

**NOMINATIONS OF THE 112TH  
CONGRESS—FIRST SESSION**

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**HEARINGS**

BEFORE THE

**COMMITTEE ON FOREIGN RELATIONS  
UNITED STATES SENATE**

ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

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MARCH 16 THROUGH DECEMBER 8, 2011  
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Printed for the use of the Committee on Foreign Relations



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S. HRG. 112-399

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U.S. GOVERNMENT PRINTING OFFICE

74-273 PDF

WASHINGTON : 2012

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COMMITTEE ON FOREIGN RELATIONS  
112TH CONGRESS—FIRST SESSION

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\*Note: WILLIAM C. DANVERS (assumed *Staff Director* position as of October 3, 2011)

## NOMINATIONS

TUESDAY, NOVEMBER 8, 2011

U.S. SENATE,  
COMMITTEE ON FOREIGN RELATIONS,  
*Washington, DC.*

Hon. Roberta S. Jacobson, of Maryland, to be an Assistant Secretary of State for Western Hemisphere Affairs  
Hon. Mari Carmen Aponte, of the District of Columbia, to be Ambassador to the Republic of El Salvador  
Adam E. Namm, of New York, to be an Ambassador to the Republic of Ecuador  
Elizabeth M. Cousens, of Washington, to be Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador; and, to be an Alternate Representative of the United States of America to the Sessions of the General Assembly of the United Nations, during her tenure of service as Representative of the United States of America on the Economic and Social Council of the United Nations

The committee met, pursuant to notice, at 10:05 a.m., in room SD-419, Dirksen Senate Office Building, Hon. Robert Menendez presiding.

Present: Senator Menendez, Cardin, Rubio, Risch, and DeMint.

### **OPENING STATEMENT OF HON. ROBERT MENENDEZ, U.S. SENATOR FROM NEW JERSEY**

Senator MENENDEZ. Good morning. This hearing of the Senate Foreign Relations Committee will come to order.

Today the Senate Foreign Relations Committee considers four nominations: the Acting Assistant Secretary, Secretary Roberta Jacobson, to be the Assistant Secretary of the Bureau of Western Hemisphere Affairs will be our first panel.

The other nominees are Ambassador Mari Carmen Aponte to be the Ambassador to El Salvador, Mr. Adam Namm to be the Ambassador to Ecuador, and Ms. Elizabeth Cousens to be the U.S. Representative to the Economic and Social Council of the United Nations.

So let us welcome all the nominees and their families.

I have some brief introductory remarks, and I'll ask Senator Rubio for his remarks.

We'll give each of you an opportunity to make a brief opening statement and please feel free to introduce any family members you have with you at that time. We certainly would like to welcome them.

Let me congratulate you all on your nominations. If you are confirmed, you'll serve the United States and will be called upon to implement the policies of the U.S. Government and protect and advance the interests of the American people.

I would encourage you to respond expeditiously to any questions that you may receive either through the course of the nomination hearing or subsequently from other members, for the record, so that the committee can act on your nominations as soon as possible. The deadline, for the submission of questions for the record for members, is noontime on Wednesday.

Three of today's nominees are being considered for positions related to the Western Hemisphere. The bureau and embassies you're being called upon to lead are in the forefront of our relationship with the hemisphere, a relationship that because of its geographic proximity to the United States and our history, our economic and social ties, and even our shared problems, demands as much attention and resources as those places that seem to dominate the front page of the New York Times and the Washington Post.

The Western Hemisphere is our hemisphere, and its nations are our friends, our neighbors, our allies, and our economic partners. While America's relationship with our neighbors in the region hasn't always been superlative, today I'm pleased to describe our relationship as a partnership. It is, in fact, a partnership in which the United States has as much to gain from its relationship with the region as the region does from its relationship with the United States.

The issues that concern the people of Latin America are the same issues that concern the people of the United States—organized crime, including trafficking in drugs, weapons and people; terrorism; environmental degradation; economic challenges; high unemployment; health issues. All are challenges that we have common cause in seeking to meet.

March marked the 50th anniversary of President Kennedy's Alliance for Progress. At this milestone, most of the countries in Latin America, with one very notable exception, are free with representative democracies.

At the Summit of the Americas in Trinidad and Tobago last year, the President proclaimed a policy of partnership with the Americas, which he began to fulfill during his visit to Brazil, Chile, and El Salvador. The President's initiative reflects the maturing of our evolving relationship with Latin America.

For Ambassador Aponte and Mr. Namm, the challenges each of you face vis-a-vis your host governments will be unique. If confirmed, we are very interested and invested in your success.

In El Salvador, we see a country that has made great economic stride but still faces high levels of poverty and violence, often exacerbated by the growing problems of narcotrafficking.

In Ecuador, the political challenges between our countries are gradually improving, and our mutual interest in combating narco-

trafficking and cooperating in Ecuador's strong economic development must lead us to continue to strengthen our ties.

And Ms. Cousens, if confirmed, would have a very important position as the U.S. Representative to the Economic and Social Council. The council is responsible under the authority of the General Assembly for the economic and social programs of the United Nations. Its functions include promoting higher standards of living, improving conditions of economic and social progress, solutions to international economic, social, health and related problems, and universal respect for human rights and fundamental freedoms for all.

I also understand from Ambassador Rice that she would very much like you to be in position in New York at the U.N. to address other issues that threaten the peace and stability that the U.N. seeks to achieve. So we are glad we were able to get you on to today's agenda.

I look forward to all of your opening remarks and to our dialogue.

Let me turn to Senator Rubio for his opening comments.

**OPENING STATEMENT OF HON. MARCO RUBIO,  
U.S. SENATOR FROM FLORIDA**

Senator RUBIO. Thank you, Chairman.

And I want to thank the nominees for their continued service to our Nation and for their testimony today. I am very interested in hearing your perspectives on the countries that you've been assigned to and the administration's next step to advance U.S. interests in the region and the Western Hemisphere. There's no doubt that a prosperous, democratic, and stable Western Hemisphere is crucial to the United States, to our own safety and to our own prosperity.

In the past three decades alone, we've seen remarkable success stories that underscore the undeniable benefits of a greater democracy and transparency. We've seen promarket economic policies and security cooperation against transnational organized crime.

But the progress is not evenly spread, unfortunately. There are still some nations that have made great strides in some or all of these areas, but others have still an uphill climb.

And today we'll hear about two different nations that, in some ways, have headed in opposite directions, in El Salvador and Ecuador.

El Salvador remains a close friend and ally. Its leaders have chosen to overcome its governance challenges and the legacy of the cold-war-era civil conflict by investing and trying to strengthen their democratic institutions, and embracing and trying to embrace the benefits of a free and open market.

On the other hand, in Ecuador, its President, Rafael Correa, is following a different, more ominous path. He's cultivated ties with antidemocratic forces found in the ALBA group, particularly Venezuela, Bolivia, Nicaragua, and Cuba, and international pariahs such as Iran. Additionally, individual freedoms and property rights are being steadily eroded there while the government shuns economic policies that would foster prosperity through free and open markets.

American leadership is needed now more than ever to advance the forward-looking solutions that strengthen democratic values and provide for good governance. If we stick to America's principles and follow through on our promises, we really do have an opportunity to promote and foster positive change in this region.

The work that we are doing now can and should be laying the groundwork for the Western Hemisphere to become the first to be wholly led by working democracies, something that will truly be a great part of our national legacy.

So I look forward to hearing today's testimonies, and I hope to learn more about some of the specific initiatives and the challenges that lie ahead. Thank you.

Senator MENENDEZ. Thank you.

So let me recognize Roberta Jacobson, the nominee to be the Assistant Secretary of the Bureau of Western Hemisphere Affairs. She is currently Acting Assistant Secretary and Principal Deputy Secretary of the Bureau at the Department of State. She previously served as Deputy Assistant Secretary for Canada, Mexico, and NAFTA; Director of the Office of Mexican Affairs; Deputy Chief of Mission at the U.S. Embassy in Lima.

She received a B.A. from Brown University, M.A. from Tufts Fletcher School of Law and Diplomacy.

And with that, we look forward to your testimony.

**STATEMENT OF HON. ROBERTA S. JACOBSON, OF MARYLAND,  
TO BE AN ASSISTANT SECRETARY OF STATE FOR WESTERN  
HEMISPHERE AFFAIRS**

Ms. JACOBSON. Thank you, Chairman Menendez, Ranking Member Rubio, members of the committee.

I am honored by the confidence that President Obama and Secretary Clinton have shown in nominating me to serve as Assistant Secretary of State for Western Hemisphere Affairs. If confirmed, I look forward to working with Congress, and in particular this committee, to advance our interests throughout the hemisphere.

I am also very grateful to the members of my family who are here today: my husband, Jonathan, my sons, Gil and Daniel, my sister, Caryn, and brother-in-law, Richard.

I am the daughter of parents who believed there was no higher calling than public service and who would be enormously proud today.

Mr. Chairman, when I entered the State Department in 1986, I could never have imagined I would be asked to lead the 8,000 men and women serving in 50 posts in the Western Hemisphere, but I am so proud of them. They are among the finest public servants and colleagues in the world. I have also been lucky to have had remarkable mentors at the State Department.

Secretary Clinton has noted that although responding to threats will always be central to our foreign policy, it cannot be our foreign policy. Our foreign policy is also about opportunities for the United States in engaging with the world, perhaps nowhere more so than in the Western Hemisphere. It is vital to our economic interests, to our security and global strategic interests, to our core values, and to our society and culture.



This administration has outlined four strategic priorities in this hemisphere: effective institutions for democratic governance, strengthened citizen security, expanded economic and social opportunity, and a clean energy future.

To advance each of these, we have forged pragmatic partnerships with demonstrated results. Strong partnerships in the Americas will be essential to meeting the global challenges we confront today. Whether in NATO or U.N. peacekeeping, climate change negotiations, tackling global hunger or helping Haiti rebuild, countries in this hemisphere are leading the way.

Mr. Chairman, democracy and security are fundamentally linked to the strength of institutions, particularly the judiciary and the police. If I am confirmed, among my highest priorities will be to help increase the capacity of those democratic institutions and to strengthen the rule of law against threats posed by corruption, impunity, and transnational criminal organizations.

