

**ACHIEVING PEACE THROUGH STRENGTH IN THE
INDO-PACIFIC: EXAMINING THE FISCAL YEAR
2024 BUDGET PRIORITIES**

HEARING

BEFORE THE
SUBCOMMITTEE INDO-PACIFIC
OF THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTEENTH CONGRESS

FIRST SESSION

July 18, 2023

Serial No. 118-32

Printed for the use of the Committee on Foreign Affairs



Available: <http://www.foreignaffairs.house.gov/>, <http://docs.house.gov/>,
or <http://www.govinfo.gov>

U.S. GOVERNMENT PUBLISHING OFFICE

54-166PDF

WASHINGTON : 2023

COMMITTEE ON FOREIGN AFFAIRS

MICHAEL T. McCAUL, Texas, *Chairman*

CHRISTOPHER H. SMITH, New Jersey	GREGORY MEEKS, New York, <i>Ranking Member</i>
JOE WILSON, South Carolina	BRAD SHERMAN, California
SCOTT PERRY, Pennsylvania	GERALD E. CONNOLLY, Virginia
DARRELL ISSA, California	WILLIAM KEATING, Massachusetts
ANN WAGNER, Missouri	AMI BERA, California
BRIAN MAST, Florida	JOAQUIN CASTRO, Texas
KEN BUCK, Colorado	DINA TITUS, Nevada
TIM BURCHETT, Tennessee	TED LIEU, California
MARK E. GREEN, Tennessee	SUSAN WILD, Pennsylvania
ANDY BARR, Kentucky	DEAN PHILLIPS, Minnesota
RONNY JACKSON, Texas	COLIN ALLRED, Texas
YOUNG KIM, California	ANDY KIM, New Jersey
MARIA ELVIRA SALAZAR, Florida	SARA JACOBS, California
BILL HUIZENGA, Michigan	KATHY MANNING, North Carolina
AUMUA AMATA COLEMAN RADEWAGEN, American Samoa	SHEILA CHERFILUS-McCORMICK, Florida
FRENCH HILL, Arkansas	GREG STANTON, Arizona
WARREN DAVIDSON, Ohio	MADELEINE DEAN, Pennsylvania
JIM BAIRD, Indiana	JARED MOSKOWITZ, Florida
MICHAEL WALTZ, Florida	JONATHAN JACKSON, Illinois
THOMAS KEAN, JR., New Jersey	SYDNEY KAMLAGER-DOVE, California
MICHAEL LAWLER, New York	JIM COSTA, California
CORY MILLS, Florida	JASON CROW, Colorado
RICH MCCORMICK, Georgia	BRAD SCHNEIDER, Illinois
NATHANIEL MORAN, Texas	
JOHN JAMES, Michigan	
KEITH SELF, Texas	

BRENDAN SHIELDS, *Staff Director*

SOPHIA LAFARGUE, *Staff Director*

SUBCOMMITTEE ON INDO-PACIFIC

YOUNG KIM, California, *Chair*

ANN WAGNER, Missouri	AMI BERA, California, <i>Ranking Member</i>
KEN BUCK, Colorado	ANDY KIM, New Jersey
MARK GREEN, Tennessee	BRAD SHERMAN, California
ANDY BARR, Kentucky	GERALD CONNOLLY, Virginia
AUMUA AMATA COLEMAN RADAWAGEN, American Samoa	WILLIAM KEATING, Massachusetts
WARREN DAVIDSON, Ohio	JOAQUIN CASTRO, Texas
MICHAEL WALTZ, Florida	

DANIEL MARKUS, *Staff Director*

CONTENTS

	Page
WITNESSES	
Kritenbrink, Honorable Daniel, Assistant Secretary, Bureau of East Asian and Pacific Affairs, U.S. Department of State	8
Ronning, Michael, Acting Deputy Assistant Administrator, Asia Bureau, U.S. Agency for International Development	14
APPENDIX	
Hearing Notice	45
Hearing Minutes	47
Hearing Attendance	48
STATEMENT SUBMITTED FOR THE RECORD FROM REPRESENTATIVE CONNOLLY	
Statement submitted for the record from Representative Connolly	49
RESPONSES TO QUESTIONS SUBMITTED FOR THE RECORD	
Responses to questions submitted for the record	51

ACHIEVING PEACE THROUGH STRENGTH IN THE INDO-PACIFIC: EXAMINING THE FISCAL YEAR 2024 BUDGET PRIORITIES

Tuesday, July 18, 2023

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE INDO-PACIFIC,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:09 a.m., in room 210, House Visitor Center, Hon. Young Kim (chair of the subcommittee) presiding.

Mrs. KIM OF CALIFORNIA. Good morning, everyone. The Subcommittee on the Indo-Pacific of the Foreign Affairs Committee will come to order. The purpose of this hearing to examine the Fiscal Year 2024 budget requests for the State Department's Bureau of East Asian Pacific Affairs.

Let me now recognize myself for an opening statements. The hearing is important for the U.S. Congress to shape the United States approach, resourcing, and goals in East Asia and the Pacific Islands. The Biden Administration has correctly identified the People's Republic of China as the only competitor with both the intent to reshape the international order and the economic, diplomatic, military, and technological power to do it.

The October 2022 National Security Strategy further says that Beijing has ambitions to create an enhanced sphere of influence in the Indo-Pacific. Yet despite this recognition, we are still woefully underperforming in the Indo-Pacific and we are not competing with the PRC from a position of strength. East Asia and the Pacific Islands are on the front lines of our competition with China.

And yet, EAP remains a small fraction of the State Department's overall budget and programming. And instead of pursuing competitive actions against the PRC, we are chasing Chinese Community Party Officials with fruitless engagements. The PRC presents a significant threat to the well-being and prosperity of key U.S. allies and partners in the Pacific.

None understand this reality better than Taiwan. While Congress has signed off on multiple arms sales to support Taiwan and enhance its defense, there still remains approximately 19 billion dollars backlogged in weapons deliveries. So my Arms Exports Delivery Solutions Act was passed in last year's NDAA.

Yet the report we received from your department earlier this year did not clearly lay out a description of the actions the United States is taking to expedite deliveries of defense articles and services to Taiwan, including whether we will provide interim capability or solution which I explicitly asked for in that bill. We must

ensure we're doing all that we can now to bolster Taiwan's defense against an increasingly aggressive PRC. It is clear our allies in the Indo-Pacific share our concern about the PRC's growing aggression toward Taiwan.

When I travel with Chairman McCaul to Northeast Asia earlier this year, we heard the same thing from all of our allies, that Ukraine today could be Taiwan tomorrow and that U.S. leadership is key to bringing democratic countries together in the fight against authoritarianism. Our allies and partners are also worried about the growing use of economic coercion. Last month, I held a roundtable with the Ambassadors from South Korea and Japan where we discussed how we could work together to combat economic coercion.

The United States in the Pacific economic framework is not enough to meet the growing trade and investment needs in the region. And I was disappointed to hear that the Biden Administration was not interested in pursuing free trade or investment deals with our partners. We must have a concrete economic agenda in Asia to be competitive in the region.

Nowhere is this more true than in Southeast Asia which has immense economic potential. So I look forward to traveling to the region next month to discuss security, economic energy, and human rights cooperation. Finally, we all agree that we are in an era of strategic competition with China and that this competition requires a whole of government approach.

Yet I am worried about the growing trend of the State Department not being forthcoming with information about its engagement with the PRC or actions taken by the PRC that directly affect United States national security such as the spy balloon and the spy base in Cuba. In June, I sent a letter noting concern about your trip to Beijing on the anniversary of Tiananmen. I am also disappointed that this hearing originally scheduled for June was pushed due to Secretary Blinken's travel to Beijing which the Department itself admitted would not be a game changer.

I have also send letters about getting briefings about the spy balloon and spy base in Cuba. We cannot pull together a whole of government approach to combat growing PRC aggression if the State Department refuses to engage with Congress and the American people in a timely manner. In short, the Indo-Pacific region is critical to U.S. national security and competition with PRC.

So we must do more with our allies and partners, especially economically to maintain U.S. leadership in the region. And to properly deal with China, the U.S. Government must be in lockstep in communicating openly across bridges about the threat that PRC presents rather than prioritizing fruitless engagement with our counterparts in Beijing. I look forward to hearing from our witnesses and members of the subcommittee on these important issues. So I now recognize the ranking member, the gentleman from California, Mr. Bera, for your opening statements.

Mr. BERA. Thank you, Chairwoman Kim, for hosting today's hearing. I would also like to thank our witnesses for participating in this important hearing and express appreciation for this Administration's consistent engagement with Congress. Today's hearing focuses on the Biden-Harris Administration's proposed budget for East Asia and the Pacific.

Successive Administration, Democratic and Republican, have underscored the economic and strategic importance of the Indo-Pacific and express an commitment to prioritizing the region. However, the Indo-Pacific region has remained under resourced when considering its strategic importance, economic heft, and staggering population. That's why last year I introduced the Indo-Pacific Engagement Act which passed into law in Fiscal Year 3's NDAA.

This bipartisan legislation directed the assistant secretaries for East Asian and Pacific Affairs and South and Central Asian Affairs at the State Department along with the assistant administrative for the Asia Bureau at USAID to provide an independent assessment of the resources they need to fulfill the Indo-Pacific strategy. Last week, the Administration submitted the first Indo-Pacific Engagement Act report to Congress. And I'd like to thank EAP and SCA as well as the Asia Bureau at USAID for putting together this comprehensive and insightful report.

Noting the strategic competition with the PRC is the pacing geopolitical challenge of our era, the report found that 41.3 billion over the next five fiscal years is needed to implement our objectives in the Indo-Pacific of which 8.1 billion is for diplomatic engagement, 1 billion is for USAID operating expenses, and 32.2 billion is for foreign assistance. Unfortunately, last week, the House Appropriations Committee, Republicans passed their Fiscal Year 2024 State, Foreign Operations and Related Programs appropriations bill with a 15 percent cut in funding from Fiscal Year 2023 levels. While the Republicans' SFOPs bill fully funds the President's budget request for the Indo-Pacific strategy, it underfunds the operations and staffing of the State Department and USAID.

If the U.S. is going successfully outcompete Beijing in the Indo-Pacific and around the world, we cannot take a step backward and cut resources from key national security agencies. In addition to the appropriated funds, Congress must also authorize the Fiscal Year 2024 President's budget request for mandatory funding that includes 7.1 billion over 20 years to extend assistance related to the compacts free association with the Marshall Islands, Micronesia, and Palau. I welcome the news of renewed COFA pacts signed with Micronesia and Palau, and I hope there will be a final agreement with the Marshall Islands soon.

The COFA agreements signal the United States sustained commitment to our partners in the Pacific. With some provisions set to expire at the end of this fiscal year, it is critical that Congress approve these agreements through implementing legislation as soon as possible. While competing vigorously with the PRC is central to the U.S. interest in the Indo-Pacific, it is also important for Washington to maintain open channels of communication with Beijing to reduce the risk of miscalculation.

With that, I applaud the Administration's continued use of diplomacy to raise areas of concern with the PRC so that the relationship does not veer into conflict. I look forward to hearing from Assistant Secretary Kritenbrink on his engagements with the PRC, including last month's trip to Beijing with Secretary Blinken. With that, I look forward to work with the—continuing to work with the Administration and continuing to work with the full committee and the subcommittee in a partisan way, and I yield back.

Mrs. KIM OF CALIFORNIA. Thank you, Ranking Member. Our subcommittee is honored to have the presence of our full committee chairman, Michael McCaul. So now I would like to recognize him for any opening statement you have.

Mr. MCCAUL. Thank you, Madam Chair, for holding this important hearing. Secretary, welcome to the Foreign Affairs Committee. And I think every member of this Congress and the Administration should be deeply concerned about the growing aggression of the Chinese Communist Party.

As I have said before their tentacles reach every corner of the globe. And we are facing a generational threat, a great powers competition. And we must address this issue with a seriousness it deserves.

And I agree with Secretary Blinken that China is the only country with both the intent and power to reshape the global balance of power. And while diplomacy and negotiation should always be a priority, effective diplomacy should shape the adversary rather than the other way around. Recently, I think our recent diplomacy toward the CCP has demonstrated weakness and weakness only invites aggression and emboldens dictators such as Chairman Xi.

So let me provide some context as to what I am talking about. In mid-January, several media outlets reported that Secretary Blinken planned to visit Beijing in early February, aiming to set a floor for their relationship. On January 28, the Administration identifies a CCP spy balloon over the United States, surveilling some of our most sensitive military sites.

Shockingly, it took a full 7 days for Secretary Blinken to cancel the trip following significant congressional pressure. Fast forward to the spring when the CCP raids multiple American businesses. Then on May 10 and 11, Jake Sullivan meets with his counterpart in Vienna.

It appears the Biden Administration is extending an olive branch to China. But how does China respond? On May 15, the CCP State Intelligence begin hacking senior level officials at State and Commerce Department, including Secretary Raimondo and as I have been told, sir, your account as well, Mr. Secretary.

One week later on May 22, the CCP effectively banned Micron from selling its chips to China or in China. On June 2, Secretary of Defense Austin requested a meeting with the CCP counterpart of the Shangri-La dialog. That request was rejected and Secretary Austin settled for a mere handshake.

On June the 4th, the anniversary of Tiananmen Square Massacre, you, Mr. Secretary, arrived in Beijing to negotiate Secretary Blinken's trip later that month. This was an astonishing display of appeasement and indifference to the brutality and human rights violations of the CCP by this Administration. Then on June 8, media reports surfaced about the CCP establishing a spy base in Cuba.

On June 16, the State Department, including the Secretary, Defense Secretary, and all hacked officials learned that their emails have been compromised by the CCP. We understand this attacked targeted at least nine officials from the bureau that you oversee. And it's possible that your own email has been hacked.

All told, it appears that tens of thousands of emails were stolen. Despite being aware on this hacking, on June 18, Secretary Blinken still traveled to Beijing. And in early July, I learned that the State pulled down a congressional notification that included defense services for Taiwan.

I am deeply concerned that the price we paid to secure Secretary Yellen's trip to China and just the price we paid to just merely get a meeting with Chairman Xi may have been too much. Moreover, last year I gave you all through my legislation Presidential draw-down authority to get weapons to Taiwan immediately. That has not been used to this day.

I've signed off on weapon sales, 23 weapons sales as far back as 5 years ago, none of which have been delivered. As we've learned in Ukraine, we need to provide these weapon systems before a conflict erupts, not after. That is the goal of deterrence.

I recently went to Taiwan with both the chair and ranking member of the subcommittee. And the first question President Tsai asked me was, where are my weapons that I paid for? This Administration appears indifferent to CCP hostility, appeasing rather than simply to facilitate talks.

Don't get me wrong. I think diplomacy is important. I agree that the Secretary and you, sir, need to talk. It's unfortunate we cannot have a military to military communication between the CCP and the United States.

In sum, I think this Administration finds itself trapped in a cycle where the CCP dictates the terms, the timing, and conditions of our meetings rather than the other way around. This is precisely why I made it a point to be here today. You should be at the table out of strength and leverage, not out of weakness and appeasement.

