS and tuberculosis and to address emerging threats, like pandemic influenza.

Mr. Secretary, on Ukraine, I believe we must continue to stand up for Ukraine's sovereignty and territorial integrity, and make it clear to President Putin that there will be serious consequences for his aggression. Chairman Royce and I are drafting legislation on Ukraine, and we look forward to working with you to ensure that the United States provides a robust assistance package to the new Ukrainian Government and imposes appropriate sanctions against human rights abusers and those who are complicit in the violation of Ukraine's sovereignty.

I am also deeply concerned about the ongoing crisis in Syria. Nearly 3 years after the start of the war, Assad remains in power and offshoots of al-Qaeda are growing stronger. Refugees continue to spill into neighboring countries, and we are all horrified by their stories of violence, torture and starvation. Secretary Kerry, I hope you will use this opportunity to discuss the administration's strategy to end the terrible conflict in Syria. Back in 2004, when I was able to get passed the Syria Accountability Act, we knew then that Assad was a bad player. We couldn't have imagined how bad he really is now.

Iran remains among the biggest threats to our national security, even if negotiations resume next week with the P5+1. I hope these talks succeed, but I agree with you that our engagement with Tehran cannot be based on trust. Iran continues to be a bad actor on many fronts, supporting terrorism, violating human rights, and sowing instability in the region. We must keep that in mind as we negotiate on their nuclear program.

I also want to recognize your efforts to facilitate a framework for peace between Israel and the Palestinians. There is still much work to be done, but you are helping to establish the foundation of what we hope will be a lasting agreement, and I hope there is sufficient political will to take meaningful steps toward a two-state solution. I must say that the Arab League's proclamation the other day that they will never recognize Israel as a Jewish state is very disheartening. In the meantime, I am glad that the budget request fully funds aid to Israel and provides for Israel's urgent security needs.

And finally, here in our own hemisphere, I am deeply concerned by the Venezuelan Government's crack down on peaceful protesters and attack on press freedoms.

And in Haiti, I am pleased that U.S. reconstruction assistance has accelerated, and I thank Chairman Royce for expanding our committee's oversight in this regard.

So, thank you, Mr. Chairman. I look forward to the Secretary's testimony.

Chairman ROYCE. Thank you, Mr. Engel.

This afternoon, we are joined by Mr. John Kerry, the 68th Secretary of State. He has been there for just over a year now.

Mr. Secretary, welcome again.

And without objection, the Secretary's full prepared statement is made part of the record, and members will have 5 calendar days to submit statements and questions and extraneous materials for the record.

And if you could summarize your remarks, Mr. Secretary, we will soon face a short vote series on the floor. Thank you.

**STATEMENT OF THE HONORABLE JOHN F. KERRY,
SECRETARY OF STATE, U.S. DEPARTMENT OF STATE**

Secretary KERRY. Well, Mr. Chairman, I appreciate that.

Thank you very much for the privilege of being here with you.

Ranking Member Engel and to all the members of the committee, it is a privilege for me to be able to be here with you today, and I hope to please you greatly at the outset by giving you one of the shortest renditions ever.

I just want to start by saying thank you to all of you for your leadership, which is critical. We have a tough budget, nobody needs to be told that, but it has serious implications.

I just want to say to you that it is a privilege for me to lead the 70,000-plus employees of USAID and the State Department all around the world, and we are including in that local employees, who are critical to our ability to be able to function in the 285 posts around the world. These men and women serve, not in uniform, but at great risk, and they serve our interests, our values, and do an enormous job in an increasingly complicated world.

What I would just say to all of you very quickly is, look, we spend one penny of the U.S. taxpayer dollar on everything that we do abroad in terms of our diplomacy in the State Department and USAID. It is all our development, all of our money, all the things we do for disease, antipoverty, 1 penny on the dollar. I don't have to tell you, but I will just say very quickly, I am amazed by the return on that investment. And increasingly, as I have traveled around the world in the course of the last year, I have seen the degree to which people rely on the United States of America to be able to lead in instance after instance. I say that without any arrogance, without any chauvinism about, you know, the country. I say as a matter of fact, whether it is in Africa, Asia, South Central Asia, the Middle East, throughout the world, we play a critical role. And this committee, needless to say, is critical in what it is willing to authorize with respect to our ability to lead.

The final comment I would make to you is that what we do really does make a difference, and increasingly in the State Department,

I have focused and am focusing the efforts of our diplomacy on economics. We need to understand that in this increasingly growing marketplace, where more and more countries are chasing resources and opportunities are harder won, it is critical for us to be able to open up opportunities. And I could show you instance after instance where our Embassies or our consulates have engaged directly with American companies, helped them win contracts abroad in the multi-millions of dollars, hundreds of millions of dollars, and that means jobs here at home. It also means more security for the United States ultimately because of the relationships we build.

I appreciate, Mr. Chairman, your adjusting the schedule a little bit here. The President, as you know, has asked me to leave in a few hours to go to London and meet with Foreign Minister Lavrov regarding the Ukraine, and he has asked to see me before I go, so I appreciate you moving the schedule up slightly. I know you have some vote challenges here, so I will end on that. We will submit the full testimony for the record, and I look forward to your questions.

Chairman ROYCE. Well, thank you, Mr. Secretary.

[The prepared statement of Secretary Kerry follows:]

Secretary Kerry's Testimony to House Foreign Affairs Committee
March 13, 2014

I want to thank Chairman Royce and Ranking Member Engel for their leadership, as well as each member of the committee for their commitment to America's leadership in the world.

You do incredibly important work on this committee. People don't acknowledge that often enough. I was in Congress for 29 years, and believe me, I know that choosing to be on this committee may not win you many votes back home. The work you do here doesn't drive fundraising. But it matters – it really matters – and this has never been more clear to me than over the past year – when I've seen firsthand, on issue after issue, just how much the world looks to the United States.

Bringing people together and finding answers to tough challenges – that's what the United States does. If we 'get caught trying,' then we're living up to what the world expects from us and what we expect from ourselves.

I think that's especially true in Ukraine. From the very beginning we have made our goal clear: to help the people of Ukraine achieve what brought thousands upon thousands into the Maidan in the first place. Our interest is in protecting the sovereignty, independence and territorial integrity of Ukraine, and with European partners and others, we absolutely have a responsibility to be engaged.

Certainly we have to be clear-eyed about the challenges. But from the beginning, we've made it known that we are willing to sit down to try and deescalate this situation. That is why President Obama asked me to leave this evening for London and meet with Russia's Foreign Minister Sergey Lavrov tomorrow.

I will make clear again, as we have throughout, that while we respect that Russia has interests in Ukraine, particularly in Crimea, that in no way – no way - justifies the military intervention the world has witnessed. There are many other legitimate ways to address Russia's concerns.

In my discussions with Minister Lavrov I'll also make it clear that Russia has reasons to make the right choice. The costs for Russia's violations of international law – the cost of making Russia more isolated – not just from the United States, but from the international community – is a cost that Russia should not want to bear, and doesn't have to bear if they make a better choice.

Congress' support is going to be absolutely vital. Whether its loan guarantees to help support a free Ukraine, an assistance stream, or support for additional sanctions if that's what we need, you give us the tools to accomplish our goals.

So it couldn't be any clearer, what we do here really matters. When I think about that I remember last week in Kiev – standing in the spot where Ukraine's former president had snipers pick off peaceful protesters one by one. It was very moving to speak with some of the Ukrainian people and hear how much they look to us.

The same is true far from Kiev or what's in the headlines. What we do matters to South Sudan, a nation some of you helped give birth to – a nation that's now struggling and needs our support to have a chance of surviving beyond infancy.

What we do matters in the Maghreb, where the State Department is coordinating with France to take down al-Qaeda, making sure French forces have the technology and weapons they need.

What we do matters in Central Asia, where we're working with several nations to stop the trafficking of narcotics, to keep more heroin off our streets and cut off financing for terrorists and extremists.

What we do matters on the Korean Peninsula, where we are working with our partners from the Republic of Korea to make sure we can meet any threat and for the denuclearization of the Korean Peninsula. Thanks to the State Department's work, the South Koreans are now making the largest financial contribution to these efforts in the history of our joint security agreement.

What we do matters everywhere we support religious freedom, from Bosnia to Indonesia. Protecting the universal rights of people to practice their faith freely and working to bring an end to the scourge of anti-Semitism – this isn't just what we do in this budget; this is an essential part of who we are as Americans.

Now, I spent enough time in Congress to know that you shouldn't call anything that costs billions of dollars a bargain. But when you consider that the American people pay just one penny of every tax dollar for the \$46.2 billion in investments in this request, I believe the American people are getting an extraordinary return on their investment.

Our base request is \$40.3 billion – and that's in line with what was appropriated to the Department and USAID last year. We're making a constant effort to be more effective and agile, and as you well know, we're doing that under some tight constraints.

The additional part of our request for Overseas Contingency Operations (OCO), totals \$5.9 billion. OCO provides the State Department and USAID the ability to respond to the humanitarian crisis in Syria. It gives us flexibility to meet some unanticipated peacekeeping needs. OCO funds our programs in Iraq, Afghanistan and Pakistan, where we continue to right-size our commitments.

I know it might be easy for some members of Congress to support larger cuts in this budget. What's impossible to calculate is the far greater price our country would pay for inaction. What's impossible to calculate are the dangers in a world without American leadership and the vacuum that would create for extremists and ideologues to exploit.

For me it's no coincidence that the places where we face some of the greatest national security challenges are also places where governments deny basic human rights and opportunities for their people. That's why supporting human rights and stronger civil societies, development assistance, investing in our partnerships with our allies: these are the surest ways to prevent the kind of horrible human tragedy we see Syria today.

I know some of you have looked these refugees in the eyes and seen their numbers, as I have. There is simply no way the richest and most powerful nation in the world can simply look away. For both the Syrian people and for Lebanon, Turkey, and Jordan, trying to keep their societies running and keep extremists as they cope with a refugee crisis, our support could not be more urgent. It is both a moral and security imperative.

With our assistance to the Philippines, recovering from one of the worst natural disasters in its history, we are also leading the way. Through a \$56 million contribution from State and USAID, we are working with our partners so that hundreds of thousands of people can put their lives back together. We're helping one of our oldest allies in the get back on its path to prosperity. Chairman Royce, I know you had a chance to see those efforts on the ground, along with Representatives Kennedy, Chabot, and Messer. There's clearly a long road ahead but I'm happy to hear that significant progress is being made.

Within our core budget request is also a \$1.35 billion contribution to the Global Fund to fight AIDS, Tuberculosis, and Malaria. The goal that President Obama has set today for an AIDS free generation would have been absolutely unthinkable even 10 years ago but today that goal is within reach. Because of PEPFAR's incredible success, we are now working to transition the leadership of these life-saving programs to local hands with Rwanda, Namibia, and South Africa some of the first to take the reins.

Because of our leadership, children waking up today in Sub-Saharan Africa face a far different future than they did a decade ago. Our commitment clearly matters. And just as our partners in Asia and Europe made a transition from being recipients of American aid to becoming donors, that kind of transformation is now possible in Africa.

And to make sure that emerging markets around the world make the most of their opportunities, we need reforms to the International Monetary Fund. Just think about this: Brazil, Chile, Columbia, India, Korea, Mexico, Peru, the Philippines, Thailand – all of these nations once borrowed from the IMF. Now they are creditors with some of the most dynamic economies in the world.

Ukraine's struggle for independence, particularly its financial independence, depends on Congress ratifying reforms that will help Ukraine borrow through the IMF's Rapid Financing Instrument. Our \$1 billion loan guarantee is needed urgently but it's only through the IMF – a reformed IMF – that Ukraine will receive the additional help it needs to stand on its own two feet.

Our work with the IMF is vital to global economic stability. But remaining absolutely focused on creating opportunity here at home is essential. That means we have to be strong advocates for America's commercial interests across the globe. And that's why I've charged each of Foreign Service Officers with an economic mission: to create opportunities for Americans and work with our businesses to gain a bigger foothold abroad.

I know there's some skepticism about this kind of economic diplomacy. But it's hard to argue with some of the results. Look at how our Embassy in Zambia helped create jobs in New Jersey. The patient advocacy of our diplomats helped an American construction company land an \$85 million contract. They're building 144 bridges and have the potential to do far more.

Look at the work of our consular staff in Kolkata. They helped bring Caterpillar together with a company in India to develop a \$500 million power plant.

Look at what Embassy Wellington and Embassy Apia in Samoa are doing. Our diplomats helped a company right here on the East Coast land a \$350 million contract to lay fiber optics across the Pacific.

When 95% of the world's consumers live outside of our market and when foreign governments are out there, aggressively backing their own businesses, this is the kind of advocacy American workers need to compete.

Telling our story where it matters most is vital to both the success of our businesses and the appeal of our values. With this budget's investments in stronger people to people ties, educational exchange and countering violent extremism, we are shaping the debate. We are keeping traditional programs strong, like those for International Visitor Leadership and English language programs. At the same time we are revitalizing the way we engage through quick-impact investments to shape emerging leaders in civil society around the world.

We call some of these investments quick impact but you and I both know their lasting benefits. I can't tell you how many times foreign leaders share their experience of studying in the United States and the permanent and positive impression it made. And all of you who have colleges and universities in your districts also see the financial impact from the \$22 billion each year that international students bring to the US economy.

This budget also strengthens our partnerships where so many of our economic and security interests converge, in the East Asia and Pacific region. With this budget we are bolstering our bedrock alliances with South Korea and Japan. We're developing deeper partnerships with Vietnam, Indonesia, the Philippines, and others, as they assume greater security roles.

As we make these investments around the world, we can never eliminate every risk—especially in a world where our vital interests are not confined to secure, prosperous capitals. But we can and will do more to mitigate risks and keep our people safe. This budget implements the recommendations of the independent Benghazi Accountability Review Board (ARB) and makes additional investments that go above and beyond.

My friends, I think it's fair to say that we are doing the best we can in a difficult budget environment. I firmly believe that this budget strikes a balance between the need to sustain long-term investments in American leadership and the political imperative to tighten our belts. I believe this budget is a blueprint for providing the minimum our people need to carry out their mission: to enhance national security, to promote global stability and prosperity, and to help the American people seize the opportunities in a changing world. Thank you.

Chairman ROYCE. Like you, we are focused right now on the Ukraine, and best of luck on your mission there. We have taken concerted action clearly condemning this act of Russian aggression there. We have supported legislation to bolster the economy there and to take certain steps, which I think will bring some leverage to bear, but there is one other step we could take that in my view would really give us a hammer over Russia: 52 percent of the support for their military and their budget and their government comes from their export of natural gas and oil overseas, and most of that is their monopoly position that they have in Eastern and Central Europe. And it does seem that if the administration would move to allow the export of natural gas into the Ukraine, that that would send a powerful signal that we could indeed do something here that would produce American jobs. After all, we are flaring a lot of gas here. We are actually capping a lot of our wells. If we exported that specifically to that market, it might take time, but once we made that signal, investors would then put up the terminals necessary for us to do it, and it would go into the calculus in Moscow about whether or not they wanted to lose that position. And it might bring them to the table. And I wanted to raise this issue with you.

Secretary KERRY. Well, we are all for it, Mr. Chairman.

In fact, the Department of Energy has the jurisdiction over this within the administration. They have issued six licenses already for 8.5 billion cubic feet per day to be exported to free trade and non-free-trade countries, including Europe. So it is a possibility.

Now, the first major project to export gas is not going to take hold until sometime in 2015, so—but since we are in March, Ukraine's needs are, you know, such that they ought to be able to—if there is any manipulation of gas with respect to leverage by Russia, Ukraine will be able to weather it, and in the long-run, we are prepared and I hope others will be prepared to help shift the current energy dependency.

Chairman ROYCE. I think that is great. Those six have been over a 3-year period, and it is only six. I think there are 24 pending. So anything that could be done to accelerate that and actually open that up for Ukraine and Eastern Europe would be, I think, very helpful.

Another issue I wanted to ask you about was Iran. We had a situation where several hundred rockets, long-range ones that would otherwise have threatened Israel were intercepted. They were coming from an Iranian arms shipment, and they were headed to Gaza. And to me, that is a much better indication of Iran's lack of good faith than anything they are signing at the negotiating table.

But in terms of response to this particular violation, which is actually a violation of the U.N. requirement there on Iran, what will be the response at the U.N. Sanctions Committee and will the U.S. support additional terrorism sanctions as a result of Iran being caught in the act here with this violation?

Secretary KERRY. Well, Mr. Chairman, obviously, we need to take some kind of action. And it has not yet been determined precisely what, but let me just say, we worked very, very closely with Israel in the discovery and then ultimately the apprehension of this ship. And we didn't do it because we don't want to create account-

ability. We want, obviously, to have the strictest accountability, so it is very much on the table. I can't tell you today what the decision will be, but I can tell you that we obviously take it very seriously, which is why we worked at it.

And I don't disagree with you. You know, it underscores the reasons why we are so determined to put in place a no-nuclear-weapon policy that is fail-safe in our ability to be able to make those judgments, because obviously, there is a clash of other interests that will not be reconciled by any nuclear deal.

Chairman ROYCE. Lastly, Mr. Secretary, as you know, this committee has been at the forefront of the scourge of human trafficking. We have seen abuses involving the fraudulent recruitment of people overseas. They are promised decent jobs in the United States, but they find themselves trapped into forced labor or into sexual slavery once they get here to the United States.

I have introduced legislation that would require State Department consular officials to glean more information and to share more information in order to get at the schemes of the syndicates that misrepresent these positions, and I hope that we can work together on this. I know you have been focused on human trafficking as well.

Secretary KERRY. Mr. Chairman, thank you very much.

Thank you for your leadership on this. It is really welcome. I have the privilege of chairing our all-government effort. The President has made this a major priority. And I chaired a meeting last year in which we reviewed every single department's efforts with respect to human trafficking.

It is nothing less than modern day slavery. There are millions of people who are the victims of this human trafficking, and it is sometimes for sexual exploitation, but it is also for labor exploitation, and the marketplace is completely distorted and violated by virtue of this practice. There are work-slaves and sex-slaves and other—you know, family-help slaves, and others. It is a disgrace, and your legislation and other efforts need to empower us. We need to call greater attention to it. We need greater law enforcement effort, greater awareness, education, and so I appreciate your efforts on it and we will work with you very closely.

Chairman ROYCE. Thank you, Mr. Secretary.

We now go to Mr. Engel of New York.

Mr. ENGEL. Thank you, Mr. Chairman.

Mr. Secretary, I had the honor of meeting with the Ukrainian prime minister this morning, and he reiterated to us that obviously the United States is indispensable in terms of Ukraine, Ukraine's freedom and the aspirations of Ukraine to look westward rather than eastward.

An observation I have had for quite some time is that the European Union, in its negotiations for affiliation with the Eastern Partnership, laid down a lot of stringent hoops that a country like Ukraine would have to jump through before they could join, before they could get the aid, before they could get whatever they needed. You contrast that with Putin saying, here's \$15 billion, no strings attached. Here is cheap energy, we are going to give you that. It seems to me that the EU has sort of failed in the past to really even the playing field.

And, of course, we are dealing with these countries that are right on the cusp, not only Ukraine, but Moldova, Georgia, Azerbaijan, Armenia, to some degree.

Does the EU finally get it? Do they finally understand that making things harsher for these countries will only push them into the arms of Russia? Are we now dealing with a more even playing field because of what has happened?

Secretary KERRY. Well, Congressman, let me begin by saying something that I think we need to think about as we approach this, it has been one of the problems in the entire evolution of this current situation in Ukraine, and that is looking westward versus looking eastward. We don't believe it has to be either/or. We do not believe it is a zero-sum game. And part of the problem, frankly, that has led up to this has been this kind of insistence that you have got to have all your eggs in this basket. No country should be doing that today. The marketplace just doesn't work that way, the world doesn't.

We believe Russia has interests and has an ability to be able to be important to the development of Ukraine and so does Europe, and there is no reason why they shouldn't look in both directions. We do. We look east. We look west. We look north. We look south. And I think it is very important to be careful about those kinds of limits.

Now, that said, it is appropriate to require reforms and transparency and accountability, and a progression by which countries begin to adopt good governance practices and good business practices at the same time, and that is really what the standard has been with respect to accession, and we certainly are supportive of that.

Mr. ENGEL. But do we not risk—if a government that is pro-West, and I understand we want to make Putin not feel that he is trapped, but I, frankly, would like Ukraine to look West instead of looking East. Are we not worried that if we put too many strait-jackets on them of things they have to do, austerity measures and things like that, that we wind up turning the people against the very government that we think is reform-minded and pro-West? Isn't that a problem—

Secretary KERRY. No question—

Mr. ENGEL [continuing]. Something we should be cognizant of?

Secretary KERRY. There is no question, Congressman, that there is a limit to sort of what you want to do all at one time. And indeed, you can drive people away that way, no question about it. I mean, look how many years Turkey has been working to try to, you know, gain EU accession and so forth.

So I think that it seems to me that there is a balance. It is up to the Europeans to determine that balance, not up to us to try to dictate it or tell them what it ought to be, but it seems to me that when I talk about "Look East, look West," it is clear Ukrainians want to embrace the freedom, the choice, the sort of competitive atmosphere and the dynamics of social life and structure that come with the accession to the West. On the other hand, when I say, "Look East, look West," I am talking about sort of the economic bottom line, the economic opportunities, trading, and so forth. And

I think, in today's world, there are a lot of people in Russia who also are looking in different directions.

Mr. ENGEL. And, Mr. Secretary, I mentioned in my opening remarks about the Arab League's rejection of recognizing Israel as a Jewish state. That is very disheartening, because it would seem to me—

Secretary KERRY. Well—

Mr. ENGEL [continuing]. That there are—that the way the stars have lined up, these countries should understand that Israel is not their enemy, Iran is their enemy. And Netanyahu has said that that is a prerequisite of any kind of a peace deal.

You have said it yourself, Mr. Secretary, that they have to recognize Israel as a Jewish state. And let me say it is a Jewish state, the national state for the Jewish people with equal rights for all citizens. We are not implying that there should be second class citizens, but if they are not willing at this late date to recognize Israel as a Jewish state, which the United Nations Security Council resolution in 1947, dividing historic Palestine into what it called a Jewish state and an Arab state, if 66 years later, they are still not willing to recognize Israel as a Jewish state, then I don't know how we can make progress in these negotiations.

Secretary KERRY. Well, Congressman, that is not the final vote. And I have had plenty of discussions with all of the members of the Arab League. The formulation that you just articulated was not the formulation that was put to them for that vote, and so I will maintain hope for the notion that when you talk about a Jewish state or a nation state for the Jewish people or homeland for the Jewish people, it is always accompanied by what you said, which is with equal rights and nondiscrimination with respect to any citizen, and I believe that if that had been the vote, you might conceivably have a different outcome.

Chairman ROYCE. Thank you.

We go now to Ileana Ros-Lehtinen from Florida.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman.

Welcome back, Mr. Secretary.

It is disappointing that in your submitted written statement for today's hearing, you failed to mention the ongoing over 1-month-long crisis in Venezuela. The administration has condemned Maduro's use of force against the peaceful protesters in Venezuela, but voicing a concern is not enough. One of the opposition leaders, Leopoldo Lopez, was unjustly arrested and has been imprisoned, isolated in a military jail now for 24 days as Maduro attempts to silence dissent in Venezuela. Three more people died yesterday as a result of Maduro's violent suppression, bringing the sad tally to two dozen dead since the protests began.

The President issued an executive order that would impose sanctions against Russian officials responsible for human rights abuses, and I have written to the President asking that he do the same for Venezuela. Maduro continues to get help from the Castro regime, as you know. They have been sending Cuban troops to crack down on the Venezuelan protesters. Will the President hold these violators in Venezuela responsible and sanction individual human rights abusers in Venezuela?