Our policy in the hemisphere is firmly rooted in our values of democracy and human rights. We condemn actions that limit freedom of expression or weaken institutions of democratic governance, and we remain steadfast in protecting free and fair elections throughout the hemisphere.

We have expressed our clear concerns with irregularities related to the Nicaraguan elections, and we are committed to enabling the Venezuelan people to fully express their democratic will.

In Cuba, we are keeping faith with human rights activists and dissidents who continue their fight for basic rights, and we will never waver in supporting the right of the Cuban people to freely determine their own future.

Despite the progress of millions rising into the middle class, Latin America remains one of the most unequal regions in the world. If confirmed, I will work to ensure that the United States remains at the forefront of promoting economic and social inclusion in the hemisphere.

Our Pathways to Prosperity initiative has identified successful models for expanding opportunity that we can adapt elsewhere in the Americas.

Achieving progress in the hemisphere also requires a commitment to energy security. Our hemisphere has abundant hydrocarbons, and we are advancing the President's Energy and Climate Partnership of the Americas to strengthen energy security and address the challenges of climate change.

As you know, Mr. Chairman, many of the citizens of the hemisphere lack the skills to take advantage of global opportunities. To address this education gap, the President has challenged us to expand student exchanges with the 100,000 Strong for the Americas program.

The youth demographic also requires that we develop more agile and tech-savvy diplomacy, and we are complementing our official engagement with NGO outreach and the smart use of social media.

Mr. Chairman, I am confident that the new partnerships we are forging are the best way to work with a region where many countries now have both the will and the capacity to be equal partners. These times demand a different kind of U.S. engagement, one that

is broader and more direct, younger and more global than ever before.

Thank you very much, and I look forward to answering your questions.

[The prepared statement of Ms. Jacobson follows:]

PREPARED STATEMENT OF ROBERTA S. JACOBSON

Chairman Menendez, Ranking Member Rubio, members of the committee, it is an honor and privilege to be here today as President Obama's nominee to be Assistant Secretary of State for Western Hemisphere Affairs. I am grateful for the confidence that President Obama and Secretary Clinton have shown in nominating me to serve in this position. If confirmed, I look forward to working with the Congress, and in particular this committee, to strengthen our ties with, and advance our interests throughout, the Western Hemisphere.

I am also very grateful to the members of my family who are here today: my husband, Jonathan; sons, Gil and Daniel; and sister, Caryn, and brother-in-law, Richard. I am the daughter of parents who believed deeply in public service, and who would be enormously proud today. As a member of the Senior Executive Service who has truly come up through the ranks, I have also been lucky to have had a series of remarkable mentors at the State Department, to whom I am deeply indebted. I am particularly grateful to Arturo Valenzuela for selecting me as his deputy.

Mr. Chairman, I entered the State Department in 1986 as a Presidential Management Intern and have spent my entire career focused on this hemisphere. I am so proud to have been asked to lead the Foreign Service and Civil Service employees—and Locally Employed Staff who represent the United States here in Washington and overseas—they are among the finest public servants and colleagues in the world. The Bureau of Western Hemisphere Affairs is the second-largest of the regional bureaus with over 8,000 employees serving in 50 posts. Of course, our work in the Americas is done hand in hand with dedicated colleagues from USAID, DOD, DOE, DHS, DOJ, Treasury, USTR and many other agencies. This “whole of government” approach reflects our increasingly broad engagement in the Americas and is critical to advancing our core national interests in the region. And among the most important of those interests is protecting Americans, whether at home or abroad.

I have worked on U.S. policy in the Western Hemisphere for more than a quarter century, and I remain passionate about this hemisphere, our leadership in it, and the great things we can achieve together. As Secretary Clinton has said, the Western Hemisphere is more vital than ever to our fundamental interests as a nation. To our economic interests, as we rebuild our economy and our competitiveness for a new era; to our security and global strategic interests; to our core values, as we work to advance democracy and human rights everywhere; and to our society and culture, as the profound connections among our people make us more vibrant and innovative. Secretary Clinton has called this the power of proximity—and she does not just mean geographic proximity, but the proximity of our basic interests and challenges and what it will take to overcome them.

This administration has outlined four strategic priorities in this hemisphere that guide our policies: effective institutions for democratic governance; strengthened citizen security; expanded economic and social opportunity for all; and a clean energy future. To advance in each of these areas, we have forged pragmatic, flexible partnerships with demonstrated results.

As both the President and Secretary have made clear, we also welcome the global engagement of countries across the Americas, and constantly work to leverage our regional engagement on a wide range of global priorities. First, I would like to start with the global context before turning to our current efforts in the hemisphere and the results they have yielded. Finally, I want to emphasize the primacy of improved education—in both quality and opportunity—as the sine qua non of all our policies.

GLOBAL ISSUES

Strong partnerships in the Americas will be essential in meeting the global challenges we confront today. While our diplomats must build more robust bilateral ties, they must also construct effective multilateral relationships that enable us to work within and across regions on complex global issues. The range of hemispheric contributions to issues of global importance is striking. Canada provided leadership for the NATO effort in Libya; Uruguay is the largest per capita contributor to United Nations peacekeeping operations in the world; Mexico's astute diplomacy advanced global climate change negotiations; Brazil is sharing best practices on conditional cash transfer programs and providing assistance in Africa. Within the region as

well, we have developed innovative partnerships for the common good. These include South American leadership in Haiti, including in MINUSTAH, after the devastating earthquake, and Colombia offering its security expertise to Central America in coordination with our efforts to address transnational crime.

Two key events in the space of a month, thousands of miles apart, will highlight the Americas' growing global role. The President traveled to France for the G20, and he and Secretary Clinton will soon travel to Hawaii to participate in the Asia-Pacific Economic Cooperation forum and North American Leaders Summit. In these fora, our leaders work to expand economic opportunity for the United States by increasing the exports and trade opportunities that will create more jobs for Americans. Argentina, Brazil, Canada, and Mexico attended the G20; Canada, Mexico, Peru, and Chile will be at APEC to promote free trade and economic expansion throughout the Pacific rim. Secretary Clinton believes that these countries will "accept the responsibility that comes with the new influence . . . and that they will be fully integrated into the international order." This is why we engage in such robust dialogues with Canada, Brazil, Colombia, Mexico, and others. And it is why, in addition to the Department's regular exchanges with the European Union, we are engaging an increasing number of Asian partners—including China, Korea, Japan, and, soon, India—in dialogues on issues related to Latin America and the Caribbean.

As the countries of the Americas enhance their global profile—a trend we support and encourage—and make important strides at home, we cannot lose sight of the serious challenges that remain. Transnational crime threatens citizens throughout the hemisphere. Continuing inequality and poverty limit opportunity. Inadequate education systems continue to handicap our most vulnerable citizens. To varying degrees, a minority of countries abrogate their citizens' fundamental rights.

#### DEMOCRACY AND SECURITY: THE IMPORTANCE OF INSTITUTIONS

I see democracy and security as being fundamentally linked to the strength of hemispheric institutions. Electoral democracy can only flourish if citizens and their leaders respect the basic rule of law, and pervasive violence and insecurity inevitably threaten fundamental freedoms and civil liberties. Achieving both freedom and security depends upon the establishment of stronger institutions. This has been a core priority of my role as the Bureau's coordinator for Citizen Security and will continue to be a priority for me if I am confirmed as Assistant Secretary.

In my current role, I am responsible for coordinating our security initiatives in the Western Hemisphere with other bureaus in the Department, with our inter-agency partners, with host nations, and with donors. Through this work, it is increasingly clear to me that for our efforts to succeed, democratic institutions must be strengthened—particularly the judiciary and the police. Democracy requires that all citizens can seek and find justice as equals before the law. This is why we place such importance on programs that aid Honduran law enforcement to create task forces to solve and deter crimes against journalists, woman, LGBT persons, and human rights activists, and our programs in Mexico that support alternative dispute resolution mechanisms so that suspects do not spend years awaiting trial. Similarly, in Guatemala we are supporting community councils where local leaders—often women—channel their concerns about security to government leaders, who can then be held accountable.

If I am confirmed, among my highest priorities will be to increase the capacity of law enforcement and judicial institutions and to strengthen the rule of law against the threats of corruption and impunity. We know that this is a fight we must win for all the citizens of the hemisphere, including Americans at home.

Of course, we recognize that not all countries in the hemisphere welcome our policy of pragmatic partnerships. In cases where cooperation remains difficult, we will seek areas of convergence and remain open to a more positive relationship, within the context of our fundamental values on democracy and human rights. That is why, should I be confirmed as Assistant Secretary, I will speak out clearly and without hesitation when fundamental democratic principles are threatened and work closely with our partners in the hemisphere to stand together against those threats.

We condemn governments that limit freedom of expression, weaken institutions of democratic governance, centralize power in the Executive, and limit the legitimate rights of the political opposition. In celebrating the 10th anniversary of the Inter-American Democratic Charter, Deputy Secretary Burns noted that "the obligation to democracy neither begins nor ends at the ballot box. Even democratically elected governments can threaten democracy if they do not respect its safeguards, institutions, rules and values." Protecting democracy is a hemispheric value. When democracy is threatened, we must all speak up. Although we are ready to provide leadership, and will not hesitate to do so, the United States can defend democracy

in the hemisphere most effectively when we are joined by our hemispheric partners, including multilateral organizations such as the OAS.

In Cuba, we are working to expand the connections between U.S. and Cuban society and open the way for meaningful support of Cubans who are striking their own path, while we keep faith with human rights activists and dissidents who have fought for basic rights for years. With our efforts, more Cubans have access to information and independent connections to the American citizens who are the best ambassadors of our values. We have never wavered in our support of the right of people in Cuba to freely determine their own future—rights far too long denied to them. We also continue to seek the unconditional release of American citizen Alan Gross, a dedicated development worker who has been unjustly imprisoned in Cuba for nearly 2 years.

Cuba clearly departs most fundamentally from the region's core democratic values and elections alone do not constitute a democracy, but we remain steadfast in protecting free and fair elections throughout the hemisphere. Together with a broad range of partners we worked to ensure that Haiti's elections accurately reflected the will of the Haitian people. We have expressed our clear concerns with the irregularities related to the recent electoral process in Nicaragua, in keeping with the Inter-American Democratic Charter, and we are committed to doing what we can, in partnership with others in the region, to promote the ability of the Venezuelan people to fully express their democratic will.