Approximately 7 months ago, multiple Commerce officials assured me that an update to the Huawei export control licensing policy was done. Seven months later, the rule has yet to be released. In May, Reuters reports that the State Department is delaying not only Huawei controls but other sanction packages as well. congressionally mandated sanctions under the Uyghur Human Rights Policy Act have been repeatedly killed by the State Department as well. Then on May 19, I sent a letter requesting documents to understand the situation better. But I've been stonewalled.

On June 13th, I sent a second letter requesting a narrower set of documents, specifically the competitive action calendar. This is one document. While State agreed to provide—Madam Chair, I would really like to finish this statement.

While State agreed to provide the documents, they asked for some time to gather them saying they believe they could produce them in several weeks, and I agreed to them. However, in early July, State informed us that they could no longer provide a time-frame. On July 11, I was forced to serve a subpoena for these documents, yet the deadline came and went.

Last night, we received a response from State with respect to the subpoena. But it's insufficient. Mr. Secretary, your Department is in violation today of a congressional subpoena. This is unacceptable and I will have to prepared for further action.

I hope you will work with us and this committee. We must acknowledge China for what it is and respond to it with strength. With that, I yield back.

Mrs. KIM OF CALIFORNIA. Thank you very much. Other members of the committee are reminded that opening statements may be submitted for the record. And we're now pleased to have a distinguished panel of witnesses before us today on this important topic.

First the Honorable Daniel Kritenbrink is the Assistant Secretary of State for the Bureau of East Asian and Pacific Affairs at the U.S. Department of State. And Mr. Michael Ronning is the Acting Deputy Administrator for the Asia Bureau at the U.S. Agency for International Development. Thank you for being here today.

Your full statements will be made part of the record. And I will ask each of you to keep your spoken remarks to 5 minutes in order to allow time for member questions. Let me now recognize Assistant Secretary Kritenbrink for his opening statement.

STATEMENT OF THE HONORABLE DANIEL KRITENBRINK, ASSISTANT SECRETARY, BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. KRITENBRINK. Thank you, Madam Chairwoman, Chairwoman Kim and Ranking Member Bera, Chairman McCaul, members of the committee and subcommittee. Thank you very much for the opportunity to appear before you today to testify regarding the President's Fiscal Year 2024 budget request for East Asia and the Pacific. As President Biden Stated in our National Security Strategy, U.S. leadership in the Indo-Pacific which, of course, includes the EAP region, is critical because the Indo-Pacific fuels much of the world's economic growth and will be the epicenter of 21st century geopolitics.

As an Indo-Pacific nation, we are committed to building the collective capacity of our allies, partners, and friends to sustain a region that is free and open, connected, prosperous, secure, and resilient. The EPA Bureau holds a key responsibility to advance the Administration's priorities in the Indo-Pacific. Our Indo-Pacific strategy includes our approach to the PRC but is not defined by it.

In other words, we have an Indo-Pacific strategy of which China is a part and not the other way around. That said, while strategic competition with the PRC remains a global challenge, competition is most pronounced in the Indo-Pacific.

The Administration's approach to the PRC is to invest, align, and compete. We are, one, investing in the foundations of our strength at home, two, aligning with allies and partners on our approach abroad, and three, competing with the PRC to defend our interests. Our objective is not to change the PRC but rather to shape the strategic environment in which it operates, building a balance of influence that is favorable to the United States, our allies and partners, and the interest and values that we share.

In support of the Administration's Indo-Pacific strategy, the President's Fiscal Year 2024 budget request for EAP includes a diplomatic engagement budget of 533 million dollars and a foreign assistance budget of 1.36 billion dollars. In addition, the President's budget request includes 2 billion dollars in mandatory funding to support the Indo-Pacific strategy and 7.1 billion dollars in

mandatory funding to support the compacts of free association. Further, the Fiscal Year 2024 budget includes 2 billion dollars in mandatory funding to support international infrastructure globally, which would include projects in our region.

Here I would not like to provide a brief overview of how the President's budget for EAP directly supports the five objectives of the Indo-Pacific strategy. First, we are advancing a free and open Indo-Pacific. The Fiscal Year 2024 budget supports our commitment to maintain sovereignty and territorial integrity, unimpeded lawful commerce, the peaceful resolution of disputes, and the freedom of navigation and overflight in the maritime domain.

These efforts complement our expanded diplomatic presence across the Indo-Pacific, including opening embassies in the Solomon Islands and Tonga and planning for new embassies in Kirabati and Vanuatu. The Fiscal Year 2024 also supports our continued investment in democratic institutions. Second, we are building connections in the Indo-Pacific and beyond.

President's request supports our bilateral relationships as well as engagement with a host of regional groupings and institutions, including ASEAN, AUKUS, the Quad, the Pacific Islands Forum, the Pacific community, and the Mekong-U.S. partnership to build capacity and address shared challenges. Third, we are driving Indo-Pacific prosperity. With the continued negotiations for the Indo-Pacific economic framework for prosperity, our hosting of APEC in 2023, and the launch of the partnership for global infrastructure and investment, the President's budget will promote a connected, resilient, and fair Indo-Pacific economy. Fourth, we are bolstering Indo-Pacific Security.

Recognizing that security is a necessary condition for prosperity, our budget request will build the capacity of our partners to respond to and resolve both domestic and transnational security threats. We also remain committed to maintaining peace and stability across the Taiwan Strait. Our One China Policy which has remained consistent has helped to maintain cross-strait peace and stability for the past 40 years.

In line with the Taiwan Relations Act, the United States will continue to assist Taiwan in maintaining a sufficient self-defense capability. Fifth, we are building regional resilience. U.S. security depends on our collaboration with our allies and partners to address shared challenges to build resilience to transnational threats.

In summary, the United States' role in the region must be more enduring than ever. Our allies and partners are looking to our ability to deliver resources as a sign of our commitment. Building on existing efforts, the President's Fiscal Year 2024 budget request will allow us to do just that.

Finally, I also want to sincerely thank the chairwoman and her staff for agreeing to reschedule this hearing so that I could testify upon return from the Secretary's recent trip to Beijing. Thank you very much. I look forward to your questions.

[The prepared statement of Assistant Secretary Kritenbrink follows:]

Assistant Secretary Daniel J. Kritenbrink
for the Bureau of East Asian and Pacific Affairs
“FY 2024 Budget Request for East Asia and the Pacific”
House Foreign Affairs Committee, Subcommittee on Indo-Pacific Policy
July 18, 2023

Chairwoman Kim, Ranking Member Bera, and Members of the Subcommittee – thank you for the opportunity to appear before you today to testify regarding the President’s Fiscal Year 2024 budget request for East Asia and the Pacific (EAP).

As President Biden stated in our National Security Strategy, U.S. leadership in the Indo-Pacific, which includes the EAP region, is critical because the Indo-Pacific fuels much of the world’s economic growth and will be the epicenter of 21st century geopolitics. As an Indo-Pacific nation, we are committed to building the collective capacity of allies, partners, and friends to sustain a region that is free and open, connected, prosperous, secure, and resilient.

The EAP Bureau holds a key responsibility to advance the Administration’s priorities for the Indo-Pacific, as our region is home to all but six countries of the broader Indo-Pacific region and, of course, includes the People’s Republic of China (PRC). Our Indo-Pacific Strategy includes our approach to the PRC but is not defined by it. In other words, we have an Indo-Pacific Strategy, of which China is a part, and not the other way around.

That said, while strategic competition with the PRC remains a global challenge, competition is most pronounced in the Indo-Pacific, the primary focus of the PRC’s growing influence and ambitions. The Administration’s approach to the PRC is to “invest, align, and compete.” We are: 1) **investing** in the foundations of our strength at home; 2) **aligning** with allies and partners on our approach abroad; and harnessing those two key assets, 3) **competing** with the PRC to defend our interests and build our vision for the

future. We recognize that American interests can only be advanced if we firmly anchor the United States in the Indo-Pacific and strengthen the region itself, alongside our closest allies and partners. Our objective is not to change the PRC but to shape the strategic environment in which it operates, building a balance of influence that is favorable to the United States, our allies and partners, and the interests and values we share.

In support of the Administration's Indo-Pacific Strategy, the President's FY 2024 budget request for the EAP region includes a diplomatic engagement budget of \$533 million and a foreign assistance budget of \$1.36 billion. In addition, the President's budget request includes \$2 billion in mandatory funding to support the Indo-Pacific Strategy, and \$7.1 billion in mandatory funding to support the Compacts of Free Association (COFA). Further, the FY 2024 budget includes \$2 billion in mandatory funding to support international infrastructure globally, which will include projects in the East Asia and Pacific region.

Here, I would like to provide a brief overview of how the President's Budget for EAP directly supports the five objectives of the Indo-Pacific Strategy.

First, we are advancing a free and open Indo-Pacific. The FY 2024 Budget supports our commitment to maintain sovereignty and territorial integrity, unimpeded lawful commerce, the peaceful resolution of disputes, and the freedom of navigation and overflight in the maritime domain. These efforts complement our expanded diplomatic presence across the Indo-Pacific, including opening embassies in the Solomon Islands and Tonga and planning for new embassies in Kiribati and Vanuatu. The FY 2024 Budget also supports our continued investment in democratic institutions, a free press, and a vibrant civil society that will improve fiscal transparency to expose corruption and drive reform.

Second, we are building connections in the Indo-Pacific and beyond. The President's Request supports our bilateral relationships, as well as our engagement with regional groupings and institutions, including the Association of Southeast Asian Nations (ASEAN), AUKUS, the Quad, the

Pacific Islands Forum, the Pacific Community (SPC), and the Mekong-U.S. Partnership, to build capacity and address regional challenges. I also hope this Committee will swiftly consider and pass our proposed Compacts of Free Association (COFA) implementing legislation.

Third, we are driving Indo-Pacific prosperity. With the continued negotiations for the Indo-Pacific Economic Framework for Prosperity (IPEF), which seeks high-ambition outcomes, our hosting of APEC 2023, and the launch of the Partnership for Global Infrastructure and Investment (PGII), the President's budget will foster economic engagement that will promote a connected, resilient, and fair Indo-Pacific economy.

Fourth, we are bolstering Indo-Pacific security. Recognizing that security is a necessary condition for prosperity, the President's Budget will build the capacity of our Indo-Pacific partners to respond to and resolve both domestic and transnational security threats. For example, our cybersecurity capacity building programs have assisted our ASEAN and Pacific Islands partners by developing their incident response capability to protect and defend against malign cyber actors.

We also remain committed to maintaining peace and stability across the Taiwan Strait. Our one China policy, which has remained consistent, has helped to maintain cross-Strait peace and stability for the past 40 years. In line with the Taiwan Relations Act, the United States will continue to assist Taiwan in maintaining a sufficient self-defense capability.

Fifth, we are building regional resilience. U.S. security depends on our collaboration with our allies and partners to address shared challenges. The President's Budget supports health security, climate adaptation and mitigation efforts, and energy security to build regional resilience to transnational threats.

In summary, the United States' role in the region must be more effective and enduring than ever before. Our allies and partners are keenly looking at our ability to deliver resources as a sign of our commitment and durability in

the region. The President's FY 2024 budget request will allow us to build on our existing efforts and will further strengthen our commitment to the region.

Thank you for inviting me to testify today. I look forward to answering your questions.

Mr. MCCAUL. Thank you, Mr. Secretary. I now recognize Mr. Ronning for his opening statement.

STATEMENT OF MICHAEL RONNING, ACTING DEPUTY ASSISTANT ADMINISTRATOR, ASIA BUREAU, U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Mr. RONNING. Chairman McCaul, Chairwoman Kim, Ranking Member Bera, and distinguished members of the committee, thank you for inviting me to testify on USAID's role in advancing U.S. foreign policy priorities in East Asia and the Pacific. We are all well aware that the East Asia and Pacific region is home to the majority of humanity, the world's fastest growing economies, and busiest maritime trade routes. These countries are essential partners in creating a free and open Indo-Pacific and improves lives in Asia, underwrites regional stability and security, and helps generate prosperity here at home.

At USAID, we approach development in the region with the understanding that the People's Republic of China is trying to rewrite existing regional rules and norms for its own narrow advantage. However, our development approach starts not with the question what we are against but rather what we are for. USAID embodies what the United States can offer the region as a partner and friend in development to communities and families who are seeking to transform their lives and more broadly as a leader in U.S. efforts to advance a free and open, connected, prosperous, secure and resilient Indo-Pacific.

That is what the region wants, and that is what we strive to provide. I've had the privilege to work on USAID's development in humanitarian efforts in East Asia and Pacific region for much of the past decade. A recurring theme in our discussion throughout the region, be in the Pacific Islands or the Mekong is the importance of showing up and following through on America's commitments.

Countries in the region count on the United States to be a bulwark of stability in a rapidly changing region. And this Fiscal Year 2024 request is an opportunity to cement a reputation as a reliable partner. USAID will work in lockstep with Congress to achieve these ambitious objectives.

The President's Fiscal Year 2024 budget request for USAID includes 964.4 million dollars for East Asia and the Pacific which is a 194 million dollar increase or a 25 percent increase over the Fiscal Year 2023 request. We believe that this increase is merited by the scope and scale and the urgency of the challenges we face in the region. In line with the Administration's priorities, USAID's request prioritizes key sectors to advance U.S. national security and prosperity alongside that of our partners and allies in Asia and the Pacific.

First, to boost inclusive economic growth, USAID will promote trade and investment, private sector productivity, and digital connectivity. Second, our demand driven climate change activities will reduce emissions, protect critical ecosystems, implement regulatory forums, mitigate resource conflicts, and help partners transition to renewable energy. Third, we will work to reverse democratic backsliding and strengthen democratic institutions and norms.

Fourth, to bolster women's economic empowerment, gender equity, human rights, USAID will work to increase women's political, civic, and economic engagement, address gender inequality, and combat gender-based violence. Finally, strengthen health systems to detect and respond to emerging threats, USAID will continue to bolster the resilience of partner countries and their economies to prevent, detect, and respond to pandemic threats, increase their ability to withstand future shocks. With your continued support, this budget request will allow USAID to deliver on our commitments across East Asia and the Pacific.

As Administrator Power has noted, it is in America's best interest to feed the world, to help protect fellow democracies, to advocate for the dignity of all people, not only to reflect an America that is generous, compassionate, and moral, but also to protect the safety and the prosperity of the American people. With your continued support and on behalf of the American people, USAID will continue our central role in realizing this vision while increasing partner countries' resilience and advancing sustainable prosperity and security for communities across the Indo-Pacific. I look forward to your counsel and your questions. Thank you.

[The prepared statement of Michael Ronning follows:]

WRITTEN TESTIMONY

Michael Ronning, USAID Acting Deputy Assistant Administrator for East Asia and the Pacific

House Foreign Affairs Committee Subcommittee for the Indo-Pacific
"FY 2024 BUDGET REQUEST FOR EAST ASIA AND THE PACIFIC"

July 18, 2023

Introduction

Chairwoman Kim, Ranking Member Bera, distinguished committee members: Thank you for inviting me to testify on the U.S. Agency for International Development's (USAID) role in advancing U.S. foreign policy priorities in East Asia and the Pacific and our FY 2024 Budget Request.

The East Asia and Pacific region is home to over 2 billion people, the world's fastest-growing economies, the busiest maritime trade routes, and many rapidly urbanizing societies. It is also quickly becoming one of the most digitally connected regions. These countries are essential partners for the United States to create a free and open Indo-Pacific that improves lives in Asia, underwrites regional stability and security, and helps generate prosperity here at home.