And continuing with the theme of accountability, Mr. Secretary, I have doubts that accountability and oversight over the Palestinian authority finances are actually taking place. As Ranking Member Engel just stated, Abu Mazen repeatedly reaffirms his refusal and unwillingness to recognize Israel as a Jewish state. He continues to pay nearly \$5 million a year for the salaries of Palestinians who were imprisoned in Israeli jails, many of whom have blood on their hands. In fact, just yesterday, as you know, dozens of rockets were fired at Israel from Gaza. So this serves as a grim reminder that Israel continues to be under attack.

And in the West Bank, hundreds of millions of taxpayer dollars continue to flow to the PA, wishing and hoping and praying that they will do the right thing. What are you doing to ensure that the PA recognizes and accepts Israel as a Jewish state? Money is fungible, so one could say that U.S. taxpayer dollars are being used to pay the salaries of these terrorists. Would you say that that is true?

And the administration is still seeking a waiver authority to fund agencies at the United Nations that admit a non-existent Palestine state. Abu Mazen has repeatedly reaffirmed that if the peace process fails to produce an agreement, the Palestinians will make a full out push at the U.N. to get statehood. You said that withholding our money would not deter Abu Mazen, but I say that it very clearly could deter U.N. agencies, so we cannot allow this waiver authority to undermine the peace process.

And in addition, I would like to submit lastly for the record, a letter to President Obama requesting that the administration consider giving those at Camp Liberty in Iraq the opportunity to receive political refugee status for those who are eligible. So sanction, Abu Mazen and U.N.

Thank you, Mr. Secretary.

Secretary KERRY. Well, Congresswoman, that is a lot to handle very quickly, but I will try and do it as fast as I can, but let me just say to you on the issue of the oversight of the Palestinian Authority and their position on Israel, we begin with the premise that everything we are doing in this negotiation begins with Israel's security, which has paramount—it has to be addressed. And I think Prime Minister Netanyahu would tell you that we have bent over backwards and are working extremely closely with him in order to do that. Now—

Ms. ROS-LEHTINEN. If we could just segue, I am sorry, to Venezuela, then, Mr.—

Secretary KERRY. Yeah, but I want to finish one thing on that, because it is really important. On this, our position is that Israel has to be recognized ultimately as a Jewish state, but please remember, they are negotiating. Nobody is going to give up. I mean, you know, by the same token, Prime Minister Netanyahu doesn't stand up and say, Hey, here is how I am going to give you Jerusalem or something. Everybody's negotiating, and they aren't going to make those decisions until they know what they are getting in other respects.

On the next issue of the U.N. waiver, please, I got to tell you, this is a very one-sided event against us. Abu Mazen, if he writes a letter to the U.N., to 63 agencies, is automatically in them tomor-

row, automatic. He is an observer state. That vote was taken: 140-something to, I think, 9; 140-something to 9.

Ms. ROS-LEHTINEN. Yet we tried it in the budget to try to get U.N.—

Secretary KERRY. I know. But—

Ms. ROS-LEHTINEN [continuing]. The money.

Secretary KERRY [continuing]. I want to—

Ms. ROS-LEHTINEN. That was wrong of us.

Secretary KERRY. What I want to explain to you is, whether or not the United States loses its vote and gets punished for him going is irrelevant to him. He will go, because it is a tool for him to be able to do things he hopes that will make life miserable for Israel—

Ms. ROS-LEHTINEN. But, Mr. Secretary—

Secretary KERRY [continuing]. But not for us. If we lose our vote—

Ms. ROS-LEHTINEN [continuing]. We should not fund—

Chairman ROYCE. I am going to—

Ms. ROS-LEHTINEN [continuing]. UNESCO if they do that.

Secretary KERRY. I beg your pardon?

Chairman ROYCE. I am going to make a suggestion.

Ms. ROS-LEHTINEN. We should not fund UNESCO when they do this.

Chairman ROYCE. We are down—

Secretary KERRY. Well—

Chairman ROYCE [continuing]. To zero time left in the vote.

Secretary KERRY. But if I can just say to you—

Chairman ROYCE. Absolutely.

Secretary KERRY [continuing]. This is not funding UNESCO. We are losing our vote. We can't defend Israel in UNESCO. We can't defend any of our other interests. We are not there. We are gone, because they went. And they will go again if they think it is in their best interest, and who will pay the price? The United States of America. We won't be able to vote. So I am just saying to you this is a wrong-headed effort for deterrence. It won't deter them. It will hurt us. We believe we need a waiver.

Ms. ROS-LEHTINEN. Thank you, and I hope we get to Venezuela in the next round. Thank you.

Secretary KERRY. No. But I will just tell you, on Venezuela, we are absolutely in a—we need to and we are not only speaking out, but taking steps. Vice President Biden was just down in Chili for the swearing in of the new President. We met with a number of neighbor states down there. We are engaged now with trying to find a way to get the Maduro government to engage with their citizens, to treat them respectfully, to end this terror campaign against his own people, and to begin to hopefully respect human rights and the appropriate way of treating his people. And we are—we think it is time for the OAS, for the neighbors, for partners and other international organizations to all focus on Venezuela appropriately, hold them accountable.

Chairman ROYCE. This committee will stand in recess temporarily for the floor votes, and we will return immediately after casting our vote on the last item in this series to reconvene our proceeding.

Thank you, Mr. Secretary.
 Secretary KERRY. Thank you, sir.
 [Recess.]

Chairman ROYCE. Without objection, I am going to go to Mr. Smith of New Jersey for 3 minutes.

Mr. SMITH. Thank you very much, Mr. Chairman.

I will be very brief, because we don't have much time, but first of all, Secretary Kerry, thank you for your work on behalf of the Goldman Act and your personal intervention for many years in the case of Colin Bower. I had him sit right where you are sitting now, and he testified on behalf of his children who were abducted to Egypt, and thank you for helping that. The bill is now in the Senate. It was passed unanimously in the House, 398 to 0, and hopefully, it will not get hung up in any part of the process over in the Senate. Anything you can do to help on the Senate side would be deeply appreciated.

We had a hearing on South Sudan, and Special Envoy Booth, Ambassador Booth testified. Some of our witnesses said that there is a need right now for a diplomatic surge, that this could get much worse. It already is very bad. Salva Kiir and all of the players there need to hear from us even more robustly. If you could maybe comment on that.

And secondly, let me ask you, if I could, I have had four hearings on brain health related issues, one on the hydrocephalic condition as it affects mostly Africans. Some 300,000 children have a hydrocephalic condition, and a very simple intervention developed by Dr. Benjamin Warf of Harvard is very inexpensive and can be rolled out very quickly in Africa. He has already, at Cure International in Uganda, saved the lives of 5,000 children, and they are now building up capacity as it relates to training neurosurgeons. There are almost no neurosurgeons in Africa; in East Africa, there is 1 for every 10 million people, to give an example of the dearth of neurosurgeons.

The other is the whole issue of Alzheimer's. We had three hearings on the global crisis of Alzheimer's that mirrors the HIV/AIDS pandemic in terms of raw numbers. One estimate from one of our witnesses just recently was that we could be at 135 million Alzheimer's patients globally by the year 2050. Some put it lower at 115, but whatever it is, it is huge. The G-8 summit was a step in the right direction. Please work with us, if you would, on the issue of developing perhaps a global fund, not unlike what we did with the issue of HIV/AIDS and the pandemic of malaria and TBI.

I am almost out of time, so I will yield to our distinguished Secretary of State.

Secretary KERRY. Well, Congressman Smith, first of all, I really thank you for your continued passion on these kinds of issues. And as you know, one of your witnesses was a constituent of mine from my days in the Senate, who I worked with very closely when his children were abducted, and it continues to this day. We are still working on this issue.

We need accountability in countries on this issue. There are many, many more people abducted than anybody knows, taken away to a country of origin for a wife or husband, one or the other, and the American spouse is left completely without rights and

without ability to access their children or child. And it is a very, very painful thing, and I have seen the cost of it, as you have. So I worked with you, obviously, on that legislation. I congratulate you for pursuing it.

On the brain research, et cetera, and treatment, of course, we would be delighted to work with you. Obviously, the age old question is going to be resources. We are already crunching up on some resources on the global fund and people who are dealing with that issue, which we have been at for 10 years plus now with an amazing story—I mean, 1 million lives of children saved and so forth, it is quite extraordinary—but we are under resource pressure. So if you can help us with that here, particularly in the House and in the Senate, we will be your ally and partner.

Chairman ROYCE. Thank you.

Mr. Secretary, we missed Mr. Sherman of California. We are going to go to him for 5 minutes. And then, without objection, so that we have time for the junior members to ask more questions, we will go to 3 minutes per member. I will ask UC for that, and afterwards we will go immediately to Mr. Meeks.

Mr. Sherman.

Mr. SHERMAN. Mr. Secretary, like the last time you were here, I have got so many questions, that I am just going to go through the questions and ask you to respond for the record, and then my last question will be one I will ask you to respond to orally.

I have noticed that U.S. diplomats are far less knowledgeable and far less concerned about commercial matters than are the officials of other foreign ministries and other diplomats that I have had a chance to deal with.

Secretary KERRY. About which matters?

Mr. SHERMAN. Commercial matters. And I am, therefore, pleased that you said that our diplomats have secured contracts for major American companies. In this room, I heard one of our very top diplomats boast as to how he had introduced the South Korean people to the Crossfire automobile and urged that they buy it, unaware that that automobile, made by Chrysler, or with the Chrysler name tag, was 98 percent German-made. And so I would hope you would furnish for the record what procedures we have so that our diplomats are pushing for U.S. jobs and U.S. value added, not just U.S. companies.

In response to Eliot Engel, you put in kind of the accepting Israel as a Jewish state with rights for all people as kind of in the same category as negotiating about Jerusalem. I will point out that Israel has already made a very painful concession, and that is that there should be a sovereign Palestinian state, which is the home for the Palestinian Arabs, and I might add probably won't have equal rights for all people. So I would hope that you would either persuade the Palestinians to accept Israel as a Jewish state with rights for all or, alternatively, suggest to our Israeli friends that they withdraw the concession that they have already made that there should be a Palestinian state that is a home for the Palestinian people until such time as the Palestinians make that same concession or co-relative concession.

As to Iran, the question I would ask you to answer for the record is how—what defines a bad deal? Would it be a bad deal if Iran

had such stockpiles, such technology and such centrifuges so that in a year of breakout, they could produce a nuclear weapon?

My next issue is this committee voted to provide \$1 million and—that \$1½ should be spent to communicate with the people of south Pakistan in the Sindhi language. I don't think there is a more important country for our national security than Pakistan, and yet we face a lot of push back from your Department saying, well, it is just easier to communicate with Urdu. If you are trying to sell something, you need to sell it in the language that your customer wants to hear.

I commend you, Senator Kerry, for your incredible record of fighting for recognition of the Armenian genocide, and hope that, as Secretary Kerry, you will do likewise. And, of course, it was—the Azeri soldier that murdered a sleeping Armenian soldier at a NATO exercise that has been promoted and praised. And in light of that and other aggression, I hope that you would review and perhaps withdraw the idea of any military assistance to Azerbaijan. I would hope that you would also warn the Azeris that it is simply outrageous for them to threaten and shoot down civilian aircraft that try to fly into the Nagorno-Karabakh Airport.

The phrase “pivot to Asia” sounds wonderful when people think it means trade delegations to Tokyo. I hope you would furnish for the record how we can be sure that this doesn't mean that we take the eye off the Islamic extremists that have killed many thousands of Americans and get captivated by fighting for rocks which are misnamed as islands that have been uninhabited throughout human history.

I hope that—but finally as to the Ukraine, I hope that you would make it clear that the Senate should pass the House \$1 billion aid bill now, because the plan to load up IMF reform, which I know you very much support, and put that on the back of the Ukraine bill threatens to delay that bill for 3 legislative weeks, which I might add is 6 calendar weeks, and I don't think that—I think it is critical that we provide \$1 billion of aid, both for financial reasons and to make a statement. And I wonder whether you could respond to that last one orally, time permitting.

Secretary KERRY. Absolutely, but I want to take—you have pegged something that I don't want to leave any question about whatsoever. And I appreciate if you misunderstood it. I don't want to leave it hanging out there, and that is on the issue of any equivalency between Jerusalem or the other. There is none. And it wasn't meant in that way. It was purely that there are bargaining cards everybody has. But you are absolutely correct.

The Jewish state was resolved in 1947 in Resolution 181, where there are more than 40—30 mentions of a Jewish state. In addition, Chairman Arafat, in 1988 and again in 2004, confirmed that he agreed it would be a Jewish state. And there are any other number of mentions, but those are the sort of most important acknowledgements thereof. I think it is a mistake for some people to be, you know, raising it again and again as the critical decider of their attitude toward the possibility of a state and peace, and we have obviously made that clear. That is a conversation that will continue. But Jerusalem is an entirely separate issue to be resolved

entirely separately and has its own set of obviously deep concerns, and our position has been pretty clear on that.

So, with respect to Ukraine and the aid, I want both, and I want them both now, but if I can't have one, we have got to have aid. We have just got to get the aid immediately. We can't be toying around here at a critical moment for Ukraine. And so, you know, I know how things work up here. I don't want to get into the politics in between, but I do, to the degree I get into it, I want to say, we need both, we need them now.

Now, IMF, I know some people react, oh, my gosh, it is one of those multilateral deals and, boy, do we hate that and so forth. Folks, countries that have gotten aid from the IMF are today donor countries in the world. They are contributors to IMF. They are reformed. They are open market economies. They are more accountable than they would have been. They are more democratic than they would have been. This is our lever for encouraging democracy and this is our lever for creating transparency and accountability and pricing reforms and getting rid of subsidies and creating an open market. That is how we have done it.

And if you look dispassionately, non-ideologically, at the record of countries that have gotten it, it is an amazing return on investment for America. We don't spend money and lose money. So I would urge people to do both, but, boy, do we need aid for Ukraine, and we need it now.

Chairman ROYCE. We will go now to Mr. Meeks for 3 minutes, followed by Mr. Rohrabacher of California for 3 minutes.

Mr. MEEKS. Thank you.

Mr. Secretary, let me first just say that I have been delighted to meet and talk to a numbers of members of the chief of mission, who don't get nearly the recognition that they should for the work that they do around the world on our behalf. They are just fantastic. Let me just see if I can ask these questions real quick, since I only have 3 minutes. Some are all over the place.

One is, you talked about we spend basically a penny on the dollar. What help would it give, and as far as also influence in the region when we talk about—when we are talking about TTIP and making sure that we are getting involved with our European unions on that deal, or TPP in Asia, and does it—would those kinds of deals, does it help or hurt the State Department how you are moving forward? Does it help with our influence in those regions, or does it hurt us? So I would like you for to just say, because we have those two bills that may be before us some time soon, but how does it affect with reference to the State Department? That is number one.

But then going to more specifics with the budget, I notice that, for example, in Colombia, that our assistance is being cut by almost \$80 million. And as you know, that President Santos is close to coming to a resolution with the Revolutionary Armed Forces, and so if their peace agreement is signed, it would be important to provide the Colombian Government with support for demobilization and reintegration programs. And that is particularly important to me, because a lot of that has to take place, especially in African-Colombian areas where many of these individuals will be going back into. And so if we were cutting those funds, we would be dev-

astating the individuals still in that country that need the most help. So, you know, that \$80 million is substantial.

And lastly, of course, we had to down scale. There was a report that found that USAID had to down scale by 80 percent homes being built in Haiti after the devastation that took place there, the devastating earthquake. And of those 15,000 homes that were originally planned for construction, it was reported that only 2,600 or so were expected to be built. Fortunately, I am told that reconstruction assistance has started to speed up with \$1.4 billion of the now \$2.4 billion disbursed. So my question is, my last question, how will the State Department further expedite assistance to Haiti?

Secretary KERRY. Well, let me quickly touch on all three. We absolutely want you to not just talk about, but embrace TTIP and the TPP. These are essential ingredients of American projection of power and our economic well-being in the future. And, you know, you don't have to make a final judgment on the thing at this point. Look at the deal when it comes. And it has got to be one that passes muster, we understand that, but the fact is that if we can reach agreed-upon standards for trading with 40 percent of the world's market with respect to Asia, the fastest growing market in the world, and 40 percent of the rest of the world's market in Europe, which we have a commonality with in terms of our standards, et cetera, already, we are raising the standards globally of trade, increasing the opportunity for jobs and job opportunities for Americans and revitalizing our own economic prospects, not to mention Europe's. So we believe in this very deeply, and we hope people will see it as not just trade, but as security strategy, economic strategy, job strategy and so forth.

On the issue of the cut to Colombia, it is very simple. Colombia has been successful. I can remember when I voted in the Senate for the first Plan Colombia. That was very controversial, and I voted for it. I thought it was the right thing to do, and now, I think that has been borne out. So we have been very successful in Colombia. We have money. There is increased capacity and security and development capacity in Colombia. They are understanding that. There comes a time when success means we don't have to continue to necessarily fund something. And we are very supportive of President Santos' peace efforts. Obviously, we want that to be successful.

Finally, on Haiti, Haiti reflects money in the pipeline, and so we are being up front with you. We believe we have some money in ESF and the inkling that—you know, once that money is reduced, then we will come back and say, we need some money for Haiti. So we are not reducing the effort. There is no reduction in commitment. It is simply that there is some money in the pipeline and that should satisfy our needs for this year.

Chairman ROYCE. Mr. Rohrabacher of California.

Mr. ROHRABACHER. Thank you very much.

And thank you, Mr. Secretary, for your hard work. We see you going all over the world working hard for us, and even if we have some areas of disagreement, we respect and are grateful to you for, you know, working so hard for your country. Thank you.

Secretary KERRY. Thank you.

Mr. ROHRABACHER. A couple of issues. First is Camp Ashraf.

Secretary KERRY. Yeah.

Mr. ROHRABACHER. And you have got our friends here in their yellow jackets. It is very clear that their group in Iraq have been attacked and murdered in great numbers and on several occasions, and that the current Government of Iraq is either in collusion with these murderers or at least they are turning their back and letting this happen.

I have a piece of legislation, H.R. 3707, which would grant asylum to these people in Camp Ashraf who are obviously in danger. Is the administration supporting this concept in this legislation?

Secretary KERRY. Congressman, let me just say, first of all, there is one solution to the problem of what is now Camp Hurriya, formerly Ashraf, and the answer is, and I have been concerned about it since I was a Senator, we need to relocate those folks.

Mr. ROHRABACHER. My legislation says relocate them here. Why not?

Secretary KERRY. We are looking—

Mr. ROHRABACHER. They are in danger.

Secretary KERRY. That is one of the things we are looking at. We have managed—I have appointed a special envoy/advisor with respect to this. He is a very competent counsel from here in Washington. He has been working on it full time.

Mr. ROHRABACHER. We need to get on this, Mr. Secretary—

Secretary KERRY. That is exactly what we are doing. We have—

Mr. ROHRABACHER. Before more of them die.

Secretary KERRY. We have 210 who are now being transferred to Albania. We have about another 100 going to Germany.

Mr. ROHRABACHER. Okay.

Secretary KERRY. And we are now looking at the process here internally. We are working with UNAMI, with UNHCR, the Government of Iraq, other relevant authorities, but right now, the White House, Department of Homeland Security and other relevant agencies are looking at how many we might be able to take care of ourselves.

Mr. ROHRABACHER. I would hope that, within 30 days, if all these things that you have talked about have not come to fruition, that we decide to act and bring them here so at least they will be safe. Otherwise, the blood of these murdered innocent people are on our hands.

Another issue, Dr. Afridi, the man who helped us bring to justice Osama Bin Laden, who slaughtered 3,000 American citizens, Pakistan has arrested Dr. Afridi. And even now, after all of this time and all these complaints and all of this negotiation, he is still in a dungeon. This does not speak well for the people who would side with the United States if we let Dr. Afridi, the ultimate hero in the fight against radical Islamic terrorism.

My question to you is, number one, how can we possibly give the amount of aid you are proposing, actually a \$1.3 billion in aid, both military and civilian aid, to Pakistan, how can we possibly do that when they are holding Dr. Afridi, which is a hostile act to the United States, and basically is an insult to those people who died on 9/11?

Secretary KERRY. Congressman, this is a very relevant issue that I have raised personally with the leadership of Pakistan. I believe, at some point, we are going to break through and justice will be done, which means he will be appropriately released and free to leave.

But you say, how can we give the aid? We have got a lot of interests with Pakistan. It is a nuclear nation. We are trying to work with them with respect to nuclear restraint and also with India and other issues. We are conducting counterterrorism efforts in that country that are vital to us with respect to al-Qaeda. We are engaged in major efforts. They have been very helpful with us, actually, in trying to work to bring the Taliban to the table if that were indeed possible. There are lots of efforts. Our basic supply line to our troops in Afghanistan starts in Karachi and goes through Pakistan. So these are the things that sometimes you have to weigh and balance.

I believe the development of the country for many different reasons as a peaceful, stable democracy is very, very critical. They just had their first peaceful transfer of power from one President to another at the ballot box, the first time since 1948. Other times, there have been coups and killings and imprisonments. This was a peaceful democratic election. And so I think that it is important for us to think about the long-term, not just one issue.

But we raise and are pushing Dr. Afridi's cause. He should be free.

Chairman ROYCE. We go now to Mr. Ted Deutch of Florida.

Mr. DEUTCH. Thank you, Mr. Chairman.

Mr. Secretary, thank you for being here today. This past Sunday marked the seventh anniversary of the disappearance of my constituent, Robert Levinson, from Kish Island in Iran. Monday marked Bob's 66th birthday, another birthday spent without his family.

I know how committed you are, Mr. Secretary, to returning Bob to his family, and I thank you for your statement of support this past weekend. And I know that you and Under Secretary Sherman continue to raise this case when you meet with the Iranians. I would just ask that you please keep Bob at the highest priority level in all of your meetings and discussions with the Iranian leadership. We must use every single opportunity to press for information and cooperation that will lead to his safe return.

Mr. Secretary, as you know, also in recent days, 60 rockets were fired from Gaza into southern Israel, some striking near schools and libraries. Islamic Jihad, a militant group funded by Iran, immediately claimed responsibility. The attacks come just a week after Israeli officials intercepted an Iranian shipment of 40 short-range rockets, 181 heavy mortars, 400,000 bullets and dozens of M-203 surface-to-air missiles bound for Islamic Jihad in Gaza. According to Israel's head of military intelligence, Hezbollah, an Iranian proxy, now has as many as 100,000 rockets pointed at Israel and is actively engaged on the ground in Syria in support of the Assad regime. Iran has spent billions of dollars on arms and members of its elite Quds force in Syria. And now, despite the parameters set forth in the interim nuclear agreement, statements reported out of Iran this week indicate that Iran may now be unwill-

ing to discuss outstanding questions on the possible military dimensions of their nuclear program. According to The Wall Street Journal, Iran's Deputy Foreign Minister made clear that there is no rush to discuss these issues, possibly in an attempt to force the P5+1 to extend the interim agreement by showing adherence to other parts of the Joint Plan of Action.

Please assure us that the United States and our allies will not allow negotiations to extend beyond 6 months if Iran refused to address the possible military dimensions of its nuclear program.

And finally, Mr. Secretary, if you could just respond in writing to this last point. I am increasingly concerned that there is a presumptive bias against young Israelis seeking to travel to the United States. Reports indicate that because of widespread visa denials, many student-aged travelers simply no longer apply to come to the United States. In fact, on Embassy Tel Aviv's Web site, there are videos warning young travelers about the risks of violating the terms of their visas. And while I understand that there are cases where the terms of tourist visas are violated, this does not mean that our policy should be to profile young Israelis and to arbitrarily or, as many have suggested, uniformly deny student-age Israelis, citizens of one of our closest allies, the opportunity to visit the United States.

I would ask if the policy of presumptive denials exists with any other country, and I would appreciate you getting back to us in writing with the refusal rates of tourist visa applications by age from 16 to 30 over the past 5 years. And I appreciate you being here.