#### SOCIAL AND ECONOMIC INCLUSION

If confirmed, I will work to ensure that the United States remains at the forefront of promoting economic and social inclusion in the hemisphere. The economic story of many nations in the hemisphere is extraordinarily positive; the combined economies of Latin America grew 6 percent last year, and millions of people are rising out of poverty and into the middle class. The passage of the free trade agreements with Colombia and Panama represents a major diplomatic milestone and they will be an important tool in furthering integration and creating the jobs that will offer opportunity and higher standards of living. As the State Department focuses on what Secretary Clinton calls economic statecraft, the Americas will be a priority, for as she said, "We believe in the power of proximity to turn growth across the Americas into recovery and jobs here in the United States."

Despite the progress we have seen, Latin America remains one of the most unequal regions in the world, where millions of citizens are struggling to escape poverty. A key priority of U.S. policy is to ensure that the benefits of economic growth are broadly shared throughout these societies. Free trade agreements are among the tools being harnessed to achieve this.

In October, the U.S. joined another dozen countries along with the OAS, IDB, and others, in the Dominican Republic for the Fourth Ministerial for Pathways to Prosperity, our signature initiative to share best practices and facilitate economic growth that is more socially inclusive, by empowering small business, facilitating trade, building a modern workforce, and promoting sustainable business practices and environmental cooperation. To promote social and economic inclusion, we are also actively engaging with women, persons with disabilities, LGBT persons, youth, and members of Afro descendant and indigenous communities to ensure that they benefit from this process.

Nowhere in the hemisphere do our efforts on security, democracy, and economic and social inclusion come together more clearly than they do in Haiti—one of the President and the Secretary's highest priorities. Last year's devastating earthquake did not just reveal geological fault lines. Today, as President Martelly's government sets about the enormous challenge of creating accountable, transparent institutions, and rebuilding to reduce poverty and disease in Haiti, our leadership has accomplished a great deal, although there is still much more to be done. From rubble removal to increased agricultural yields, to the opening of a new industrial park, our regional partners have joined with us and the international community to answer the call and demonstrate just how much these partnerships can accomplish for the people of Haiti.

#### ENERGY

Advancing social and economic progress in the hemisphere will also require a renewed commitment to energy security. This is especially important in the Americas, which supplies over half of our imported oil. Not only is the region home to abundant hydrocarbons, but many countries are leading in the development of renewable energy, and leaders are committed to working together to strengthen energy security and address the challenges of climate change. In recognition of this reality, the

President created the Energy and Climate Partnership of the Americas (ECPA) at the last Summit of the Americas. It promotes clean energy technologies, low carbon development, reduced emissions from deforestation, and climate-resilient planning. ECPA also serves as a vehicle for public-private partnerships including the promotion of promising, innovative, clean, and renewable energy projects, and financing mechanisms that bridge the gap among investors, clean energy entrepreneurs, and project developers. Beyond ECPA, we maintain energy dialogues with Brazil, Canada, and Mexico. We also have bilateral discussions with important regional electricity suppliers, like Colombia, which is working to link electricity grids with Panama and its Andean neighbors, and increase exports of clean power to its neighbors.

All the themes I've mentioned will be highlighted in the objectives that the United States will seek to advance at the upcoming Summit of the Americas, scheduled to take place next April in Cartagena, Colombia. The summit is an opportunity to reaffirm, reinvigorate, and drive our common agenda. The theme of the summit is "Connecting the Americas: Partners for Prosperity" and this gathering will enable us to solidify our achievements over the last 3 years and launch new initiatives with partners in the region to achieve our goals.

Mr. Chairman, I would like to highlight one final topic in particular that is central to so much of our strategy in the hemisphere: education. Just as judicial systems are central to strong democratic institutions, expanding the quality and reach of education is also critical to advancing the ambitious project of a prosperous and democratic hemisphere.

The hemisphere's children will grow up in a region that has witnessed the rapid proliferation of global business opportunities. But many of its citizens lack the education, skills, and training to take advantage of this historic shift. Addressing this education gap will be crucial to the future competitiveness of the Americas. During his visit to Chile in March, President Obama announced a new goal, "100,000 Strong in the Americas," to increase the number of U.S. students studying in Latin America and the Caribbean to 100,000, with the reciprocal number of students from the region studying in the United States. President Rousseff launched her "Science without Borders" program to give more Brazilians opportunities, especially in the critical fields of science, technology, engineering, and math. We are asking the private sector to support exchange programs, finance scholarships, and offer internships, training, and mentoring for exchange students.

Through USAID programs, the United States is supporting literacy education and increasing access to education opportunities for disadvantaged groups. Even our citizen security programs support education to provide training and internship opportunities for youth to ensure they have alternatives to violence and crime.

The youth demographic in the Americas will also require the United States to develop more agile and tech-savvy diplomacy. We must be as good at NGO outreach, citizen-to-citizen exchange, and using social media as we are at delivering traditional diplomatic messages. We are working with social media leaders to leverage technology to solve real world problems. We have organized TechCamps in Santiago and Montevideo and are planning another in conjunction with the Summit of the Americas. These are examples of government, private sector, and civil society coming together to develop innovative ways for technology to broaden educational opportunities. If we are to meet the challenges we face as a hemisphere, we must fully harness new technologies.

#### CONCLUSION

Mr. Chairman, during my 25 years working on this region at the State Department, I have witnessed this hemisphere undergo dramatic and positive changes. I am confident that the new partnerships we are forging and leading are the best way to work with a region that is rapidly coming into its own, where many countries now have both the will and the capacity to be equal partners. These times demand a very different kind of U.S. engagement—an engagement that is broader and more direct, younger, and more global than ever before.

Mr. Chairman, this committee has invested heavily in supporting our priorities in the Western Hemisphere in recent years and I want to thank you for that support. All of you have been among the most important advocates for these vital issues and relationships. Engagement between the executive and legislative branches is essential to achieving our shared objectives. If confirmed by the Senate, I would be honored to work with you, your staffs, members of this committee, and the Congress, to advance the goals we all share in the Americas. Thank you and I look forward to answering any questions you and the committee may have.

Senator MENENDEZ. Well, thank you.

So we'll start our 7-minute rounds, and we'll see how far we go.

I have consistently raised the concern, and certainly the position for which you are nominated for would be important in making this concern less of a concern, and that is the funding decreases for Latin America.

We have seen Secretary Clinton focus on the tension in the hemisphere in the last months, certainly with her visits to El Salvador and Guatemala, which is great. But funding for the region suggests that it is not a priority for this administration and that we haven't yet made the connection between poverty, citizen security, transnational crime, narcotics trafficking, and U.S. interests.

And I see as an example of that a 14-percent decline in our assistance to the hemisphere. And I understand the challenge of money, but there is just a question of priorities within the existing resources.

I see that the lack of exertion by State and Treasury on behalf of a capital increase for the Inter-American Development Bank, the only—only—regional bank to not receive the full amount of its requested capital increase.

So I look at the confluence of that funding decrease, the only regional bank in the world not to receive its requested capital increase, and then I look at our whole area of a 43-percent decline in counternarcotics. I put some of that toward Merida moving along, but not all of it.

And so I say to myself, where is the importance given to this hemisphere? And what will you do, if confirmed, sitting on the seventh floor, to play a role in making sure that the appropriate allocations commensurate with the importance of the hemisphere take place?

Ms. JACOBSON. Thank you, Mr. Chairman. And you have always been a stalwart supporter of efforts in this hemisphere, for which we're grateful.

In funding the programs in the hemisphere, we know that, in some cases, expenditures are going down because programs are proceeding, as you said, in Mexico with Merida. In Colombia, we are moving toward nationalization of programs that we have supported for a long time.

But there are many areas in which we've been able to continue funding at the same levels or actually increase them, such as in the Caribbean and in Central America. And so the priority areas that we think need funding, we've been able to try and maintain even in an era of very tight budgets.

Let me also address the IDB issue. The Secretary has been very clear with us and working with our colleagues at Treasury that we think it's critically important that the IDB get full funding, and that overall the President's request under the GCI be fully funded. The IDB is a partner in so many areas in the hemisphere, most critically perhaps in Haiti, but frankly also in the efforts we're making on citizen security in Central America.

Senator MENENDEZ. But you didn't step up to the plate—not you personally—but the Department did not step up to the plate.

Ms. JACOBSON. Well, we're working—

Senator MENENDEZ. The only regional bank that did not receive—everybody—I heard the voices of the Department as it related to everybody else. I didn't hear it about the IDB.

Ms. JACOBSON. Well, I think that if it wasn't made as loudly or as clearly as it should have been, we're working with our colleagues in Treasury to overcome that, because we do feel strongly about that funding.

Senator MENENDEZ. So if you are to be confirmed—

Ms. JACOBSON. Senator, that will be—

Senator MENENDEZ [continuing]. You'll do what?

Ms. JACOBSON. That will be an extremely high priority, and I will be working both with colleagues in other agencies, but also with my own seventh floor, as you note, to be a passionate advocate for this hemisphere and to ensure that we get all of the resources requested by the President and are able to advance those arguments within the U.S. Government and here with our colleagues in Congress.

Senator MENENDEZ. Let's turn to a different topic, authoritarian trends in the hemisphere.

You know, I want an Assistant Secretary in charge of the Western Hemisphere who is going to make it very clear in her work and with our ambassadors in the hemisphere that democracy, human rights, free press are critical elements and a significant part of the mission of those who are our ambassadors in the hemisphere.

And I look at a resurgence of authoritarianism combined with a tolerance for corruption and resulting weak institutions and judiciaries threatening democratic processes, of course, in Venezuela, in Bolivia, in Ecuador, in Nicaragua, and even Belize and to some degree in Argentina.

So what role do you see the United States playing in providing support to civil society organizations, the independent media, and other grassroots groups advocating for government transparency, a free press, and judicial reform?

Ms. JACOBSON. Thank you, Senator. I think that you have well stated the importance of those efforts.

We are undertaking a number of programs to work with independent journalists, to support journalists who are under threat, whether that be from transnational criminal organizations or from government restrictions.

And all of the U.S. Ambassadors in the hemisphere have the mandate of strengthening civil society and working with civil society just as they work with governments or try and work with governments to advance our interests. Because in the end, it is not just the institutions of government that provide for a democracy, it is strong civil society institutions and the ability of people to organize and to convey their views to their governments that are critical.