USAID's approach to the region starts not with the question of what we are against but rather the question of what we are for. We are clear-eyed about the People's Republic of China's (PRC) capabilities and intent to wield its financial, economic, political and military power to advance its interests and rewrite existing regional and global rules and norms. Equally, we know what the United States offers to the region as a partner and friend in advancing a shared vision for a free and open, connected, prosperous, secure, and resilient Indo-Pacific.

I have been privileged to work on USAID's development and humanitarian efforts in the EAP region for the past decade, most recently as our Country Representative in Laos. A recurring theme in my discussions with government, civil society, and private sector leaders is the importance of *showing up* and following through on America's commitments. Our partners count on the United States to be a bulwark of stability in a rapidly changing region, and this FY 2024 request is an opportunity to cement our reputation as a reliable partner.

USAID sees tremendous opportunities in the region, and is well positioned to support our nation's Indo-Pacific Strategy (IPS), which is the primary thrust of our FY 2024 budget request. Our efforts under the IPS focus on three primary areas: improving resilience to health and climate threats; fostering sustainable, inclusive, and transparent economic growth; and strengthening democratic institutions to support good governance and human rights. The requested increases in climate, energy security, and economic growth funding in the region are directly responsive to demand signals from our partners in the region, both in government and the private sector, who consistently raise these areas as opportunities for additional support and engagement. Our commitment to supporting good governance, economic growth, and sustainable resource management is critical to the achievement of the goals of the IPS. This request also supports the Administration's objectives under the Pacific Partnership Strategy.

Authoritarian practices across the region are undermining democratic values and threatening sustainable development, food security, citizen-responsive governance, and resilience to external coercion. These practices include an acceleration and diffusion of information manipulation. Exacerbating these challenges, countries across East Asia and the Pacific are still grappling with the consequences of an unprecedented global pandemic, through which autocrats attempted to further concentrate their power and control. On top of this, the climate crisis has become a threat multiplier. Drought and heavy rains are restricting countries' ability to feed themselves. Hunger and food security concerns have only increased as the Kremlin's unjust war in Ukraine continues to disrupt global supply chains.

All of these challenges have combined to inflict significant economic harm on the most marginalized communities in the region.

The development challenges of today are more formidable than those the world has faced at any time since World War II, with significant implications for America's national security. Due to the generous bipartisan support of Congress, and this committee in particular, USAID stands at the forefront of U.S. Government efforts to address these challenges and provides affirmative global leadership in alignment with U.S. National Security Strategy priorities. Our ability to translate our development and humanitarian assistance into progress beyond programs is key to achieving long-lasting prosperity and stability for our partners in East Asia and the Pacific, as well as for the United States.

Priorities

The President's FY 2024 budget request for USAID includes \$964.4 million for East Asia and the Pacific in the Development Assistance, Economic Support Fund (ESF), and Global Health Programs-USAID accounts. This is a \$194 million increase, or 25 percent, over the FY 2023 request. In addition, the FY 2024 budget request includes new multifaceted mandatory resources to out-compete the PRC and strengthen our role in the Indo-Pacific. The request includes \$2 billion over 5 years of mandatory outcompete funds to accelerate implementation of an affirmative vision for the Indo-Pacific region, which is defined by U.S. values and advances a free and open, connected, prosperous, secure and resilient region.

Through critical, targeted investments, this request will help our East Asian and Pacific partners build regional capacity and resilience to the growing threat posed by the PRC, uphold shared values, and continue to provide affirmative leadership in the region. In line with Administration priorities, the FY 2024 request prioritizes a set of key themes to advance U.S. national security and prosperity alongside that of our partners and allies in Asia and the Pacific. These include: boosting inclusive **economic growth**, especially regarding post-COVID-19 recovery and including support for free and open emerging digital technologies and connectivity; continuing to address challenges posed by **climate change**; strengthening **democratic institutions and norms** against authoritarianism, corruption, disinformation, and coercion; and bolstering women's economic empowerment, **gender equity**, and human rights. In addition, USAID will continue to strengthen **health** systems to detect and respond to emerging threats, strengthening global health security.

With FY 2024 funding, USAID will continue to build capacity and resilience to address regional challenges from political and humanitarian crises, to climate concerns and digital connectivity and security. It will support U.S. coordination, bilaterally and regionally, with the Association of Southeast Asian Nations (ASEAN), the Pacific Community (SPC), Pacific Islands Forum (PIF), the Partners in the Blue Pacific (PBP), and the Australia-India-Japan-United States Indo-Pacific Quad.

It is more important than ever to strengthen the capacity of key regional organizations - such as ASEAN - to better address transnational challenges, including climate change, public health, and the trade of illicit goods. USAID support to ASEAN reinforces our advocacy for ASEAN centrality and our commitment to partnership with the Indo-Pacific, aligned with the ASEAN Outlook for the Indo-Pacific.

I will now detail the FY 2024 budget request by strategic sector and share several country highlights.

Economic Growth

In East Asia and the Pacific, USAID's FY 2024 budget request includes \$122.6 million for economic growth, which is a \$48.3 million increase, or 65 percent over the FY 2023 request. This budget will allow USAID to advance inclusive, broad-based economic growth, a critical factor for enabling and supporting democratic governance that delivers for the people. While resourcing all elements of our Indo-Pacific Strategy is an Administration priority, funding to advance our economic strategy in the region is our top resource need.

This budget will support USAID efforts to bolster inclusive economic growth and the Indo-Pacific Strategy through sectors such as trade and investment, private sector productivity, and digital connectivity—contributing toward a more connected, resilient, green, and fair economy. We aim to leverage new initiatives, such as the negotiations of the Indo-Pacific Economic Framework (IPEF), which will advance key issues such as supply chain resilience, the clean energy transition, and anti-corruption. These are all issues that have an increasingly significant impact on economic drivers of growth and are essential to U.S. competitiveness.

USAID assistance will help countries in the region to resist coercive, unfair, and/or corrupt PRC trade and investment practices and advance policy, institutional, legal, and regulatory reforms that improve transparency, regulatory quality, and competition standards. These reforms will result in increased trade and investment diversification away from PRC state-owned enterprises, and toward more inclusive and sustainable partnerships.

USAID will continue working toward IPS objectives through private sector engagement to improve competitiveness and connectivity. For example, with FY 2024 funding, USAID will provide technical support to help Indonesia plan, finance, and implement clean energy programs and expand access to energy. USAID will support digital development in Indonesia, especially cybersecurity, to drive inclusive economic growth and attract greater, and mutually

beneficial, U.S. investment. USAID will integrate climate change programming into its workforce development programs, preparing young Indonesians for the “green jobs” of the future. These programs will emphasize private sector partnerships, especially with U.S. businesses.

In Mongolia, USAID will continue to promote economic diversification so that the market is more enticing to businesses seeking to invest and trade. USAID will help Mongolian micro-, small- and, and medium-sized enterprises (MSMEs) access the financing and skills to grow their businesses, enter the digital economy, and increase competitiveness. This is significant given that MSMEs make up nearly 98 percent of all enterprises in Mongolia and employ 52 percent of the country’s workforce. This work builds on previous success: since 2019, USAID has helped more than 2,600 small and medium enterprises throughout Mongolia to access \$39 million in financing.

Additionally, with the request, USAID will assist Timor-Leste to meet the requirements to join ASEAN as a full member state.

Climate and Energy Security

For East Asia and the Pacific, USAID’s FY 2024 budget request includes \$279.3 million for climate, which is a \$108.8 million increase, or 64 percent, over the FY 2023 request. The FY 2024 request emphasizes the Administration’s priority of addressing climate change by reducing emissions, protecting critical ecosystems, implementing legal and regulatory reforms, mitigating resource conflicts, helping nations transition to renewable energy, and building resilience against the impacts of climate change. There is significant demand for this support from our partners across the region.

The FY 2024 request includes a significant increase for regional programming on climate adaptation in IPEF countries. With this funding, USAID will be able to respond to IPEF partners’ priorities, as articulated in the course of the IPEF negotiations, to help them implement IPEF commitments and grow their economies, as well as the economy of the United States. We will support them in climate change adaptation through investments in agriculture systems and food supplies, nature-driven solutions, resilient cities, and investments in climate-friendly infrastructure, in alignment with the Partnership for Global Infrastructure and Investment.

Across the region, USAID will enhance climate change adaptation and mitigation by improving access to, and use of, information and tools that can help countries slow, stop, and reverse rapid deforestation, improve land and natural resources management, and prepare and respond to the impacts of climate change. USAID will support net-zero energy grid development in Asia by promoting power sector reforms, supporting the deployment of state-of-the-art energy systems and technologies, and modernizing power grids.

With FY 2024 resources, USAID will help our Pacific Islands neighbors realize their own ambitious climate adaptation and mitigation goals by advancing the adoption of renewable energy sources, increasing access to infrastructure that is resilient to a changing climate, and strengthening early warning systems for climate-induced disasters. To promote transformative

adaptation and resilience solutions, FY 2024 resources will help more residents to adopt climate-smart livelihoods and mobilize additional climate financing. Since 2016, USAID has mobilized more than \$500 million dollars for Pacific Island countries from international climate finance institutions and supported local institutions to receive full accreditation to directly access international climate finance. With FY 2024 resources, USAID will also improve the performance of energy utilities, increase transparent private sector investments in the energy sector, and expand off-grid clean energy systems in Pacific Island countries.

In addition, the request will allow USAID to boost the resilience of communities around the region so that they can keep working and earning a living—despite the negative impacts of climate change. In Vietnam, for example, USAID will use FY 2024 resources to protect the landscapes and biodiversity that agricultural communities depend on. We will continue to develop sustainable, climate-smart livelihoods, building on success creating jobs in parks, conservation zones, and watershed protection areas as well as in ecotourism. In the Philippines, which the [2022 World Risk Index](#) ranked as the country with the highest disaster risk, USAID will improve the coping capacities of vulnerable communities in the face of disaster and capitalize on the use of climate-smart technologies to advance U.S. leadership in addressing climate security, as well as food security.

USAID will also continue to engage our partners in the region and identify adaptation needs in Pacific Island countries, where extreme weather and shifting climate patterns pose an existential threat. Although collectively these nations contribute less than half a percent of global greenhouse emissions, they are on the frontlines of the struggle against climate threats.

Democratic Governance

For East Asia and the Pacific, USAID's FY 2024 request includes \$181.9 million for democracy, human rights, and governance programming, which is a \$5.5 million, or 3 percent, increase from the FY 2023 request.

Against a backdrop of rising authoritarianism, this budget will allow USAID to strengthen democratic institutions and the rule of law that are critical for peace and stability. It will allow USAID to further promote and protect a free press and civil society across the region; address discrimination, inequity, and marginalization; and, counter disinformation and harmful actions that undermine sustainable development. Critically, it will enable USAID to support democratic institutions as a bulwark against corruption and coercion.

In alignment with strategic imperatives laid out in the BURMA Act, the FY 2024 request for Burma supports, sustains, and empowers the pro-democracy movement, holds the regime accountable for acts of genocide and provides health, economic assistance, and related support to the people of Burma. Development assistance with an increasingly localized, conflict-sensitive approach can strengthen the capacity of diverse stakeholders to build the foundation for a future federal democracy in Burma.

In Timor-Leste, which celebrated twenty years of democracy last year, champions are now working to build still-nascent institutions, bolster human capital, and overcome significant health and economic challenges. To support the country's development trajectory, USAID will use FY 2024 funds to strengthen civil society and support the Timorese Government's accountability and integrity reform program, which seeks better management of state public resources for improving service delivery. This includes strengthening health sector governance and the capacity of civil society organizations. Funding will allow USAID to implement programs that reduce opportunities for corruption and build on a cooperative and fruitful partnership with the government; for example, in 2022, a USAID-supported copyright law designed to protect digital creativity and innovation was approved by parliament and is set to come into force in June 2023. Additionally, with the FY 2024 request, USAID will assist Timor-Leste to meet the requirements to join ASEAN as a full member state.

Support for Indonesia – a member of the G20, home to ASEAN headquarters, and a nation in strategic proximity to over one third of the world's commercial shipping – demonstrates U.S. commitment to this growing democracy and the overall connectivity and prosperity of the Indo-Pacific. With FY 2024 funding, USAID will support the government to improve basic public services, increase transparency, promote tolerance, and build inclusive coalitions for advocacy that engage citizens as the voice for accountability and reform. Building on Indonesia's strong democratic foundation, funds will also expand access to information; support the protection of constitutional rights, including for journalists and Indonesia's most vulnerable populations; and address corruption. Since 2018, USAID has provided crucial support to Indonesia Corruption Watch to create an online learning platform that has educated tens of thousands of youth, community members, and civil servants on corruption prevention.

Health

For East Asia and the Pacific, USAID's FY 2024 request includes \$196.3 million for the Global Health Programs (GHP)-USAID account, which is a \$5.8 million increase, or 3 percent, over the FY 2023 request.

Health programs that support stronger health systems play a critical role in sustainable, inclusive development gains and support a free, open, and resilient East Asia and Pacific region over the long term. With this request, USAID will continue to bolster the resilience of partner countries and economies to prevent, detect, and respond to infectious disease threats—including future outbreaks—and increase their ability to withstand future shocks. FY 2024 resources will help address tuberculosis, malaria, dengue, and other diseases; improve nutrition and health among mothers and babies; and promote resilient health supply chains, all of which also contribute to strengthening health systems to recover from COVID-19-related disruptions. For example, assistance through USAID's Regional Development Mission/Asia (RDMA) will strengthen multi-sectoral country systems and capacities to mitigate the drivers of disease emergence; strengthen laboratory and surveillance capabilities to address infectious disease threats; improve risk communication; and reduce the spread of antimicrobial resistant pathogens.

At the global level, the COVID-19 pandemic underscored the link between public health, emerging diseases, and the economy. The FY 2024 request will allow USAID to support ASEAN health security priorities through technical support and capacity building in partnership with the Center for Disease Control's regional office in Hanoi. USAID activities will promote coordination and information sharing across ASEAN member states through the ASEAN Public Health Emergency Coordination System as well as support ASEAN's goal to establish a One Health approach to address emerging infectious diseases based on the relationships between human and animal health and the environment.

Across the East Asia and Pacific region, USAID will continue to support the goal of combating infectious diseases. Malaria and drug resistant malaria, in particular, remain serious and persistent threats to public health, particularly in Southeast Asia, which has the second highest estimated malaria burden globally.¹ With FY 2024 funding, under the U.S. President's Malaria Initiative, USAID will scale up proven preventive and treatment interventions and new approaches with the aim of eliminating drug resistant strains in the Greater Mekong Subregion. For example, in Thailand, USAID helped integrate drug efficacy monitoring within routine surveillance systems to ensure complete patient treatment and to detect early signs of drug resistance, an approach that is now being replicated in other Greater Mekong Subregion countries, contributing to a safer, more secure, and resilient Indo-Pacific.

In Laos and Timor-Leste, USAID will strengthen health systems and expand services for maternal child health and nutrition (MCHN) programming. FY 2024 funds will improve much-needed health and nutrition outcomes among pregnant and postpartum women, newborns, children, and adolescents in hard-to-reach communities. These efforts will also strengthen local level health care providers' ability to engage with communities to improve nutrition and build local-level health governance and resilience. This MCHN initiative—a priority for the governments of Laos and Timor-Leste—serves as an important trust building measure in our growing bilateral relationship as well as an activity with a strong localization focus and an excellent way to strengthen local governance, accountability, and local voices.