Secretary KERRY. Happy to do so. Look, Israel is a vital partner of ours, obviously. In the last year, over 100,000 visas of all ages were issued; 20,000 were issued to Israelis ages 21 to 30 in each of the last fiscal years, issuance rates about 83 percent, which is not different from other folks or other places. So we will be happy to give you greater input on that if you want it, but I can guarantee you that these applications are treated fairly and similarly in all places.

With respect to the Gaza and Hezbollah, it is a huge concern. I don't know if it is 100,000 or 80,000. A few years ago everybody was throwing around the number 40,000; it grew to 60,000. Definitely an increase, huge increase. Huge threat. Major problem. Based in southern Lebanon and in the Bekaa Valley. And Assad has been transferring many of these weapons to them, and they have come through Iran.

So it is a double-prong problem. It is one of the reasons why, when I came before you months ago, I was arguing so vociferously that we needed to pay attention to this overall Syria picture, because it is bigger than just the question of Syria. And this is an example of it.

And finally, on the Iran negotiations, we are working at defining those components of the military aspects of the program which we can legitimately fold under, and we are not going to ignore them. Warheads, for instance, are an obvious one. Certain kinds of R&D, other examples. And we believe we interpret appropriately that the U.N. resolutions, as well as the Joint Agreement—JPOA, as we call

it—both allow for and call for addressing of certain of the military aspects of this.

Now, some people assert that goes to every single class of missile or something. I am not sure it would legitimately do that, to be honest with you. But certainly warhead. And there are military components of this that we are going to have to address in it.

Chairman ROYCE. I would like to ask the members to be cognizant of their time limit and leave the Secretary time to answer their questions within that allotted 3 minutes, because the Secretary is going to be forced to leave, as you know. He is going to go overseas due to the Ukraine crisis, and we would like to be able to recognize as many members here as possible in our limited time.

With that, we will go to Mr. Chabot of Ohio.

Secretary KERRY. Mr. Chairman, would it help you—I want to hear from as many members as possible, and if you like, I can take the questions seriatim and so that we can answer them for everybody.

Chairman ROYCE. May I suggest, though, if I just stick to the clock, that might be the best way to go.

Mr. Chabot.

Mr. CHABOT. Thank you, Mr. Chairman.

I want to thank the Secretary for his continuing focus on the Asia-Pacific region. I happen to be the chair of Subcommittee on Asia and the Pacific, and as the chairman knows, the chairman led a codel recently to that part of the world with Mr. Sherman and a number of our colleagues here. I think we learned a great deal and it showed our continued engagement with that part of the world.

We have intended to hold a number of hearings about that trip and some other issues. I am not holding you responsible for this, Mr. Secretary, but we are having some trouble. I am disappointed, to some degree, in the lack of cooperation we have had with some of your folks. Despite repeated requests, our staff has been unable to get a briefing on the Fiscal Year 2015 East Asia and Pacific budget, and we have also been unable to schedule a hearing on North Korea because of lack of cooperation—and I am hearing similar concerns from others. I know you can't be involved in the day-to-day activities but if you could check with your folks and if we could get some assurance that they will cooperate on getting these things set up, I would greatly appreciate that.

Secondly, a number of administration officials, including the Assistant Secretary of Defense for Acquisition, have recently made comments that the rebalance to Asia needs to be reexamined. These statements come at a time when our regional friends and allies articulate lingering concerns about the sustainability of increased U.S. engagement in the region, especially with the administration's recent push to cut back on our military.

The East Asia and Pacific Fiscal Year 2015 budget request states that one of the top strategic priorities is solidifying key bilateral relationships, and I would like to know which countries this applies to? How you are going to solidify that?

Finally—and Mr. Royce already mentioned this, but I think it deserves another mention at least—it seems to me that from a U.S. perspective that it would make sense for us to ultimately be a net

exporter of liquefied natural gas. We could produce more energy to be exported to our strategic partners in Asia and Europe and in the process, we could create more jobs here at home and more energy independence and strengthen our bilateral ties so that some of these important countries, and our European allies, might not be so dependent upon the bully Putin. I would urge the administration to look into that. You already mentioned that. And I know you have got 27 seconds to address all three questions.

Secretary KERRY. We will get the hearings done, or briefing, whatever the issue is. We will take care of it.

With respect to a rebalance, the 2015 request is \$1.4 billion, which is an 8-percent increase over last year. So I don't know who is suggesting we are not going to do that. I have made five trips already to the region. I was just there a couple of weeks ago in Korea and China. The President is going out there before very long. We are very focused, we are totally committed, and we are going to continue the rebalance.

Now, that is not going to come at the expense of Europe or the expense of other places. It is in addition to. We have to do more. We are living in a world where we have to do more. And it is a conflict, obviously, with where we are with our budget, and you all are going to have to wrestle with that as we go forward.

We all are going to have to do that. We have to talk about that, because, you know, it is critical that we project and remain active, and people want us to, particularly in Asia. South China Sea issues, the challenge of a rising China and the disputes in that area were critical to the free navigation and the peacefulness of that area. So I just want you to know that we remain completely committed to that.

On the LNG, all for it. The one thing people got to look at, I don't have the answer to this, there is a point where our exports could get to a level where it has an effect on your folks at home in terms of price at home, and you have got to look at what that differential is. I don't know where it is, but at some point that could have an impact.

Chairman ROYCE. We will go to Mr. Higgins of New York.

Mr. HIGGINS. Thank you, Mr. Chairman.

Mr. Secretary, the President's budget includes a \$350 million increase for worldwide security protection account, which is obviously a good thing. I mean, protecting Americans, diplomats and humanitarian workers across the globe should be a major priority for our country.

However, for those who perished, more must be done to secure justice. One such man, John Granville from Buffalo, New York, was a diplomat with the United States Agency for International Development. He was promoting and working toward free elections in South Sudan at the time of his death 6 years ago.

He was in the Sudanese capital of Khartoum. Four Islamic extremists murdered John and his driver. They were captured, and they were convicted; however, they escaped from prison. Two remain at large, and the State Department has issued a \$5 million reward for information leading to their capture. Meanwhile in February, the Sudanese Government pardoned the man who helped them escape.

The United States deserves better. John Granville and his family deserve better. I have urged the President of Sudan to repeal the pardon, and we will continue to oppose efforts to delist Sudan from the state sponsors of terrorism.

Could you provide an update on the efforts to capture his killers either verbally or through writing?

Secretary KERRY. Yes. The two individuals who were alleged to have carried out this attack or carried out the attack have been designated by us as specially designated global terrorists designation. They have been fugitives since the June 2010 escape from prison in Khartoum, and despite Interpol notices and efforts, they have not yet been captured.

We want to encourage their recapture, and with the designation we are trying to emphasize to everybody everywhere that we are going to pursue people, and that justice will be done. And so we are committed that they be returned to prison and serve out sentences, and that is what we are trying to do.

Mr. HIGGINS. I yield back.

Chairman ROYCE. Okay. We go to Mr. Joe Wilson, South Carolina.

Mr. WILSON. Thank you, Mr. Chairman.

Thank you, Mr. Secretary, for taking the time to speak with us today about the President's budget for the Department of State. Clearly, this is a chaotic and dangerous time for the Department as America faces many challenges around the world with the Benghazi murder still unsolved.

While we have you here, I share in everyone's concern about the ongoing situation between Ukraine and Russia. Peace is threatened by President Putin's regional aggression. I believe it is of paramount importance that the United States exhibit strength and determination toward the Russian Federation. However, the disastrous decision by the President and his budget to halt progress on the Mixed Oxide Fuel Fabrication Facility, the MOX Facility, at the Savannah River Site will allow the Russians the option to stop disposition of 34 metric tons of excess weapons-grade plutonium.

Over the weekend USA Today ran a story in which Secretary Ernest Moniz of the Department of Energy commented, "At the right time," the U.S. will have to reengage in plutonium disposition discussions with the Russians. He went on to say, "Now may not be the right time."

My question is, when will we be able to have these negotiations? If we back down on our end of the agreement, what assurances do we have that Russia's excess material won't end up in the wrong hands?

Secretary KERRY. Look, that is an excellent question. I honestly need to get deeper briefed on exactly what that decision was, how it was made and why. So let me find out, and we will get back to you.

Mr. WILSON. Well, thank you so much, because this is crucial. And, indeed, I was very grateful the Aiken Standard, local paper at home, Derrek Asberry on Saturday, wrote from the World Nuclear News that Russia is moving forward in constructing a fast reactor that will dispose of the high-grade weapons-grade plutonium; but at the same time, we are apparently ceasing our activities with

the closure of MOX. And so this is just an issue that should be addressed, and I appreciate you looking into that.

Additionally, in the past week we have had where the Iranian Foreign Minister said that it was an illusion that there would be the end to enrichment activities by Iran. Additionally, we had Israel seize a ship which had long-range rockets. It was an Iranian shipment to Hamas terrorists in Gaza.

In light of that—and I agree with Ranking Member Eliot Engel, you can't trust Tehran, and we know the young people of Iran want to live in a nontyrannical society—why shouldn't we be reinstating and pushing for harder sanctions in light of what has just happened in the last week?

Secretary KERRY. Well, as you know, we do sanction Iran for other activities other than nuclear, and there is nothing to suggest that we shouldn't take a step with respect to that. We sanctioned them for state sponsor of terror, and they are already sanctioned under that, and this fits under that banner, obviously.

So we haven't said no. You know, we are still trying to get—we have to get to the bottom of what is in it, how much, all this kind of stuff, and where it came from and tracking, because you have some fairly rigid standards that have to be applied legally when you make that determination.

But that said, let me come back to a comment you made about the ship and the overall issue of Iran and not trusting them. I have said before, and I really want to emphasize to everybody here, nothing that we are doing with respect to this negotiation is based on trust. I have said, in fact I have quoted, I said, "Ronald Reagan said trust, but verify." Our motto in this instance is verify, but verify.

We are asking for the deepest, most extensive verification, inspection, accountability measures that have ever been put in place with respect to ascertaining what they are up to. So I can assure you, whether it is a ship or elsewhere, we are going to be pressing very, very hard for the insights necessary to grant to—

Mr. WILSON. We will have a study about the missiles and have a determination about these missiles?

Secretary KERRY. Beg your pardon?

Mr. WILSON. We will have a study about these missiles and have a determination—

Secretary KERRY. Well, we will make a determination. I can't tell you what—you know, I haven't reviewed all the options yet. I have not had a proposal put on my desk, and I haven't put one on the President's, but absolutely this kind of behavior is not appropriate and unacceptable.

Chairman ROYCE. William Keating of Massachusetts.

Mr. KEATING. Thank you, Mr. Chairman.

I would like to thank the Secretary, and I would like to thank Assistant Secretary Nuland for your leadership in Europe and Eurasia, including Ukraine.

Now, I recently introduced a resolution with Congressman Poe to encourage Georgia's inclusion into NATO's Membership Action Plan. And I appreciate your efforts, Mr. Secretary, and the administration's efforts to support this goal.

That being said, given what is happening in Ukraine, what has already happened in Abkhazia and South Ossetia, do you think that this is the right moment to actively push some of our European partners toward this goal?

Second question, if I could. I am also concerned about the often violent situation in Belfast over the past year and the failure of the five parties to agree to a December 2013 draft of the Northern Ireland peace accord. What are your thoughts on the draft of the Northern Ireland peace accord and the rationale leading the State Department's decision to eliminate funding for both the Mitchell Scholarship Program, which I know you have been a strong supporter of, and the International Fund for Ireland?

Secretary KERRY. Well, we are going to look at—we are looking at the fund for Ireland piece because I think that, you know, we have our friends from Ireland coming in this Friday for meetings tomorrow. I won't be here to take part in them, but we are going to be reviewing where we are with respect to the current impasse.

And things have come, unfortunately, to, you know, a little bit of a standoff, stalemate, if you will, on further implementation of the peace process. So we need to take stock, renew our commitments, get back on track, and it may be that the fund is going to be an essential ingredient for doing that. We have got to make that determination.

On your question about Europe, pushing them toward the goal, I missed that. I apologize, I didn't hear what goal you were talking about.

Mr. KEATING. About Georgia's advancement into the Membership Action Plan with NATO.

Secretary KERRY. Oh. We are continuing—those are all under review and under a constant process of helping those countries to be able to meet those standards that are available. Now, when you said pushing them, they have got to do their own set of decision making in order to meet the standards, and they know what they are. People are working with them.

But there are government reforms, there are accountabilities, certain standards, different things have to happen for that process, and that has been salutary for those who have made the leap and joined, and it is very much open to them at this point in time. There are a whole bunch of people, Bosnia, Herzegovina, Kosovo, so forth, the Balkans, where this is true, and other places like Georgia.

Mr. KEATING. Thank you. I yield back.

Chairman ROYCE. We will go now to Mr. Ted Poe of Texas.

Mr. POE. Thank you, Mr. Chairman.

Mr. Secretary, I am concerned about a lot of things. In 3 minutes I am going to try to get a couple of them and let you have the rest of the time to answer.

Pakistan, we give them money, they persecute the Baluch, and they have for a good number of years. Mr. Rohrabacher and myself and other members are very concerned about the persecution of this group of people.

As Mr. Keating pointed out about Georgia, the Russians first moved into Moldova; then Georgia, one-third of the country is taken by the Russians; and now Ukraine.

And the third concern I have is about the MEK. When you were here in April last year, since you were here then, I talked, asked you questions about it, then again in December. There have been 62 members of the MEK in Iraq that have been murdered.

The question, twofold: Ukraine, were we surprised that the Russians moved into Ukraine; if not, when did we know the Russians were going to invade another country? And then on the MEK, when is State Department going to make a decision to allow members of the MEK that are stuck in Iraq to come to the United States? When will that decision be made? Those are my two questions.

Secretary KERRY. Well, that decision is under review right now. As I said earlier, you may not have been here—

Mr. POE. I know what you said earlier, that it is under review, but when are you going to decide to make the decision to either allow them to come in or not come in?

Secretary KERRY. Homeland Security and the White House and other agencies, Justice, for instance, are engaged in an analysis of, you know, whether or not that can be done based on our judgments with respect to how many and whether it works. So—

Mr. POE. Are you going to require or not they renounce their membership in the MEK as a precondition?

Secretary KERRY. I don't know the answer to that yet.

Mr. POE. Okay.

Secretary KERRY. I think the key is to make certain that we are following the standards and procedures by which people are admitted to the United States, and that takes some vetting and so forth.

Now, there are urgent circumstances here, and I have acknowledged those. Their safety is at risk; no question about it. And we want to move them out of Iraq as rapidly as possible, and that is one of the reasons why I have appointed somebody full time to be working on this. We have gone to a number of countries.

And frankly, I will be very up front about it. One of the reasons we are urgently now reviewing this is people sort of say, well, how many are you taking? And that is an appropriate question to ask, and it deserves an answer.

Mr. POE. Excuse me, Secretary, reclaiming my time. In the last 20 seconds, when did we know about the Russian's invasion of Ukraine?

Secretary KERRY. Well, we knew about their movement of troops in there the minute it began to happen. But they have a basing agreement, and under their basing agreement, they are permitted to have up to 25,000 troops there. They currently have somewhere in the vicinity of 20,000 or so. That is including the increase.

So they were perfectly within their limits of their base agreement, and in the initial stages in the inquiries that were made of them, that is what they said: We are moving because we have threats against some of our people; we are not planning to do X, Y or Z; we are not going into East Ukraine; it is not an invasion. And obviously, that has evolved. And so, you know, fait accompli.

We understand what it is, and we understand exactly, you know, what they have done, which is precisely why the President has already issued an initial set of Executive Orders and created visa bans. And if we are not successful tomorrow in finding a way forward, and the referendum which we all anticipate which is going

to take place on Sunday is done without some path forward, there are going to be serious repercussions. So that is where we are.

The President has made it clear we take this very, very seriously, as do, I might add, all of our European partners. I was on a conference call with my counterpart foreign ministers this morning, and they are united and strong and determined that there will be consequences if we cannot find some way to diffuse this.

Chairman ROYCE. David Cicilline of Rhode Island.

Mr. CICILLINE. Thank you, Mr. Chairman.

Thank you, Mr. Secretary, for your extraordinary service to our country and for your being here today with our committee.

I am going to submit a series of written questions that relate to Armenia, Nagorno-Karabakh and Azerbaijan, to the Lajes Air Force Base and the U.S. Consulate in Ponta Delgada in the Azores, some questions relating to the Middle East peace process, our national ocean policy, the importance of continued attention to defense sales, and finally to State Department's ongoing efforts to protect the human rights of LGBT individuals around the world, especially in countries such as Nigeria and Uganda. So I will do those in writing.

And I would just ask you in the time that I have to really comment on two areas. One is U.N. peacekeeping functions. As you know, we are at least \$350 million behind in our peacekeeping dues from Fiscal Year 2014. Your budget proposal brings us closer to fulfilling our financial obligations to U.N. peacekeeping. But if you could just speak to the importance of this funding and how our arrears impacts on our ability to pursue our interests at the U.N. and around the world.

And the second issue I would like you to touch upon is, as you know from certainly your long service in the Senate, we and other developed countries jointly committed in the United Nations Framework Convention on Climate Change to \$30 billion in assistance between 2010 and 2012 to help mobilize \$100 billion in public and private funds by 2020 to address the causes and the impact of climate change. After that the United States elevated climate change as a development priority, and I wondered if you would speak to how your budget reflects those priorities and might help us realize those objectives, in 1 minute and 12 seconds. I apologize.

Secretary KERRY. Well, we are extremely focused—I will take climate change first. We are extremely focused on the climate change. We have money for research for mitigation efforts. And we are gearing up—as you know, I just came back from China where we agreed to jointly work together in order to set the target dates for 2015, and the President is laying down his climate action agenda. It is an all-government effort. So the budget actually doesn't reflect everything because every department is being called on to do things with respect to climate change.

On the issue of the U.N. peacekeeping, the request that we put in to you is \$753 million above the 2014 request, and that is primarily because of increases to meet our commitments for Mali, Somalia, and South Sudan. In addition, we have to fund all the missions at the U.N. assessment rate, which is 28.4 percent, not the 27-point-something percent we pay. So there is a gap. And finally,

we are adjusting for one-time offsets that are being used to cover our bills. This time there is \$218 million for that.

So we are pulling down on some of our peacekeeping, East Timor, Liberia, Haiti, Cote d'Ivoire, several others, as the troop levels decline and as the need declines. But we have increased efforts in Africa in a number of different places, the Central African Republic, the Great Lakes region, South Sudan, and so forth. So the demands from the U.N. have grown, and the money has gone the opposite way.

Chairman ROYCE. Matt Salmon of Arizona.

Mr. SALMON. Thank you.

Mr. Secretary, it is my honor to serve on the subcommittee, the Western Hemisphere Subcommittee, on this full committee, and as such, I am deeply troubled by the lack of clear vision and strategy in the region. Don't get me wrong, you have many skilled diplomats operating throughout the region, but I fear the lack of coherent strategy and appropriate engagement comes from the top.

In the last year, Cuba has been caught red-handed violating U.N. sanctions and shipping weapons to North Korea through the Panama Canal. Venezuelan opposition leaders and students are being imprisoned without charges, and demonstrators are being beaten and even killed by government forces, all for opposing Maduro's failed economic policies and the overall dismal state of their economy.

Ecuador and Bolivia have booted out our USAID missions, and our diplomats are inexplicably walking on eggshells for constant fear of expulsion.

Drug trafficking and violence through Central America continues to increase, and the Russians have docked a warship in Havana's harbor. These are just a few of the events happening in the Western Hemisphere.

Meanwhile, the administration's response to these regional challenges has been muted at best. Attempts to utilize our membership with multilateral organizations to hold these regional bad actors accountable have not been successful.

In the case of Venezuela, the Organization of American States—by the way, American taxpayers fund at least 40 percent of their operating budget—issued a shamefully weak statement on the violence happening in Venezuela and did nothing to oppose the human rights violations happening there or to support the demonstrators' right to freedom of expression.

Given the ineffectiveness of the OAS, I am not sure I can justify to my constituents continued funding for such an feckless organization. Furthermore, the U.N. has had to take strong action to punish the Cubans for violating U.N. sanctions and selling the North Koreans weapons right at our back door. I was recently heartened by the U.N. report that was recently released on this incident, but I strongly urge you to make sure that Cubans pay a significant price for thumbing their nose at international sanctions.

Meanwhile, as Central America struggles with increased drug-smuggling activity and the corresponding violence, USAID is helping Guatemala by buying them solar panels. Really?

To wrap up my point, Mr. Secretary, we need a better strategy in the Western Hemisphere and a renewed engagement and under-

standing that our national security is on the line if we don't start paying attention to our hemisphere. I hope you will take this on board and then share with us what that vision will look like and how it advances our national security.

Finally, recently you stated in a speech that climate change is increasingly a national security threat. With all due respect, Mr. Secretary, given everything that is happening around the globe today, do you really believe that? I would submit to you that around the world, liberty and economic freedom are being threatened by tyrants, and those yearning for freedom are looking to the U.S. for leadership in defense of liberty, but instead USAID is offering solar panels. I believe that is an affront to the U.S. taxpayer and an insult to those seeking freedom around the world.

Secretary KERRY. Well, Congressman, freedom also means the freedom to be able to eat and live where you live. And we have people who have just come back from meetings in the Pacific Islands where they are losing that ability because of the level of high tides that regularly destroy their homes and flood their communities.

Freedom means the freedom to eat and have food, and increasingly food security is at risk because of global climate change. The fact is, our countries, they are going to run out of water, and there are nations that might have wars over water. There will be climate refugees in various parts of the world. There already are people fighting over water in places like Sudan and elsewhere.

You know, the fact is that everybody has a right to the preservation of the ecosystem of the planet from which we live. You wouldn't have life on this planet if it weren't for the oceans. The oceans are increasingly at risk, at least the ecosystem within them. Fisheries overfish, unbelievable acidification taking place because of the pollution that goes into the ocean.

So I just say to you, you know, there is a reason that General Zinni, who used to be our CENTCOM Commander, stood up and said climate change is a national security issue. There is a reason that the Pentagon, until recently for budgeting, had an office to deal with this issue, to make plans for the future for the changes that are going to take place in terms of security, you know? There are all kinds of implications.

So I strongly urge you to recognize that if the things continue to happen that are already happening, as a matter of scientific fact, not my imagination; when countless scientists come together and all agree that X, Y and Z is happening, and happening now, and happening to a greater degree than it was before and faster than they predicted, you ought to step back and look at it.

And, you know, the worst that can happen to everybody in the world if I am wrong, and Al Gore is wrong, and scientists are wrong, and the U.N. is wrong and countless communities are wrong is that we make a decision to have cleaner air, better health, you know, more jobs, new energy, energy independence. That is what happens. But if the guys who say it isn't happening are wrong, life as we know it on this Earth can literally end.

So you have got a choice, and I think it is pretty clear where the President and I are putting that choice. Is it an instrument of destruction on a global basis? I was in the Philippines where Typhoon Haiyan hit. And I will tell you, man, I have never seen devastation

like that wreaked in as few minutes, and what happened to the trees stripped off the mountaintops and the entire community, several hundred thousand people displaced. So we have to pay attention to it, and that is where I am coming from.

Chairman ROYCE. Let's go to Mr. Grayson of Florida.

Mr. GRAYSON. Mr. Secretary, if a free and fair election were held in the Crimea between being part of Russia and being part of Ukraine, what would be the result?

Secretary KERRY. A free and fair election? Well, that is an oxymoron right now anyway, when you are invaded by 20,000 troops, and you know. I have no doubt that people would vote for a greater affiliation with Russia. There is no question in my mind about that. But you can't consider an election in the face of troops, and hastily put together in a few weeks without any debate, and also contrary to international law and contrary to the constitution of Ukraine as a free and fair election.

Mr. GRAYSON. Well, hypothetically, if 90 percent of the people in the Crimea wanted to join Russia, what does that tell us about U.S. foreign policy in the region?