In some countries, we will work more with civil society than we do with governments, depending on the circumstances. So that is an incredibly important priority for our ambassadors and for me personally.

Senator MENENDEZ. Well, I just want to close on that note, and in terms of what I increasingly sense is a targeting of the media.

And this is incredibly important if people in the hemisphere are to be able to understand what is happening in their own countries.

And I think it is reflective of a sense of crisis, a sense of urgency, which I don't sense that we share. But it is expressed in an October speech by the president of the Inter American Press Association, Gonzalo Marroquin, who said, "We are in a war between authoritarianism and democracy. The free press is under increasing attacks, and governments are resorting to political prosecutions, restrictive media laws and economic pressure to censor independent media outlets."

That to me is the beginning of a demise of the essence of democracy in those countries. And I hope that we will have a heightened sense of that with our embassies in the hemisphere, in terms of them both speaking out when it is appropriate, and engaging those entities when it is appropriate, in a much more robust way. And I would hope that you, as the Assistant Secretary, would lead that effort.

Ms. JACOBSON. Thank you, Senator.

Senator MENENDEZ. Senator Rubio.

Senator RUBIO. Thank you.

I want to start in Nicaragua.

Good morning, by the way. Congratulations on your nomination.

We had elections over the weekend in Nicaragua, and the Associated Press reports where there was complaints from international observers that raised questions about the margin of victory. For example, an observer for the OAS said that he was blocked from 10 polling stations midway through the voting.

A European Union team said they faced sometimes inexplicable obstacles. My understanding is the Carter Center didn't even cooperate in this on the outset.

What do we know about the elections? What do we know about the process? What are we prepared to say, right now? And what are we prepared to say ultimately in terms of the validity of how it was conducted?

I think that's critical in terms of—as we move forward in our first objective, which is having democratic institutions that function.

Ms. JACOBSON. Thank you, Senator.

In Nicaragua, we have been watching with great concern the processes leading up to this election and through the events of the weekend. For that reason, frankly, we put out a statement on October 31, before the elections, noting our concerns in the process and hoping that the election day itself would take place freely, fairly, without harassment.

We were particularly concerned with the rules under which electoral observation missions would operate. We were concerned with the distribution of identification cards for voters. And we have been concerned with the events of November 6 and the inability of some of the observers to fully mount their missions.

But in particular, we were concerned about the inability of some very important domestic observation groups to observe as well in Nicaragua, and that was not overcome as of the day of the election.

So we are, at this point, waiting for the results of both the OAS and the E.U. observer missions. We're consulting closely with those



missions. And we will speak out unequivocally about the situation in Nicaragua and the processes, which we are very concerned about.

Going forward, I don't know exactly what our statement will be. I don't want to preclude the results of those groups. But I do know that we've spoken out clearly up to this point, and we intend to continue to do so.

Senator RUBIO. Along those lines, Venezuela is scheduled to have elections next year, and there's a lot of back and forth going on about who's qualified to run. And apparently, one of the candidates is qualified to run, but he's not qualified to take office according to the—if he wins.

That being said, what is our vision in terms of the role we intend to play in terms of speaking out on the validity of those elections and how those elections need to be respected as well. I think potentially next year's elections in Venezuela have the potential to be perhaps one of the most important events of this decade in the hemisphere, depending on the outcome of that election, but more importantly depending on how it's conducted.

So what are our general thoughts about how that's progressing, how the opposition seems to be attempting to coalesce, the opposition to Chavez that seems to be coalescing, and trying to present an alternative on the ballot in 2012?

We saw them make significant gains in the last election cycle. What are your thoughts on where we're headed electorally in Venezuela in 2012?

Ms. JACOBSON. Thank you, Senator.

I think we would agree with you that the elections next year in Venezuela have the potential to be an incredibly important event for the people of Venezuela and in the hemisphere. And we have certainly been clear on the importance of the process, a process that led to an increased number of opposition members in the national assembly in the last election, and a process that we hope, moving forward, will truly allow for free and fair elections to take place in 2012.

We did speak out publicly after the Inter-American Court of Human Rights made its decision recently on a Venezuelan, and we'll continue to do so. We try and work with groups, in a non-partisan way, on ensuring that the processes are fair. We'll work with partners through the OAS, if possible.

But we agree that those elections are critically important, and the process leading up to them just as important.

Senator RUBIO. Over the last 9 months, you've also served as the Western Hemisphere Security Coordinator, right? And obviously, I know that that involves a lot of transnational groups, human trafficking, drug trafficking, et cetera. One of the security concerns we should have about the region, however, is an increased P.R. offensive at minimum and actual presence, in the worst-case scenario, by Iran in the region.

Can you describe briefly kind of what the threat of that is? How would you best describe kind of Iran's attempt at growing presence in the Western Hemisphere, and, in particular, kind of the thought processes behind what are the consequences of that, in terms of our

relationship with these countries that appear at least to be increasingly embracing pariah states like Iran?

Ms. JACOBSON. Senator, Secretary Clinton has been very clear in our vision that Iran's presence in the hemisphere is neither positive nor benign. Comments that she made in 2009, in some ways, look very prescient these days.

And we certainly take very seriously Iran's activities in the hemisphere, so seriously that we have taken action in a number of cases where Iranian action with countries in this hemisphere has violated either U.S. sanctions or international sanctions.

As you know, earlier this year we took action against PDVSA, the Venezuelan oil company, for trade with Iran that fell under our CISADA sanctions. We renewed sanctions against Venezuelan military industries.

And we will continue to pay the utmost attention to Iranian actions in the hemisphere and to act when we believe it is in our interest to do so, to sanction, to speak out, obviously, as most recently noted, in the plot against the Saudi Ambassador here in Washington.

And so this administration is committed, and I am personally committed, to continuing to make that issue an extremely high priority for us.

Senator RUBIO. Just as a segue on that, I know my time is about to expire, but concerned, in particular I am personally, about reports of flights between Tehran and Caracas. And I'll tell you primarily the concern is that the countries in the hemisphere, particularly Venezuela, but maybe others, are helping Iran to potentially evade international sanctions. Obviously, that's of concern, I would imagine, to the administration as well.

Any progress on that, anything you could share with us with regard to the efforts we are making now or are willing to make in the future to ensure that those in the hemisphere are not somehow aiding Iran in evading these international sanctions?

Ms. JACOBSON. Yes, Senator. I think that one of the things that we've been very careful is to continue to monitor the situation with Iran. We note that since the sanctions were announced earlier this year against Venezuela, against PDVSA, for violating United States sanctions in trade in oil products with Iran, we have not seen a repeat of that activity. And so, obviously, all of our efforts are aimed at changing behavior to ensure that countries abide by international and U.S. sanctions.

And we will continue to try and monitor most closely and to act if we need to, including not taking off of the table any of the options available to us for further sanctions should they be warranted.

Senator MENENDEZ. Thank you.

Let me just have a few other questions since you have the whole hemisphere, so it's a little difficult to accomplish in a few minutes.

The Keystone XL pipeline, I gather you have not been working on that, but will that be part of your portfolio? Or is that at a different level, should you be confirmed?

Ms. JACOBSON. Thank you, Senator.

As you know, I am recused from that at this time. But if I am confirmed, I do expect that to be a high priority—a high priority for me and my colleagues in the Department.

Senator MENENDEZ. If that is the case, would you commit to come back to the committee to testify about critical issues that have surfaced with the pipeline question? Could we depend upon you, if confirmed, to come back to the committee?

Ms. JACOBSON. Absolutely, Senator, at any time.

Senator MENENDEZ. Let me ask you about Haiti reconstruction. The current status of recovery and reconstruction efforts as we approach the second anniversary of the January 2010 earthquake, what's the status of that, and what effect has the political infighting had on President Martelly's ability to form a government and begin to address the political and legal roadblocks to reform such as land titling? Where are we at?

Ms. JACOBSON. Thank you, Senator.

I think that, as you imply, certainly, the difficulties that President Martelly has had in creating a government, in getting his nominees through his Parliament, have certainly slowed down some of the areas of reconstruction, in particular working on governance issues. And we're extremely pleased that he now has a Prime Minister and his ministers in place, and believe that, at this point, things will move ahead much more smoothly in that area.

However, in other areas, I think that there has been a great deal accomplished in the past year, certainly in areas such as rubble removal, where we have now more than 50 percent of the rubble removed, which is a huge undertaking; one of the largest in the world.

In the issue of agricultural yields, where USAID has been present, we've seen a dramatic increase in the issue of agricultural yields.

And obviously, land titling is still an area in which there is a great deal of progress that needs to be made, but is a high priority and one that we now feel has the attention of the Haitian Government.

Senator MENENDEZ. OK. One final set of questions, Cuba.

Since the Obama administration has eased restrictions on travel and remittances in April 2009, the Castro regime has doubled its hard currency deposits in foreign banks. The Bank for International Settlements reported banks in 43 countries held \$5.76 billion in Cuban deposits as of March of this year. That's compared with \$4.2 billion at the close of 2009 and \$2.8 billion at the close of 2008.

So hard currency is entering Cuba without limits, being exchanged for Castro's worthless currency and whisked abroad by the regime.

Meantime, repression has spiked. Political arrests have more than doubled in the last year. We see a policy that results in trips featuring salsa dancing, cigar factory tours, baseball games, and even visits with Castro's regime's neighborhood repression committees, the Committees for the Defense of the Revolution, which is pretty outrageous—all while an American sits unjustly in prison.

Can you explain to me how this policy, in any sense, makes sense?

Ms. JACOBSON. Senator, our goal in changing the regulations was to, and is to, expand the ability of average Cubans to have contact with Americans not through their government, to have people-to-people contacts.

In doing so, we certainly recognize that there may be economic benefits to the regime, but we believe that they will be outweighed by the benefits to individual Cubans of having that greater access to information and to Americans.

In the issue of tourism, let me be very clear about that. Tourism is still prohibited even under the regulatory changes that the administration has implemented. And the Office of Foreign Assets Control at the Treasury Department has reviewed and rejected and taken action against some proponents or some promoters of activities that do not fall under the regulatory changes, including in areas where they have been pointed to activities by the State Department. And we'll continue to make sure that's understood.