USAID will use FY 2024 resources to address the myriad health crises in Burma precipitated by the coup, including the near collapse of the public health system, large-scale population displacements, and the inequitable COVID-19 and routine childhood immunization coverage in areas out of the regime's control. The funding will also build the capacity of ethnic health organizations to monitor health threats and deliver lifesaving services in resistance areas, including the administration of routine immunizations for children.

Gender Equality and Women's Empowerment

For East Asia and the Pacific, USAID's FY 2024 request includes \$119.1 million attributed for gender, which is a \$5.9 million increase, or 5 percent, over the FY 2023 request.

¹ <https://www.who.int/southeastasia/health-topics/malaria#:~:text=Malaria%20is%20a%20serious%20and,highest%20estimated%20malaria%20burden%20globally>

USAID recognizes that the full participation of all people—including women, girls, and marginalized groups—is essential to a resilient and prosperous region. With FY 2024 resources, USAID will continue to promote gender equality and women’s empowerment across East Asia and the Pacific. We will increase women’s political, civic, and economic engagement; address gender norms and systems that perpetuate inequalities; and combat gender-based violence so that more individuals can live safer, healthier lives and contribute more fully to their societies.

In Papua New Guinea, USAID will use FY 2024 resources to prioritize the empowerment and protection of marginalized populations—with a focus on women and girls, who are increasingly vulnerable to gender-based violence and human trafficking. Funding will allow USAID to boost skills and increase their access to credit so that more women can participate in the formal economy.

USAID will use FY 2024 resources to implement shared U.S. and ASEAN priorities of gender mainstreaming, women’s economic empowerment, addressing gender based violence, and women, peace, and security as agreed upon in the September 2022 U.S. ASEAN Gender Ministerial led by Administrator Power. USAID will support ASEAN to implement the Regional Plan of Action for Women, Peace, and Security, launched in December 2022, and will support the ASEAN Gender Mainstreaming Framework. USAID will support ASEAN member states to better address gender-based violence in the workplace, and support women-owned small and medium enterprises to fully participate in the digital economy.

Conclusion

USAID remains committed to our friends and partners across East Asia and the Pacific. We have heard from leaders and communities across the region of the importance of continued U.S. presence in the region. This budget request allows us to provide the necessary resources for USAID to deliver on our commitments and continue our central role in strengthening U.S. security and prosperity through investments that increase partner country resilience. Our efforts aim to contribute to greater stability and economic opportunity for all. Thank you for the opportunity to appear before you today. I look forward to your counsel and questions.

Mr. MCCAUL. Thank you, Mr. Ronning. I now recognize myself for questions. As I stated in my opening statement, we traveled to Asia and we were in Taiwan, and we're greeted by 10 battleships, 70 fighter jets, and live fire action drills.

It was a display of bravado. But it's also a demonstration of how hostile and aggressive the Chinese Communist Party is becoming. And I was notified that I was sanctioned on the day I left.

As I mentioned in my opening statement, we had several requests regarding the competitive actions calendar. We were very patient with several letters. I finally served a subpoena. The due date was yesterday, and we still have not received anything. We were told by staff that this is a simple document that could be pulled and produced in a very short period of time. Mr. Secretary, can you tell this committee when you will be able to comply with the subpoena?

Mr. KRITENBRINK. Mr. Chairman, thank you again for the privilege of being here today, and thank you for your question. I want to assure you that the Department is committed to working with Congress and with you and that we have responded in writing to your letters on this issue, first on June 16 and then again yesterday when we provided further information about the competitive actions that we have taken under the Biden Administration. This is part, as you know, of an ongoing accommodations process with the committee, and we are very much committed to working with you on that.

We are committed to responding to your and committee's request in a timely manner. We are balancing a growing number of congressional inquiries involving priorities. Again, this is part of an ongoing accommodations process with the committee. And we are committed to engaging with you, sir.

Mr. MCCAUL. I appreciate that. I'm just trying to be patient with it. It's disturbing when I find out about this when I read the newspaper and Reuters is reporting this and someone on your staff has leaked this information. And yet this committee, Congress does not have it. And quite honestly, that is not the way we should be doing business.

And so I am going to ask you three questions about some of the issues that have been raised by the press. One is that the State Department is no longer enforcing human rights sanctions, including those against Uyghur Muslims under the Uyghur Muslim Policy Rights Act. Do you have any information on that?

Mr. KRITENBRINK. Yes, sir. First of all, Mr. Chairman, it is absolutely not true that we are pulling our punches in any way. And in fact, U.S. Government and the State Department have taken an unprecedented number of steps against the Chinese in a broad range of areas. That has continued from the beginning of this Administration. It has continued up until today. Specifically we are committed to holding China and Chinese officials to account for the ongoing egregious abuses against Uyghurs in Xinjiang.

Mr. MCCAUL. My time has expired. But I take it your answer is you have not delayed or you are still enforcing the sanctions?

Mr. KRITENBRINK. We are absolutely enforcing. And in fact—
Mr. MCCAUL. That is your testimony?

Mr. KRITENBRINK [continuing]. We've carried out—we've sanctioned four PRC officials under Treasury GloMag Sanctions, 31 entities under the Uyghur Forced Labor Prevention Act, another 26 entities under the Commerce Bureau of Industry and Security list, and 8 PRC firms tied to—

Mr. MCCAUL. OK, great. And if you just produce this competitive actions calendar, it would solve this whole problem. I would not even have to ask these questions. Second, export controls on Huawei, have those been delayed or pulled down?

Mr. KRITENBRINK. Again, sir, we do not pull our punches. And as you know, this Administration has already taken steps against Huawei.

Mr. MCCAUL. They did. They did. I thought Estevez did a pretty good job earlier on, and now we have not seen anything in the timeframe that this sort of charmed offensive is taking place with respect to Beijing.

Mr. KRITENBRINK. Well, I would say, Mr. Chairman, some people have described what the Chinese are doing as a charm offensive. That is absolutely not what I would describe what we are doing. [Simultaneous speaking.]

Mr. MCCAUL. So your answer is that you have not delayed or pulled down exports to licenses from the United States to Huawei?

Mr. KRITENBRINK. That is correct. I cannot comment on ongoing processes in the end user review committee. But we are committed as we've demonstrated, steps we have taken in the technology space, including I think most significantly the October 7 Advanced Computing Rule. We are committed to defending our national interest. We are committed to preventing advanced U.S. technologies from falling into the hands of the Chinese—

[Simultaneous speaking.]

Mr. MCCAUL. Let me ask you this question. Why did State recently pull down DDTC 22-087 which included a license to provide defense services to Taiwan?

Mr. KRITENBRINK. Mr. Chairman, I'll have to check if that's the specific case that you're referring to. And I will check on that. But if it the one I think you're referring to, my understanding is a direct commercial sale was notified by mistake.

It was pulled back. But my understanding it has since been formally notified I believe just yesterday. It may have been the day before.

[Simultaneous speaking.]

Mr. MCCAUL. And I have to refer to it—I know it is very cryptic. I am obligated to refer to it in that manner.

Mr. KRITENBRINK. Yes, sir. But I just want to State, sir, and I'd be happy to work with your team as well. But we have taken an extraordinary number of actions over the course of this Administration. And we have done it in advance of every one of these engagements that you have mentioned. We've done it after every one of these engagements. We do not pull our punches. That is not what we are about. We believe—

Mr. MCCAUL. OK.

Mr. KRITENBRINK [continuing]. That we are engaging the People's Republic of China from a position of confidence, confidence based on I think the extraordinary success of our diplomacy in the

region to shape the external environment, confidence based on our investments and our strength at home. And I think with that in mind, we approach the Chinese in a very realistic, clear-eyed way and I think from a position of strength.

Mr. McCAUL. And look, I appreciate both of you all's service. I mean, this is the top threat I think to our national security. Last question, why is State not using the Presidential drawdown authority that Congress gave you to get weapons to Taiwan now?

Mr. KRITENBRINK. Yes, sir. We are absolutely committed to using all tools at our disposal to make sure that we meet our obligations—

[Simultaneous speaking.]

Mr. McCAUL. But why aren't you using that drawdown authority that Congress gave you?

Mr. KRITENBRINK. Here is what I would say, Mr. Chairman. Secretary Austin spoke to this in May. I do not have anything further to add to his commentary.

I do not have anything to announce today. But I will reiterate. We are committed to using all means at our disposal. We are grateful to you, Congress, and this Committee for those tools. And we will—

[Simultaneous speaking.]

Mr. McCAUL. Well, if we need to get in a classified setting for you to answer that question. Congress passed—it was my bill. We passed it. It's law.

And I was told the President would use that drawdown authority to get half a billion dollars of weapons into Taiwan. And now we are not seeing that authority exercised. So if I'm not correct, I need the information. And if you prefer that in another setting, that is fine—

Mr. KRITENBRINK. Yes, sir.

Mr. McCAUL [continuing]. With this committee.

Mr. KRITENBRINK. Sir, I would be delighted—

[Simultaneous speaking.]

Mr. McCAUL. But certainly I need a better answer than we're doing everything possible.

Mr. KRITENBRINK. Yes, sir.

Mr. McCAUL. I'm just not seeing it happening.

Mr. KRITENBRINK. Mr. Chairman, respectfully, I do just want to underscore we are committed using all tools at our disposal.

[Simultaneous speaking.]

Mr. McCAUL. Well, then use them. We gave you the tools.

Mr. KRITENBRINK. And again, we've taken an extraordinary number of steps. The reason why—

Mr. McCAUL. Use the tools and authority Congress gave you because Taiwan does not have any weapons, period. My time has expired.

Mr. KRITENBRINK. Thank you, sir.

Mr. McCAUL. Chair now recognizes the ranking member.

Mr. BERA. Thank you, Mr. Chairman. I appreciate working with you, Mr. Chairman and with the chairwoman of the subcommittee and all of Congress in a bipartisan way because I think we recognize the competition that we're in with the PRC and the importance of maintain as I think we all say a free and open Indo-Pa-

cific, a rules-based order. The ability for all the people in the region to thrive, prosper, and experience the freedoms that we have all been able to experience.

I also appreciate the hard work that this Administration has done. I look back at the last two and a half years. Elevating the Quad Coalition to the leader's level and really giving it significant importance.

Working together with our allies in Japan and Korea, to really get the trilateral relationship to a place that I would not have expected it to be just two or 3 years ago. And I applaud the Moon and Kishida Administrations as well for the hard work and moving that alliance to a place where continues to move forward. I applaud the engagement of both State and USAID in the Pacific Islands, super important allies.

They're very close to us and again applaud getting the COFA Agreement to where it is. We've got a little bit of work and Congress has to do its work as well, passing the implementing language and getting that to the President's desk. So again, none of these are easy.

We are in a competition. And I guess I should also add that no one wants a direct confrontation with China. That's not our intent. I do not think that's the intent of the countries in the region.

And while it is very difficult to practice diplomacy with the PRC, I do think it's incredibly important to maintain and look for lines of communication where they're possible and take advantage of those, even if they are not always productive and fruitful. I think it is important for us to maintain that engagement and dialog where we can because the challenge is that not just the region but the planet face are paramount. We saw this with the pandemic but we also see those every day right now, both in our country but also across the world with climate change.

And it will take cooperation, participation, and working together to address these challenges, particularly with the two biggest powers in the world, the United States and the PRC. Secretary Krittenbrink, let me turn to the COFA Agreement again which I think is incredibly important. It has served us fairly well.

I will meet with representatives of the Republic of Marshall Islands later on. And I think it's important for us to get their acceptance of it. But can you give me an update on the current State of negotiations with the Republic of Marshall Islands?

Mr. KRITENBRINK. Mr. Ranking Member, thank you very much for your comments and for your question. Let me just State specifically on your question regarding the COFA. We are absolutely committed to getting the COFA done.

I think as you know, this is really, I would argue, central to our entire position in the Pacific, including particularly in the Northern Pacific. It is really the foundation of our engagement there. As you know, we've already concluded MOUs with Federated States of Micronesia and Palau.

The outstanding negotiations are with the Marshall Islands. I do not want to get into all of the details of the negotiations. And I know that our Special Envoy Joe Yun has been up here to brief you and others.

But we're committed to getting this done. I am confident we will get there with RMI. Every one of our partners, sovereign partners in the Pacific, they have their own needs, desires, their own politics. We're working through that right now.

But I'm confident that we will get there. And I think as you know as part of the President's Fiscal Year 2024 budget requests, it includes 7.1 billion dollars mandatory funding over 20 years to fund the compacts. And it does include what we've agreed on, at least to date, the top lines for RMI.

Mr. BERA. And as I mentioned previously, we really do appreciate that mandatory funding and the 20-year funding to give assurances to the States in this region.

Mr. KRITENBRINK. Yes, sir.

Mr. BERA. I do not have much time left. But you've got Congress' support and we will continue to work to get this done. So with that, let me—

Mr. KRITENBRINK. Thank you, Mr. Ranking Member.

Mr. BERA [continuing]. Yield to the chairwoman.

Mrs. KIM OF CALIFORNIA. Thank you. I now recognize myself for 5 minutes. Secretary Krittenbrink, you accompanied Secretary Blinken on his recent trip to Beijing just recently in June. And shortly after that meeting, Secretary Blinken said that the spy balloon chapter should be closed.

Well, this was a spy balloon which is a product of an adversary's military that flew across the continental United States. And the Administration believes we should simply move on? And at one point, President Biden even characterized this national security threat as, quote, "silly." Do you agree or disagree with President Biden's characterization that the spy balloon incident as silly? I just need a simple yes or no from you.

Mr. KRITENBRINK. Madam Chairwoman, thank you. I think—

Mrs. KIM OF CALIFORNIA. A simple yes or no. I mean, we can continue the dialog.

Mr. KRITENBRINK. Well, ma'am, what I would say is I agree with the President's assessment from the beginning. We took this extremely seriously. This was an outrageous violation of American sovereignty.

[Simultaneous speaking.]

Mrs. KIM OF CALIFORNIA. Yet he called it silly, right? So the State Department—

Mr. KRITENBRINK. And the President shot the balloon down.

Mrs. KIM OF CALIFORNIA. My time. I'm going—

Mr. KRITENBRINK. Sorry.

Mrs. KIM OF CALIFORNIA [continuing]. To reclaim my time back. State Department, did you demarche the Chinese Embassy with respect to the balloon?

Mr. KRITENBRINK. Yes, we did.

Mrs. KIM OF CALIFORNIA. And what date did that occur?

Mr. KRITENBRINK. I do not have all of the details in front of me. I did not come with a timeline, ma'am. But my recollection it was immediately after we found out about it.

Mrs. KIM OF CALIFORNIA. Do you recall which—

Mr. KRITENBRINK. And I believe that was February 1.

Mrs. KIM OF CALIFORNIA [continuing]. U.S. officials were in the meeting?

Mr. KRITENBRINK. I do.

Mrs. KIM OF CALIFORNIA. Could you tell me?

Mr. KRITENBRINK. I will say we do not normally divulge all of the details of our—

Mrs. KIM OF CALIFORNIA. You can at least tell me which officials were there in the meeting, right?

Mr. KRITENBRINK. But I can tell the Secretary of State and the Deputy Secretary of States. We took this incredibly seriously, and we wanted to send a message this was an outrageous violation of our sovereignty.