Secretary KERRY. It doesn't say anything about U.S. foreign policy. It says everything about history and culture and language and what they are believing. It is not a reflection of U.S. foreign policy; it is a reflection of a relationship that has existed for centuries.

Ukraine used to be part of Russia for centuries. It has only been part of Ukraine—Crimea only part of Ukraine for 22 years, whatever, I mean, you know, formally. A little longer than that, excuse me. It has only been formally—in 1954, Khrushchev gave it to Ukraine as a "gift" but it was ratified and approved and subsequently passed on by the Duma in Russia formally accepting that.

So there is no doubt that they feel a huge tie to Russia. That can be reflected and respected without invading, you know, with your troops and having an election at the point of a gun.

Mr. GRAYSON. Does the U.S. have any vital national security interests in seeing whether Crimea is part of the Ukraine or Russia?

Secretary KERRY. I think we have a vital national security interest in upholding international law, and in upholding the norms for international behavior, and not allowing somebody at the point of a gun to reverse settled lines of nations and to reverse the Constitution of a Democratic country and a country aspiring for greater democracy. Yes, I think we have a vital interest in that.

But there is a difference as to whether it is an interest that rises to the level of, you know, deploying troops versus deploying economic measures and other kinds of choices that are available to us.

Mr. GRAYSON. Well, tell us how you draw that line.

Secretary KERRY. Well, I draw that line—do we believe that a nuclear war is worth fighting over Crimea? That would be a very tough question to resolve. I think most Americans would resolve it fairly fast. But on the other hand, most Americans would also agree very quickly nations should not behave the way Russia has, and they ought to pay a price if they choose to.

Mr. GRAYSON. Is the principle of self-determination in play here?

Secretary KERRY. It could be if it were done properly. An example of that would be what has taken place in—what is going to take place in the United Kingdom, where the Parliament has approved

the right of Scotland to have an independence referendum. But it has been done through the appropriate mechanism. The Constitution of Ukraine requires that any effort by any entity within Ukraine to secede be done through the constitutional process.

If Russia were to say, we think they ought to have additional autonomy, ought to be respected, the affiliation with us ought to be more clearly defined, there are plenty of ways for us, through the U.N., through multilateral efforts, through Ukraine-Russia discussions, to find out if there is an appropriate way to resolve that. You don't do it—I mean, in the 19th century and 20th century, we learned the way to do it is not by invading a country and forcibly arbitrarily changing those lines.

Chairman ROYCE. Jeff Duncan of South Carolina.

Mr. DUNCAN. Thank you, Mr. Chairman.

Mr. Secretary, you have been clear about your opinion regarding Iran's nuclear ambitions, but you haven't been clear about your position with regard to Iran's activity in the Western Hemisphere.

Specifically, there was a bill signed by the President in late 2011 dealing with countering the Iranian threat in the Western Hemisphere, and a report that was put out by the State Department. And specifically, do you believe that Argentine prosecutor Alberto Nisman's report on the AMIA bombings in the 1990s should be taken in consideration by the State Department as they reevaluate the Iranian threat here in this hemisphere?

Secretary KERRY. Well, anything that is relevant to the Iranian threat in the hemisphere ought to be taken into account. And we have been looking at this issue of Iran in the Western Hemisphere, and there is some evidence, obviously, of that. And they have been playing for a certain period of time. It is not clear if that has grown at this point or continuing at the same level.

But this gives me a chance to come back to the question earlier about the hemisphere and Venezuela and so forth. Look, I have been in this job now for just over a year, and my initial effort when I went down to the OAS meeting and have engaged was to try to meet with the Foreign Minister of Venezuela and sort of say, you know, what are we really fighting about? We are for healthcare, you know, assistance for your citizens; we are for economic transformation; we are for freedom of speech, these kinds of things; we ought to be able to find some means of cooperation. And there was an agreement to sort of begin that tentative effort to try to see if we could find common ground.

Next thing we knew, bad habits were being pursued again, and the folks in Venezuela were simply lobbying grenades—you know, figurative diplomatic and political grenades at us, ideological grenades.

Mr. DUNCAN. Yes, sir, that is what concerns me about the bad habits, because Mr. Nisman in Argentina points specifically to Hezbollah and Iran's activity with being attributable to the bombings there in Buenos Aires that killed Argentine and Jewish and other lives.

So are you familiar with the report, and do you think the State Department—

Secretary KERRY. I have not read the report, no.

Mr. DUNCAN. I appreciate it. And I would ask that the State Department circle back up with me on that.

Let me just ask a question on a different line, because I am concerned about Argentina. And they are seeking to reopen the spigots of international aid without doing anything to solve the bigger problem, and that is that its policies remain hostile to meaningful private investment.

And so my question in the remaining time is what are you doing to urge Argentina to meet its obligations and settle with its creditors?

Secretary KERRY. We have been urging them to do exactly that. And we have, as you know, been amicus briefed on a number of different cases. We are pressing very hard to see that they do that. They have a responsibility to do it. They owe about—I think it is about \$600 million are owed to us, our folks, and we are working on a way to deal with their—

Mr. DUNCAN. Thank you. I appreciate that. And I hope the State Department can continue to be more forceful with that.

Chairman ROYCE. Bradley Schneider of Illinois.

Mr. SCHNEIDER. Thank you.

And, Mr. Secretary, thank you for being here. As you said in your opening prepared remarks, what we do in the world matters. And what you and people on your staff and team do here and around the world are crucial.

We are here talking about the Fiscal Year 2015 budget; however, global affairs don't necessarily follow a fiscal year calendar, and there are three deadlines looming in the coming months that I think are incredibly important. First, in the spring, the current round of negotiations between the Israelis and the Palestinians; June 30 is the deadline for the removal of chemical weapons from Syria; July 20 we then see the conclusion of the 6 months on the joint plan of action with Iran.

At the same time, around that region, we have a series of very concerning trends with Egypt and its government, the chaos in the Sinai, the pressures on Jordan because of Syria, what is happening in Turkey, even what is happening in sub-Saharan Africa leading to refugees into the region.

So my questions in a very brief amount of time is all of these deadlines, whether they are successful or unsuccessful, and the assumptions are 50/50 in many cases, are going to have serious implications and financial demands, fiscal demands on the United States and the world. Do you believe that the budget as proposed here for Fiscal Year 2015 provides the resources and flexibility for the State Department, for you to do what is necessary for a successful outcome?

Secretary KERRY. Congressman, that is a terrific question, well thought through in terms of noticing the confluence of all of those dates. You are absolutely correct; big things are potentially going to happen all in short order, one way or the other. And the answer is profoundly no, I don't believe we are adequately resourced. But, you know, this is the best budget we can get under the circumstances of the budget deal that was cut up here. It is not the budget we need.

Mr. SCHNEIDER. Thank you.

Secretary KERRY. And I will just say to you, if we are successful, if we can move forward on the Middle East, that is going to require some real thoughtfulness up here about how we are prepared to support the Middle East peace process.

Mr. SCHNEIDER. Let me extend on that. As we do move forward, I hope, and I know I am joined by my colleagues here, that with the negotiations of the Palestinians, paramount, as has been said before, the security of Israel as the nation state of the Jewish people, that the joint plan of action is an interim deal that does not become a permanent deal; and that we as a country, the United States, remains fully committed to ensuring that Iran does not achieve its goal of a nuclear weapons capability, and that all options remain on the table in that respect; and that the status of chemical weapons in Syria by June 30 is dealt with and dealt with directly.

And finally, if I can, my last second, echoing some of the other things that have been said, ask for your follow-up on the status of visas for young Israelis of student age.

Thank you. I yield back.

Secretary KERRY. Thank you very much.

Chairman ROYCE. And we will go to Mr. Kinzinger of Illinois.

Mr. KINZINGER. Thank you, Mr. Chairman.

Mr. Secretary, thank you for being here. You keep up a very intense schedule, and it is going to continue today, and so I want to thank you both for your service in the past in uniform and your long service as a civilian. So I want to say that.

I want to make a couple of points with a question. The first point I want to make is remind everybody that to an extent, the situation in the Ukraine was created by the Russians a long time ago, and so now when they claim that they have these interests of people in eastern Ukraine, that was a situation created by them.

I was shocked to hear a colleague earlier actually seemingly defend the actions of Russia, and actually my jaw kind of hit the floor, and I wondered if the same colleague would have defended the Iraq invasion of Kuwait on the basis of Iraq saying that they have national interests.

One comment on Afghanistan. Karzai is gone soon. It is probably a good development for the region, I hope, and I want to say I hope that the United States is committed to the bilateral security agreement. I think we are. Hopefully the new President there signs that, and we can move forward.

I want to talk about Iraq. I obviously have been very critical of the pullout of Iraq, but without revisiting that, we are where we are today. I want to ask you, Mr. Secretary, how you see the situation in Iraq today with ISIS.

And then specifically from your Department's perspective, I know there is still a robust State presence in Iraq. What are the challenges State faces there? What are some of the needs? And as Members of Congress, what can we be aware of to ensure that we can resist Iraq going in a place that we don't want it to go?

Secretary KERRY. Well, Congressman, thank you very much. Thank you for your service, which I really respect enormously. And I am grateful to you for the question.

Iraq is in a fragile place, but it's not—Iraq would have been in a fragile place no matter what, because it was—you know, turned topsy-turvy through the war where you had a Sunni minority that for centuries, I mean really for centuries, had governed at the expense of the Iraq—of the Shia majority, vast majority, and suddenly that was reversed. And all of a sudden you not only had that reversal, but you had an Iranian nexus that was accented in this connection, which raised the suspicions of the rest of Sunni world, a lot of other nations in the region, and it exacerbated a divide in terms of this competition for influence, Iran and its influence.

And now with Syria, that has been even more complicated, because you have the Islamic State of Iraq and the Levant, which is pulling people out of Iraq, and you have got a certain amount of Iraqis in Syria as part of this sectarian conflict.

And so it is fragile. And that is what has happened in Fallujah, and in, you know, Ramadi and so forth is this resurgence of the sectarianism in its most violent form.

Now, that is complicated by the way in which, unfortunately, the government has chosen to govern without an inclusivity that is necessary, without resolving some of the age-old issues of the Constitution, and the oil and so forth, the oil revenues. Then, of course, you have the Kurds cutting their own deals on the side with Turkey or elsewhere, and there are just a lot of tensions pulling at each other. So it is very fragile right now; it is a fragile moment.

You have flights coming out of Iran, which we continually talk to the Prime Minister about, the need to be—that should be stopped. They are not. There is an occasional inspection, which is a phony inspection in which people are tipped off, and it doesn't really do anything.

So we are pushing very hard. We have an outstanding Ambassador, Ambassador Beecroft, on the ground. We have an outstanding Assistant Secretary, Brett McGurk, who is constantly out there, working very, very hard at this personally. Vice President Biden is on the phone. I am on the phone. We are deeply involved in trying to push these issues into a place where they can be resolved, and where we pull the government along to reach out and govern more effectively and resolve some of these kinds of issues.

I am convinced personally every one of these issues would be on the table no matter whether there were a few troops there, 10,000, whatever. The troops aren't the difference. Iraq has to resolve Iraq's future, and the Iraqis have to do that. The same thing ultimately will have to happen in Afghanistan.

Chairman ROYCE. We go now to Joe Kennedy from Massachusetts.

Mr. KENNEDY. Mr. Secretary, good to see you again. Thank you for your extraordinary service to our country in many forms, as my colleague indicated.

I wanted to ask you, just follow up really on comments from my colleagues in three areas if I can. First and foremost, Egypt. We have heard some very troubling press reports even just this week. The Washington Post had a very troubling article, I believe it was on Monday, indicating thousands that were arrested and thousands held without charge. It was happening—I think a direct quote,

“They are just putting people in jail, and it is happening all at once.”

Obviously, Mr. Secretary, this is an issue that strikes us here at home. Congressman Smith referenced your former constituent when you were a Senator in Massachusetts, now my constituent, Colin Bower, and how that is affecting U.S. interests. So if you can just give us a little bit of a forecast as to what you see going on in Egypt and really how we can be even more effective going forward.

Two, building off on Mr. Kinzinger’s question about Afghanistan and the BSA, if you can shine any light as to how those negotiations are going, or if they are going at all at this point.

And then three, this committee had a hearing about 8 months ago or so after the conflict in Mali. And I was struck by, as you are probably well aware, the median age in Mali is about 16; in Niger, it is 15. Throughout much of Northern Africa it is in the late teens, early twenties. And as you move eastward, including the area along the Mediterranean, you are getting close to 200 million people with the median ages in the early twenties or so.

What can we be doing from a long-term perspective to make sure we are not having hearings about crises, whether it is Algeria or Mali, whether it is the seizures over oil rigs or attempted coups, to make sure that there is a long-term strategy put in place for the long-term development of not just this region, but the world.

Secretary KERRY. Well, Congressman, that last question is the big question that all of us need to be dealing with and coping with. President Obama is analyzing that now and has asked us to look at it very, very closely and help to design the agenda. I am pushing my people to do that. We are really intensely focused on this question of huge populations in these volatile areas under the age of 30; you said the median age is 15, but huge, 60 percent under the age of 30, 50 percent under the age of 21, so forth, and were less—were more, excuse me.

Now, if they don’t have jobs, and they don’t have opportunity, and they are disenfranchised, and the only thing available to them is radical extreme Islam, religious extremism, et cetera, we have got a long road ahead of us, all of us. And therefore, we have to think carefully about how much it is in our security interest as well as in our long-term economic interest to be trying to get ahead of this and deal with it in ways now, which we have done effectively in various places historically, and we are not doing it there.

Just very quickly on Egypt—on the BSA, there is an article today somewhere, you know, President Karzai has basically attached conditions to the signing of it. It is not at issue. The BSA is negotiated. He is not trying to change a word in it. He is simply refusing to sign it unless X, Y and Z happens in the country, and the things he has chosen to have happen are not going to happen easily, if at all, and they are out of our control.

So each of the candidates running for President has said they support the BSA, they will sign it, and I expect it will be signed at some point in time, if not by Karzai, by one of them.

Egypt is very, very challenging right now. It is vital that the interim government take measures in order to permit young people to be able to demonstrate, people to be able to take part in the po-

litical system. We cannot be arresting activists. We cannot see journalists arrested. Those things need to change. I hope they will.

We would like to see them be successful. It is vital to all of us that Egypt be successful. And we need one-quarter of the Arab world to find its footing now and get a government in place, move to this democratic process, stabilize hopefully, and begin to develop. But there are very troubling issues that need to be resolved with in terms of people's rights and protections in Egyptian society.

Chairman ROYCE. We have enough time for Mr. Holding. If you take 2 minutes to ask your questions, and then Mr. Lowenthal take 2 minutes to ask your question, we will allow the Secretary to respond, and then we know he has his appointment.

George.

Mr. HOLDING. Yes, sir. Usually, by the time it gets to me, Mr. Secretary, all the important topics have been covered at least twice, but conspicuously, we haven't talked about the world's largest democracy today. As you know, within a month or so almost 800 million people are going to go to the polls and choose a new government in India. Wall Street Journal recently said that the Congress Party will suffer more than likely overwhelming defeat, and more than likely the BJP Party will form a government with Narendra Modi at the head of it.

What are you doing to put us in a good place with our relations with India, with the BJP government; and how much do you think we will have as a setback the issue with Modi's visa status and us denying a visa to him; and where do you see that we sit with that right now?

Secretary KERRY. Well, I am not going to comment on that part of it, if you don't mind, simply because it is before the election, and I don't want anything I say here to play into the election in any way that it should or shouldn't.

We respect that democracy. We respect India. We have worked hard to get over the hiccup we had recently with respect to a diplomat in New York. Our Assistant Secretary has just returned from a trip to India. We are very, very anxious, a very important relationship, very, very vital country in terms of the region and globally, and we have big issues to work on together.

Mr. HOLDING. If I could ask you one quick question in the last 16 seconds. Do you disagree with Israel's assessment that the weapons recently intercepted were coming from Iran?

Secretary KERRY. No, I don't, based on superficial evidence. But we want to pin things down in terms of legal. But, no, I don't.

Chairman ROYCE. Mr. Lowenthal.

Mr. LOWENTHAL. Thank you, Mr. Secretary, for joining us and for spending so much time, and I will shorten my questions.

We sometimes provide assistance to countries with startling human rights records. We have talked much about that today. For example, I am most interested in that the Government of Vietnam has been ranked as one of the 10 worst countries for press freedom. In addition, Vietnam has undertaken authoritarian and undemocratic assault, on Internet freedoms, on censoring, on restricted usage of the Internet.

How do we balance, Mr. Secretary, our goals of stability and prosperity for developing countries with our duty to protect the

human rights of all people? So, for example, what are we doing to leverage what was in this budget, the increased economic developmental assistance to Vietnam, with our goal that they should begin to end human rights violations? Is there a balance?

And the second question has to do with overseas security for employee engagement. Post-Benghazi we had a hearing here. The Department of State made a number of efforts to improve the physical security of our Foreign Service employees overseas. However, over the years our diplomatic presence, as we have heard, has become more difficult, employees find that they are less accessible, and employees working out of facilities are finding it more difficult to actually engage in the contacts with their locals.

What is the Department doing to ensure that employees can continue to engage and do their work that they have really been sent overseas to do? How can they raise and even challenge what they feel sometimes to be overly onerous security requirements?

Secretary KERRY. Well, Congressman, that is a really good question, and it takes a little longer to answer than I have, so I am going to submit much of it in writing. But I will say to you, we are constantly working this issue. We are deeply concerned about it ourselves. There is a tradeoff and a balance between security and the ability to get out and do the job. So we are providing more security.

And I can't tell you, we have a number of Embassies where people are working in very difficult circumstances, and we have been—sort of receded to compounds in certain places rather than people being able to live out in the community and so forth. These are the risks that we live with today.

So we have increased Marine guard protection. We have tighter rules about movement. We have certain restrictions in certain places. It is very difficult, something the committee, you know, might look at in detail at some point in time. It costs more, and that is part of the budget challenge here, to keep that presence out there and keep people being out there.

We have higher costs for security, higher costs for the physical structures, higher costs for the deployments. Some of them are now hardship deployments where the families don't follow; you know, it is unaccompanied tour. Those are difficult. So all of this is, you know, more expensive and more complicated, administer headaches, and we need to talk through how we are going to manage it.

On Vietnam, we are deepening our relationship and working hard, I just was there not so long ago, and working on a number of initiatives together. President Obama and President Sang announced a comprehensive partnership initiative. But the truth is, and we are very clear about it, every meeting we have, we talk about human rights and race cases and talk about the needs to move forward. Vietnam still has authorities who are excessively restrictive of political rights, excessively restraining on freedom of expression and on the Internet and so forth.

Now, there were some modest improvements during the year, last year, 2013, including the release of the well-known legal activist, Le Cong Dinh; and Vietnam signed the Convention against Torture; and there was an increase in Protestant Church registrations, church.

When I went there, most recently, I went to mass in Ho Chi Minh City, and it was a pretty normal kind of event. It was not—you know, didn't create the stir it might have some years ago.

So we think we can make more progress. They have more to do. To their credit, they are listening, and they are working at it, you know. The pace, we think, could be picked up, but there is a slow progress.

Mr. Chairman, I have got to—

Chairman ROYCE. Well, we understand, Mr. Secretary. We thank you for your time today, and we wish you luck on your trip. And let me share with the members here that the record remains open for any members to submit questions. Again, we thank the members for their participation.

Again, thank you, Mr. Secretary. We stand adjourned.

Secretary KERRY. Thank you, Mr. Chairman. Thank you, Congressman Engel. Thank you.

[Whereupon, at 3:50 p.m., the committee was adjourned.]

APPENDIX

MATERIAL SUBMITTED FOR THE RECORD

FULL COMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515-6128

Edward R. Royce (R-CA), Chairman

March 13, 2014

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Committee on Foreign Affairs, to be held in Room 2172 of the Rayburn House Office Building (and available live on the Committee website at <http://www.ForeignAffairs.house.gov>):

DATE: Thursday, March 13, 2014
TIME: 1:15 p.m.
SUBJECT: Advancing U.S. Interests Abroad: The FY 2015 Foreign Affairs Budget
WITNESS: The Honorable John F. Kerry
Secretary of State
U.S. Department of State

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.



HOUSE COMMITTEE ON FOREIGN AFFAIRS

FULL COMMITTEE HEARING

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	Joaquin Castro, TX

*Statement for the Record
Submitted by Mr. Connolly of Virginia*

Mr. Chairman,

The title of this hearing, "Advancing U.S. Interests Abroad," is rather ironic, considering that budget actions advanced by the House majority in the last few years have done exactly the opposite. For example, I would be interested in hearing from the Secretary to what extent the 16 day government shutdown harmed our interests abroad. It is folly to think that shutting down the federal government for half a month would have no negative effects. Although it was Congress that failed to enact a budget deal at the end of the fiscal year, I would note that some of my colleagues did not let that stop them from criticizing the President on any number of issues, including foreign policy. I am also concerned by recent statements from conservative commentators, who in discussing the current situation in Crimea have claimed that there has never been a practice of politics stopping at the water's edge. That would come as news to generations of the foreign policy leaders, including the former Republican Chairman of the Senate Foreign Relations Committee, who asserted that principle.

Our foreign policy professionals are facing a world in transition with increasing challenges. The most recent example is Russia's invasion of the Ukrainian region of Crimea, where Russia is stoking separatist sentiment and planning for annexation. In North Africa, Tunisia is moving toward democracy while Egypt may be regressing from its experiment with democracy. In the Levant, there is no resolution to the Syria crisis, endangering regional stability and our allies' security. In Venezuela, citizens are undertaking mass protests. In East Asia, China has declared an air defense identification zone, stoking tension with its neighbors over disputed territorial rights. Every part of the world requires the United States' attention. But we often hear discourse, even at this Committee, asserting that we cannot afford the foreign aid budget, that altruism does not trump the bank account. I would say to my colleagues, that is a false choice not worthy of a great power. Such an argument implies that investment in our foreign policy is something we do out of the goodness of our hearts and ignores the real fact that it is in our economic and national security interests to have a strong presence outside our borders.

The FY 15 base budget request for the State Department is consistent with the recent bipartisan budget agreement. This year's request includes \$40.3 billion in discretionary funding for the State Department and foreign assistance, when including other international programs, the total is \$42.6 billion—an amount level with the FY 14 enacted level. The Overseas Contingency Operations (OCO) request is down from \$6.5 billion (in the FY 14 request) to \$5.9 billion (in the FY 15 request). Given that the Administration finalized these figures before the crisis in Crimea, I would suggest that Congress ought to give the State Department the flexibility it needs in dealing with such a high-stakes and dynamic crisis. The last figure I'd like to highlight is the \$4.6 billion that State is requesting to upgrade diplomatic security, including protecting overseas personnel and security, in the wake of the 2012 attack on the U.S. consulate in Benghazi.

Like past hearings with the Secretary of State, I am confident this hearing will cover an entire panoply of issues. The State Department and our foreign policy professionals face these complex issues every day, and I sincerely hope we give them the resources they need. With that, I yield back my time.

Thank you, Mr. Chairman.



Questions for the Record

*Submitted by Chairman Edward R. Royce
To Secretary of State John F. Kerry*

Question 1:

On December 13, 2011, the House overwhelmingly passed a resolution calling on Turkey to return confiscated Christian churches and properties (H. Res. 306). The resolution calls on the Secretary of State "in all official contacts with Turkish leaders and other Turkish officials . . . [to] emphasize that Turkey should (1) end all forms of religious discrimination . . . (2) allow the rightful church and lay owners of Christian church properties, without hindrance or restriction, to organize and administer prayer services . . . (3) return to their rightful owners all Christian churches and other places of worship, monasteries, schools, hospitals, monuments, relics, holy sites, and other religious properties." The August 2011 decree by Turkey to create a process for the return of stolen church properties did not allow for the return of the vast majority of stolen church properties which were confiscated during the Armenian Genocide. What is the State Department doing to ensure Turkey's return of all Armenian, Greek, Assyrian, and Christian minority properties?