Senator MENENDEZ. Do you think helping a regime that is oppressive of its people; that violates every principle that not only we, as Americans, have, but the International Charter has; that doubling—doubling—its reserves to \$5.7 billion, which only gets used in its security apparatus; and that permits—permits—interchanges with the Committee to Defend the Revolution, which ultimately is a block watch organization that oppresses every Cuban in every village, in every hamlet, that's good policy?

Ms. JACOBSON. Senator, nothing in our policy is intended to help the Government of Cuba in those activities—

Senator MENENDEZ. Whether it is intended or not—excuse me, for interrupting you. But whether it is intended or not, the hard facts are, before our policy changes, Cuba had X amount in reserves. After our policy changes, it has doubled its amount to \$5.6 billion in reserves. That's a hard fact. We can say that wasn't our intention, but that's the hard fact.

The second hard fact is, is that we have all types of visits going on, including with elements of the Committee to Defend the Revolution, which in essence is the people who oppresses the Cuban people. How is that people to people?

Explain to me how that's people to people?

Ms. JACOBSON. Well, that certainly does not fall under what we would consider people-to-people exchanges and the benefits that Cuban citizens may have of increased access to information and the ability to interact with humanitarian groups or church groups or academic institutions, which is what the regulations are intended.

Senator MENENDEZ. How do we explain greater repression, unimaginable that it could be more repressive, but nonetheless that's the reality. And I could introduce into the record a whole host of names that are publicly known that have been arrested or harassed simply because of their human rights activism.

How do we look at a set of facts in which we double the reserve of the Cuban regime, we actually permit visits with Committees to Defend the Revolution, there is greater repression, and we do all of this while an American is sitting in jail unjustly?

I don't understand how you reward a regime for imprisoning an American citizen. I don't get it. I don't get it. And I hope someone at the State Department is going to wake up and say, "You know

what, you don't get anything, and certainly not until you release that American!"

Ms. JACOBSON. Senator, I certainly agree that Alan Gross has been unjustly imprisoned for almost 2 years now, and we will do whatever we can through diplomatic means to try and get him home with his family where he deserves to be. And we certainly agree that the repression that has taken place, and human rights activists and others who have been detained recently, is unconscionable.

And I would hesitate to be able to understand the Cuban Government's actions any further.

Senator MENENDEZ. Well, I don't want to belabor it. I raise it because you are going to be the Assistant Secretary. That is part of your charge in the Western Hemisphere.

I just simply say, it seems to me very elemental. You stop the money; the regime gets the message. The regime has only changed those things that we have found negative for the Cuban people, not even in our interests but in the Cuban people's interests, out of necessity, not ideological change. They have not changed ideologically. It's only when they have necessity that they change.

We double their reserves. We let all types of people go. We have an American sitting there. And we don't use all of our resources—forget about diplomacy—all of our resources to say, you will have nothing to do with us until you release that American.

He's a hostage. They took him particularly because he is, in essence, a hostage.

He is there simply as a tool. Unfortunate for Alan Gross, but he is there as a tool, as a pawn, to try to be used. And it's pretty amazing to me that we continue a policy that ultimately lends itself to that.

So I hope that when you get confirmed, you know, you take this message back to the State Department, that certainly for myself I have a very different strong view about you don't double their reserves, you don't permit visits for the CDR—the Committee to Defend the Revolution. And you certainly do everything you can.

Diplomacy has many tools to it, and it seems to me that a whole bunch of those tools aren't being used to have Alan Gross freed.

Ms. JACOBSON. Thank you, Senator.

Senator MENENDEZ. Senator Rubio.

Senator RUBIO. Thank you.

You outlined in your statement that there are four strategic priorities in the hemisphere, the first being—and I'm glad to see the first being—effective institutions for democratic governance.

On the issue of Cuba, my hope, and I think the answer is "Yes," that our real goal there is to ultimately have Cuba become a democracy—

Ms. JACOBSON. Absolutely.

Senator RUBIO [continuing]. A functional democracy with institutions where people get—so our policies toward Cuba should be geared toward accomplishing that.

And the administration has made a decision that one of the ways it wants to do that is it wants to allow Americans both, you know, Cuban-Americans traveling back to see families, but Americans, through academic institutions, church-based groups, and others,

travel to Cuba under the notion that access to Americans will somehow provide information to the average Cuban, and, therefore, further the cause of ultimately creating some sort of political opening and a democracy.

Is that an accurate reflection of our goals as a result of the—

Ms. JACOBSON. I think that's correct. We believe that kind of purposeful travel is in aid of what we completely agree on, which is a free and open Cuba.

Senator RUBIO. But as you've conceded today, there is a cost-benefit analysis. We understand that the cost of doing that is that it provides hard currency to the regime. The regime uses that hard currency not just to further their own economic interests as individuals, but also to fund the repressive arm of the government.

We know that political repression has increased. We know that there's been an emerging resistance. It's no longer just human rights activists or dissidents. There's an open resistance in Cuba now; a resistance which is being oppressed by political police, basically, and they're funded. And I don't think anyone would argue that some of the funding for that comes from the hard currency that they now have access to as a result of this increased travel.

That's the cost of doing it, which you've conceded.

In exchange, though, the administration's position is that the benefit of having Americans travel to Cuba outweigh the hard currency that's now available to the Castro regime as a result of this travel. Is that right?

Ms. JACOBSON. Certain very clearly defined travel, yes.

Senator RUBIO. So, for example, what specific groups have traveled to Cuba, say, in the last year that we think have helped further the cause of democracy. For example, what particular trips or actual missions to Cuba can we point to that, for example, have met with some of these resistant leaders or have deliverables in terms of actually making progress?

I'm looking for signs that somehow this travel has led to advances that we can point to and say this is something that's contributing toward democracy being closer for the Cuban people. Do we have any groups like that? Do we have any specific travel like that, that we think has made that kind of progress?

Ms. JACOBSON. Senator, I would have to take a look at which specific groups have gone to Cuba very recently. I know that since the regulatory changes were made at the end of January, and it took us a while to get specific guidelines in place, and, obviously, groups are beginning to apply, it's my understanding that there have not been a huge number of groups that have gone under the new regulations. But, obviously, I'll take that back to look at specifically what organizations.

But we do know that some church organizations and religious groups are interested in doing missions, humanitarian work, as well as academics who would like to travel to Cuba.

Senator RUBIO. But if our policy, ultimately, is to foster democracy, shouldn't these groups be evaluated on the basis of what they would do to foster democracy? If a ballet wants to go perform in Cuba, if a sports team wants to go play, shouldn't we analyze that at least to try to figure out what does this do to help foster democracy? Who are you going to get to see, where are you going to get

to express yourself, what are you going to do when you're there that actually fosters our foreign policy toward Cuba, which is the hope of a creation of the underpinnings for a democratic transition?

Ms. JACOBSON. Right. Well, certainly, Senator, I think that the goal in any of these groups going to Cuba is to expose average Cubans to as much about the United States and its culture, its efforts to assist them individually without the intervention of the Cuban Government, as possible. And that may take various forms in the travel of groups that go to Cuba. And hopefully, all of that would aid in getting information, culture, educational materials to the people of Cuba.

Senator RUBIO. But again, and I understand that's the theory behind it, but I would just advocate that if indeed we're going to allow people to travel to Cuba, and our hope is that somehow this travel to Cuba will help foster democracy, that somehow there'll be a nexus established between the trip that they're taking—because we already have conceded that every time they go over there they're turning hard currency over to a repressive regime.

So we've already conceded, the administration has, that there's a price to be paid, that we recognize that these trips are providing hard currency for a repressive regime.

So we should at least try to, in each one of these trips, establish that at a minimum the cost that we're paying by allowing this money to be available to the repressive regime is offset by the benefit of that specific trip.

And I would hope that we would establish a policy that clearly creates a nexus between the trips and our foreign policy toward the island, which is the hope of advancing democracy.

My hope would be that if, in fact, people are going to travel there and organizations are going to travel there, that they could somehow show us how traveling there, in addition to filling some curiosity, is going to actually provide some assistance that will contribute toward the creation of democracy in Cuba.

And my other concern is that Alan Gross was on the island for the purpose of fostering access to information. I'm really concerned about that, because it shows that there are limits—in fact, it proves that there are limits as to what the Cuban regime is going to tolerate in terms of trip—in essence, they're not going to allow people into the island that they think are going to undermine their standing.

It appears to me that they have a filter process in place where they're going to deny access. That's the other part of this equation that I think has been forgotten. Not anyone can just travel to Cuba. If tomorrow someone announced they want to travel to Cuba for the purpose of meeting with five of the leading resistance members, you're not going to get in. They're only going to allow in those people that they think do not undermine their activities.

And we now have evidence of an American citizen that they believe undermined them, and the result, he's now sitting in jail. I think that has to be a major concern, as well, because even though on this side of the equation, things may be very well-intentioned, we can't forget that the other side of the equation is the Cuban regime. And the Cuban regime is not going to openly allow people to come into Cuba that are somehow going to undermine them.

They're going to select and only allow those in that they think don't undermine them.

Isn't that something we're concerned about?

Ms. JACOBSON. That's certainly something that we are concerned about. We're concerned about it, for example, in the democracy programs that we have, which are designed, and our foreign assistance programs, are designed to increase contact or promote information in Cuba.

We certainly make clear to all Americans going to Cuba in all of our public information what the circumstances are in Cuba and the risks they may be taking by traveling.

Senator RUBIO. So we make clear to people who are traveling to Cuba for people-to-people contact, we make clear to them that if they go too far in advocating for democracy or regime change that they could go to jail?

Ms. JACOBSON. I think we have a balance and a responsibility to American citizens to be clear on what the circumstances are in Cuba and what the circumstances of others have been.

Senator RUBIO. Right. No, and I think that's the right thing to do, to warn them. But my point is that if we tell people, "Hey, if you go to Cuba and you speak out in favor of democracy and against the regime, you may go to jail, so really the only safe way to go to Cuba is to travel there and not really do anything more than, you know, cultural stuff, but really don't talk about politics because that could get you in trouble."

I mean, doesn't that defeat the purpose of the people-to-people contact that we're trying to—if indeed the purpose of people-to-people contact is to further democracy?

Ms. JACOBSON. I think, Senator, that we would probably agree that there are lots of different ways we can help the Cuban people determine their own future. And we are going to use all of the tools that we can to try and give Cubans a larger aperture on the world that helps enable them to determine their own future, in particular politically.