Mrs. KIM OF CALIFORNIA. Then can you—

Mr. KRITENBRINK. We demanded it be removed, that it never happen again. And then we shot it down.

Mrs. KIM OF CALIFORNIA. Thank you. Thank you. Let reclaim my time.

Mr. KRITENBRINK. So respectfully, Madam Chairwoman, this is very serious. Yes, ma'am.

Mrs. KIM OF CALIFORNIA. Will you commit to sharing any technical analysis of the balloon with the committee?

Mr. KRITENBRINK. What I will commit to is I'll refer you to Department of Justice and the FBI which are in charge of this. And we support whatever decisions they make.

Mrs. KIM OF CALIFORNIA. All right. So you see we're having this continue dialog. So the chapter on the spy balloon is not closed. The American people still have so many unanswered questions about this flagrant violation of the American airspace. And given that it flew across the entirety of the continental United States, we're questioning this Administration's ability to respond to provocation from the PRC in the future.

So since the spy balloon incident in February, the PRC had raided American companies, namely it banned Micron from its market. And it threatened restrictions on critical minerals and cyberattacked our top officials as was mentioned in Chairman McCaul's statements. So since February, can you name one substantial action the PRC has taken to improve relations with the United States other than taking our meetings on their terms?

Mr. KRITENBRINK. Well, Madam Chairwoman, a couple of things. First, I would completely disagree with the characterization that we took meetings on their terms. In fact, just the opposite is true. The meetings happened on our terms and our timeline that we insisted on and that we stuck to.

And Madam Chairwoman, I fully agree with your assessment that some of the steps that China has taken against Micron, against other American firms on the ground absolutely contradict their supposed statement that China is open for business and that they need foreign investment whereas when they take these steps that obviously contradict that statement and then undermine the business environment, that is not in their interest and it certainly increases tension in the relationship. And these are issues that Secretary Blinken raised directly when he was in China. And also, there's steps to both threaten and actually restrict—

[Simultaneous speaking.]

Mrs. KIM OF CALIFORNIA. Thank you. Let me reclaim my time back.

Mr. KRITENBRINK. If I could just finish on the last one, Madam Chairwoman.

Mrs. KIM OF CALIFORNIA. I do not completely agree with your assessment that the meetings were taken on your terms or on our terms because it is my understanding we insisted our travel to Beijing despite—I mean, even canceling your appearance before my subcommittee hearing. So anyway, in your meetings with PRC officials, was the PRC's actions against Micron subject? And if so, what message was communicated by your delegation? And were there any countermeasures threatened?

Mr. KRITENBRINK. Madam Chairwoman, we absolutely raised the Micron case and the other cases that I referred to, the unacceptable steps that China has taken against our firms while in Beijing. Secretary Blinken also underscored how unacceptable it is that China has taken these steps against our firms. And again, it undermines, absolutely contradicts their claim that they are open for business.

And we'll continue to fight and advocate for our businesses. Secretary also met with the American business community there. And what he heard from them was that, one, yes, this trading relationship and the presence of our businesses in China remain very important. But No. 2, they have a range of concerns including these actions. And we are committed to defending them and advocating for them.

Mrs. KIM OF CALIFORNIA. My time is up. But I look forward to continuing this dialog, especially as we have an upcoming meeting coming up. Thank you.

Mr. KRITENBRINK. Yes, ma'am. I look forward to that. Thank you.

Mrs. KIM OF CALIFORNIA. All right. Let me now recognize Representative Andy Kim for 5 minutes.

Mr. KIM OF NEW JERSEY. Thank you. I really appreciate the two of you coming out here to chat with us here about some of these important issues. Secretary Krittenbrink, I want to just start with you. I guess I wanted to just ask you, how critical is it to the ability of us to be successful in the Indo-Pacific for us to be able to build strong coalitions throughout the Indo-Pacific as well as globally focus on the issues that we face there? How important is that coalition building?

Mr. KRITENBRINK. Congressman, vitally important, essential to everything that we do. It animates really everything that we do. Whether you come at it from the perspective of building the kind of region that we want to see, a free an open, prosperous region that we want to see or if you come at from the perspective of our China strategy.

It's that aligned pillar that is most important. Whatever perspective you come at it from which you come at this challenge, our building coalitions with our like-minded allies, partners, and friends, building their collective capacity to counter common threats and to seize shared advantages. That's central to everything that we do, sir.

Mr. KIM OF NEW JERSEY. And I appreciate you framed that within your testimony as well, talking through those five different pillars of which one of them was certainly about building those con-

nections throughout the Indo-Pacific and beyond. I wanted to ask you. We're talking about the recent diplomatic engagements between the United States and China.

I guess I wanted to ask you what have been the reactions of different countries and partners in the region to our diplomatic efforts? Has that been well received? Do they appreciate that or do they have concerns? I'd be interested in hearing a little bit more color in that.

Mr. KRITENBRINK. Thank you, Congressman. I'd say two things. First of all, I think the unprecedented steps that we've taken to strengthen our allied and partner relationships across the entire region, as the ranking member mentioned a moment ago, with our five treaty allies, with AUKUS, with ASEAN, with the Quad and others.

This has been greatly appreciated by the region. And they have told us repeatedly how important it is for our shared security and prosperity. I have never seen a stronger demand signal from the region for American engagement, Congressman.

And I would also say our partners are also very gratified for our approach to the People's Republic of China. They know that we've been clear eyed and resolved. And as you know, many of the steps we've taken together with our partners have been explicitly designed to counter the threats and challenges posed by the PRC.

But at the same time, I would argue that our allies and partners absolutely agree it is in no one's interest to have an unintended conflict, to have a miscalculation that could veer into conflict. And so therefore, I think our partners to a person in our conversations have said they are reassured by our resolute approach to the PRC and simultaneously they're reassured that at the same time we are committed to keeping channels of communication open so that we do not have a miscalculation.

Mr. KIM OF NEW JERSEY. The last time I was out in the region, I heard something similar. I guess I wanted to just kind of flesh this out a little bit more. I was told by some counterparts in the region last time I visited that, yes, there are very legitimate, incredible challenges that we face with China.

But when it comes to the U.S. and China and that relationship, they said that it was very important that the United States act as the responsible actor, that they not be seen as the provocateur, they not be seen as the aggressor. And otherwise, that would potentially make it harder for some of our partners in the region to actually partner with us and build coalitions. That was something that I heard. Is that something that you would hear as well from some of your counterparts?

Mr. KRITENBRINK. I hear it on a daily basis. We make sure that our allies and partners know that they are intrinsically valuable to us, that they are the central animating feature of our foreign policy, not just in the China context but within the China context. You're absolutely right. If we're going to build a coalition of like-minded nations committed to protecting and preserving the world's basic international order and countering all challenges to it, they have to be confident that, in fact, we are responsible, that we're clear eyed and levelheaded.

Mr. KIM OF NEW JERSEY. One sentence that you said in your testimony, that was just very illustrative of this. And I want to just raise it. You said our Indo-Pacific strategy include our approach to the PRC but is not defined by it.

And then this next sentence, in other words, we have an Indo-Pacific strategy of which China is a part, not the other way around. And I just want to highlight that. I think it's very well structured to look at that bigger picture. And I applaud you for thinking about that because it allows us not to be reactionary, just simply reaction which I find oftentimes we feel like we are on these issues.

The last thing I just want to point out is that some of my colleagues here have been pushing back and calling for major cuts to State Foreign Ops. I worry about that in terms of our ability to implement this strategy that you're talking to us about. How would those types of cuts impact the ability to deliver the kind of success that we need in the Indo-Pacific?

Mr. KRITENBRINK. Well, Congressman, I would say two things. First of all, I agree that it's our approach to allies and partners is where we spend the bulk of our time. Again, it is important to the region. It is important to our China strategy.

We are, of course, grateful to Congress for the support that we receive. But some of the discussions that I have heard about, massive cuts to the State Department budget would be devastating to what we are trying to achieve, would be devastating to our ability to compete and outcompete with the People's Republic of China which is both a regional—

Mrs. KIM OF CALIFORNIA. The gentleman's time is up.

Mr. KRITENBRINK [continuing]. And a global challenge. Thank you, sir.

Mrs. KIM OF CALIFORNIA. Thank you. Let me now recognize Representative Davidson for 5 minutes.

Mr. DAVIDSON. I thank the chairwoman. I thank my colleagues. I thank you all for coming in today to provide your testimony. And hopefully we'll make some progress here on policy.

The previous Administration put Huawei on the Department of Commerce entity list back in 2019. Our committee discovered that during a 6-month period in 2020, 2021 less than 1 percent of licenses were denied and more than 60 billion worth of licenses were approved, licensing America's sensitive technology to Huawei. Last week, it was reported that Huawei is poised to return to the 5G smartphone industry.

And it's also been reported that Huawei has had active involvement in the Chinese spy base in Cuba. The State Department is an active and voting member of the dual use export controls process that Commerce oversees. Mr. Kritenberg, do you—Kritenbrink, do you—sorry for mispronouncing your name.

Mr. KRITENBRINK. It is my life's burden, Congressman. It's Kritenbrink.

Mr. DAVIDSON. Kritenbrink, sorry about that. I get some mispronunciations of Warren from time to time as well. My apologies. Do you believe Huawei should be given licenses on any U.S. origin technology? Where is that line?

Mr. KRITENBRINK. Well, Congressman, thanks for raising this very important question. I want to maybe just reiterate a couple

of points that I made to Chairman McCaul. We're absolutely committed to taking the steps we need to protect American national security, particularly in these high technology areas. Somewhat difficult for me to speak to the details of the licensing decisions on Huawei given that's a Commerce department decision.

Mr. DAVIDSON. You are a voting member. Do you have a position? Is 1 percent the right amount to restrict 60 billion is good?

Mr. KRITENBRINK. The position that we take is we should do whatever we need to do to defend American national security. And we're committed—

Mr. DAVIDSON. Are you doing it?

Mr. KRITENBRINK. We have done that and, yes, we are, sir.

Mr. DAVIDSON. Doing well? Sixty billion is the right number? Things are going great?

Mr. KRITENBRINK. I would say we've taken an unprecedented number of actions against China including the—

Mr. DAVIDSON. Huawei's growth is doing fine, supports what State Department is trying to achieve there?

Mr. KRITENBRINK. No, I would not say that, sir. I'll reiterate. We are committed to doing whatever it takes to defend American—

Mr. DAVIDSON. I suggest—

Mr. KRITENBRINK [continuing]. National security.

Mr. DAVIDSON [continuing]. You might not be doing it. So I just want to highlight that. So even when the United States has gotten commitments from the People's Republic of China, the level of adherence to their commitments isn't great. So I'd like to just get your views briefly, sir, on whether China is keeping its commitment. Is China adhering to its commitments under the World Trade Organization?

Mr. KRITENBRINK. That's a very broad question, Congressman.

Mr. DAVIDSON. The answer is no.

Mr. KRITENBRINK. I could not say—I absolutely could not say they are.

Mr. DAVIDSON. It takes a long time to list all of them that they're not keeping. But the answer is no. Did China adhere to its commitments under the World Health Organization during COVID on reporting and transparency?

Mr. KRITENBRINK. No, we have deep concerns about—

[Simultaneous speaking.]

Mr. DAVIDSON. God bless you.

Mr. KRITENBRINK [continuing]. The lack of transparency.

Mr. DAVIDSON. A simple no answer. Thank you. Did China adhere to its commitment to not militarize the South China Seas?

Mr. KRITENBRINK. Sir, obviously, the militarization and land reclamation, much of what's illegal is a deep concern to the United States.

Mr. DAVIDSON. So no. Did China adhere to its commitment not to engage in cybertheft of intellectual property?

Mr. KRITENBRINK. Obviously, sir, we have a range of concerns on the cyber front as well.

Mr. DAVIDSON. No, they're not doing that either. Can you name one commitment that China is complying with?

Mr. KRITENBRINK. Look, Congressman, I did not come here today to defend the People's Republic of China. I'll let counterparts in

Beijing do that. What I did was come to defend what this Administration has done. We have a clear eyed, tough, realistic approach to the PRC. And particularly in this realm, we've been talking about competitive actions.

Mr. DAVIDSON. Well, look, I think that——

Mr. KRITENBRINK. It's pretty extraordinary.

Mr. DAVIDSON. I think you need to get your focus a little bit because they're not coming closer to complying. They're coming further away from complying.

Mr. KRITENBRINK. Could I just add——

[Simultaneous speaking.]

Mr. DAVIDSON. Maybe part of the approach is NATO. Now here's my problem. NATO is a defensive alliance that's supposed to protect European countries from invasion.

Originally it was structured obviously to stop the Soviet Union and in the aftermath, the Soviet Union, it's grown quite a lot. But it's a defensive alliance. The charter is defensive, yet there's power projection efforts underway from NATO in the Pacific. What's the objective there?

Mr. KRITENBRINK. Congressman, look, what we are focused on and what I've tried to indicate in my testimony, we are focused on the region. We're trying to shape the region——

[Simultaneous speaking.]

Mr. DAVIDSON. What's the role for NATO in the Pacific?

Mr. KRITENBRINK. What I would say is if you read the NATO summit documents, our partners in NATO recognize what we recognize, that the Indo-Pacific is central to our future security and prosperity and that many of China's actions challenge the rules-based order.

Mr. DAVIDSON. I would ask that you give me a written response because I think it deserves more than that. What is the strategy with power projection of NATO in the Pacific. And I yield back.

Mr. KRITENBRINK. I'm happy to——

Mrs. KIM OF CALIFORNIA. The gentleman's time is up. I now recognize Representative Mills for 5 minutes.

Mr. MILLS. Thank you so much, Madam Chair. Assistant Secretary, you're very good at eating up time and playing politics. So I'd really love if you can just try and give me direct answers.

It's been a lot of skirting around. I've heard you talk about America not pulling punches multiple times. That's because we're not throwing any.

I want to talk about something that Chair McCaul brought up which is failure of compliance. You keep talking about how the State Department has been very compliant. But we've had to sign multiple subpoenas in an effort to try and get things to include the 23 members who signed the dissent cables that you're very aware of.

So it's disingenuous to even make such a comment. And I just want to go ahead and point that out for the record. I want to ask about competitor versus adversary. Can you describe what the difference between competition and adversary is?

Mr. KRITENBRINK. Your question is what's the difference between an adversary and a competitor?

Mr. MILLS. Yes, I appreciate you eating up 30 seconds to try and do that, yes.

Mr. KRITENBRINK. Well, Congressman, that's not what I'm trying to do. We spend every day on these issues. I spend——

[Simultaneous speaking.]

Mr. MILLS. Sir, I'm asking for the definition, please.

Mr. KRITENBRINK. I did not come prepared to give you a formal definition. But I'm happy to——

Mr. MILLS. Do you consider China a competitor or an adversary?

Mr. KRITENBRINK. I would argue that they're both.

Mr. MILLS. OK. And I would agree that they are an adversary more than anything, especially if you look at the geopolitical alignment between China, Russia, Iran, North Korea, and the economic resource of sovereign-based warfare that's been launched for 20-plus years against the west. I think we look at the expansion, the Belt and Road Initiative. I think that we look at the domination of rare earth mineral mines throughout the continent of Africa.