Answer:

We recognize religious minority groups continue to face challenges in Turkey. We are encouraged by concrete steps the government of Turkey has taken over the past year to return properties to religious communities, including the return of the Mor Gabriel Monastery and 47 acres of property surrounding Halki Seminary. The State Department regularly engages at all levels with Turkish officials regarding the importance of religious freedom, including legal reforms aimed at lifting restrictions on religious groups, property restitution, and specific cases of religious discrimination. We continue to encourage the government of Turkey to follow through on the return of religious minority properties and to take additional steps to promote religious freedom, such as allowing more religious communities to own property, register their places of worship, and train their clergy.

Question 2:**Syrian Armenian Refugees and Armenia**

Can you give us an update on efforts to protect Armenian and other minority populations in Syria?

Answer:

The State Department is deeply concerned about the catastrophic humanitarian situation inside Syria, including the status of minority populations. As the single-largest donor of humanitarian assistance for those affected by the Syria crisis, the U.S. government is providing more than \$1.7 billion in humanitarian aid – nearly \$878 million to support those inside Syria, and nearly \$862 million to support refugees fleeing from Syria and host communities in neighboring countries. The U.S. government provides funding to United Nations agencies, the International Committee of the Red Cross (ICRC), and non-governmental organizations to help meet the humanitarian needs of all those affected by the Syria crisis. These agencies are leaders of the international humanitarian response system.

The U.S. government is engaged in intense diplomatic efforts to press for increased access for UN and other humanitarian organizations inside Syria to reach all those in need, including the 220,000 residing in besieged communities. It is unacceptable and a violation of humanitarian principles for the Syrian Arab Republic Government (SARG) to deny this access.

The United States deplores threats against minorities in Syria, who have been increasingly targeted by extremists. The Syrian people have a long history of tolerance and co-existence, but both the SARG and violent extremist groups have been fueling sectarian strife. We continue to seek and receive assurances from the moderate opposition regarding their respect for the rights of all Syrians, regardless of ethnicity, gender, or religion. In addition to humanitarian relief, the U.S. government is providing more than \$260 million in funding for non-lethal assistance to support Syria's moderate opposition, some of which promotes cross-sectarian conflict mitigation and reconciliation through coalition-building and conflict prevention training at the local level. Despite these ongoing protection efforts, the only way to definitively end threats to minorities in Syria is to end the fighting.

Question 3:

As we transition from a military to civilian-led operation in Afghanistan, with less funding than past years, it is more critical than ever that we have proper oversight of our aid funding for the people of Afghanistan.

It is disconcerting to me that, six weeks ago, the Special Inspector General for Afghan Reconstruction (SIGAR) found that the State Department and USAID did not fully disclose to Congress the risks associated with providing direct assistance to the Afghan ministries.

The State Department and USAID complied with the statutory requirements for fiscal years 2011 and 2012 to inform Congress that they assessed the Afghan ministries that will receive direct assistance as qualified to manage this assistance prior to disbursing any funds.

Specifically, we were notified that the Ministries of Finance and Higher Education had been assessed to have completed "successful implementation" of risk mitigation strategies, and that Afghan ministries were qualified to manage direct assistance funds.

However, these certifications by the Secretary of State were inaccurate or, at least, incomplete. Neither the 2011 certification nor the 2012 notification to Congress disclosed the full extent of the risks identified at each of the ministries or that over 90 percent of the mitigating measures identified in the risk reviews had not been implemented.

Moreover, the 2012 certification was not even complete when the notification was delivered to Congress. To quote the report, because of this lack of transparency and oversight, "Congress's oversight of the over \$600 million in U.S. funds that USAID has obligated to date is compromised."

- What actions are you taking to ensure that all your certifications made to Congress regarding Direct Assistance, not only for Afghanistan, but also for countries such as Egypt and Pakistan, are accurate and complete?
- What assurances do we have that this breach of trust was an isolated incident and not a systemic flaw in the assessment and notification process?

Answer:

Thank you for your question regarding SIGAR audit number 14-32, which raises important issues about accountability and oversight of USAID's direct assistance program in Afghanistan. We believe our actions related to this issue have facilitated full Congressional oversight of our plans for direct assistance programs in Afghanistan, however, we welcome your feedback and the opportunity to improve our processes.

Congress plays a vital oversight role over foreign assistance programs administered by the Department of State and USAID and our agencies take very seriously their obligation to provide accurate certifications and

notifications to Congress regarding the Afghanistan and Pakistan programs. These formal documents proceed through a rigorous clearance process that involves multiple working level and senior official review and clearance at both post and in Washington.

We fully cooperated with SIGAR's review of the Department of State's Fiscal Year 2011 certification for Afghanistan and USAID's FY2012 Congressional Notification with respect to direct assistance for Afghanistan and have used SIGAR's analysis to improve subsequent submissions. The FY 2011 certification was submitted to Congress by the Department of State in September 2012 with an accompanying Memorandum of Justification that stated USAID had completed Public Financial Management Risk Assessments (risk assessments) of the Ministry of Finance and Ministry of Higher Education, along with a number of other ministries and agencies. This information was repeated in USAID's FY2012 country Congressional Notification, which was transmitted in November 2012.

In response to concerns raised by SIGAR about when the assessments of the Ministry of Finance and Ministry of Higher Education were finalized, USAID reviewed the circumstances surrounding the receipt and completion of the assessments. Based on its review, USAID has confirmed that an error was made when the certification and notification stated that risk assessments of the Ministry of Finance and Ministry of Higher Education had already been completed. We regret this error and commit to redoubling efforts within both State and USAID to ensure that such mistakes are not made in the future.

With respect to the statement in your question that "the 2012 certification was not even complete when the notification was delivered to Congress," for clarity we should note that, for FY 2012, Congress did not require a certification for funds to be available for direct government-to-government assistance to Afghanistan. The FY 2012 appropriations act required that, for direct government-to-government assistance in excess of \$10 million, the funds be notified to Congress in accordance with the regular notification procedures of the Committees on Appropriations. USAID's FY12 Afghanistan Notification #13 contained detailed information on USAID's direct government-to-government assistance program in Afghanistan in compliance with the requirements for such assistance set out in Section 7031 of Public Law 112-74.

Regarding the SIGAR audit's discussion of the level of disclosure by the Department of State and USAID to Congress of risks and mitigation measures identified in relation to direct government-to-government assistance in Afghanistan, the Department of State and USAID have complied fully with the spirit and the letter of the law in providing Congress extensive information on the risks and risk mitigation measures for direct assistance in Afghanistan.

USAID had in place at the time an overall process that was accurately described in submissions to Congress to identify deficiencies at all potential ministry partners and put in place strong risk mitigation measures prior to the disbursement of any FY 2011 on-budget funding. Moreover, we provided final versions of the risk assessments for the Ministry of Finance and Ministry of Higher Education that USAID to a range of congressional staff and committees, upon request.

In addition, the memorandum of justification that accompanied the Fiscal Year 2011 certification stated explicitly that the certification was not the end of our oversight process: "For each activity implemented through a direct government-to-government mechanism, USAID will develop, through project implementation letters ... specific terms and conditions applicable to each activity..." This clearly indicated that USAID was continuing to work with the ministries to develop further plans to implement the findings of the risk assessments.

In addition to the formal certifications and notifications submitted to Congress, USAID and the Department of State provided Congress extensive information through a variety of means on USAID's direct assistance programs in Afghanistan, including through testimony, briefings, and written responses to questions.

State and USAID make every effort to be thorough in the Certification and Congressional Notification processes with the understanding that the submission of these formal documents represents the beginning of a consultative process. Even at a summary level of detail, the FY 2011 Afghanistan country CN #7 (dated November 21, 2011) ran to 37 pages of text and the FY 2012 CN # 13 (dated November 15, 2012) was 42 pages. Directly related to the submission and briefing of these two CNs combined, we provided at least sixteen briefings for Congressional staff and, in addition to the numerous questions answered during the briefings, we answered approximately 45 follow-up questions from Congressional staff, totaling 32 pages of questions and answers. We would be very happy to respond to any further requests from Congress for information on these programs or to discuss in-person any aspect of our assistance efforts in Afghanistan.



Questions for the Record
Submitted by the Honorable Brad Sherman
To Secretary of State John F. Kerry

Question 1:

As you know, in September 2013, 52 residents of Camp Ashraf were killed. On December 26, 2013, rocket attacks claimed the lives of several in Camp Liberty, and wounded many more. What more can the U.S. do to help these residents and help to open the door for countries to allow them as refugees?

Answer:

We are working with the GOI and the UN to ensure the protection of those currently residing at Camp Hurriya. To date, the GOI has moved in 1,488 large T-walls, 520 bunkers, 700 small T-walls, and 95,000 sandbags. UN monitors also visit the camp daily in accordance with the MOU to assess human rights and humanitarian conditions at the camp, which meet and exceed international humanitarian standards.

We and UNAMI continue to emphasize with the GOI that the installation of T-walls is critical to the residents' safety and should not be a quid pro quo. We understand that installation ceased March 4, due to an issue the GOI had with the contractor, and we are pressing the GOI at the highest levels to resolve the issue as soon as possible with no further delays. UNAMI has repeatedly urged the residents to name a new contractor as soon as possible. Despite the urgency of the counterterrorism situation in Anbar, senior Iraqi officials still remain focused on the protection of the Camp Hurriya residents.

In September 2013, the Department of State appointed a Senior Advisor for MEK Resettlement, Jonathan Winer, to focus intensive U.S. efforts on securing the cooperation of other countries in resettling residents of Camp Hurriya out of Iraq as persons in need of international protection. During that time, he has undertaken talks with a number of countries on MEK resettlement, which remain in various stages of progress, in consultation with the United Nations and its Senior Adviser for MEK Relocation, with the UN Mission in Iraq, the UN High Commissioner on Refugees, and with representatives of the MEK itself.

In recent months, Albania has accepted 238 residents of Camp Hurriya. Germany has accepted more than 90 residents. Italy has recently accepted a small number, and is considering accepting more. A number of other European countries contacted by the Senior Advisor are also considering accepting Camp Hurriya residents.

Consistent with this approach, the United States is proposing to resettle a number of Camp Hurriya residents in the United States, as appropriate and following a case-by-case evaluation and extensive vetting by the Departments of Homeland Security and Justice.

In addition, the United States will issue a grant of \$1 million to the UN Trust Fund for MEK Resettlement, to encourage countries without the means to take in residents but that are otherwise willing. The Government of Iraq has already announced it will contribute \$500,000 to the UN Trust Fund, and the Government of Italy followed with a pledge of about \$300,000.

Question 2:

During World War I and its aftermath, the Ottoman Empire attempted to destroy the Armenian population of Eastern Anatolia. The United States should remember this tragic event and proclaim that the Armenian Genocide is a fact. Will the Administration recognize the Armenian Genocide?

Answer:

The U.S. government clearly acknowledges as historical fact and mourns that 1.5 million Armenians were massacred or marched to their deaths in the final days of the Ottoman Empire. These horrific events resulted in one of the worst atrocities of the 20th century, and the United States recognizes that they remain a great source of pain for the people of Armenia and of Armenian descent, as they do for all of us who share basic universal values. As the President has emphasized in his April 24th Remembrance Day statements, the achievement of a full, frank, and just acknowledgement of the facts of what occurred in 1915 is in all our interests.

Question 3:

Azerbaijan's President pardoned and promoted Ramil Safarov, who killed a sleeping Armenian at a 2005 NATO training program in Hungary. Azerbaijan has threatened to shoot down civilian aircraft that fly into the Nagorno-Karabakh airport. Will the Administration review U.S. military assistance to Azerbaijan in light of Baku's policies and actions?

Answer:

As a co-chair of the OSCE Minsk Group, the United States continues working to help the sides reach a just and peaceful resolution to the Nagorno-Karabakh conflict. We condemn any action or rhetoric that fuels tensions in the region, as well as steps by any side that serve only to diminish trust or threaten to damage the peace process. We expressed our deep concern over the 2012 pardon of Ramil Safarov at the highest levels, and continue working to ensure the sides work toward, not against, a peaceful settlement.

Security assistance for Azerbaijan is carefully reviewed to ensure it does not undermine efforts for a peaceful settlement in Nagorno-Karabakh. Such assistance is focused on counterterrorism and maritime security.

Question 4:

Please provide an accounting of the Administration's distribution of aid in Nagorno Karabakh for FY13 and FY14, including the name of the project and purpose, the institution or institutions receiving funds, total funding disbursement, locations where each project is conducted, years funded and an assessment of goals achieved. Are there any official, written restrictions or guidelines on communication, contacts, travel, or other interactions between U.S. and Nagorno Karabakh government officials and if so what are they?

Answer:

The U.S. Government has provided approximately \$43.0 million in humanitarian assistance to victims of the Nagorno-Karabakh conflict, including food, shelter, emergency and medical supplies, access to quality healthcare and water, as well as assisting with demining of land since 1998. U.S. assistance in Nagorno-Karabakh currently supports humanitarian demining, with the potable water project having been fully funded as of FY 2012.

The United States has funded the HALO Trust to conduct humanitarian demining within the Soviet-era boundaries of Nagorno-Karabakh since 2001. This program is focused on clearing mines and returning lands to rural population for agricultural use. To date, the U.S. has provided \$10.7 million to HALO Trust for this effort. The demining project has thus far cleared 94 percent of anti-personnel and anti-tank mines and 71 percent of the battle area. The United States provided \$2.0 million in support of this program in FY 2013 funds. From FY 2009 to FY 2012, the United States also provided approximately \$4.0 million to support the Potable Water in Rural NK project. This program, implemented by CESCO Ltd., focused on the rehabilitation and provision of potable water supply systems in seven villages (Taghavard, Qert, Shekher, Machkalashen, Spitakashen, Herher and Kaghartsi) in the Martuni region of NK. The population of these seven

villages is about 4,200 people, all of whom are beneficiaries. The main purpose of the project was to ensure safe and reliable continuous water supply in those villages. Activities included construction of daily regulating reservoirs, renovation work at the sources, provision of a village-level distribution network and observation regulating chambers as well as water meters for households. All construction work was completed as of mid-December 2013, and a post-completion monitoring site visit is scheduled for April 2014. The project was fully funded upon receiving its FY 2011 and FY 2012 funds.

U.S. Government officials do not travel to Nagorno-Karabakh due to the ongoing conflict, with the exception of individuals traveling under the auspices of the OSCE Minsk Group with a mandate to mediate the conflict. There are no formal restrictions against interacting with the de facto authorities of Nagorno-Karabakh, although any such meetings do not imply a change in the U.S. Government's position on the conflict, and are carefully calibrated to avoid compromising our neutrality with all parties.

Question 5:

The impoverished region of Javakheti in Georgia is predominantly populated by Armenians. What efforts are being made to ensure that U.S. assistance reaches all regions in Georgia, including Javakheti?

Answer:

The United States has focused and continues to focus significant assistance resources toward programs that benefit the Samtskhe-Javakheti region of Georgia. The largest U.S. assistance investment in that area has been the over \$200 million for the first Millennium Challenge Corporation (MCC) Compact effort that rehabilitated approximately 222 kilometers of a main road linking Tbilisi with Samtskhe-Javakheti to foster economic development in the region by increasing exports of agricultural products. The United States also provides grants and technical assistance directly to individuals in Samtskhe-Javakheti. U.S. agricultural development activities have included cattle farming, trout farming, potato production, dairy processing, feed production and beekeeping in the region. Our programs also target social sector development. For example, U.S. assistance rehabilitated three public hospitals in the region, and a new primary education project includes teaching Georgian-language in schools in Samtskhe-Javakheti to improve the children's ability to participate in the Georgian economy and political life.

More generally, USAID's Social Infrastructure Renovation Program provides short-term employment opportunities to residents of selected communities and targets areas predominately populated by non-Georgian ethnic minorities who have often felt bypassed by the economic and social progress enjoyed in more economically developed areas of Georgia. U.S. programming also supports efforts that work to safeguard minority rights. One example is a State Department project implemented by Project Harmony International that teaches students in the Armenian language about their rights and responsibilities as Georgian citizens. U.S. humanitarian and social recovery programs target vulnerable populations such as ethnic Armenians. These programs have included housing assistance, humanitarian demining, and access to government benefits and healthcare. These programs have helped the Government of Georgia provide primary health care for citizens in minority regions and remote communities through the provision of commodities such as donated pharmaceuticals.

Questions for the Record

*Submitted by the Honorable Ted Poe
To Secretary of State John F. Kerry*

Question 1:

110 American victims and their American family members in *Linde v. Arab Bank* and related cases are suing Arab Bank, a Jordanian international bank with branches in the Palestinian Territories and in New York City, alleging that their injuries were caused by the bank's conduct during the Second Intifada. Since 2010, the Bank through the Kingdom of Jordan has been trying to enlist the U.S. State Department to enter a Statement of Interest in the case seeking to modify the scope of the trial court's discovery sanction. I am told that the Bank's argument is that civil liability for the damages done to the American families will bankrupt the Bank and threaten the stability of Jordan and by extension the entire Middle East. Yet the Bank's profits for 2013 rose 43% to \$501.9 million, its net operating income exceeded \$1 billion, and its deposits were \$34.4 billion. It has a \$45.6 billion balance sheet spread across 30 countries and five continents. Last summer the Bank filed a petition for writ of certiorari to the Supreme Court on the issue of the scope of the sanction for refusal to produce key evidence, and the Kingdom of Jordan submitted an amicus brief in support of the Bank. It is my understanding that the US government is currently involved in an interagency review process, involving several agencies, to determine whether the Solicitor General should file a statement in support of the Bank's petition for writ of certiorari to the Supreme Court and that the issue of the scope of a trial court's discovery sanctions is an issue that would never reach the Supreme Court under normal circumstances. It is my further understanding that the Kingdom of Jordan has once again approached the U.S. government and requested assistance on the Bank's behalf, that only the U.S. State Department favors filing a brief in support of the Bank's position before the Supreme Court, and those U.S. agencies concerned with the role played by international banks in tax evasion, money laundering and terrorism financing are against the Bank's petition for Supreme Court review. I therefore question whether the U.S. State Department has an interest in the scope of a discovery sanction against a foreign bank fined and sanctioned by the US government which found that the Bank "handled hundreds of suspicious wire transfers involving individuals and entities with the same or similar names as suspected terrorists and terrorist organizations and that many of these individual and entities were customers of Arab Bank or its affiliates". Why would the State Department support the filing of an amicus brief in favor of a granting of the Bank's petition for the writ of certiorari when it came to the opposite conclusion and denied assistance to the government of Jordan in 2011 – what has changed? Please organize the answer on a State Department bureau-by-bureau basis, including the view of the Legal Advisor's Office in your answer.

Answer:

On October 21, 2013, the Supreme Court issued an order requesting the views of the Executive Branch in *Arab Bank, PLC v. Linde*. The U.S. Government has not yet responded to the Court's request. We cannot comment on pending litigation, and refer you to the Department of Justice for further information.

Question 2:

On November 27, 2013, acting Undersecretary of State for Arms Control and International Security Rose Gottemoeller briefed you and other Senators about the fact that the Russians may have violated the Intermediate-Range Nuclear Forces (INF) Treaty. Since then numerous press reports have publicly confirmed the violation. They also mention that the State Department has taken this violation to the Russians and they have denied it was a violation. Did the Russians violate the INF Treaty? It has now been six years since the Administration first found out in 2008 about illegal Russia testing. When can we expect this review to finish and why is it taking so long?

Answer:

The Administration is committed to keeping Congress fully informed about issues related to compliance with arms control agreements, including by providing the Annual Report to Congress on Adherence to and Compliance with Arms Control, Nonproliferation, and Disarmament Agreements and Commitments, as required under the Arms Control and Disarmament Act. This Administration has produced Compliance Reports that cover every year it has been in office, as well as the years from 2004-2008 for which there had been no previous reports. The 2014 Compliance Report, which covers compliance issues during the 2013 calendar year, in both classified and unclassified versions, will be delivered this spring.

For specific assessments of compliance, the interagency works together in a deliberate and careful manner to produce a compliance determination, taking into account all relevant information. My team is always happy to provide you with a compliance-related briefing at your convenience and in the appropriate setting.

Question 3:

According to an article in the Daily Beast in November 2013, the State Department had not even briefed NATO about the Russian violations until recently. NATO countries make key decisions about their defenses and postures on a regular basis and yet we failed to inform them of this critical information. Do you think NATO countries should have been informed as soon as we had this information? What sort of damage has this failure caused to our standing among our NATO allies?

Answer:

We have briefed our NATO allies on our concerns and will continue to coordinate with them on this and other matters that affect our common security. We will remain vigilant about any potential threats to the security of the United States or our allies.

Question 4:

Why doesn't the U.S. government extradite Palestinian terrorists convicted of killing Americans in Israel? I was told by knowledgeable former officials and legal representatives of victims, and even some victims that the State Department has strongly resisted Justice Department attempts to pursue terrorists for extradition because the State Department feels they cannot be a neutral arbitrator in Israel-Palestinian peace talks if they did. Is this official State Department policy? Is it true that in internal government discussions the State Department has advocated against extraditing Palestinian terrorists to stand trial in the U.S.?

Answer:

The Department of State does not have a policy of opposing the extradition of terrorists due to Israeli-Palestinian negotiations.

To the contrary, this Administration is committed to seeking justice for American families whose loved ones have been lost or injured in terrorist attacks wherever those attacks occur and believes that the United States must be clear that we will not tolerate attacks against our citizens.

The Department of State will continue to work with the Department of Justice to seek the extradition of, and to prosecute in the United States, the perpetrators of terrorist acts against Americans wherever feasible and appropriate.

Question 5:

Let's say that Israel-Palestinian peace talks move forward. Surely there will be additional prisoner releases and some of those convicted terrorists in Israeli prisons will surely include those who were involved in killing Americans. Will the U.S. government go after these individuals? Do we have an official policy?

Answer:

The United States Government is committed to seeking justice for our citizens and families victimized by terrorism whether at home or abroad.

The Department of State will continue to work with the Department of Justice to seek the extradition of, and to prosecute in the United States, the perpetrators of terrorist acts against Americans wherever feasible and appropriate.

Question 6:

I am told that the U.S. government now has a coordinated, interagency effort to combat the Haqqani Network in Afghanistan. Can you explain what the State Department is doing to contribute to this effort? Has any Haqqani Network money been seized since their designation as an FTO? Are there any pending Haqqani Network designations before the State Department that have yet to be approved? Is the State Department holding up or obstructing any Haqqani Network designations or actions that could weaken the group? Are there any banks in Pakistan that are involved in processing transactions or holding accounts for Haqqani Network individuals?

Answer:

The Department of State takes the threat posed by the Haqqani Network extremely seriously. We have long been keenly focused on the Haqqani Network's intent to cause instability in Afghanistan and to attack and kill U.S. civilians and military service members, and are actively engaged in a whole-of-government effort to degrade the group's capabilities. With our colleagues across the interagency, we are pursuing multiple lines of effort to combat the Haqqani Network. As then-Secretary Clinton noted when the Haqqani Network was designated under U.S. law in 2012, we are using all means at our disposal – diplomatic, military and intelligence pressure – to degrade the organization's ability to execute violence attacks.

As a key part of that whole of government effort, the Departments of State and Treasury have designated more than a dozen key Haqqani Network leaders under Executive Order 13224. Together with designations under UN Security Council Resolution 1988, these designations are designed to further limit the organization's capacity to carry out terrorist attacks by denying them resources. The State Department fully supports the robust implementation of these designations, including asset freezes, and engages frequently and at high levels with other countries to reinforce the importance of enforcing UN sanctions. The Department of State has no objection to additional designations of Haqqani Network-affiliated entities, and indeed is committed to pursuing any additional Haqqani Network-related designations that would further degrade the capabilities of this organization.