Senator RUBIO. OK, my last question.

There were press reports recently about a trip taken by Governor Richardson to Cuba. And in that press report, it claimed that the United States had made some sort of unilateral offers to Cuba in exchange of the release of Alan Gross, that we'd offered to, you know, walk away from democracy programs, that there have been offers.

Could you comment on that? Did that happen? Has the United States been involved in any unilateral-type negotiations promising changes in Cuba policy in exchange for the release of Mr. Gross?

Ms. JACOBSON. Senator, we have never offered unilateral concessions to the Cuban Government in exchange for Mr. Gross. As badly as we would like Mr. Gross returned home, that should be unconditional, so he can be with his family.

Governor Richardson traveled to Cuba as a private citizen, and he was not authorized to present any proposals on behalf of the U.S. Government.

Senator RUBIO. So just to be clear, we have never offered changes in Cuba policy in exchange for the release of Mr. Gross?

Ms. JACOBSON. That is correct. We have not.



Senator RUBIO. Thank you.

Senator MENENDEZ. Thank you.

Just before I turned to Senator Cardin, who I know was very interested in this, let me just make one point that we'd like to follow up at a later time.

The problem with the whole issue with travel, in terms of your own stated purpose, is that you are using a general license. So there is no real way to track after the initial license what it is that people are doing. So they could be meeting Comités de Defensa de la Revolución. You don't know.

So that is a fundamental flaw in the issue of purposeful travel. Senator Cardin.

Senator CARDIN. Thank you very much, Mr. Chairman.

Let me first, if I might, ask consent that a letter addressed to the committee from elected officials in Virginia and Maryland in support of Ms. Mari Carmen Aponte as U.S. Ambassador to El Salvador, including signatures from Ana Sol Gutierrez, who is a State representative; Victor Ramirez, a state senator; and William Campos, a Prince George County councilman, in support of that nomination be made part of our record.

Senator MENENDEZ. Without objection.

[The letter referred to follows:]

NOVEMBER 3, 2011.

Senator JOHN F. KERRY,  
Chairman, U.S. Senate Committee on Foreign Relations,  
Dirksen Senate Office Building,  
Washington, DC.

Reference: Nomination of U.S. Ambassador to El Salvador: Mari Carmen Aponte

DEAR SENATOR KERRY: As Salvadoran-American elected officials representing state and local governments in Maryland and Virginia, we are writing a joint letter to express our very strong support for the nomination of U.S. Ambassador to El Salvador, Mari Carmen Aponte.

Since she was appointed as ambassador to El Salvador by President Obama, Ambassador Aponte has clearly proven her extraordinary ability to represent the best interests of the United States while carrying out the challenging duties of her office and exemplifying the highest level of diplomatic professionalism, effectiveness, and leadership. During her brief service to-date, she has established excellent working relationships with the Salvadoran government as well as with all key sectors of El Salvador's economic, political, and civil society. But more importantly, as El Salvador's first Latina ambassador, she has won the hearts, minds, and utmost respect of the Salvadoran people, both those in El Salvador as well as the thousands of Salvadoran-Americans living in the United States.

As you may be aware, according to the 2010 Census, Salvadoran-Americans now comprise the third largest Hispanic national group in the United States. In Maryland and Virginia, Salvadoran-Americans far out number all other Hispanic national groups in the area, and contribute significantly to the growth and well being of our States. The Salvadoran-American communities that we represent are keenly interested and will be closely watching the upcoming confirmation process.

It is very important to all Salvadoran-Americans to know that the United States reaffirms its long-standing commitments and seeks to maintain a strong and stable relationship with the government and people of El Salvador.

These are indeed challenging times for El Salvador as it must confront difficult problems of poverty, security, growing violence, recent natural disasters, stalled economic development, among others. Now more than ever, it is critically important to allow Ambassador Aponte to continue with her valuable work towards strengthening the long-term, close partnership that has been forged between El Salvador and the United States.

We therefore urge you and the Senate Foreign Relations Committee to act promptly and positively on behalf of the Administration and the American people

to confirm Ambassador Aponte so she is able to continue her extraordinary diplomatic services.

Sincerely,

Hon. ANA SOL-GUTIÉRREZ,  
*MD State Delegate, District 18,  
Montgomery County, MD.*

Hon. VICTOR R. RAMIREZ,  
*Maryland State Senator, District 47,  
Prince Georges County, MD.*

Hon. WILLIAM CAMPOS,  
*County Councilmember,  
Prince Georges County, MD.*

Hon. J. WALTER TEJADA,  
*County Board Member,  
Arlington County, VA.*

Senator CARDIN. And, Ms. Jacobson, let me welcome you to the committee. Thank you for your public service. Thank your family for your willingness to continue to serve our country.

We are particularly proud, because you come from the State of Maryland, so we very much welcome you here.

I want to underscore the message of my two colleagues as it relates to Alan Gross. He's also a Marylander. And we have tried, through various means, to get the attention of the Cuban Government for the release of Mr. Gross, who is being held—I think Senator Menendez says, as a hostage. That may very well be the case.

The concern we have is that it looks like we've been trying very diplomatic means in a quiet way to get him released, and that hasn't worked. I think it's time to elevate this issue.

This is a gross violation of human rights. Alan Gross should be released. There should be no conditions on his release. There should be no compromises made by the United States that would be inappropriate, because this is a one-sided problem. And Cuba needs to recognize that, and there needs to be consequences, not just in U.S. policy, but in how America handles international issues as it relates to Cuba.

So I guess my question to you is, Will you assure this committee that, if confirmed, the case of Alan Gross will remain a very high priority of yours, and that you will work with many of us who are prepared to put a spotlight on this issue in many of our international participations as well as our bilateral relationship with Cuba?

Many of us hold positions in international organizations. We intend to make this case one that is known throughout the world, that Cuba is violating the rights of an American, and it appears to be solely for trying to get leverage over America, which we will not tolerate.

Ms. JACOBSON. Senator, the short answer to your question is, yes, absolutely.

I think that we have always taken our cue from the Gross family, and we'll continue to do that. But we do think that it is time to speak out very loudly.

I hope that I am doing that here today, that this is absolutely unjustified, that Mr. Gross should be home with his family. There are illnesses in his family. His own health has deteriorated while held by the Cubans, and he deserves to be home immediately.

So we are grateful for your support and that of the other members of the committee.

Let me also just add that I'm very proud of my adoptive State of Maryland, but I do have to mention my New Jersey roots, because my New Jersey contingent is here with me today.

Senator CARDIN. I assume you visit Florida every once in a while. [Laughter.]

Ms. JACOBSON. I try, sir.

Senator MENENDEZ. That's why she got nominated. [Laughter.]

Senator CARDIN. Well, thank you for that answer, and I appreciate that. And I think this is what we need to do as a nation.

Let me just ask one other question, if I might, on a different subject. As the Principal Deputy Assistant Secretary of State for Western Affairs, you are the coordinator for citizen security initiatives in Latin America. Will you share with the committee the challenges that you've had in regards to that and where you think we need to make additional progress?

Ms. JACOBSON. Thank you very much, Senator.

This has been an enormous preoccupation of myself, my predecessor, and, frankly, of Secretary Clinton. When we look at polls across the hemisphere, 90 percent of the respondents in polls in the hemisphere say citizen security is their No. 1 priority, their No. 1 concern.

And so we have a series of coordinated efforts in the hemisphere that run from Mexico, through Central America, to Colombia, and include the Caribbean, that we think work together really well and are critically important efforts to try and strengthen institutions to resist those transnational criminal organizations, whether they are dealing in drugs, whether they are gangs, other forms of contraband.

And, frankly, this is a fight that is not a quick one. It's one that we have seen remarkable success on in Colombia, but after many years, and one that in some ways is just under way in Mexico with very strong efforts by President Calderon, and we hope to continue to support that.

But in Central America and the Caribbean, smaller countries have an even tougher time in resisting these criminal organizations. And so we need to work in an integrated way across the U.S. Government on building up the law enforcement and judicial capacity, building civil society, as I mentioned before, to resist those organizations and to cooperate with the United States in ways that serve both our interests and serve our interests on both sides of the border.

Senator CARDIN. I thank you for that response. I look forward to working with you.

And, Mr. Chairman, I'll yield back the balance of my time.

Senator MENENDEZ. Thank you, Senator Cardin.

Madam Secretary, thank you for your forthright responses. I hope you understand those of us who sought to be on this subcommittee, particularly, and as well as the full committee, have a passion for the hemisphere. So I'm sure you heard the passion through the questions.

But we appreciate your engagement. And we look forward to, if any member has any written questions, you'll respond to it quickly.

And from my own personal view, I look forward to supporting your nomination and working with you in the days ahead.

With that, we're going to excuse you.

Ms. JACOBSON. Thank you, Mr. Chairman.

Senator MENENDEZ. You're welcome and thank your family for being here.

And we're going to call up our next panel, starting with Mari Carmen Aponte. I'll read these as you come forward, so as we can save some time.

Ambassador Aponte was sworn as Ambassador of the United States to El Salvador on September 22, 2010. She previously worked as an attorney and consultant with Aponte Consulting and served on the board of directors of Oriental Financial Group.

She was the executive director of the Puerto Rican Federal Affairs Administration. She has a B.A. in political science from Rosemont College, an M.A. from Villanova, and a J.D. from Temple University.

So, welcome, Ambassador, once again before the committee.

Adam Namm is the director of the Bureau of Overseas Buildings Operations of the Department of State. A career member of the Senior Foreign Service, Mr. Namm joined the Department of State in 1987.

He has served overseas as a management counselor in Islamabad, human resources officer in Bogota, a general services office in Santo Domingo, and consular officer in Bogota and Santo Domingo.

He holds a B.A. in international relations from Brown University, an M.S. in national security strategy from the National War College. And we welcome him.

Elizabeth Cousens is the Principal Policy Adviser and Counselor to the U.S. Permanent Representative to the U.N., Ambassador Susan Rice. At the U.N., she has served as the Chief of Staff for the U.N. Mission in Nepal and as the Chief of the Donor Coordination Unit in the Office of U.N. Special Coordinator for the Middle East Peace Process.