I think that we recognize that China's adversarial actions has led to a disruption of supply chain capability which is the intent. That's why they want to expand Eurasian borders, take Africa, take Oceania. Recreate Maritime Silk Route, if you will, to choke off Westerners' supply chain.

But they're also utilizing economic coercion in our own western hemisphere as we're seeing with Honduras and Panama where they're trying to take over the canal for tariffs and trade and other types of warfare. And then utilize that marriage of convenience with Russia for the Chavez in Venezuela and Pedro in Colombia, now building spy and joint training bases 92 miles off of my State, the State of Florida, right there in Cuba.

So I think that's adversarial actions more so than competitive actions. I will go, though, and say that the day after Secretary Blinken's trip to China, President Biden referred to General Secretary Xi as a dictator. Do you agree that General Xi is a dictator?

Mr. KRITENBRINK. Congressman, I do not have anything further to add. I think the President's words speak for themselves.

Mr. MILLS. So do you agree with the President's words?

Mr. KRITENBRINK. I think the White House spokesperson and the Secretary have already spoken to that. The President——

Mr. MILLS. So do you agree with the President?

Mr. KRITENBRINK [continuing]. Speaks plainly. He speaks for the American people.

Mr. MILLS. Sir, do you agree with President Biden's comments?

Mr. KRITENBRINK. I stand by what I said, Congressman. I do not have anything to add.

Mr. MILLS. No, yes, no, no?

Mr. KRITENBRINK. I do not have anything to add.

Mr. MILLS. OK. Thanks so much for your non-answer.

Mr. KRITENBRINK. I think, Congressman——

Mr. MILLS. We're going to move on. Reclaiming my time, sir. Secretary Blinken also Stated recently that the U.S. seeks to coexist peacefully with China. Was it U.S. policy during the cold war to seek peaceful coexistence with the Soviet Union who we declared as having a dictator? Was it U.S. policy during World War II to seek peaceful coexistence with Nazi Germany which we called Hit-

ler a dictator? Because both Soviet Union and Nazi Germany were run by dictators, correct?

Mr. KRITENBRINK. Congressman, I tried to lay out we have a really consequential and complex relationship with China. We have a long list of concerns, many of which you've already outlined. We approached those in a resolute and realistic manner. And we're absolutely committed to doing everything possible to defend our interest and those of our allies. And—

Mr. MILLS. Well, I can tell you one of those—

Mr. KRITENBRINK [continuing]. We're proud of what we've done and we're confident in what we've done.

Mr. MILLS. Secretary, I'd say that one of those would be to recognize also the WHO and WEF is being weaponized and utilized in an effort to also try to gain further, I guess, ingratiating behaviors by China to try and create this hegemony, not to mention the fact that they're cozying up to OPEC to try and utilize that as an energy warfare against this. And meanwhile, we just had Secretary— or sorry, former Secretary Kerry come in here and talk about how the greatest existential threat is climate change, not what we actually really are seeing which is China as our greatest existential threat. I'm going to ask one more thing which is in regards to Taiwan.

I just came back from the first and second chain of islands a few weeks ago. And I can tell you that the over 19 billion dollars that's being held up by the Director of Defense Trade Control which does exist under the CivMil Poll for State Department is still yet to actually approve and send the materials that are necessary for Taiwan. Is there a reason for this?

Mr. KRITENBRINK. Congressman, I think it's realistic to talk about holding up 19 billion dollars' worth of arms sales. I think as you know this is a complicated process. It takes time. We do recognize—

Mr. MILLS. I'm very aware of—

Mr. KRITENBRINK. We do recognize—

Mr. MILLS [continuing]. Form 5, Form 2, DSP 83s, DSP 5s. I understand the defense process mechanism. I've also seen where companies like Northrop Grumman, Lockheed, and others have gotten within 90 days an approval for the DSP 5 export approvals to send to Iraq and Ukraine and other countries.

And yet this has been months and months and months of being held up. And so, no, you obviously do not know the process for the DSP 83 and DSP 5. If you did, then you'd also know the ATF Form 2, Form 5, Form 9 process as well. This is something I'm aware of.

Mrs. KIM OF CALIFORNIA. The gentleman's time is up.

Mr. KRITENBRINK. Congressman, I'll just reiterate. We're doing everything within our means to meet our commitments under the Taiwan Relations Act. We've taken extraordinary steps. We're also taking extraordinary steps to reduce some of the delays that you've referred to.

Mrs. KIM OF CALIFORNIA. The gentleman's time is up. Let me now recognize Representative Castro for 5 minutes.

Mr. CASTRO. Thank you, Chairwoman. Mr. Kritenbrink, I strongly support U.S. engagement with ASEAN and was glad to see Secretary Blinken visit Southeast Asia last week and meet with our

ASEAN partners. I've been working with the Administration to extend diplomatic privileges and immunities to ASEAN which requires an act of Congress.

I'm hopeful that we can—or actually the House voted on the Partner with ASEAN Act earlier this year. And Senator Menendez introduced the bipartisan Senate counterpart. I'm hopeful that we can get this legislation enacted before President Biden goes to the ASEAN summit this September so he can announce this important recognition of U.S. ASEAN ties.

So I wanted to ask, what would it mean for the United States to extend diplomatic privileges and immunities to ASEAN? And do you agree that'd be helpful if we can get this enacted in time for the President to make an announcement at the ASEAN summit this September?

Mr. KRITENBRINK. Yes, it would, Congressman. Very grateful to you and other Members of Congress for your support of this Partner with ASEAN Act. As I think you recognized, ASEAN is really central to our interests as well.

Collectively the ten countries of ASEAN form the world's fifth largest economy. They're our fourth largest trading partner. They're central to peace and stability and prosperity in the region. And again, we support the act. And we would also support under that act ASEAN sending a representative to Washington.

Mr. CASTRO. Wonderful. I hope you'll work with us on getting this done in time for that summit.

Mr. KRITENBRINK. Thank you.

Mr. CASTRO. Thank you. And after the May 2022 ASEAN Special Summit, the White House announced that the Administration will double the Young Southeast Asian Leaders Initiative within 3 years. I led legislation in the House to strengthen and expand this program.

And this announcement, of course, was welcome news. Yet the Fiscal Year 2024 budget request for the State Department did not include a request for additional funds in line with the President's announcement in May 2022. How is the State Department going to find funds to double the YSEALI program?

Mr. KRITENBRINK. Congressman, maybe two comments. I think I'll need to take back the specifics of exactly what moneys are being used to fund YSEALI. But we're absolutely committed to meeting that target, No. 1.

No. 2, again, having just traveled with the Secretary to Jakarta for the ASEAN summit and having participated in a YSEALI event there, this is one of the most effective programs that we have in the world. As you know, ten countries of Southeast Asia represent the youngest region in the world, the fastest growing, most dynamic region in the world. More than 155,000 of these amazing young people are alumni of the YSEALI program. It's really central to what we're achieving. But I'll come back to you on the details—

Mr. CASTRO. Sure.

Mr. KRITENBRINK [continuing]. Of our funding.

Mr. CASTRO. Well, thank you for your work on that. Thank you to the State Department for really deepening our engagement with Southeast Asia. Ann Wagner, Republican from Missouri, and I co-

founded the U.S. ASEAN caucus in 2017 to deepen the relationship between Members of Congress and members of the legislative bodies of the ten Southeast Asian nations. So thank you from the executive branch on the work that you're doing.

And then finally, the Administration has recently stepped up efforts to engage with Pacific Island countries where the PRC has been incredibly active. And that means that we need to step up. I believe it's important for us to be good partners with these countries and be responsive to their needs. So when you engage with Pacific Island countries, how highly do you think they rank the need for climate action?

Mr. KRITENBRINK. Congressman, I think it's existential. Again, we have worked very hard to step up our game across the Pacific Islands. Again, we're a member of the Pacific community there.

These are longstanding historical partners, incredibly like-minded. And our whole approach is to meet them where they live so to speak. If you look at our strategy for the Pacific Islands, the work we've done on partners in the Blue Pacific, it's all focused on meeting their top priorities. Climate is probably No. 1. Illegal fishing, investment development, and people-to-people ties, those would be a short list of their top interests.

Mr. CASTRO. And so if we pursued almost 30 percent cuts to the International Affairs budget that the current proposal in the House calls for, how would that affect the United States' ability to be responsive to the needs of Pacific Island countries in combating climate change? And what does that mean for U.S. China competition in the region?

Mr. KRITENBRINK. Well, Congressman, I would just say as I mentioned earlier, obviously dramatic cuts to what we're trying to do in the region would undermine significantly our entire approach to the region and to China and particularly in air of strategic competition. I would argue this is not a time for pulling back. It's a time for stepping forward and increasing our investments.

Mr. CASTRO. Thank you, gentlemen, for your testimony today.

Mr. KRITENBRINK. Thank you, sir.

Mr. CASTRO. I yield back.

Mrs. KIM OF CALIFORNIA. Thank you. I now recognize Representative Barr for 5 minutes.

Mr. BARR. Thank you, Madam Chair. And Assistant Secretary Kritenbrink, I am perplexed by the Biden Administration's obsession with high level dialog with the CCP when Beijing is clearly ramping up its hostility despite these talks. Did any Chinese official ever condition or imply that rescheduling the Secretary's trip to Beijing was conditioned on the FBI not releasing its findings of the spy balloon report, yes or no?

Mr. KRITENBRINK. Representative Barr, we never accepted any conditions on the Secretary traveling to Beijing. And we made clear that only after the Secretary visited would there be other senior—

[Simultaneous speaking.]

Mr. BARR. Does the Secretary understand and do you understand that the American people were very dismayed when the Secretary said that this chapter is simply closed?

Mr. KRITENBRINK. Well, Representative Barr, I would say as I mentioned to Chairman Kim a moment ago the flight of the Chinese spy balloon over the United States was an outrageous and unacceptable violation of our sovereignty—

Mr. BARR. Yes, but if I could interject.

Mr. KRITENBRINK [continuing]. And territorial integrity. We took resolute steps and then we shot it down.

Mr. BARR. Assistant Secretary, though, when you say the chapter is closed and there's no ramifications for the CCP for them spying on our most sensitive military sites, the American people are outraged by that.

Mr. KRITENBRINK. Could I make one comment, sir?

Mr. BARR. What tangible—let me ask you this question, Assistant Secretary. What tangible win did Secretary Blinken come away with from Beijing? And do not give us maintaining open channels of communication.

Mr. KRITENBRINK. We're not chasing the Chinese, sir. We are focused—

Mr. BARR. You look like you are.

Mr. KRITENBRINK. We are absolutely not doing that.

Mr. BARR. I can tell you, you look like you are. My constituents say you are. They say you are.

Mr. KRITENBRINK. Well, sir, I'm sorry, but that view is mistaken. We went to Beijing very confident in our approach to the region and to China from a position of strength. We should not underestimate the importance of trying to prevent—

[Simultaneous speaking.]

Mr. BARR. Secretary, let's assess that, negotiating from a position of strength. The last Congress, I authorized the AXIS Act that required State to report on the PRC's assistance to Russia with the invasion of Ukraine. The relationship between General Secretary Xi and Putin is said to have no limits. But we know China has supplied Russia with satellite imagery, gun powder, body armor, rifles. Would you assess that the level of PRC support or transactions to sanction Russian entities has been significant?

Mr. KRITENBRINK. Congressman, a couple of things. Again, we're pursuing a realistic—

Mr. BARR. Is it significant or not?

Mr. KRITENBRINK. When it comes to Chinese support for Russia—

Mr. BARR. Yes.

Mr. KRITENBRINK [continuing]. We've expressed our deep concern over the range of areas where they've provided support. We've taken actions to sanction Chinese entities when they have provided support to Russia. And we've continued to warn them not to provide lethal assistance—

[Simultaneous speaking.]

Mr. BARR. OK. There is consequences, warning them, tough talk. Where's the action? Where's the sanctions—

Mr. KRITENBRINK. We've taken—

Mr. BARR [continuing]. For material and lethal support by China to Russia? Where is the action?

Mr. KRITENBRINK. Sir, our assessment is they have not provided lethal assistance to the Russian military. And we have warned them—

[Simultaneous speaking.]

Mr. BARR. And the media says you're wrong about that. There are customs records. Just look at the Wall Street Journal. They do a better job of uncovering material lethal assistance than the State Department.

Mr. KRITENBRINK. So we're confident—

Mr. BARR. Taiwan, Taiwan, Secretary.

Mr. KRITENBRINK [continuing]. In our assessment. And we've taken steps against a number of Chinese entities already.

Mr. BARR. We need sanctions. On July 3—

Mr. KRITENBRINK. We've already done that, sir.

Mr. BARR [continuing]. State Department pulled down a proposed license for the export of defense articles to Taiwan. The State Department pulled down a proposed license for the export of defense articles to Taiwan. This happened the same day Secretary Yellen's trip to Beijing was announced. Is the State Department limiting arms sales and defense exports to Taiwan in the hopes of placating Beijing?

Mr. KRITENBRINK. Absolutely not, sir. And I spoke to this earlier, and I'll need to take it back just to make sure we're talking about the same case. But I'm aware of a case 2 weeks ago, direct commercial sales case that was mistakenly notified.

It since been formally—it was withdrawn and then it's already been notified. And it had nothing to do with anything else. We do not pull our punches.

We've already provided more than five billion dollars' worth of arms to our Taiwan partners in this Administration. We're taking a range of other steps to meet our commitments. Last year, I believe we approved 13 arms sales which is a record in 1 year.

Mr. BARR. OK.

Mr. KRITENBRINK. But we do not pull our punches—

Mr. BARR. Well—

Mr. KRITENBRINK [continuing]. And we will not.

Mr. BARR. OK. Has the State Department returned to its policy of bundling arms in defense exports to Taiwan to not anger China?

Mr. KRITENBRINK. Absolutely not, sir. And I think the 13 arms sales last year prove that.

Mr. BARR. OK. Well, I think the State Department should be less focused on pulling down licenses and more focused on getting arms to Taiwan immediately. Let me ask you about the competitive actions calendar in my remaining time. Since the beginning of this year, multiple high level Biden Administration officials have met with PRC officials or visited the PRC itself, including yourself.

Through the course of this, the PRC has continued to commit genocide, intimidate Taiwan, hack U.S. Government email accounts. But there's reporting that the State Department is intervening with other agencies to delay implementation of sanctions and export controls. Have you or anyone at State encouraged any other agency to delay implementation of a sanction or export control, yes or no?

Mr. KRITENBRINK. We do not pull our punches, and we are committed to taking whatever steps we need to.

Mr. BARR. My time is expired. I do not think the Assistant Secretary answered that question. I'd invite my colleagues to followup. I yield back.

Mrs. KIM OF CALIFORNIA. Thank you. Let me now recognize Representative Sherman for 5 minutes.

Mr. SHERMAN. Thank you. As we confront China and as we have a budget hearing on the very bureaus that confront China in its own area should point out that we cannot beat China on the cheap. I wish it were true.

I wish we could brush them aside at no cost. But budgetary proposals reflect values. And some budgetary proposals show that they value the idea of losing because if we cut USAID substantially, if we cut our diplomacy substantially, and if we cut our public diplomacy substantially, we will lose.

We had the spy balloon, and we had another couple of other possible balloons. Some people said that would just be a blip. Now that we've had several months to examine the apparatus, has your bureau received a classified briefing on what the major spy balloon actually had on it?