When an individual is designated under E.O. 13224, U.S. financial institutions are obligated to immediately freeze any assets held by the individual and report the assets to the Department of the Treasury's Office of Foreign Assets Control. We would refer you to the Department of the Treasury for additional information regarding asset freezes.

We continue to regularly engage the Government of Pakistan to ensure that we are cooperating as effectively as possible to eliminate the threat from the Haqqani Network, including by enforcing counter-terrorist finance laws to prevent groups like the Haqqani Network from exploiting Pakistan's financial system. The Government of Pakistan is aware of U.S. concerns about terrorist financing and has taken steps to strengthen its legal

framework to combat terrorist financing and money laundering. We continue to work with our interagency partners to press Pakistan to take additional steps to counter terrorist finances, including those of the Haqqani Network.

While we have long said we are willing to support reconciliation efforts involving those who will meet the ultimate end conditions for any reconciliation process – that they cease violence, break with al-Qa’ida, and accept the Afghan constitution – in the meantime, we will continue to employ every available tool to degrade the threat groups like the Haqqani Network pose to U.S. interests. These objectives are mutually supporting, not mutually exclusive.

Question 6:

According to State Department’s Evaluation Policy released in February 2012, each bureau will decide whether or not to do what are called “impact evaluations”. These are evaluations that focus on whether or not our aid actually was the reason for the change we see. Now 2 years later, have any of those so-called “impact evaluations” been done? If so, how many? If not, when will they be done?

Answer:

The Department of State conducts two types of evaluations: performance and impact. The former examines implementation, inputs and outputs of a program, while the latter focuses on the effects that can be attributed to it.

Since the issuance of its evaluation policy in 2012, the Department has conducted or is in the process of conducting 217 foreign assistance evaluations, out of which 52 examine the impacts of a program. This represents about 24% of foreign assistance evaluations. The impact evaluations conducted by the Department use both quantitative and qualitative methodologies to assess the results of a program and whether it has made a difference in the targeted organizations, countries or population.

Question 7:

Your policy also stated that evaluations should use 3-5% of program resources. I know you requested a lot more money for evaluation in the President’s FY15 budget, but I’m not interested in requested numbers. In the latest year on record, Fiscal Year 2013, the State Department and USAID together spent just \$49 million. That’s just 0.1% of program resources and 30 times less than the minimum State Department said it was going to spend in the beginning of 2012. So why are not more existing program funds going to evaluation? What are you going to do to make sure we spend more of existing funds on evaluation?

Answer:

The State Department’s evaluation policy established the following guidelines for resourcing evaluations: “The cost of an evaluation will vary widely by program, and no set amount is prescribed. International professional standards generally set a range between 3% and 5% of total program, labor or project costs. Fully recognizing that the Department and bureaus face funding constraints, program managers should identify resources of up to 3-5% for evaluation activities.”

The policy endeavored to promote international best practices by encouraging program managers to spend up to 3-5% of their program funds for evaluations, but did not establish this level of spending as a requirement.

In FY 2013, the Department was ramping up implementation of the new evaluation policy. While State and USAID spent over \$49 million on foreign assistance evaluations that were completed in FY 2013, over the next two years, they anticipate spending more than \$247 million for ongoing and planned evaluations. The \$247

million figure represents evaluations that are already in progress and/or planned to begin and/or end in the next two years.

Since the inception of the evaluation policy in 2012, State has completed 92 foreign assistance evaluations and has 54 more in progress. An additional 71 evaluations are planned for 2014, which will result in more than 200 new program evaluations since State issued the policy. By the end of CY14, all State Department bureaus and offices with foreign assistance funds are anticipated to comply with the evaluation policy.

Since the USAID evaluation policy was put into place in 2011, about 730 evaluations of USAID programs have been completed through FY2013. Close to 300 evaluations are planned for completion in FY2014. All USAID missions have demonstrated their commitment to evaluation by doing more and better quality evaluations. The points of contact for evaluation in each mission (as required in the Evaluation Policy) are leading peer reviews of scopes of work and reports, and ensuring that their missions understand and meet the requirements in the Policy.



Questions for the Record

*Submitted by the Honorable Albio Sires
To Secretary of State John F. Kerry*

Question 1:

The events unfolding in Venezuela are disturbing. The people of Venezuela are clearly frustrated with the deteriorating economic, public safety, and political conditions in their country. Rather than allow the space and freedom for peaceful demonstrations, President Maduro has instead utilized violent oppressive tactics to limit free speech and assembly. The media has been silenced and anti-government demonstrators have been met with unwarranted violence by government forces. How is the Administration responding to the Venezuelan crisis and what measures, including sanctions, is the Administration willing to consider to deter and limit further violence and human rights abuses?

Answer:

The Department is deeply concerned about developments in Venezuela. The President, Vice President, and I have repeatedly called for an end to the violence, respect for human rights and fundamental freedoms, due process of law, and a genuine, inclusive dialogue among Venezuelans.

We are engaged on several fronts: We join the Secretary General of the Organization of American States, UN High Commissioner for Human Rights, and EU High Representative for Foreign Affairs, as well as countries in the region, in encouraging an end to the violence. The U.S. government calls for the start of an authentically-inclusive dialogue mediated by a trusted third-party. That is our immediate focus. Dialogue can only take place in an atmosphere of respect for democratic governance, fundamental freedoms, and human rights.

We continue to monitor closely the situation in Venezuela and to examine the options available to us. We are considering steps to revoke or deny visas of Venezuelan government officials who have been responsible for, or complicit in, human rights abuses or undermining democratic governance. In terms of additional economic and diplomatic measures, we believe our best tool is flexibility to tailor our foreign policy and engagement as the situation develops.

Question 2:

What do you envision as Putin's end-game to the current crisis in Ukraine? Is it simply to encourage Crimea to separate or do you see this as a larger push by Russia to have sway over former countries from the Soviet Union?

Answer:

It would be fruitless to speculate on President Putin's intentions regarding Ukraine. The President has made clear that Russia cannot run roughshod over its neighbors and there are clear costs for any escalation of the conflict.

The United States has strongly opposed the actions that Russia has already taken to violate Ukraine's sovereignty and territorial integrity. The United States continues to support a diplomatic path in close consultation with the Government of Ukraine and in support of the Ukrainian people with the aim of de-escalation of the crisis.

Question 3:

Lastly, as you know, rocket fire erupted once again from the Gaza Strip into Israel, threatening the 16 month cease fire and further destabilizing the region. As cross-border exchanges continue, I'm relieved to hear the FY 2015 budget has restored assistance to Israel and pre-sequester levels. How does the budget request strengthen Israel's ability to defend itself against attacks? Also, how is this increasing violence impacting the already fragile peace talks?

Answer:

Our FY 2015 budget request helps ensure that Israel maintains a qualitative military edge over potential regional threats. For FY 2015, the Administration requested \$3.1 billion in Foreign Military Financing for Israel, which Israel will use to purchase advanced defense equipment and to support and sustain existing military capabilities. The United States' strong support for Israel is also underscored by the substantial supplemental assistance the U.S. government provides, via Department of Defense funding, to Israel for the research, development, and procurement of missile defense technologies, including the Iron Dome system which helps defend Israeli civilian communities against rockets launched from Gaza by Hamas and other terrorist groups.

The violence emanating from Gaza is of great concern, and we continue to strongly support Israel's right to self-defense. Prime Minister Netanyahu and President Abbas are focused on reaching an agreement that would allow both Israelis and Palestinians to live in safety and security.

Question 4:

Alan Gross remains unjustly held in a Cuban prison, while Joanne Chesimard continues to elude justice in Cuba for the murder of New Jersey trooper, Werner Foerster. All the while, Cuba remains adamant to deny the peace loving people of Cuba basic democratic freedoms and human rights. I want to make sure that the United States remains committed to press for the release of Alan Gross and bringing fugitives like Joanne Chesimard to justice without compromising our commitment to the Cuban people to have the Castro regime be held accountable for their abuses and atrocities. Can you please comment and elaborate on the state of our democracy promotion efforts in Cuba?

Answer:

The Department of State shares your concern for Alan Gross. Securing his freedom is a top priority and we use every appropriate channel and opportunity to press for his immediate release.

Our efforts to address the return of fugitives from Cuba have met with some success in recent years. The Cuban government has responded to our requests and expelled to the United States four U.S. fugitives since 2011. As we have done consistently, including during U.S.-Cuba Migration Talks in January, the Department continues to press Cuba for the return of Joanne Chesimard to the United States.

The Department is finalizing the Congressional Notification for democracy programs in Cuba using \$19.3 million in FY13 funds. The program goals are to improve the free flow of information to, from, and within Cuba, and to improve human rights and the ability of Cubans to advocate for positive political and social change. Activities include providing humanitarian aid, increasing human capacity through training, and providing technological resources to facilitate communication between democracy advocates on and off the island. Following Cuba's lifting of most travel restrictions in 2013, more civil society members have participated in training opportunities outside Cuba, increasing their professional networks.

Question 5:

This Congress has called upon the OAS body of nations, to respond to the erosion of democratic norms and institutions in Venezuela. However, the OAS' ability to meaningfully respond to the Venezuelan crisis has been hampered by allies of Venezuela and vulnerable Caribbean nations dependent on Venezuela's petrol dollars. I was disappointed to hear that the Dominican Republic, an ally of the United States and President of the OAS Permanent Council, recently delayed efforts to convene the OAS Council to address the crisis. Is the United States exhausting its diplomatic efforts with its friends and neighbors in the region to stand up against the abuses occurring in Venezuela? And how can the US effectively counteract Venezuela's petrol diplomacy with ongoing reductions to our foreign aid in the region?

Answer:

The Department shared our concerns regarding the Venezuelan government's actions against protesters and opposition leaders with most countries in the region. We encouraged statements from regional leaders and rebutted Venezuelan allegations of U.S. interference. We have been tireless in working to support third-party mediation that would bring all parties to the table. Many nations agree and are promoting meaningful dialogue between the Venezuelan government and its people. Other countries have been less vocal and we have conveyed our disappointment. We stand together with regional partners and the rest of the international community, including the OAS and the Inter American Commission on Human Rights, in calling for an end to the violence in Venezuela and for the Venezuelan government to respect the fundamental freedoms and universal human rights of its citizens. The OAS Inter American Commission on Human Rights will hold several hearings regarding Venezuela during its upcoming period of sessions.

While many Petrocaribe members joined for economic, not ideological reasons, the Venezuelan government leverages this program to obtain support for its views. In response, the Department has stressed the region's common interest in promoting democratic institutions, responsive, open governance, and a competitive, independent, and environmentally sustainable regional energy market.

Question 6:

The Administration's proposed fiscal year 2015 budget would reduce total foreign assistance to Latin America and the Caribbean by roughly twenty one percent. How do you think these cuts will be received in the region as a whole, as well as within individual countries? To what extent will the reductions affect US relations with countries in the region or the ability of the US to have an impact in the region?

Answer:

These decreases do not reflect a decrease in priority. Our request reflects budget realities and shifting circumstances, like Colombia's increased capacity to support its security and development goals.

We continue to place a strong emphasis on citizen security programs that advance U.S. interests and which account for just under half of the total request.

We are requesting the resources we need to meet our top citizen security objectives for FY 2015 in Mexico, Colombia, Central America, and the Caribbean.

We remain firmly committed to partnership in the Western Hemisphere. We are making important advances to protect U.S. security and economic interests in the hemisphere.

Our partners are contributing more to their own security, prosperity, and development needs. These increasingly capable partners allow us to calibrate or even reduce our assistance levels, and when appropriate rely on public-private partnerships to advance our goals. Our ability to impact the region is based on prioritizing our highest needs and working together on issues that affect our joint prosperity and security.

In some cases our request reflects an assistance pipeline in some accounts. We work closely with our partners to plan for and spend down such pipelines.

The ability of the U.S. to have an impact in the region extends well beyond foreign assistance. We formed the High Level Economic Dialogue (HLED) to promote economic growth in the United States and Mexico, create jobs for citizens on both sides of the border, and ensure our nations can compete globally. The cabinet-level HLED is intended to advance strategic and commercial priorities central to promoting mutual economic growth, job creation, and global competitiveness.

Question 7:

This Congress has unacceptably failed to pass a comprehensive immigration bill affecting over 11 million people - many of which come from the Americas. Comprehensive immigration is vital to our economic and national security and in terms of civil rights, a moral obligation for this Congress. How does the inability to address comprehensive immigration reform play into our foreign policy?

Answer:

Question # 7 Not w/in State purview

Question 8:

What would the impact of economic sanctions against Russia entail? What could be the potential repercussions and/or benefits of such sanctions on Ukraine and Europe as a whole?

Answer:

The actions we are taking against Russian and Ukrainian individuals and entities are targeted to send a strong message that there are consequences for actions that violate the sovereignty and territorial integrity of Ukraine, including actions supporting Crimea's illegal referendum, and Russia's subsequent attempts at annexation. We have fashioned these sanctions against certain individuals to impose costs on those who wield influence within President Putin's inner circle, including individuals who hold a majority stake in certain economic entities. The Department of State continues to work closely with partner governments to ensure maximum effect of our measures. We supported the decision of the OECD Secretariat and Member States to postpone all activities related to the accession of the Russian Federation to the OECD and to respond positively to Ukraine's request to further strengthen existing OECD-Ukraine cooperation.

Russia's actions in Ukraine also contravene the principles and values on which the G-7 and the G-8 operate. As such, we have decided for the time being to suspend our participation in activities associated with the preparation of the scheduled G-8 Summit in Sochi in June, until the environment comes back where the G-8 is able to have meaningful discussion.

We will continue to work with our partners to show that we are unified in condemning Russian military intervention in Ukraine.

Question 9:

How is the Administration coordinating with our European allies and the IMF on the current strategy in Ukraine? In particular regards to Europe, how far are they willing to push Russia given the continent's reliance on Russian energy?

Answer:

The United States is coordinating closely with our European allies on the current strategy in Ukraine. The United States and our European allies agree that the IMF is best suited to serve as the world's first responder in a financial crisis. Any assistance package to Ukraine from the United States or the European Union would be anchored on an IMF program. The IMF brings unparalleled capacity and expertise that are essential to helping Ukraine develop a comprehensive adjustment program to address its economic difficulties. Once Ukraine has made credible macroeconomic reform commitments, the IMF can provide substantial financing to meet Ukraine's needs and set the economy on sound footing. We hope to see a positive announcement soon on a program for Ukraine, as negotiations have been serious and substantive. An IMF-based support package can be complemented by assistance from multilateral development banks, including the World Bank and European Bank for Reconstruction and Development (EBRD), which stand ready to support Ukraine. The United States plans on participating in an international donor conference expected to be held in Kyiv in July and which will coordinate international assistance to Ukraine. The IMF's key role in addressing this crisis makes it all the more important that Congress approve IMF quota reform legislation. These reforms would enhance the IMF's capacity to lend additional resources to Ukraine while also buttress continued U.S. leadership within this important institution.

Through the U.S.-EU Energy Council we are working with EU member states and countries in the region, including Ukraine, to enhance energy security and promote the development of clean energy technologies and policies. Tough sanctions against Russia could lead to retaliatory moves such as disruption of energy supplies. However, halting shipments would be costly for Russia as well, which depends heavily on the European market. Oil and gas export revenues account for more than 50% of Russia's federal budget.

Question 10:

Secretary Kerry, over the last several months I've watched with concern as the reports on the economic situation in Argentina have gotten increasingly worse. Many of these reports have noted the country's isolation from international capital markets, which seems to be causing massive underinvestment and major problems with inflation. This appears to be a problem of Argentina's own making, because it refuses to normalize its relationships with international creditors, including investors located here in the United States. Given that it is not in America's interest to have to deal with an economic crisis in Argentina, what is the State Department's strategy for avoiding such an outcome? Are you encouraging Argentina to normalize its relationships?

Answer:

A stable and prosperous Argentina is in the best interest of Argentina, the United States, and the region. Encouraging sound economic decision-making is one of the key objectives of U.S. policy in Argentina.

Argentina would undoubtedly benefit from the normalization of its relationship with the international financial community. Its failure to pay bilateral debts, including \$600 million owed to the United States, has led to a ban by Paris Club members on export credit agency engagement with Argentina. Meanwhile, its failure to engage with its public and private creditors has deprived Argentina of access to international credit markets. In this context, it is in Argentina's interest to address these issues, as U.S. officials have emphasized for years in high-level exchanges with their Argentine counterparts.

In recent months, Argentina's efforts to settle international arbitral awards, address inaccurate economic data, and pursue negotiations with the Paris Club signal a positive shift in the government's approach to the international financial community. We will continue to urge Argentina to further demonstrate progress in these areas, and we will continue to encourage fiscal and monetary policies that reduce inflationary pressures.



Questions for the Record

*Submitted by the Honorable Matt Salmon
To Secretary of State John F. Kerry*

Question 1:

Please comment on the administration's position on Argentina's disrespect for the rule of law. As you know, Argentina is refusing to settle its debts to American investors and taxpayers – including funds that manage the savings of public employees, university endowments, state governments, large charities, as well as individuals. Argentina openly vowed to defy U.S. courts in this matter, despite having freely agreed to have the dispute settled under U.S. law. Their lawyers even compared the U.S. Court of Appeals to a “court in Iran” – saying they would no more obey our court than we would obey an Iranian court. Do you think it's appropriate for the Argentine government to refuse to obey court judgments it has pledged to respect?

Answer:

For more than a decade, the State Department has urged Argentina to repay its debts to the U.S. government and to engage with its creditors, both public and private. Argentina owes the U.S. government approximately \$600 million, and the Department is doing everything possible to recover those funds. Thanks in part to our efforts, Argentina recently made a repayment proposal to the Paris Club, which Paris Club members including the United States will discuss at the Paris Club meeting in late May.

Faced with Argentina's failure to honor its international financial obligations, we oppose multilateral development bank lending to Argentina, (except projects that benefit the poorest). Paris Club members, including the United States, instituted a ban on export credit agency engagement with Argentina. We continue to urge Argentina to fulfill its international financial obligations.

In recent months, Argentina's efforts to settle international arbitral awards, address inaccurate economic data it provides to the International Monetary Fund, and pursue negotiations with the Paris Club appear to signal a positive shift in the government's approach to the international financial community. We will continue to urge Argentina to demonstrate further progress, and to engage with its public and private creditors. We will continue monitoring litigation and arbitrations involving Argentina in U.S. courts and other fora.

Question 2:

Over the last several months, we've watched with concern as the reports on the economic situation in Argentina have gotten increasingly worse. Many of these reports have noted the country's isolation from international capital markets, which seems to be causing massive underinvestment and major problems with inflation. This appears to be a problem of Argentina's own making, because it refuses to normalize its relationships with international creditors, including investors located here in the United States. Given that it is not in America's interest to have to deal with an economic crisis in Argentina, what is the State Department's strategy for avoiding such an outcome? Are you encouraging Argentina to normalize its relationships?

Answer:

A stable and prosperous Argentina is in the best interest of Argentina, the United States, and the region. Encouraging sound economic policies is one of our key objectives in Argentina.

As economic growth has slowed, Argentina has experienced imbalances in its fiscal and current accounts, due in part to generous public subsidies. Argentina's strained relationship with the international financial community has contributed to its economic challenges. Its prosperity depends in part on renewed access to

global credit markets, multilateral development bank lending, and other engagement with the international financial community.

We have urged that Argentina normalize its relationship with the international financial community by clearing its arrears to the U.S. government and engaging with other public and private creditors. In recent months, Argentina's efforts to settle international arbitral awards, improve the economic data it provides to the International Monetary Fund, and pursue negotiations with the Paris Club signaled a positive shift in the government's approach. We continue to urge Argentina to demonstrate further progress in these areas, and we continue to encourage fiscal and monetary policies that reduce inflationary pressures.

Question 3:

Forty vessels that make up the U.S. distant water tuna fleet are supporting American foreign policy in a vast area of the western Pacific through South Pacific Tuna Treaty commitments. This is an extremely important area of the world where U.S. influence has waned. The only U.S. foreign aid to the region comes via this Treaty, and it has not increased over the years. Meanwhile, in an effort to expand its political influence, China has committed hundreds of millions of dollars to support the island nations.

The tuna boats pay \$42 million annually under the Treaty, while the U.S. government provides less than half of that amount. These monetary commitments are made for two year periods -- so there is always uncertainty over ensuring that the Treaty will continue. This is a difficult financial burden for the fishing boats particularly as they are competing with subsidized foreign fleets, backed by their governments. What steps can and will the State Department take to support the South Pacific Tuna Treaty and provide relief to the U.S. distant water tuna fleet?

Answer:

We are currently in the process of negotiating a renewal of the South Pacific Tuna Treaty (the Treaty) and the Treaty's accompanying Economic Assistance Agreement (EAA), which would be a ten-year commitment to support the Pacific Island Parties (PIPs) to the Treaty through a combination of industry license fees and U.S. government economic assistance, while also supporting the U.S. tuna purse seine fleet in the Western and Central Pacific through ensuring fair market access to the world's most valuable fishing grounds.

The Treaty would mandate that reviews are conducted every two years to ensure the amount of the industry payment -- currently \$42 million -- is maintained at a mutually agreeable rate, which would be dictated by commercial market prices for fish. The \$42 million paid by the industry represents the current benchmark commercial market rate for fishing days. In addition to the industry payment, the U.S. Government provides \$21 million in economic assistance via its annual commitment under the Treaty; this level was raised in 2013 from the previous level of \$18 million. The U.S. government economic assistance on top of the industry payment demonstrates our commitment to the Pacific Island States, as well as to the importance of maintaining access for the U.S. purse seine fleet to the highly valuable waters of the PIPs. The U.S. government also supports the U.S. purse seine fleet through the Treaty by ensuring the appropriate monitoring, control and enforcement mechanisms are included in the Treaty.



Question for the Record

*Submitted by the Honorable George Holding
To Secretary of State John F. Kerry*

Question 1:

What action is the administration taking to help Azerbaijan and Georgia, two nations that have strong and committed ties to the United States and border Russia, stand up to pressures from Moscow?

Answer:

The Department of State fully shares your concerns about Russian pressure on Georgia and Azerbaijan. The United States strongly believes every country has a sovereign right to determine its international relations. We have made this clear publicly, as well as at the highest levels in our private discussions with the European Union and other countries in the region. Any form of pressure to prevent sovereign states from pursuing greater integration with the EU runs contrary to the commitment to respect the sovereignty and independence of that state enshrined in such important international instruments as the United Nations Charter, the Helsinki Final Act and the Charter of Paris.

With regard to Georgia, we condemn Russia's continued construction of fences and berms ("borderization") on the administrative boundary lines of the Georgian regions of South Ossetia and Abkhazia. In February, the Secretary announced additional assistance to support Georgia's European and Euro-Atlantic vision, specifically to mitigate the hardships caused by Russian borderization by helping Georgia achieve visa-free travel with the EU. With easier access to the EU, Georgian citizens, including those with Georgian passports in the Russian-occupied territories, can take their rightful place in Europe. Georgia has also reoriented its trade towards Western markets and increased its energy efficiency and diversity with the support of U.S. assistance.

Through our assistance and actions, we have supported Georgia and other Eastern Partnership countries as they implement the necessary reforms to sign and initial Association Agreements. The U.S. Government provided over \$260 million in assistance to the Eastern Partnership region in FY 2013, the majority of which was used to promote democratic, economic, rule of law, and other reforms that are consistent with the Eastern Partnership's objectives.

The United States cooperates with Azerbaijan in a number of areas that enable it to resist pressure from Russia. We convene the U.S.-Azerbaijan Security Dialogue to review progress, raise important bilateral issues, and pursue additional areas of cooperation. Our priorities for security cooperation focus on Caspian maritime domain awareness, border security, combating illegal trafficking, and NATO interoperability. The United States also works closely with Azerbaijan on counterterrorism measures.