Past experience also includes director of strategy for the Centre for Humanitarian Dialogue in New York and senior associate and vice president of the International Peace Academy in New York.

She received advanced degrees in international relations from the University of Oxford, and a B.A. in history from the University of Puget Sound.

Welcome all.

In the interest of time we ask that each of you limit your testimony to 5 minutes. Your full written testimony, will be included in the record.

And we will proceed with Ambassador Aponte as our first nominee.

**STATEMENT OF HON. MARI CARMEN APONTE, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR TO THE REPUBLIC OF EL SALVADOR**

Ambassador APONTE. Thank you very much.

Mr. Chairman Menendez, Ranking Senator Rubio, I am very pleased and grateful for the opportunity to appear before you.

With me today I have my family, my sister, Tere; and my brother-in-law, Arturo; as well as my mother; and two very good friends, Felix Rodriguez from Miami, who is a veteran of the Bay of Pigs invasion in Cuba, as well as former President of El Salvador, Alfredo Cristiani; and some friends from the Salvadoran community, from all segments of the Salvadoran community.

I'm very honored and grateful for the trust and confidence placed in me by President Obama and Secretary Clinton in nominating me to serve as the United States Ambassador to the Republic of El Salvador.

El Salvador is a country with significant ties to the United States. One quarter of all Salvadorans live and work here in the United States.

There are very strong economic links between our two nations, CAFTA and the free trade that it facilitates between the United States and El Salvador, a dollarized Salvadoran economy, and the presence of many prominent U.S. companies engaged in business in El Salvador.

El Salvador has also sent troops to Iraq and Afghanistan, and presently is the only Latin American country to have sent troops to Afghanistan.

This is significant progress from 20 years ago when a bitter 12-year civil war ended and the country began a successful transition to a stable democracy. It is vital to continue to build on that progress with this important regional ally and, if confirmed, I will further the efforts that we have made in the last year.

The administration's priorities and the efforts of our mission are centered on the complementary objectives of security and economic growth.

El Salvador has one of the highest homicide rates in the world. Drug trafficking through El Salvador continues to increase. Gang violence is a daily threat to much of the population. The activities of the 18th Street and MS-13 gangs extend to the cities and communities of the Americas. As a result, helping El Salvador to combat these gangs directly impacts our own national security.

In the economic arena, the transition from 20 years of a conservative rule to a new left-leaning administration has presented both opportunities and challenges. I have made it my priority to build bridges between the government and the private sector, to encourage cooperation in helping El Salvador to reach its economic potential. And I am proud to say that the Ambassador's residence has become a place where both sides feel comfortable discussing issues of importance on neutral ground.

I believe that an important part of diplomacy is creating positive conditions which lead to increased understanding and cooperation, and I have tried to position the mission as a very honest intermediary. If confirmed, I will continue to be an advocate and architect for these important bridges to foster public/private dialogue.

In both our key priority areas, security and economic growth, President Obama's Partnership for Growth has been a key focus of our efforts over the past year. El Salvador was the first country to sign a joint action plan with the United States in a ceremony in El Salvador just last week. And we look forward to continuing to

realign our priorities to push forward on both of these important issues.

I believe this is a critical time for U.S. diplomacy. We have and we'll continue to reach out to the complete spectrum of Salvadoran society, not just government leaders and the nation's elite, but to opinion leaders, community leaders, youth, and all facets of the civil society.

We have hosted several joint military exercises with the Salvadoran military and sponsored events for local artists and women's groups. All this has been with the goal of strengthening bilateral ties.

Diplomacy is critical, and as we face increasing dangers throughout the world, I am humbled by the confidence the administration has placed in me. During my tenure as Ambassador in El Salvador, I have represented the strategic interests of the United States to the utmost of my abilities. If confirmed, I will continue to do so as I strive to further strengthen the ties between the government and people of the United States and El Salvador.

I thank you again for your time and would be pleased to respond to any questions.

[The prepared statement of Ambassador Aponte follows:]

PREPARED STATEMENT OF HON. MARI CARMEN APONTE

Mr. Chairman and members of the committee, I am honored and grateful for the trust and confidence placed in me by President Obama and Secretary Clinton in nominating me to serve as United States Ambassador to the Republic of El Salvador.

El Salvador is a country with significant ties to the United States. One quarter of all Salvadorans live and work here in the United States. There are strong economic links between our two nations: CAFTA and the free trade that it facilitates between the United States and El Salvador, a dollarized Salvadoran economy, and the presence of many prominent U.S. companies engaged in business in El Salvador. El Salvador has also sent troops to Iraq and Afghanistan—and is the only Latin American country to have sent troops to Afghanistan. This is significant progress from 20 years ago, when a bitter 12-year civil war ended and the country began a successful transition to a stable democracy.

It is vital to continue to build on that progress with this important regional ally and, if confirmed, I will further the efforts that we have made in the last year.

The administration's priorities and the efforts of our mission are centered on the complementary objectives of security and economic growth. President Obama has placed a high priority on citizen security in the region and thus our number one priority in El Salvador has been, and will continue to be, security. El Salvador has one of the highest homicide rates in the world. Due to its location in the region, drug trafficking through El Salvador continues to increase. Gang violence is endemic and a daily threat to much of the population with the activities of the 18th Street and MS-13 gangs extending to the cities and communities of America. Criminal elements in El Salvador have been linked to violent crimes committed in the United States.

President Obama's signature development initiative, Partnership for Growth, has identified security as a binding constraint to economic growth. As part of this initiative, which has been introduced in only four countries worldwide, we are engaging the government and people of El Salvador in a dialogue on how the United States and El Salvador can work together to improve security, which represents a significant constraint to growth and prosperity in many sectors of the economy.

Partnership for Growth will enhance the way in which the U.S. manages its foreign assistance to El Salvador, better supporting USG policy interests and fostering more rapid economic growth in El Salvador. A collaborative effort, Partnership for Growth, has involved a rigorous assessment by a team of economists from both the U.S. Government and the Government of El Salvador. The framework requires El Salvador to make commitments that will complement the U.S. assistance being offered in the areas that have been identified as obstacles to growth such as com-

plementary citizen security programs being implemented in El Salvador under the Central America Regional Security Initiative (CARSI).

In the area of enhanced citizen security cooperation with the Government of El Salvador under CARSI, we have made significant headway on establishing an electronic monitoring center that will be an important tool in combating organized and transnational crime. For the past year, I have worked in close coordination with our law enforcement agencies to engage the Salvadoran Government to move this project forward and am pleased to note that the new facility is scheduled to open by the end of the year.

Another key administration priority has been economic growth. As I mentioned previously, our mission is embracing the opportunity for transformation presented by the Partnership for Growth. My team and I have worked with the Government of El Salvador, many U.S. agencies represented in El Salvador and their counterparts in D.C. to formulate a joint action plan with a mix of programs and technical exchanges to foster economic growth. If confirmed, I will continue to be an advocate and architect for this important initiative and ensure its implementation.

As part of our efforts to encourage more inclusive and effective government to achieve broad strategic goals in El Salvador, I made it my priority to build bridges between the private sector and the government. The transition from 20 years of conservative rule to a new left-leaning administration in El Salvador has at times presented both opportunities and challenges for the private sector, which has traditionally identified with the former ruling party.

Building trust between the government and the private sector to work in partnership for the future of El Salvador is essential. The Ambassador's residence has been a place where both sides can feel comfortable on neutral ground to discuss issues of importance—yet where significant divergence of opinion and approach exists within Salvadoran society. We have been able to create a political space in the middle for different factions to come together. I believe that an important part of diplomacy is creating positive conditions which lead to increased understanding and cooperation, and I have tried to position the mission as an honest intermediary.

Another focus has been developing and empowering the staff of the Embassy. There are over a dozen agencies represented within the Embassy, all with different bureaucratic cultures and specific missions, but each with the same overarching goal of advancing the interests of the United States. One of my goals in the last year has been to develop mission personnel into a more effective and cohesive team. I have invited every member of the mission to meet with me and with each other at the Ambassador's residence. Likewise, I have stressed the importance of investing in human capital by promoting training and a strong sense of community, both with our Direct Hire American staff and Locally Engaged personnel. These efforts have increased mission unity, fostered a positive and collegial work environment, and created a more effective team.

I believe this is a critical time for U.S. diplomacy. We have and will continue to reach out to the complete spectrum of Salvadoran society, not just government leaders, and the nation's elites, but to opinion leaders, community leaders, youth, children and all facets of civil society. We have hosted several joint military exercises with the Salvadoran military and sponsored events for local artists and women's groups. All this has been with the goal of strengthening bilateral ties.

Diplomacy is critical, and as we face increasing dangers throughout the world, I am humbled by the confidence the administration has placed in me. During my tenure as Ambassador in El Salvador, I have represented the strategic interests of the United States to the utmost of my abilities. If confirmed, I will continue to do so as I strive to further strengthen the ties between the government and people of the United States and El Salvador.

I thank you again for your time and hospitality and would be pleased to respond to any questions you have.

Senator MENENDEZ. Thank you very much.  
Mr. Namm.

**STATEMENT OF ADAM E. NAMM, OF NEW YORK, TO BE AN  
AMBASSADOR TO THE REPUBLIC OF ECUADOR**

Mr. NAMM. Well, thank you very much and good morning, Mr. Chairman, Ranking Member Rubio.

I am honored to appear before you today as the President's nominee for United States Ambassador to the Republic of Ecuador. I am

grateful to President Obama and Secretary Clinton for the trust and confidence they have placed in me.

I would like to recognize members of my family that have joined me today: my wife, Mei Huang; my daughter, Rebecca Namm; my mother, Susan Spencer, a resident of Jupiter, FL; my stepmother, Joan Namm; and my sister-in-law, Wei Huang, all of whom are great sources of great joy and support.

On this day, I'm also thinking of my father, Arnold Namm, who left us last year, but is still very much with me.

During my 24-year Foreign Service career, I've been privileged to represent our Nation in a diverse group of countries—the Dominican Republic, Saudi Arabia, Colombia, and Pakistan—as well as serving in multiple positions in Washington.

For the past 2.5 years, I've had the honor of leading the State Department's Bureau of Overseas Buildings Operations. During my tenure in that Bureau, we opened 16 new diplomatic facilities around the world, with another 33 facilities under design and in construction.