Mr. KRITENBRINK. Congressman, I have not. I'll just reiterate what we said earlier. We took this very seriously.

Mr. SHERMAN. And I will point out that I have not and our colleagues have not. And they have had months to figure out. We deliberately did not shoot down the balloon over Alaska or Montana because we wanted to see everything that was on it.

And we allowed the balloon to go over military bases. We made sure to the best of our ability it did not gather any more information, all in an effort to find out what was on the balloon. And they have not told you and they have not told me what was on the balloon. So I look forward to working with the subcommittee and full committee to get a classified briefing on that.

Mr. KRITENBRINK. Yes, sir. And I'll be happy to take that back.

Mr. SHERMAN. This one is marked the 70th anniversary of the armistice concluded by President Eisenhower to end the war, 1953 in Korea. But we still do not have a peace treaty. Now I'm not in favor of making unilateral concessions to the government of Pyongyang. On the other hand, a confidence building measure that does not do anything more for them than it does for us would seem to be a step toward dealing with more difficult issues. Does the Administration want to see a peace treaty ending the war of 1953?

Mr. KRITENBRINK. Congressman, thank you for your question. I think candidly speaking rather than focusing on history, I think we would rather focus on the immediate—

Mr. SHERMAN. You got a lot of people working. You can focus on a lot of things.

Mr. KRITENBRINK. Obviously, sir, we've Stated what our long-term aspirations might be. But the immediate threat is the growing threat from North Korea's missile and nuclear program and their unprecedented number of launches. And we're focused on two things. We continue—

Mr. SHERMAN. You do not think that taking some steps on some other issues would build a framework or be a step forward on dealing with the more significant issues?

Mr. KRITENBRINK. Candidly speaking, right now, I do not, sir. I think our focus right now is twofold. It's demonstrating the strength of our deterrent capabilities, the strength of our security treaty commitments to our Korean and Japanese allies and/or resolve to make sure we—

[Simultaneous speaking.]

Mr. SHERMAN. I would just point out your bureau is relatively well funded. You can walk, chew gum, and shop on Amazon all at the same time.

Mr. KRITENBRINK. Yes, sir.

Mr. SHERMAN. And to have the 70th anniversary of a war come up without concluding a formal peace treaty is just one of the many irritants. Finally, and also focusing on the budget, are you aware that—we're all concerned about immigration. But we're particularly concerned about when the nuclear family is separated.

It's one thing to say you cannot bring your adult brother in. You cannot bring your cousin in. But when spouses are separated, when minor children are separated from one or their other parent, if any other country did that deliberate and for months and years we would—DRL would write them up in the human rights report. Do we sometimes have circumstances where the spouse of an American citizen is not given a chance to come to the United States for a period of over a year or even over 5 years?

Mr. KRITENBRINK. Congressman, I'm not—so this is an immigration policy question. I'm not—

Mr. SHERMAN. No, this is a State Department staffing question. You've got your visa officers funded by the budget you're here to testify.

Mr. KRITENBRINK. I understand.

Mr. SHERMAN. Do we have enough people—and I realize it's much more fun to talk about—

Mr. KRITENBRINK. No, I understand.

Mr. SHERMAN [continuing]. The great issues.

Mr. KRITENBRINK. Yes.

Mr. SHERMAN. But you're the bees office.

Mr. KRITENBRINK. No, I—

[Simultaneous speaking.]

Mr. SHERMAN. Do you have enough people to get it done within a reasonable amount of time?

Mr. KRITENBRINK. I think the responsible thing for me to do is take that back to my colleague, Rena Bitter. This is the Secretary for Consulate Affairs and come back to you—

Mr. SHERMAN. I would hope your budget—

Mr. KRITENBRINK [continuing]. With a reasoned answer.

Mr. SHERMAN [continuing]. Request in the future would adequately staff things so that spouses can be unified in months and even weeks rather than years or decades. I yield back.

Mr. KRITENBRINK. Understood, sir. Thank you.

Mrs. KIM OF CALIFORNIA. Thank you. Let me now recognize Representative Moran for 5 minutes.

Mr. MORAN. Thank you, Madam Chair. Secretary Krittenbrink, the last time you were before this committee, you refused to answer Representative Huizenga's question regarding whether you or Deputy Secretary Wendy Sherman ever delayed Uyghur Human Rights Policy Act sanctions. Months following that hearing, Reuters reported that the State Department was, in fact, delaying human rights sanctions. So I want to revisit that line of questions. Have Uyghur Human Rights Policy Act sanctions ever been on the competitive action calendar?

Mr. KRITENBRINK. Congressman, I'll reiterate what I've said earlier. We've already taken a range of actions to hold Chinese officials to account on Xinjiang.

Mr. MORAN. But I'm not asking about a range of actions.

Mr. KRITENBRINK. And we'll continue to do so.

Mr. MORAN. I'm asking specifically about Uyghur Human Rights Policy Act sanctions. Have they ever been on the competitive action calendar?

Mr. KRITENBRINK. As a matter of policy, we do not talk about issues before they're decided. So issues that are pre-decisional and deliberative are usually not matters that we would engage in.

Mr. MORAN. Well, how long does the competitive action calendar process take typically?

Mr. KRITENBRINK. Sir, I think I mentioned earlier in response to the chairman's comment that this matter is now in the investigatory and oversight process.

Mr. MORAN. I'm not asking a substance—

Mr. KRITENBRINK. No.

Mr. MORAN [continuing]. Question. I'm asking a process question. Because you said you do not want to talk about it while it's ongoing. So I want to know how long does that competitive action calendar process normally take?

Mr. KRITENBRINK. We have an informal, deliberative, and pre-decisional compilation of actions under consideration. But we do not preview sanctions or share pre-decisional policy discussions. So—

Mr. MORAN. Well, I'm glad you read that answer. But I asked you a process question.

Mr. KRITENBRINK. No, that's the answer.

Mr. MORAN. It's a process question. How long does that calendar process take so that I know when I can come back and ask you about the substance of that issue?

Mr. KRITENBRINK. No, sir. What I would say is putting together informal deliberative pre-decisional compilations of ideas and pre-decisional potential actions that I cannot—there's not a timeline. There's not a formal process.

Mr. MORAN. So let's talk about then Uyghur Sanctions Act, sanctions that have already been through the process. Do you know of any that have been through the process and ended, have completed that process? So it's not pre-decisional. It's post-decisional.

Mr. KRITENBRINK. Well, no, sir. What I would say here is when we take steps such as I mentioned a moment ago, the dozens of actions, the dozens of individuals and firms, I think it's more than 50, 51 Chinese entities, almost 60, and at least 4 PRC—

Mr. MORAN. I heard you say that earlier. I'm talking about—

Mr. KRITENBRINK. My point, sir, is once—

Mr. MORAN [continuing]. The Uyghur Human Rights Policy Act sanctions. Have any of them completed the process and have any sanctions been issued? That's a post-decisional question, not a pre-decisional question.

Mr. KRITENBRINK. I want to make sure I understand. When we impose sanctions on a Chinese official, my understanding is those sanctions remain in place until in perpetuity or until we would decide to withdraw.

Mr. MORAN. True. But the decision has been made. Has a decision been made to sanction anybody under the Uyghur Human Rights Policy Act?

Mr. KRITENBRINK. I do not believe that we have taken steps specifically under that act, sir.

[Simultaneous speaking.]

Mr. MORAN. Has anyone in the Administration—has anyone in the Administration ever delayed any sanctions brought or sanctions brought before the—under the competitive action calendar through the Uyghur Human Rights Policy Act? Have delayed any of that before?

Mr. KRITENBRINK. I think I would say two things. Again, any matter that's pre-decisional, I cannot really comment on. What I would underscore and I did mention this last time I had the honor being before the committee, we're committed to continuing to carry out our responsibilities under U.S. law.

We will continue to hold Chinese officials who are carrying out these egregious policies to account. We will use all tools at our disposal. And we've used a range of GloMag and other—

Mr. MORAN. All right. So stepping outside of any specific action, has anyone told you from the White House to you that you should not move forward with any sanctions under the Uyghur Human Rights Policy Act?

Mr. KRITENBRINK. Sir, I'll just reiterate. We do not comment on pre-decisional matters. But we are committed to using all tools at our disposal. And we do intend to use all tools including the act.

Mr. MORAN. In my remaining time, let me switch gears. Recently, Secretary Blinken went to the People's Republic of China. When he came back, he said, quote, "he did not support Taiwan independence."

In fact, that seems to diverge from the Taiwanese Relations Act which takes no explicit position on the future of Taiwan other than, quote, "the expectation of the future of Taiwan will be determined by peaceful means." It sounds like to me that Secretary Blinken is changing U.S. policy as it relates to the determination of Taiwan's future. Do you know why he would make such a statement?

Mr. KRITENBRINK. Congressman, respectfully, that's absolutely incorrect. It's long been a matter of U.S. policy for decades that we do not support Taiwan independence. And again, it has been for decades.

Our One China Policy has not changed. It's based on the Taiwan Relations Act, the three joint communiqués and six assurances to Taiwan. Again, we have stated for decades that we do not support Taiwan independence. We also state that we absolutely oppose any attempts to change the cross-strait status quo. We are committed

to maintaining peace and security and to deterring precipitous action by the PRC.

Mr. MORAN. Madam Chair, my time has expired.

Mrs. KIM OF CALIFORNIA. Thank you.

Mr. MORAN. I yield back.

Mrs. KIM OF CALIFORNIA. Thank you very much. I would like to thank the witnesses for engaging the members and answering the questions. You can see we have a lot of concerns from the questions that we asked and the responses.

Some of the responses, we did not get in full. So we hope that we can continue this dialog so we can get that full responses from you in a timely manner instead of saying that we will come back and give you the full response in a different setting. This is what the hearing is about.

We all know and recognize that CCP is also an existential threat to the United States, to our partners, and the international rules-based system. And we've heard over and over the Biden Administration and the President himself and the State Department officials such as yourself have verbally recognized that sentiment. But we just do not feel that your actions and the objectives do not—they just do not meet the challenge at hand.

And your recent travels to China since the last time we were supposed to have a hearing with you as a witness to the time that we're having this hearing today, there have been to my knowledge about four counts of high level officials from our State Department traveling to China to meet with our adversaries, your counterparts you would say. So I just wanted to echo that our U.S. leadership in the region is critically important to engage in the conversation to discuss the economic security and human rights concerns that we have. While we encourage diplomatic engagements with our allies, also with allies and adversaries alike, I think it's critically important and I hope you recognize that you need to engage Congress and especially before you travel to the region.

I hope you will come and talk to us so you can carry our congressional concerns as you meet and have a dialog with our adversaries. In this case, we're talking about PRC. So we shouldn't be holding back on standing up for our values, and this is what you are trying to do as diplomats representing our country.

So I look forward to getting more fulsome answers to our questions about Taiwan and I mentioned in my questions about the arms sales and competitive action calendar, in our classified meeting later this week. So with that, I would like to turn it over to my ranking member for closing comments you have.

Mr. BERA. Thank you, Madam Chairwoman. First off, I appreciate both the witnesses being here and being available to us on a regular basis. Mr. Ronning, you probably have to buy Mr. Kritenbrink lunch today since he took the bulk of the questions.

We are in a strategic competition. The 75 years post-World War II, I think we can be proud of what we did as a country creating relative peace, stability, prosperity throughout the world, rebuilding Europe, creating prosperity in Asia, and lifting hundreds of thousands, millions out of poverty. It's something we can be proud of.

But the world is different today. And I think we recognize what that world looks like. And again, as I said in some of my statements, I applaud the work that the Administration is doing and that we're trying to do in a bipartisan way here and Congress supporting that.

It is creating new alliances. It's creating value-based alliances that value democracy, free markets, freedom of navigation, and a rules-based order. It's looking at modernizing mechanisms of conflict and dispute resolution.

It is rebuilding our presence around the world and staying engaged in the world but in different ways with our allies. And again, it's not a given what the next decade or two decades look like. But I do think the foundational work in this region has been seminal.

And again, I hope to continue to try to do this in a bipartisan way. And it does require engagement. It does require aid and development. It does not require presence with our partners and allies.

So I am an optimist. It is not going to be easy work. It is going to require engagement both with our allies and adversaries. But I think the proof is in—when I hear the rhetoric coming out of Beijing, I do think they're very worried about the success that we're having creating these partnerships and the economic engagement, the strength of our own economy which is now the strongest in the world.

The fact that inflation is coming down, the fact that I look at the economic indicators in China, and I think there are a lot of red lights going off. And I applaud Secretary Yellen for going there. We do not want China to go into the tank because that pulls all of us down and can probably pull the world into a global recession.

So again, I think we are operating from a place of strength. I applaud where we are right now. It is going to take all of us working together not as Democrats or Republicans but as Americans and as folks that want to see a prosperous and fair and open 21st century.

So again, Madam Chairwoman, thank you for holding this hearing. Thank you to the witnesses for being here. And again, I look forward to working together.

Mrs. KIM OF CALIFORNIA. Thank you. And I echo the ranking member's remarks for thanking you for being here. I do not know about buying each other lunch, but the members also had some quite good questions. But probably they would appreciate the full response in writing if you may be able to have the time to do so.

And pursuant to committee rules, all members may have 5 days to submit statements, questions, and extraneous materials for the record subject to the length limitation. So without objection, the committee now stands adjourned.

[Whereupon, at 11:39 a.m., the subcommittee was adjourned.]

APPENDIX



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

Subcommittee on the Indo-Pacific
Young Kim (R-CA), Chairwoman

July 11, 2023

Revised

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 at 10:00 a.m. in Room 210 of the House Visitor's Center. The hearing is available by live webcast on the Committee website at <https://foreignaffairs.house.gov/>.

DATE: ~~Tuesday, June 14, 2023~~
Tuesday, July 18, 2023

TIME: 10:00 AM

LOCATION: HVC-210

SUBJECT: Achieving Peace through Strength in the Indo-Pacific: Examining the FY24 Budget Priorities

WITNESSES: The Honorable Daniel J. Kritenbrink
Assistant Secretary
Bureau of East Asian and Pacific Affairs
U.S. Department of State

~~Mr. Clay Epperson
Acting Deputy Assistant Administrator
Asia Bureau
U.S. Agency for International Development~~

** Mr. Michael Ronning
Acting Deputy Assistant Administrator
Asia Bureau
U.S. Agency for International Development

****NOTE: Witnesses changed**

*NOTE: Witnesses may be added

By Direction of the Chair

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 202-226-8467 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.

COMMITTEE ON FOREIGN AFFAIRS
MINUTES OF FULL COMMITTEE HEARING

Day 18 Date July Room HVC-210

Starting Time 10:08 AM Ending Time 11:36 AM

Recesses (___ to ___) (___ to ___) (___ to ___) (___ to ___) (___ to ___) (___ to ___)

Presiding Member(s) _____

Check all of the following that apply:

Open Session

Electronically Recorded (taped)

Executive (closed) Session

Stenographic Record

Televised

TITLE OF HEARING:

Achieving Peace through Strength in the Indo-Pacific: Examining the FY24 Budget Priorities

COMMITTEE MEMBERS PRESENT:

Chairman McCaul, Chairwoman Young Kim, Ranking Member Bera, Mr. Sherman, Mr. Buck, Mr. Keating, Mr. Barr, Mr. Castro, Mr. Davidson, Mr. Kim,

NON-COMMITTEE MEMBERS PRESENT:

Mr. Mills, Mr. Moran

HEARING WITNESSES: Same as meeting notice attached? Yes No

(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: (List any statements submitted for the record.)