The United States raises human rights and democratic reform at the highest levels with Azerbaijani officials because such progress is essential to Azerbaijan's long-term prosperity, success, and independence from outside influence. We continue to encourage Azerbaijan to improve its respect for fundamental freedoms, human rights, the rule of law, pluralism, and a vibrant civil society.

Question 2:

I believe the events in Ukraine have correctly reprioritized the discussion of energy security for Europe. What is the State Department doing to encourage, promote, or facilitate the expedited export of natural gas to our European allies from our energy allies, including Azerbaijan, which is currently working to complete the Southern Gas Corridor?

Answer:

We take the energy security of our friends in Europe very seriously. In the coming weeks we will be discussing with our European partners steps we can take to further diversify their sources and suppliers of energy. The President has asked Secretary Kerry and Secretary Moniz to work with their European counterparts to map out diplomatic, energy and market strategies to enhance our collective energy security so that no nation can use energy as a political weapon.

The Department of Energy has regulatory authority over permits for Liquefied Natural Gas (LNG) exports. On LNG, the Department of Energy has just awarded another LNG license. It concluded that the project was in the public interest of the United States after considering economic, energy security, environmental and geopolitical impacts, among other factors. As a result, the Department has now conditionally approved LNG export permits for 9.3 billion cubic feet per day (or 96 billion cubic meters a year) that can be exported both to countries with which we have Free Trade Agreements (FTA) and to those where we do not, such as European countries.

These permits add up to significant volumes of LNG. To put it in perspective, 9.3 billion cubic feet per day is more than the total amount of LNG that Europe currently imports and equal to over half the gas Europe currently imports from Russia. The first project to export this gas is not expected to come online until late 2015. Nevertheless, we are committed to putting gas onto the global market in a way that is consistent with U.S. public interest because we know that increased global supplies help our European allies and other strategic partners.

The State Department has been playing a key diplomatic role in the Southern Corridor natural gas pipeline project, aligning the interests of the involved countries and moving the project to the point of a final investment decision in December 2013. The final investment decision was an important step in the process of advancing Europe's energy security and promoting competition in the supply of energy resources. This reflects Europe's efforts, which we strongly support, to diversify its energy resources, including the bold steps toward competition and trade embodied in the EU's Third Energy Package, an important set of regulatory measures issued in 2009.

The Southern Corridor, which will include an expansion of the South Caucasus pipeline across Azerbaijan and Georgia, the Trans-Anatolian pipeline across Turkey, and the Trans-Adriatic Pipeline across Greece and Albania to Italy, will bring a new source of Azerbaijani gas supply to Europe. It could in the future serve as the basis for bringing gas from additional sources, potentially such as Iraq and Israel, to South Eastern Europe – countries who were disappointed when a competing proposal which would have run through Bulgaria, Romania, and Hungary to Austria was not chosen.

The Southern Corridor is a complex project. It will take some years to complete and will encounter challenges along the way. You can be assured that the State Department will continue to work with our friends and allies in the region to support this key piece of infrastructure through completion.

Question 3:

Should the United States increase our export of liquefied natural gas to our European allies such as Latvia, Lithuania, and Poland beyond what is already planned and seeking permit?

Answer:

The United States takes the energy security of our friends in Europe very seriously. In the coming weeks we will be discussing with our European partners steps we can take to further diversify their sources and suppliers of energy. The President has asked Secretary Kerry and Secretary Moniz to work with their European

counterparts to map out diplomatic, energy, and market strategies to enhance our collective energy security so no nation can use energy as a political weapon.

The Department of Energy (DOE) has regulatory authority over permits for Liquefied Natural Gas (LNG) exports. On March 24, the DOE approved another LNG license after concluding that the project was in the public interest of the United States through consideration of economic, energy security, environmental, and geopolitical impacts, among other factors. As a result, the Department has now conditionally approved LNG export permits for 9.3 billion cubic feet per day (or 96 billion cubic meters a year) that can be exported both to countries with which we have Free Trade Agreements (FTA) and to those where we do not, such as European countries.

Approved LNG exports are significant. To put it in perspective, 9.3 billion cubic feet per day is more than the total amount of LNG Europe currently imports and equal to over half the gas Europe imports from Russia. The first project to export this gas is expected to come online in late 2015. We are committed to putting gas onto the global market in a way that is consistent with U.S. public interest because increased global supplies help our European allies and other strategic partners.

Question 4:

What has State Department done to prepare for the U.S. Chairmanship of the Arctic Council in 2015 and what will be the agenda of the United States as we assume the Chairmanship? Would the State Department ever support giving Arctic Council Observer States any form or level of participatory rights?

Answer:

Since February 2012, the State Department has been leading a process to prepare for our upcoming Arctic Council chairmanship that involves all agencies of the Federal Government with responsibilities relating to the Arctic as well as the state of Alaska. The overall United States chairmanship program is still under development and we expect to make formal announcements later this year.

Among the major themes we are considering for our chairmanship are initiatives to address the impacts of climate change in the Arctic (such as receding sea ice, erosion of coastlines, and thawing permafrost); steps to address challenges in a changing Arctic, including affordable and renewable energy, enhanced infrastructure, and improved water and sanitation to remote communities; pursuing sustainable economic development, to include industries such as shipping, energy and tourism; and steps to address the unique health challenges in indigenous or isolated communities throughout the Arctic region. We are also working cooperatively with the Government of Canada in its role as the current chair of the Arctic Council. The overarching theme of the Canadian chairmanship is "Development for the People of the North." The Arctic Council Rules of Procedure allow accredited observers to make contributions through engagement primarily at the working group (technical, scientific) level. We appreciate the valuable contributions that observers have made since the Council's inception in 1996. However, the primary role of observers is to observe the Council's activities. We would not support giving observers broader participatory rights, including decision-making rights, within the Council.

Question 5:

Does the FY2015 request include any assistance for North Korea, including for food aid, humanitarian assistance, or global health? If so, do you believe this aid is really even effective? Or, despite our best intentions, does it simply go to the regime?

Answer:

The President's FY2015 budget request does not include any bilateral assistance for North Korea, whether for food aid, humanitarian assistance, or global health programs.

The Administration remains deeply concerned about the well-being of the North Korean people. The United States has not changed its long-standing, principled position that humanitarian assistance, including food aid, should not be linked to political or security issues. Decisions on U.S. humanitarian assistance are based solely on three factors: 1) the level of need in a given country; 2) competing needs in other countries; and 3) the ability to ensure that aid reliably reaches the vulnerable populations for which it is intended.



Questions for the Record

*Submitted by the Honorable Ted Deutch
To Secretary of State John F. Kerry*

Question 1:

Mr. Secretary, last year, the Government of Argentina signed a Memorandum of Understanding with Iran to “reinvestigate” the 1994 bombing of the Argentine Jewish Mutual Association in Buenos Aires, the worst terrorist attack on a Jewish target in the Western Hemisphere, which resulted in the loss of 85 innocent lives and hundreds injured. Many observers agreed that the intent of the MOU was to rescind indictments against Iranian officials responsible for the attack and legitimize Argentine trade with Iran. Only after a year of intense domestic and international pressure, it appears Argentina’s government may revoke this MOU. At the same time, the Argentine government continues to drag its feet in paying back its debts to the U.S. government and private creditors. Ironically, it’s Argentina’s refusal to settle its debts that has pushed it out of mainstream financial markets and into the arms of rogue states such as Iran. In light of Argentina’s questionable behavior, what steps will you take to encourage Argentina to settle its public and private debts and return to the mainstream community of nations?

Answer:

At every opportunity, the State Department urges Argentina to repay its debts to the U.S. government and to engage with its creditors, both public and private. Argentina owes the U.S. government approximately \$600 million, and the Department is doing everything it can to recover those funds. Thanks in part to our efforts, Argentina recently made a repayment proposal to the Paris Club, which Paris Club members, including the United States, will discuss at the Paris Club meeting in May.

Faced with Argentina’s failure to honor its international financial obligations, we have opposed multilateral development bank lending to Argentina (except projects that benefit the poorest). Paris Club members, including the United States, also instituted a ban on export credit agency engagement with Argentina. We will continue to urge Argentina to fulfill its international financial obligations.

In recent months, Argentina’s efforts to settle international arbitral awards, address inaccurate economic data, and pursue negotiations with the Paris Club signal a positive shift in the government’s approach to the international financial community. We will continue to urge Argentina to further demonstrate progress in these areas, and we will continue to encourage fiscal and monetary policies that reduce inflationary pressures.

Question 2:

Mr. Secretary, last year, Argentina alienated Israel by offering to help some Iranian officials avoid complicity for the 1994 terrorist bombing of the Argentine Jewish Mutual Association in Buenos Aires. It has failed to live up to international standards for preventing money laundering and terrorist financing established by the Financial Action Task Force, which is particularly alarming considering Hezbollah’s activities in the hemisphere. And it has defied the interests of the United States over its treatment of international institutions and private creditors. What steps will you take to urge Argentina to stop defying international laws and norms of behavior?

Answer:

The U.S. position on the AMIA bombing is clear and consistent. For 20 years, the United States and the international community have joined the Argentine government and victims of this attack in demanding justice.

The Obama Administration is highly skeptical that a solution can be found to the AMIA case through the January 2013 Argentina-Iran agreement. Jewish groups in Argentina share that perspective, and they have expressed concern that Argentina's cooperation with Iran will only cause further delays. In recent months, the Argentine government itself has acknowledged a lack of progress, and the Argentine president has expressed openness to alternative approaches.

Regarding money laundering, there are several steps Argentine authorities should take to curtail this activity, which facilitates narcotics trafficking, corruption, and tax evasion. The Financial Action Task Force has been working with Argentina to address deficiencies in its laws and enforcement approach. Argentina has made progress implementing legislation and addressing technical deficiencies.

We urge Argentine officials to pay greater attention to the problem of money laundering, improve regulatory coordination, and ensure that the appropriate laws and regulations are established and enforced.



Questions for the Record
Submitted by the Honorable Brian Higgins
To Secretary of State John F. Kerry

Question 1:

In 2001, Argentina defaulted on nearly \$100 billion in debt. Yet over 10 years later, some creditors have still yet to be paid by the Argentine government despite being awarded claims by federal courts. What is being done by the United States to ensure all creditors are fairly compensated and to ensure Argentina meets its debt obligations?

Answer:

At every opportunity, the Department urges Argentina to repay its debts to the U.S. government and to engage with its creditors, both public and private. Argentina owes the U.S. government \$600 million and the Department is doing everything it can to recover those funds. Thanks in part to our efforts, Argentina recently made a repayment proposal to the Paris Club, which is currently under consideration. The Paris Club, including the United States, has invited Argentina for further discussions in May.

Faced with Argentina's failure to honor its international financial obligations, we have opposed most multilateral development bank lending to Argentina (except projects that benefit the poorest). We also implemented a ban among all Paris Club members, including the United States, on export credit agency lending to Argentina. We will continue to urge Argentina to fulfill its international financial responsibilities.

Question 2:

The United States has recognized the Mujahedeen e-Khalq (MEK) of the former Camp Ashraf who now reside in Camp Liberty as 'protected persons' under the Fourth Geneva Convention. Despite an agreement between the United States and the Government of Iraq concerning the transfer of security responsibility, which included a commitment to protect Camp Ashraf residents, more than 100 have been killed since 2009. What is the United States doing to ensure Iraq lives up to its commitments to protect these residents? Furthermore, what is being done to ensure that the timely resettlement of Camp Liberty residents occurs?

Answer:

The United States considers the residents of Camp Liberty as persons in need of international protection, the same status accorded to them by the UNHCR, and has done so since the handover of Camp Ashraf to the GOI in January 2009 in accordance with international law.

The United States continues to press the Government of Iraq (GOI) at senior levels at every opportunity to ensure the security of the residents of Camp Hurriya (formerly Camp Liberty) and to fully investigate the lethal attacks against the MEK. DAS McGurk met with Iraq NSA Fayyad on his most recent trip to discuss safety issues at the camp.

We and UNAMI continue to emphasize with the GOI that the installation of T-walls is critical to the residents' safety. We understand that installation ceased March 4, due to an issue raised by the GOI regarding the contractor. We are pressing the GOI at the highest levels to resolve the issue with no further delays. To date, the GOI has moved in over 1,488 large T-walls, 520 bunkers, 700 small T-walls, and 95,000 sandbags. However, given the uncertain security situation in Iraq, relocating the MEK outside Iraq is the only solution that can ensure their safety. We strongly support UN efforts to facilitate this relocation process.

In September, 2013, the Department of State appointed a Senior Advisor for MEK Resettlement, Jonathan Winer, to focus intensive U.S. efforts on securing the cooperation of other countries in resettling residents of Camp Hurriya out of Iraq as persons in need of international protection. He has undertaken talks with a number

of countries on MEK resettlement, which remain in various stages of progress, in consultation with the United Nations and its Senior Adviser for MEK Relocation, the UN Mission in Iraq, the UN High Commissioner on Refugees, and representatives of the MEK itself.

In recent months, Albania has accepted 238 residents of Camp Hurriya. Germany has accepted more than 90 residents. Italy has recently accepted a small number, and is considering more.

Consistent with this approach, the United States is proposing to resettle a number of Camp Hurriya residents in the United States, as appropriate and following a case-by-case evaluation and extensive vetting by the Departments of Homeland Security and Justice.

In addition, the United States will issue a grant of \$1 million to the UN Trust Fund for MEK Resettlement, to encourage countries without the means to take in residents but that are otherwise willing. The Government of Iraq has already announced it will contribute \$500,000 to the UN Trust Fund, and the Government of Italy followed with a pledge of about \$300,000.



Questions for the Record
Submitted by the Honorable David N. Cicilline
To Secretary of State John F. Kerry

Question 1:

More than anyone who has been Secretary of State, you have had the strongest and longest Senate record spanning three decades, urging Presidents to end the last stage of genocide – denial and recognize the Armenian Genocide. As a Senator, you condemned the pushing out of U.S. Ambassador to Armenia John Evans in 2006, when he spoke honestly about the Armenian Genocide. At the business meeting to confirm Ambassador Evans replacement, you voted against the nominee on principle stating, "For us to recall an ambassador because he utters the word 'genocide', is to cow-tow, to cave-in to those who change history, something we are witnessing today with [President] Ahmadinajad in Iran who says the Holocaust didn't exist. So it is even more important that we say something to the contrary. We are not going to allow revisionism. We are not going to allow people to push the United States of America around and say what you can and can't say about what's happening with respect to history. We honor history and we honor the truth. I don't think we do so if we allow this Administration to take the contrary policy." You are now in a position to change this deplorable policy. Would you discipline, penalize, or otherwise take action against a U.S. Embassy employee simply for speaking truthfully about the Armenian Genocide?

Answer:

The Department encourages vigorous discussion and debate, and the Department does not discipline or penalize employees merely for expressing their views. However, when speaking in an official capacity and on behalf of the Department, we expect our employees to support the President's and Department's policies and priorities.

With respect to Ambassador Evans, he retired in 2006 following thirty-five years of distinguished service.

Question 2:

The President first broke his pledge to speak truthfully about the Armenian Genocide, because of the Protocols and the prospects that Turkey was going to end its blockade of Armenia, but within a day of those agreements being signed Turkey made it clear that they were not going to abide by them. Since then, there has been no meaningful progress. In fact, the Prime Minister of Turkey ordered the demolition of a statue to Armenia-Turkish friendship in April 2011, and in February 2012, tens of thousands of protesters, including the Turkish Interior Minister, participated in an anti-Armenian protest, where official signs stating "You are all Armenians. You are all bastards." were distributed. It has now been over four years and the protocols have clearly failed. Will the Administration now finally honor President Obama's pledge to recognize the Armenian Genocide? If not, why?

Answer:

The Administration has commemorated the Meds Yaghem and consistently acknowledges as a historical fact that 1.5 million Armenians were massacred or marched to their deaths in one of the worst atrocities of the 20th century. The Administration supports diplomatic efforts that support the President's call for "a full, frank, and just acknowledgement of the facts." We will continue to support the courageous steps taken by individuals in Armenia and Turkey to foster a dialogue that acknowledges their shared history.

Question 3:

President Obama has identified genocide prevention as a "core national security interest and core moral responsibility" of the United States. Can you foresee any circumstances in which you, or any official of the U.S. government, should be anything less than fully honest and forthright in condemning any known instance of genocide, including the Armenian Genocide?

Answer:

The U.S. government clearly acknowledges as historical fact and mourns that 1.5 million Armenians were massacred or marched to their deaths in the final days of the Ottoman Empire. These horrific events resulted in one of the worst atrocities of the 20th century, and the United States recognizes that they remain a great source of pain for the people of Armenia and of Armenian descent, as they do for all of us who share basic universal values. As the President has emphasized in his April 24th Remembrance Day statements, the achievement of a full, frank, and just acknowledgement of the facts of what occurred in 1915 is in all our interests.

Question 4:

In light of the priority that the President has attached to moving Turkey toward an honest reckoning with its past, will any representatives from the State Department be participating in any commemorations of the Armenian Genocide that will be taking place in either Washington, DC or Turkey? If not, please explain your reasons for not doing so.

Answer:

A senior representative from our Consulate in Istanbul attended last year's April 24 commemoration event in Istanbul; the Consulate is planning to send an official to this year's commemoration as well. This is typically the largest and most public event held in Turkey on Remembrance Day itself, and Istanbul is where the vast majority of Armenian citizens live in Turkey. In addition, Ambassador Heffern will participate in a Remembrance Day event in Yerevan.

Question 5:

If the government of Turkey, tomorrow, were to acknowledge the Armenian Genocide, would you counsel that the U.S. government do the same?

Answer:

The U.S. government supports efforts by Turkey and Armenia to address their shared history. The Administration has commemorated the Meds Yaghem and consistently acknowledges as a historical fact that 1.5 million Armenians were massacred or marched to their deaths in one of the worst atrocities of the 20th century.

We recognize religious minority groups continue to face challenges in Turkey. We are encouraged by concrete steps the government of Turkey has taken over the past year to return properties to religious communities, including the return of the Mor Gabriel Monastery and 47 acres of property surrounding Halki Seminary. The State Department regularly engages at all levels with Turkish officials regarding the importance of religious freedom, including legal reforms aimed at lifting restrictions on religious groups, property restitution, and specific cases of religious discrimination. We continue to encourage the government of Turkey to follow through on the return of religious minority properties and to take additional steps to promote religious freedom,

such as allowing more religious communities to own property, register their places of worship, and train their clergy.

Question 6:

In August 2012, Azerbaijan's President pardoned, praised, and promoted a confessed axe-murderer Ramil Safarov, who was convicted of killing a sleeping Armenian at a 2005 NATO English language training program in Hungary. President Obama quickly condemned the release and you, as a Senator, rightfully quickly condemned Azerbaijan by stating, "I am shocked and appalled that Azerbaijan not only welcomed Safarov home, but pardoned, promoted, and treated him as a hero." Moreover, Azerbaijan continues to reject the international community's and Armenia's calls to pull back snipers and President Aliyev has repeatedly stated that "only [the] first stage" of the war is over, that Azerbaijan is prepared to attack Nagorno-Karabakh, and that "Our main enemies are Armenians of the world." In light of Azerbaijan's public acts and threats of aggression, why does the Administration support allocating military assistance to Azerbaijan, when it continues such belligerent and provocative policies?

Answer:

As a co-chair of the OSCE Minsk Group, the United States continues working to help the sides reach a just and peaceful resolution to the Nagorno-Karabakh conflict. We condemn any action or rhetoric that fuels tensions in the region, as well as steps by any side that serve only to diminish trust or threaten to damage the peace process. We expressed our deep concern over the 2012 pardon of Ramil Safarov at the highest levels, and continue working to ensure the sides work toward, not against, a peaceful settlement.

Security assistance for Azerbaijan is carefully reviewed to ensure it does not undermine efforts for a peaceful settlement in Nagorno-Karabakh. Such assistance is focused on counterterrorism and maritime security.

Question 7:

The Nagorno Karabakh Republic was one of the three parties to negotiate and sign the cease fire agreement, which stopped the war in 1993 and they were full parties to the Minsk Group negotiations until 1998, when Azerbaijan succeeded in excluding them. Do you support the reinstatement of the Nagorno Karabakh Republic as a full participant in all aspects of the Minsk Group peace process? If yes, what is the Administration doing to reinstate Karabakh into the negotiations?

Answer:

As a Co-Chair of the OSCE Minsk Group along with Russia and France, the United States remains committed to helping the sides find a peaceful solution to the Nagorno-Karabakh conflict. As part of that effort, the Co-Chairs routinely meet with senior officials from the Armenian and Azerbaijani governments, as well as the de facto authorities in Nagorno-Karabakh. The United States, Russia, and France are actively working to help the sides reach agreement on a way forward.

Question 8:

The United States has been consistently providing assistance to Nagorno Karabakh, but at modest amounts, despite the tremendous humanitarian needs there. It has one of the highest per capita mine accidents in the world and a shortage of safe drinking water. AID conducted a needs assessment in 1998 in Nagorno Karabakh that is public, but has not made public a needs assessment it finished in December 2007. Will you make public these needs assessments?

Answer:

The U.S. Government remains committed to providing humanitarian assistance to victims of the Nagorno-Karabakh conflict, as it has done since 1998. In 2007, USAID concluded an internal assessment to confirm priority areas and to inform the technical direction of future programming. While the assessment confirmed our view that de-mining and potable water remained the greatest needs at that time, significant progress has been made in the area of demining and the main potable water project was completed with a post-completion monitoring site visit scheduled for April 2014. USAID would welcome the opportunity to brief you and your staff regarding needs assessments, project implementation or other aspects of U.S. assistance in Nagorno-Karabakh.

Question 9:

The Nagorno Karabakh Republic was one of the three parties to negotiate and sign the cease fire agreement, which stopped the war in 1993 and they were full parties to the Minsk Group negotiations until 1998, when Azerbaijan succeeded in excluding them. Do you support the reinstatement of the Nagorno Karabakh Republic as a full participant in all aspects of the Minsk Group peace process? If yes, what is the Administration doing to reinstate Karabakh into the negotiations?

Answer:

As a Co-Chair of the OSCE Minsk Group along with Russia and France, the United States remains committed to helping the sides find a peaceful solution to the Nagorno-Karabakh conflict. As part of that effort, the Co-Chairs routinely meet with senior officials from the Armenian and Azerbaijani governments and travel regularly to Nagorno-Karabakh to consult with the de facto authorities. The United States, Russia, and France are actively working to help the sides reach agreement on a way forward.

Question 10:

Please provide an accounting of the Administration's distribution of aid in Nagorno Karabakh for FY13 and FY14, which includes: 1) Name of project and purpose, 2) Institution(s) receiving funds, 3) Total funding disbursement, 4) Locations where each project is conducted, 5) Years funded, and 6) Assessment of goals achieved.

Answer:

The U.S. Government has provided approximately \$43.0 million in humanitarian assistance to victims of the Nagorno-Karabakh conflict, including food, shelter, emergency and medical supplies, access to quality healthcare and water, as well as assisting with demining of land since 1998. U.S. assistance in Nagorno-Karabakh currently supports humanitarian demining, with the potable water project having been fully funded as of FY 2012.

The United States has funded the HALO Trust to conduct humanitarian demining within the Soviet-era boundaries of Nagorno-Karabakh since 2001. This program is focused on clearing mines and returning lands to rural population for agricultural use in territory within the Soviet boundary. To date, the U.S. has provided \$10.7 million to HALO Trust for this effort. The demining project has thus far cleared 94 percent of anti-personnel and anti-tank mines and 71 percent of the battle area. The United States provided \$2.0 million in support of this program in FY 2013 funds.