Rep. Connolly

TIME SCHEDULED TO RECONVENE _____

or

TIME ADJOURNED 11:36 AM

Meg Wagner
Full Committee Hearing Coordinator

**STATEMENT SUBMITTED FOR THE RECORD FROM
REPRESENTATIVE CONNOLLY**

**“Achieving Peace through Strength in the Indo-Pacific:
Examining the FY24 Budget Priorities”
Subcommittee on the Indo-Pacific
House Foreign Affairs Committee
10:00 AM, Thursday, July 18, 2023
HVC-210
Rep. Gerald E. Connolly (D-VA)**

As the fastest growing region in the world, the Indo-Pacific offers immense potential for the United States and its economic, diplomatic, and security interests. As co-chair of the House Taiwan Caucus and the Congressional Korea Caucus, I have long stated the need for comprehensive and sustained engagement in the Indo-Pacific. The region presents a unique opportunity for the United States to cultivate strong economic and diplomatic relationships while establishing a rules-based architecture that neutralizes the PRC’s predatory economic and anti-democratic influence in the region. Absent sustained and determined U.S. engagement, the Indo-Pacific will develop with the help of our competitors at the expense of U.S. national interests.

The Biden administration’s FY2024 International Affairs Budget continues to bring the United States back from the unilateral retreat that defined the Trump administration. The FY2024 request is essentially unchanged from the previous year’s request but represents a 21% increase over the FY2022 actual total. Nearly two-thirds of this increase (63%) is for additional Development Assistance (DA) funds, and important signal in support of democratic governance and civil society participation, while providing an alternative to China’s harmful economic coercion in the region.

House Republicans have insisted that FY24 activities under the Subcommittee on State, Foreign Operations, and Related Programs be cut by a draconian \$7.2 billion compared to the FY23 non-emergency enacted level. Just yesterday, the State and Foreign Ops subcommittee reported a bill that would only include \$52.5 billion for global programs and activities, 15% below the 2023 level. If enacted, and if we include the international food aid funding levels included in the House FY24 Agriculture Appropriations bill, funding for the International Affairs Budget would reach its lowest level since FY2008 in nominal dollars or FY2002 in real dollars. These cuts will not only hamstring our ability to combat climate change, hurt our standing with our allies, and tarnish our reputation in international organizations, these catastrophic cuts are clearly a gift to Beijing and Moscow.

Without a doubt, the Republican SFOPS bill jeopardizes National Security and U.S. strategic interest in the Indo-Pacific. No one said it better than Trump administration Secretary of Defense Mark Esper, who asserts *“When we don’t lead, we create a vacuum that will be filled instead by China, which has only increased its spending on defense, diplomacy, and development. America’s leadership means more than just military capability; diplomacy and foreign assistance are part of it too. This proposed budget would upend that relationship by gutting our civilian toolkit and depriving America of the diplomatic leadership whose benefits I have seen last a lifetime.”* Even for Mark Esper, who was part and parcel to the Trump

Administration's unilateral retreat, the Republican budget is a bridge too far that hamstringing our ability to compete with China.

As co-chair of the Congressional Taiwan Caucus, Congress has deliberated diligently to support Taiwan in their desire to maintain status quo cross-strait affairs. China's mission to export authoritarianism and quash Taiwan's international standing as an economic and democratic powerhouse is one of the reasons why I introduced the Taiwan International Solidarity Act, bipartisan legislation that requires the U.S. government to examine efforts by the PRC to undermine Taiwan's participation in international organizations and with other countries. Cuts by Republicans to our International Affairs Budget will only hurt our ability to advocate for Taiwan's inclusion in international organizations.

The Biden Administration's FY24 International Affairs Budget marks a continued commitment by the United States to be a leader in the Indo-Pacific. Whether it's supporting Taiwan or strengthening our alliance with the ROK, the Biden Administration and Congressional Democrats have met the moment to support a budget that expands our presence and alliances throughout the globe, and especially in the Indo-Pacific. Now our focus must be on defending it.

RESPONSES TO QUESTIONS SUBMITTED FOR THE RECORD

**Questions for the Record Submitted to
Assistant Secretary Daniel J. Kritenbrink by
Chairman Michael McCaul (No. 1 to No. 3)
House Foreign Affairs Indo-Pacific Subcommittee Hearing
July 18, 2023**

Question 1:

Why is the Secretary of State required to sign off on all arms sales cases for Taiwan? What other arms sales cases must the Secretary of State approve?

Answer 1:

Under the Arms Export Control Act, the Secretary of State has the statutory authority to make various decisions related to arms transfers and exports, including approving Direct Commercial Sales (DCS) and Foreign Military Sales (FMS). The Secretary has retained authority to approve arms sales for Taiwan that require Congressional Notification (CN) to ensure his visibility and decision-making prerogative on high-profile foreign policy matters, in line with the prior administration's practice. However, approximately 95 percent of DCS and FMS cases fall below CN thresholds, meaning the significant majority of Taiwan arms sales are delegated to officials below the Secretary for adjudication.

The Secretary electing to directly exercise his statutory authority does not have a meaningful impact on the timelines associated with adjudicating Taiwan arms sales. The Department is taking every measure to expedite Taiwan defense sales to the degree possible and notified a record number of FMS cases in 2022.

Question 2:

How is the Department of State promoting cooperation with the Philippines military? Please provide a description of security assistance programs with Philippine forces underway currently and planned through the end of this year.

Answer 2:

The Department of State closely coordinates with the Department of Defense to support Philippine external defense modernization and partners with the U.S. Coast Guard to improve the Philippine Coast Guard's maritime law enforcement and border security capabilities. We are working with DoD to engage Philippine counterparts on a Security Sector Assistance Roadmap to modernize their defense sector and to identify areas for capacity-building over the next five years. The Department provided \$140 million in Foreign Military Financing this past fiscal year – including a one-time plus-up of \$100

million to procure medium-lift helicopters – and plans to allocate \$40 million in FMF by the end of FY 2023 to support the Philippine Armed Forces and Philippine Coast Guard. The Department of State also convenes dialogues inclusive of the Department of Defense and Philippine counterparts to coordinate bilateral security policy. Recent examples include the July 21 Maritime Dialogue, April 11 2+2 Ministerial, and January 19 Bilateral Strategic Dialogue.

Question 3:

State's Section 5508(b) of the NDAA of FY 2023 did not include information required under paragraphs 6 and 7. Please provide these reporting requirements, and an explanation as to why these were not provided in the initial submission.

Answer 3:

The Department is actively coordinating with DoD and the interagency to provide a more comprehensive response to the section 5508(b) reporting requirement. Given the Taiwan Enhanced Resilience Act's requirements, the Department opted to provide the responses that were ready by the statutory deadline. The remainder will be provided as soon as possible.

**Questions for the Record Submitted to
Assistant Secretary Daniel J. Kritenbrink by
Rep. Andy Barr (No. 4 to No. 16)
House Foreign Affairs Indo-Pacific Subcommittee Hearing
July 18, 2023**

Question 4:

Did you or others at State, including Wendy Sherman and Rick Waters, ever advocate or consult with NSC or other agencies to delay or stop an action, like an entity listing?

Answer 4:

While we cannot share internal deliberations, the Biden-Harris Administration has shown that it takes these issues extremely seriously. We do not pull our punches with the PRC. Our competitive actions are designed to have maximum effect. The U.S. Government has a robust and comprehensive interagency process for actions such as additions of entities to the Commerce Department Bureau of Industry and Security (BIS) and Uyghur Forced Labor Prevention Act (UFLPA) Entity Lists. As a general matter, we do not disclose the details of internal deliberations and discussions between officials.

Question 5:

Have you ever been aware of anyone at State advocating for the delay of a competitive action, military exercises, transits, or Freedom of Navigation Operations related to the PRC?

Answer 5:

As noted, we do not share internal discussions on policy or military operations, which are highly sensitive deliberations for the conduct of our national security policy, but as also noted, the Biden-Harris Administration has shown active resolve in addressing these issues.

Question 6:

What reason would State give to delay a regulatory action by another agency?

Answer 6:

While we cannot speak to hypothetical interagency discussions, we are working actively with the interagency on a range of actions.

Question 7:

Have you or any other official from State ever speculated that an action would lead to conflict with the PRC or the cancelation or postponement of a senior-level meeting?

Answer 7:

We are steadfast in our pursuit of our interest and values. In the week before the Secretary's visit to Beijing, the Department of Commerce added 31 PRC entities to the BIS Entity List, and the Forced Labor Enforcement Task Force (FLETF) added ten PRC entities to the Uyghur Forced Labor Prevention Act Entity List. PRC officials continually express their concerns about the Biden-Harris Administration's listings of PRC entities – including during the Secretary's trip. We are undaunted by this and have continued to do what is needed to protect our national security and foreign policy interests.

Question 8:

Why did the Biden Administration choose not to sanction Hikvision?

Answer 8:

As a matter of policy, the United States does not publicly preview any possible changes or upcoming actions related to U.S. export controls,

sanctions, or law enforcement activity. Hikvision is already on the Department of Commerce's Bureau of Industry and Security Entity List, the Department of Treasury's Chinese Military Industrial Complex Companies List, and the Department of Defense's Section 1260H list as a PRC military company. Under the Biden-Harris Administration, the FCC added Hikvision to its covered List, prohibiting authorization of equipment through the FCC's Certification process.

Question 9:

Do you believe Hikvision meets the legal criteria for sanctions under GLOMAG – which includes providing material support to those responsible for gross human rights violations against those seeking to exercise freedom of religion or association? Yes or No?

Answer 9:

We continuously evaluate all options to promote accountability for those involved in serious human rights abuses.

Question 10:

Section 1263(d) of the Global Magnitsky Act requires the President to respond to the Committees by reporting whether Hikvision engaged in sanctionable activity, yet the Administration's response failed to do so. Was such a determination made, and if so, what was it?

Answer 10:

We continuously evaluate all options to promote accountability for those involved in serious human rights abuses.

Question 11:

Were sanctions on Hikvision ever on the Competitive Action Calendar? Yes or No?

Answer 11:

Hikvision is on the Department of Commerce's BIS Entity List, Treasury's Chinese Military Industrial Complex Companies List, and the Department of Defense's Section 1260H list as a PRC military company. The FCC has also added Hikvision to its covered List prohibiting authorization of equipment through the FCC's Certification process.

Question 12:

Have you ever reviewed or been aware of any sanctions package against Hikvision? Yes or No?

Answer 12:

The Biden-Harris Administration has listed Hikvision on Commerce's BIS Entity List, Treasury's CMIC List, and the FCC's covered list.

Question 13:

Have you ever personally advised State Department leaders not to impose sanctions on Hikvision?

Answer 13:

The Biden-Harris Administration has imposed export controls, investment restrictions, and prohibited authorization of Hikvision equipment through the FCC's Certification process. As a general matter, we cannot disclose the details of internal deliberations and discussions among officials.

Question 14:

Would you assess that the level of PRC support or transactions to sanctioned Russian entities has been "significant?"

Answer 14:

Since Russia launched its full-scale invasion of Ukraine, we have made clear to the PRC that arming Russia or providing Russia the means to systemically evade sanctions would have serious implications for our

relationship and the PRC's relationships around the world. The PRC has said publicly that it will not provide lethal aid to Russia for use against Ukraine. As Secretary Blinken has said, we have not seen any evidence to contradict that. We nonetheless have ongoing concerns that PRC entities may consider providing dual use items and other support that Russia could use to advance its war against Ukraine. We remain vigilant in monitoring these actions. We will impose costs on PRC entities supporting Russia's war effort, as we did when the United States sanctioned PRC firm Spacety and China HEAD Aerospace under E.O. 14024, both of which were involved in providing satellite imagery Wagner used to conduct military operations in Ukraine. Since Russia's war against Ukraine began, we have sanctioned 17 PRC entities and placed 22 PRC entities on the Entity List for their role in supporting Russia's war of aggression. We also refer to you the Department's quarterly report to Congress on the PRC's support to Russia.

Question 15.

Does China meet the legal criteria under CAATSA—i.e., facilitating a significant transaction or transactions for sanctioned Russian entities—for sanctions?

Answer 15:

The PRC's Equipment Development Department (EDD) and its then director Li Shangfu were sanctioned under CAATSA Section 231 in September 2018 for knowingly engaging in significant transactions with Russia's defense sector. These transactions involved the PRC's purchase of Su-35 fighter aircraft and S-400 surface-to-air missile system-related equipment from Russia. The Secretary of State makes sanctions determinations under CAATSA 231 on a case-by-case basis using a multi-factor analysis of all relevant facts. The Secretary has not made any further determinations under CAATSA 231 that involve PRC entities, and we cannot prejudge any potential sanctions determinations by the Secretary.

Question 16:

Can you please provide an update on the State Department's implementation of the Taiwan Fellowship Act? Congress has not received an update on the Act since the funds were authorized and appropriated in the 117th Congress.

Answer 16:

We continue to actively discuss and negotiate an MOU with Taiwan authorities on the implementation of the Taiwan Fellowship Act. Taiwan authorities received a draft MOU and are currently reviewing the text. After we finalize the MOU, we will initiate an open, competitive bidding process to select the most appropriate implementing partner.

**Questions for the Record Submitted to
Assistant Secretary Kritenbrink by
Chairman Michael McCaul (#1)
House Foreign Affairs Committee
July 18, 2023**

Question 1:

Why did State recently pull down DDTC 22-087 which included a license to provide defense services to Taiwan?

Answer 1:

DDTC 22-087 was inadvertently notified due to an administrative error, rescinded, and then promptly re-notified on July 17, 2023. Supporting Taiwan in maintaining a sufficient self-defense capability is among the Department's top priorities, and we continue to expedite the transfer of defensive arms and equipment to Taiwan to the greatest extent possible.

**Questions for the Record Submitted to
Assistant Secretary Daniel Kritenbrink by
Representative Joaquin Castro (No. 1)
House Foreign Affairs Indo-Pacific Subcommittee Hearing
July 18, 2023**

Question 1:

After the May 2022 ASEAN Special Summit, the White House announced that the administration will double the Young Southeast Asian Leaders Initiative within three years. I led legislation in the House to strengthen and expand this program.

And this announcement, of course, was welcome news. Yet the fiscal year 2024 budget request for the State Department did not include a request for additional funds in line with the President's announcement in May of 2022. How is the State Department going to find funds to double the YSEALI program?

Answer 1:

Thank you for your support of the Young Southeast Asian Leaders Initiative (YSEALI), the U.S government's signature program to strengthen leadership development and networking in Southeast Asia. In recognition of the value of this exchange program in advancing the policy of the United States in the Indo-Pacific region, the Administration announced a doubling of the size of YSEALI within three years at the U.S.-ASEAN Special Summit in May 2022, which was intended to augment YSEALI's academic and

professional fellow exchanges by 2025. The Department of State is committed, contingent upon the availability of funds, to expanding the number of academic and professional fellows from 450 to 900 starting in FY 2024. To this end, the FY 2024 budget request for the Educational and Cultural Exchange account included \$16.5 million for YSEALI exchanges, representing an increase of \$6.2 million over FY 2023 to support the program's expansion.