From FY 2009 to FY 2012, the United States also provided approximately \$4.0 million for support the Potable Water to the Rural NK project. This program, implemented by CESCO Ltd., focused on the rehabilitation and provision of potable water supply systems in seven villages (Taghavard, Qert, Shekher, Machkalashen, Spitakashen, Herher and Kaghartsi) in the Martuni region of NK. The population of these seven villages is about 4,200 people, all of whom are beneficiaries. The main purpose of the project was to ensure safe and reliable continuous water supply in those villages. The activities included construction of daily regulating reservoirs, renovation work at the sources, provision of a village-level distribution network and observation regulating chambers, as well as water meters for households. All construction work was completed as of mid-December 2013, and a post-completion monitoring site visit is scheduled for April 2014. The project was fully funded upon receiving its FY 2011 and FY 2012 funds.

Question 11:

Are there any official, written restrictions or guidelines on communication, contacts, travel, or other interactions between U.S. and Nagorno Karabakh government officials? If so, please provide them.

Answer:

U.S. government officials generally do not travel to Nagorno-Karabakh due to the ongoing conflict, with the exception of individuals traveling under the auspices of the OSCE Minsk Group.

Question 12:

The U.S. continues to support the democratic and economic development of Georgia - both through strong levels of economic assistance and a second Millennium Challenge Corporation compact with that country. What efforts are being made to ensure that U.S. assistance reaches all communities and regions in Georgia equally, including the impoverished region of Samtskhe-Javakheti, which is predominantly populated by Armenians?

Answer:

The United States has focused and continues to focus significant assistance resources toward programs that benefit the Samtskhe-Javakheti region of Georgia. The largest U.S. assistance investment in that area has been the over \$200 million for the first Millennium Challenge Corporation (MCC) Compact that rehabilitated approximately 222 kilometers of a main road linking Tbilisi with Samtskhe-Javakheti to foster economic development in the region through increasing exports of agricultural products. The United States also provides grants and technical assistance directly to individuals in Samtskhe-Javakheti. U.S. agricultural development activities have included cattle farming, trout farming, potato production, dairy processing, feed production and beekeeping in the region. Our programs also target social sector development. For example, U.S. assistance rehabilitated three public hospitals in the region, and a new primary education project includes teaching Georgian-language in schools in Samtskhe-Javakheti to improve the children's ability to participate in the Georgian economy and political life.

More generally, USAID's Social Infrastructure Renovation Program provides short-term employment opportunities to residents of selected communities and targets areas predominately populated by non-Georgian ethnic minorities who have often felt bypassed by the economic and social progress enjoyed in more economically developed areas of Georgia. U.S. programming also supports efforts that work to safeguard minority rights. One example is a State Department project implemented by Project Harmony International that teaches students in the Armenian language about their rights and responsibilities as Georgian citizens.

U.S. humanitarian social recovery programs, including those provided in the aftermath of Georgia's 2008 conflict with Russia, target vulnerable populations such as ethnic Armenians. These programs included housing assistance, humanitarian demining, and access to government benefits and healthcare. These programs have

helped the Government of Georgia provide primary health care for citizens in minority regions and remote communities through the provision of commodities such as donated pharmaceuticals.

Question 13:

On December 13, 2011, the House overwhelmingly passed a resolution calling on Turkey to return confiscated Christian churches and properties (H. Res. 306). The resolution calls on the Secretary of State "in all official contacts with Turkish leaders and other Turkish officials . . . [to] emphasize that Turkey should (1) end all forms of religious discrimination . . . (2) allow the rightful church and lay owners of Christian church properties, without hindrance or restriction, to organize and administer prayer services . . . (3) return to their rightful owners all Christian churches and other places of worship, monasteries, schools, hospitals, monuments, relics, holy sites, and other religious properties." The August 2011 decree by Turkey to create a process for the return of stolen church properties did not allow for the return of the vast majority of stolen church properties which were confiscated during the Armenian Genocide. What is the State Department doing to ensure Turkey's return of all Armenian, Greek, Assyrian, and Christian minority properties?

Answer:

We recognize religious minority groups continue to face challenges in Turkey. We are encouraged by concrete steps the government of Turkey has taken over the past year to return properties to religious communities, including the return of the Mor Gabriel Monastery and 47 acres of property surrounding Halki Seminary. The State Department regularly engages at all levels with Turkish officials regarding the importance of religious freedom, including legal reforms aimed at lifting restrictions on religious groups, property restitution, and specific cases of religious discrimination. We continue to encourage the government of Turkey to follow through on the return of religious minority properties and to take additional steps to promote religious freedom, such as allowing more religious communities to own property, register their places of worship, and train their clergy.

Question 14:

Can you give us an update on efforts to protect Armenian and other minority populations in Syria? Out of all the countries that have accepted refugees from Syria, Armenia has the least amount of resources to provide for them. Would the Administration be willing to provide funds to Armenia to help manage this humanitarian burden?

Answer:

The State Department is deeply concerned about the catastrophic humanitarian situation inside Syria, including the status of minority populations. As the single-largest donor of humanitarian assistance for those affected by the Syria crisis, the U.S. government is providing more than \$1.7 billion in humanitarian aid—nearly \$878 million to support those inside Syria, and nearly \$862 million to support refugees fleeing from Syria and host communities in neighboring countries.

Helping in Armenia:

The U.S. government provides funding to United Nations agencies, the International Committee of the Red Cross (ICRC), and non-governmental organizations to help meet the humanitarian needs of all those affected by the Syria crisis. These agencies are leaders of the international humanitarian response system.

In 2014, the Office of the United Nations High Commissioner for Refugees (UNHCR) increased its funding for Armenia by \$940,000, nearly doubling the operational budget of UNHCR in Armenia, to provide humanitarian

assistance to the most vulnerable Syrian-Armenians who fled the crisis in Syria over the past two years. [Most of the Syrians who have fled to Armenia are not considered refugees since they are Armenian citizens; however, UNHCR considers them to be in a “refugee-like” situation.] Humanitarian assistance includes rental subsidies, income-generating activities (such as microcredit loans), medical services, and food assistance for the most vulnerable. To date in FY 2014, PRM is contributing \$88.3 million towards UNHCR’s \$1.35 billion Syria Regional Response Plan (RRP) appeal requirements.

Helping Inside Syria:

The U.S. government is engaged in intense diplomatic efforts to press for increased access for UN and other humanitarian organizations inside Syria to reach all those in need, including the 220,000 residing in besieged communities. It is unacceptable and a violation of humanitarian principles for the Syrian Arab Republic Government (SARG) to deny this access.

The United States deplores threats against minorities in Syria, who have been increasingly targeted by extremists. The Syrian people have a long history of tolerance and co-existence, but both the SARG and violent extremist groups have been fueling sectarian strife. We continue to seek and receive assurances from the moderate opposition regarding their respect for the rights of all Syrians, regardless of ethnicity, gender, or religion. In addition to humanitarian relief, the U.S. government is providing more than \$260 million in funding for non-lethal assistance to support Syria’s moderate opposition, some of which promotes cross-sectarian conflict mitigation and reconciliation through coalition-building and conflict prevention training at the local level. Despite these ongoing protection efforts, the only way to definitively end threats to minorities in Syria is to end the fighting.

Question 15:

The Lajes Air Base on Terceira Island in the Azores has proven useful to the United States and has been a source of friendship between the United States and Portugal, especially the Regional Government of the Azores. If the U.S. proceeds with cuts to the Lajes Field airbase, what does the State Department intend to do to mitigate the impact that such cessation may have upon U.S.-Portugal relations?

Answer:

Founding NATO member Portugal is one of our oldest and closest allies. One of Secretary of State Kerry’s first calls in office was to then-Portuguese Foreign Minister Portas, and Secretary Kerry recently met with current Foreign Minister Machete during the latter’s first official visit to Washington. To further our cooperation on security, justice and home affairs, trade and investment, and education, science, and technology, the U.S.-Portugal Standing Bilateral Commission (SBC) meets twice yearly for high-level strategic discussions.

The U.S. Air Force (USAF) presence at Lajes Airfield in the Azores is but one facet of this engagement. The impending USAF force reduction at Lajes is a result of Department of Defense (DoD) budget considerations and operational needs and is not a reflection of our commitment to Portugal. To mitigate the political and economic impact of the decision and strengthen the partnership with Portugal, DoD organized a Business Executives for National Security (BENS) visit to the Azores that took place in February 2013. We encourage the Azorean government to continue its engagement with BENS to explore the islands’ economic potential.

The State Department and U.S. Embassy Lisbon also are attempting to mitigate the effects of the Lajes downsizing. The Department sponsored a Voluntary Visitor program for an Azorean delegation in November 2013. The Azorean officials visited U.S. communities that had redeveloped former bases as industrial parks or other commercially profitable enterprises. The Embassy has hosted a series of innovation and entrepreneurship round tables to encourage economic growth in Portugal and the Azores. Embassy-funded public diplomacy

projects in the Azores have supported the arts and culture, sustainable economic development, scientific research, education, and mutual understanding.

Question 16:

Does the State Department have any plans to close or reduce services at the U.S. Consulate in Ponta Delgada in the Azores?

Answer:

The State Department does not have any plans to close or reduce services at the U.S. Consulate in Ponta Delgada. The United States values its ties to the Azores and is proud to have had continuous representation there since 1795. The Consulate continues to process passport applications, reports of birth, and other consular services for the estimated 8,000 U.S. citizens living in the Azores.

Question 17:

Do you believe the Palestinians are committed in a serious way to the talks that you and Israel have invested so much time and energy to? Do you believe President Abbas is willing and capable of making the tough concessions necessary for these negotiations to succeed?

Answer:

The Department of State believes that the Palestinians are seriously committed to these negotiations. President Abbas has demonstrated that he wants to be a partner for peace and is dedicated to trying to end the conflict and all claims through negotiations.

President Abbas understands both the tremendous benefits of peace and the significant costs of failure and has already demonstrated great courage in coming back to the negotiating table. He has also been genuinely committed to non-violent resistance, and his own security forces have worked closely with Israel in order to prevent violence against Israeli citizens. President Abbas understands that these negotiations present the best opportunity for the Palestinians to achieve the sovereign state that they deserve, and we believe that he is prepared to make the tough concessions necessary for negotiations to succeed.

Question 18:

Congress has weighed in on numerous occasions about the importance of certain principles in Mideast peacemaking: the United States should not be imposing a solution on the parties, but rather needs to support and work closely and privately with Israel; talks need to be direct and bilateral between the Palestinians and Israelis themselves. Would you agree and do you expect those principles to continue to govern U.S. peacemaking in the region?

Answer:

As we have said all along, an agreement that is imposed on the two sides will never succeed, and we certainly expect that more broadly these principles will continue to govern US peacemaking in the region. With the current Israeli-Palestinian negotiations, the role of the United States has been to help facilitate the talks. Ultimately, this is a negotiation between the Palestinians and Israelis. We can work with the parties, and as we hear the different issues and as we hear their complaints and their ideas, perhaps we can help to bridge the gap and the differences between them. But in the end, you cannot have a peace imposed by anyone on the outside. A solution will only succeed if it comes from the parties themselves.

Question 19:

What more are you encouraging Arab states to do to support Palestinian moderates and open up ties with Israel? How much more could they do to help resolve the broader Arab-Israeli conflict?

Answer:

The Secretary has been working in close cooperation with the Arab League. One of the key elements of this current effort has been the Secretary's frequent consultations with the Arab Foreign Ministers throughout the process. He has held five meetings with the Arab League Peace Initiative Follow Up Committee over the past year and remains in regular contact with the Foreign Ministers on these issues. The Arab States have played a central role in supporting President Abbas and we truly appreciate their strong commitment to peace. It is our hope that these states continue to have a productive role, working with and supporting President Abbas as he makes the necessary, difficult decisions to reach a peace agreement.

Question 20:

As a member of the National Ocean Council, please describe in detail any State Department resources or personnel that have been or will be directed toward activities in support of the National Ocean Policy. In doing so, please provide references to the FY 2015 budget request line items that would support the State Department's continued participation in National Ocean Policy activities.

Answer:

As the National Ocean Policy is focused almost entirely on domestic United States issues, the Department of State participation has largely been limited to involvement in interagency discussions and meetings. Personnel from the Bureau of Oceans and International Environmental and Scientific Affairs attend these meetings. The Department has not requested any new funding for implementing the National Ocean Policy.

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As a member of the National Ocean Council, please describe in detail any State Department resources or personnel that have been or will be directed toward activities in support of the National Ocean Policy. In doing so, please provide references to the FY 2015 budget request line items that would support the State Department's continued participation in National Ocean Policy activities.

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Question 22:

We've seen in Russia and elsewhere that countries that scapegoat minority communities are dangerous players and not strong U.S. allies. This is particularly true today in countries that are targeting their LGBT communities, like Russia, Uganda and Nigeria. I know you are looking at the consequences that the new anti-LGBT laws in those countries will have on our bilateral relationships. I hope you will ensure there are consequences for any and all countries that seek new restrictions on basic freedoms for LGBT people, and not just in Uganda. And looking forward, with these budget priorities in mind, I hope you will continue to review

the ways in which we can ensure that our PEPFAR funds do not go to individuals or organizations supporting these homophobic campaigns, especially to the extent that they hinder service to the MSM population.

Answer:

We share your concern about the impact of anti-LGBT legislation on the fundamental human rights of LGBT persons and others. We continue our close work with LGBT and other human rights organizations throughout the world to advance the fundamental tenet, shared by many, that LGBT rights *are* human rights.

In assessing our approach, we are considering how best to demonstrate our support for the LGBT communities in countries where their rights are infringed and abuses occur, deter other countries from enacting similar laws, and reinforce our commitment to the promotion and defense of human rights for all people – including LGBT individuals – as a U.S. priority.

As outlined in the 2011 *PEPFAR Technical Guidance on Combination HIV Prevention for Men Who Have Sex with Men* (MSM) and the 2012 *PEPFAR Blueprint: Creating an AIDS-free Generation*, PEPFAR programs are designed to ensure that all individuals have access to appropriate and nondiscriminatory HIV prevention, care, and treatment services, in order to have the maximum possible impact on the epidemic while respecting human rights. PEPFAR is also dedicated to supporting enabling HIV service delivery environments, including for MSM and LGBT individuals, as these are vital to the effectiveness of PEPFAR programs and the achievement of broader U.S. government policy goals.

We continue to look at additional steps we may take to work to protect LGBT individuals from violence and discrimination, and to urge the repeal of such abhorrent laws in countries where they have been enacted.

Question 23:

In 1994, you attended the landmark Cairo conference on population and development where the global community set forward a bold new vision which placed the health, rights and empowerment of women at the center of population and development programs. Twenty years later, we have made a lot of progress, but there is clearly still work to be done to deliver on that vision. At least 222 million women in the developing world would like to prevent or delay pregnancy but lack access to safe, effective contraception and each year an estimated 287,000 women still die from pregnancy-related causes. Can you talk about where you see opportunities for U.S. leadership to continue to make progress on expanding access to family planning and reproductive health information and services and promoting women's health and rights?

Answer:

The 1994 International Conference on Population and Development (ICPD) consensus forged by 179 member states was, and remains, truly transformative. It reframes the way we view population and development challenges, and provides a far-reaching set of goals linking global health, human rights, gender equality, population dynamics and sustainable development. The 20th anniversary of the ICPD provides an excellent opportunity to review progress on reaching these development objectives, which aim for nothing less than universal access to comprehensive sexual and reproductive health information, education and services.

The U.S. government will continue to show leadership at the UN Commission on Population and Development, the UN Commission on the Status of Women and the UN Human Rights Council. We persistently make the argument at these venues and elsewhere that reproductive health services, especially voluntary family planning, are essential to promote sustainable economic development and contribute to the U.S. Government's goals of Ending Preventable Child and Maternal Deaths and Creating an AIDS-free Generation. These services

empower women and couples to voluntarily time and space their pregnancies, bear children during their healthiest years, help avoid unintended pregnancies and facilitate healthier families.

With the support of Congress, the United States is the largest bilateral donor of family planning assistance, providing approximately \$610 million of assistance in FY 2013 (which includes \$33.2 million for United Nations Population Fund (UNFPA)). The U.S. government partnership with UNFPA supports sexual and reproductive health information and services, including voluntary family planning, in over 150 countries and extends the reach of U.S. government support to a number of countries where USAID does not have programs. Since 2009, the United States has provided over \$200 million to UNFPA for life-saving assistance to women, children and families. USAID advances and supports voluntary family planning programs in more than 45 countries across the globe. This past year, USAID's family planning programs reached more than 80 million women. Research suggests that expanding access to family planning could prevent 30 percent of maternal deaths and 25 percent of child deaths annually, through healthy timing and spacing of births.

Additionally, we fully recognize the importance of providing access to sexual and reproductive and maternal health care at the onset of a crisis. The U.S. government actively supports the UNFPA, the UN High Commissioner for Refugees (UNHCR) and many other development and humanitarian organizations to respond to the challenges of providing predictable access to reproductive health services in crisis settings. Access to these life-saving interventions is linked to recovery from humanitarian and post-conflict situations, not just for women and girls, but also for communities writ large. To help address this, in September 2013, I launched the Safe from the Start Initiative, a joint effort with USAID, to reduce the incidence of gender-based violence (GBV) and ensure quality services for GBV survivors from the onset of emergencies by strengthening the capacity of the humanitarian system. The U.S. also assumed leadership in 2013 of the UK-initiated Call to Action on Protecting Women and Girls in Emergencies to encourage other donors and affected governments, as well as UN and NGO organizations with which we work to join this effort.

As we focus on the ongoing 20-year review of the ICPD Program of Action, as well as the upcoming 20-year review of the 1995 Beijing Declaration and Platform for Action and the review of the Millennium Development Goals in 2015, we will continue to work toward advancing those goals. Improving the health and well-being of all people, especially women and children, promotes internal stability and social and economic progress. We will seek every opportunity to promote the participation of all stakeholders as we discuss the appropriate inclusion of sexual and reproductive health and reproductive rights, including voluntary family planning, in the post-2015 development agenda and into our development and poverty reduction plans and policies.

Question 24:

UN Peacekeeping: As you know, we are at least \$350 million behind in our peacekeeping dues for 2014 and your budget proposal brings us closer to fulfilling our budget obligations to UN peacekeeping, but could you speak to the importance of this funding and how being in arrears impacts our ability to pursue our interests at the UN and around the world?

Answer:

Peacekeeping missions are critical tools to maintain international peace and security, and to advance U.S. interests around the world in difficult places such as Haiti, Sudan, South Sudan, the DRC, Lebanon and Mali. As a member of the Security Council, we see firsthand what peace operations can do to support a stable peace and to protect civilians in fragile environments. Full funding of U.S. contributions is thus essential to support these mission operations and deployments, to curb accumulation of funding shortfalls and potential arrears, and to allow continued U.S. leadership in UN peacekeeping activities. Any reduction strains vital UN peacekeeping operations and causes delays in reimbursements to troop contributing countries that can affect future troop rotations.

We do face a budget problem. The recently enacted FY 2014 appropriations act will create challenges for the Administration to pay anticipated UN peacekeeping assessments on time and in full. To help meet our anticipated FY 2014 requirements of approximately \$2.22 billion, the Contributions for International Peacekeeping Activities (CIPA) appropriation provides \$1.765 billion for the U.S. share of assessed expenses for 13 ongoing missions, three war crimes tribunals, and \$100,000 for State personnel to monitor mission effectiveness. Congress also provided authority to spend up to \$194 million from the FY 2014 Peacekeeping Operations (PKO) account to fund assessments arising from the UN logistical support package (UNSOA) for the African Union Mission in Somalia (AMISOM). Due to the timing of the crisis in Mali, the Administration did not request nor did the FY 2014 appropriations act include any CIPA funds for the UN Multidimensional Integrated Stabilization Mission in Mali (MINUSMA). Additionally, we expect to receive increased assessments for the UN Mission in the Republic of South Sudan (UNMISS). The FY 2015 CIPA Request includes \$100 million to help offset FY 2014 MINUSMA assessments.

In addition, the current UN assessment rate for calendar year 2014 is 28.36 percent. At present, however, the Department only has the authority to make payments from appropriated funds at the calendar year 2012 assessed rate of 27.14 percent. Due to the difference in the amount assessed and the amount authorized to pay with appropriated funds, the United States has already accrued \$117 million in new arrears stemming from FY 2013 assessments. Additional arrears will continue to accrue for FY 2014. We are looking at potential options to reduce or mitigate those arrears before they impact mission operations. We look forward to working with Congress to address these gaps and fully fund UN peacekeeping missions.

Question 25:

2. Climate Change: We and other developed countries jointly committed, in the United Nations Framework, to \$30 billion in assistance between 2010 and 2012 and to mobilize \$100 billion in public and private funds by 2020 to address the causes and impacts of climate change. After that, the United States elevated climate change as a development priority. Can you speak to how your budget reflects those priorities and might help us realize those objectives?

Answer:

The FY 2015 Global Climate Change Initiative (GCCCI) request is \$839.1 million, of which \$348.5 million will be programmed through the U.S. Agency for International Development (USAID), \$157.8 million will be programmed through the U.S. Department of State (State), and \$332.8 million will be programmed through the U.S. Department of the Treasury (Treasury).

Programs will promote policies and support mechanisms that help leverage the public and private sector funds necessary to make larger climate-friendly investments. This will include credible monitoring, reporting, and verification systems for measuring greenhouse gas emissions as well as mobilizing private sector investments. Working in partnership with national and local governments, business interests, and other non-governmental groups, USAID, State, and Treasury will target GCCCI investments where they can make the biggest impact on climate adaptation and mitigation. The initiative is organized around three pillars: Clean Energy, Sustainable Landscapes, and Adaptation:

- **Promoting Clean Energy:** U.S. investments will accelerate the development and deployment of renewable and advanced energy technologies as well as promote the adoption of energy efficient technology and conservation techniques. These investments will reduce greenhouse gas emissions, increase energy security by developing domestic energy sources, and expand access to clean energy.
- **Conserving Forests and Promoting Sustainable Land Use (Sustainable Landscapes):** Sustainable Landscapes programs reduce greenhouse gas emissions from the land use sector and improve

economic development through better land use and natural resource management decisions. Activities will include mitigation in forests, as well as in non-forested landscapes such as peatlands, wetlands, abandoned and degraded lands, grasslands, and agricultural lands that promote livelihoods.

- Building Resilience to Climate Change (Adaptation): By building resilience in key sectors like agriculture, clean water and sanitation, natural resources management, infrastructure, disaster preparedness, and human health, U.S. programs help ensure that climate-vulnerable countries can cope with increasing climate and weather-related risks.

Additional information about the Administration's FY 2015 budget for the GCCI will be provided in the Congressional Budget Justification annex.



Questions for the Record
Submitted by the Honorable Ami Bera
To Secretary of State John F. Kerry

Question:

A legacy of this Administration has been its focus on women and girls as a cornerstone of foreign policy. I am pleased to see that the State Department continues its commitment to sustaining this priority, particularly in the areas of international family planning and reproductive health. How does the State Department view family planning programs supporting broader global health outcomes and achieving the goal of women and girls' equality and empowerment?

Answer:

Death, disease, and disability related to sexual and reproductive health are still unacceptably high in many regions of the world, particularly for women and girls, and undermine efforts to attain many of our development goals. These illnesses and deaths, which are largely preventable, occur in the prime years of life and have far-reaching consequences for women and girls, and their families, who suffer the direct health and economic consequences.

U.S. voluntary family planning and reproductive health programs save lives. USAID-supported research shows that family planning could prevent up to 30 percent of the estimated 287,000 maternal deaths that occur every year, by enabling women to delay their first pregnancy and space later pregnancies at the safest intervals. And, if all babies were born three years apart, the lives of 1.6 million children under the age of five would be saved each year. Having planned, healthier children reduces the economic burden on poor families and enables them to invest more in each child's care and schooling, helping – in turn – to break the cycle of poverty.

Having access to family planning services also supports women's rights and provides greater opportunities for education, employment, and full participation in society. Many believe it is the single greatest liberator of women in the last century, allowing important progress toward equality and empowerment.