In 2008, I had the pleasure of cutting the ribbon on our new Embassy compound in Quito, and I am pleased to report that the Department will open a new consulate general compound in Guayaquil in 2012.

The United States ties with Ecuador date back to that country's independence from Gran Colombia in 1830, and we sent our first envoy to Ecuador in 1848. The close links between our two countries are evident in the interchange of people. As many as 2 million Ecuadorians live in the United States, and Ecuador maintains consular offices in 17 U.S. cities.

For Americans, Ecuador is a popular destination for tourism, an attractive place to retire, and a place of opportunity for commerce and study. More than 200,000 Americans visit Ecuador each year and some 25,000 U.S. citizens reside in Ecuador. If confirmed, my top priority will be to ensure the well-being of U.S. citizens living in and visiting Ecuador.

Another priority will be to promote U.S. business interests. The United States is Ecuador's largest trading partner. In 2010, the United States supplied 25 percent of Ecuador's imports with a value of \$5.4 billion, and was the destination for 35 percent of Ecuador's exports valued at \$7.5 billion.

Our energy relationship is also vigorous. With the fourth-largest proven oil reserves in Latin America after Venezuela, Brazil, and Mexico, and as a consumer of U.S. petroleum products, Ecuador represents an important partner in this vital economic sector.

As this committee knows, our relationship with Ecuador has been difficult in recent months, marked by Ecuador's regrettable expulsion of our Ambassador. I believe, however, that this trying period has only underscored for everyone the importance of reinvigorating our countries' bonds.

By nominating a new Ambassador to Ecuador, the President and the Secretary are demonstrating their commitment that the United States and U.S. interests be represented at the highest level.

If confirmed, I will be a forceful advocate for our interests and values, including democracy, trade, and countering the scourge of narcotics trafficking and other illicit activity. In advocating for our



interests, I will engage both the Ecuadorian Government and Ecuadorian civil society.

We have shared commitments on which to build. Ecuador and the United States are both signatories to the Inter-American Democratic Charter, and so are bound to respect and protect fundamental democratic rights and institutions.

Secretary Clinton, on the 10th anniversary of the charter, took note of its first article, saying, "The peoples of the Americas have a right to democracy, and our governments have an obligation to promote and defend it."

If confirmed, one of my core tasks will be to promote and defend the democratic freedoms the peoples of both the United States and Ecuador hold dear.

Thank you for giving me the honor of appearing before you today, and I look forward to any questions you may have, and to working with you if confirmed.

[The prepared statement of Mr. Namm follows:]

PREPARED STATEMENT OF ADAM E. NAMM

Mr. Chairman and members of the committee, I am honored to appear before you today as the President's nominee for United States Ambassador to the Republic of Ecuador. I am grateful to President Obama and Secretary Clinton for the trust and confidence they have placed in me.

I would like to recognize family members that have joined me today: My wife, Mei Huang; my daughter, Rebecca Namm; my mother, Susan Spencer; my step-mother, Joan Namm; and my sister-in-law, Wei Huang, all of whom are sources of great joy and support. On this day I am also thinking of my father, Arnold Namm, who left us last year but is still very much with me.

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We have shared commitments on which to build. Ecuador and the United States are signatories to the Inter-American Democratic Charter, and so are bound to respect and protect fundamental democratic rights and institutions. Secretary Clinton, on the 10th anniversary of the Charter, took note of its first article, saying, "The peoples of the Americas have a right to democracy, and our governments have an obligation to promote and defend it." If confirmed, one of my core tasks will be to promote the democratic freedoms the peoples of both the United States and Ecuador hold dear.

Thank you for giving me the honor of appearing before you today. I look forward to any questions you may have, and to working with you if confirmed.

Senator MENENDEZ. Thank you very much.  
Ms. Cousens.

**STATEMENT OF ELIZABETH M. COUSENS, OF WASHINGTON, TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA ON THE ECONOMIC AND SOCIAL COUNCIL OF THE UNITED NATIONS, WITH THE RANK OF AMBASSADOR; AND, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE SESSIONS OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS, DURING HER TENURE OF SERVICE AS REPRESENTATIVE OF THE UNITED STATES OF AMERICA ON THE ECONOMIC AND SOCIAL COUNCIL OF THE UNITED NATIONS**

Ms. COUSENS. Thank you very much.

Chairman Menendez, Ranking Member Rubio, thank you for the opportunity to appear before you today as President Obama's nominee to be the United States Representative to the Economic and Social Council of the United Nations. I am honored by the confidence and support that President Obama, Secretary Clinton, and Ambassador Rice have shown in nominating me for this position.

Let me briefly acknowledge and thank my family, my parents, Frank and Sandy, who unfortunately could not be here, but whose love and support I value every day; my husband, Bruce, who is here today; and our 2-year-old son, Wyatt, who you might have heard earlier this morning and has promised to be on his best behavior.

Senator MENENDEZ. We're family-friendly here, so it's OK. [Laughter.]

Ms. COUSENS. We are living in an era of global interconnection. The threats we face—nuclear proliferation, terrorism, organized crime, environmental degradation, infectious disease, to name just a few—cross borders and continents freely. But so, too, do our opportunities, from open markets and free trade, to the ability of citizens around the world to support each other's struggle for dignity, freedom, and equality.

U.S. leadership to strengthen and expand our tools for international cooperation will be essential to meeting these tests and promoting U.S. interests and values in the 21st century. And the United Nations is critical to that task.

The United States gains from an effective U.N. When U.N. peacekeepers help stabilize conflict zones in Sudan, the Democratic Republic of the Congo, and Haiti, they do so at a fraction of what it would cost to send American troops, and they bolster our own security. When UNICEF vaccinates 40 percent of the world's children, it contributes to the health of our own.

When the World Food Programme, UNHCR, and other humanitarian agencies deliver life-saving assistance to the tens of millions ravaged by flood, famine, or displacement, they strengthen our common humanity.

I have worked around the U.N. for most of my professional life. This has given me a concrete appreciation for the U.N.'s potential to advance critical U.S. priorities and values, as well as a practical insight into the U.N.'s strengths and its limitations. As I have seen firsthand throughout my career, the U.N. is far from perfect. Much more needs to be done to improve its efficiency, transparency, fiscal discipline, integrity, and impact. Key reforms spearheaded by this administration, especially in the areas of human resources, ethics, oversight, conduct, and discipline, and basic business practices, need to be advanced. And no reform agenda is complete without addressing the institution's credibility gap, particularly with regard to the unfair and disproportionate targeting of Israel throughout the U.N. system.

However, I've also seen firsthand remarkable displays of ingenuity, commitment, and courage from U.N. personnel in the service of values we all espouse: a peacekeeping battalion in Haiti that used sweat equity and spare parts to rebuild schools and roads for the community; a civil affairs officer in Bosnia who dreamed up the idea of ethnically neutral license plates to enable Bosnia's fractured communities to move safely throughout the country without fear of reprisal; and the courage of U.N. personnel who go to work in conflict zones every day despite being targeted.

I have been proud to serve as Ambassador Rice's Principal Policy Adviser and Chief of Staff in New York for the past 3 years, during which U.S. leadership at the United Nations has produced significant, tangible victories for the United States; winning important votes condemning the human rights records of Iran, Burma, and North Korea by the largest margin ever in the General Assembly; securing Israel's inclusion in key consultative groups in New York and Geneva; gaining new access to audits from U.N. development agencies; and leading the establishment of U.N. Women and creation of an office to combat sexual violence in situations of armed conflict.

If confirmed, I will seek to build on these and other achievements as U.S. Representative to ECOSOC. Drawing on my own U.N. experience, I will work to ensure that U.N. humanitarian agencies deliver for those at greatest risk, such as in the Horn of Africa where famine threatens millions and the United States has provided generous life-saving assistance, much of it through U.N. partners. I will work with the leadership of U.N. agencies, funds and programs, and member states to press for concrete development results, from reducing child mortality and combating extreme poverty to supporting women entrepreneurs. I will continue to fight for the victims of human rights abuse, including through clear and strong condemnation of violators. And I will work to strengthen the contribution of U.N. agencies to countries like Iraq, Afghanistan, South Sudan, and Cote d'Ivoire, as they rebuild after war and claim a brighter future for their people.

And I will work closely with my colleagues leading the administration's reform agenda to advance comprehensive and meaningful reform at the U.N.

The United Nations has an indispensable role in promoting U.S. priorities for which U.S. leadership is essential. If confirmed, it would be an honor and a privilege to serve my country in this new capacity, to join my colleagues in working to extend U.S. leadership at and through the United Nations.

And I would look forward to working with the Congress, and this committee specifically, to advance our shared priorities.

Thank you very much, and I look forward to answering your questions.

[The prepared statement of Ms. Cousens follows:]

PREPARED STATEMENT OF ELIZABETH M. COUSENS

Chairman Menendez, Ranking Member Rubio, distinguished members of the committee, thank you for the opportunity to appear before you today as President Obama's nominee to be the United States Representative to the Economic and Social Council of the United Nations. I am honored by the confidence and support that President Obama, Secretary Clinton, and Ambassador Rice have shown in nominating me for this position.

Let me also acknowledge and thank my family, my parents Frank and Sandy who unfortunately could not be here but whose love and support I value every day, my husband Bruce, who is here today, and our 2-year-old son, Wyatt, who has promised to be on his best behavior.

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However, I have also seen firsthand remarkable displays of ingenuity, commitment, and courage from U.N. personnel in the service of values we all espouse—a peacekeeping battalion in Haiti that used sweat equity and spare parts to rebuild schools and roads for the community, a New Zealand civil affairs officer in Bosnia who dreamed up the idea of ethnically neutral license plates to enable Bosnia's fractured communities to move safely throughout the country without fear of reprisal, an inventive Nepalese interpreter who created a computer program to improve management systems, and the courage of U.N. personnel who go to work in conflict zones every day despite being targeted.

I have been proud to serve as Ambassador Rice's Principal Policy Advisor and Chief of Staff in New York for the past 3 years during which U.S. leadership at the United Nations has produced significant tangible victories for the United States: winning important votes condemning the human rights records of Iran, North Korea, and Burma by the largest margin ever in the General Assembly; securing

Israel's inclusion in key consultative groups in New York and Geneva; gaining new access to audits from U.N. development agencies; and leading the establishment of U.N. Women and creation of an office to combat sexual violence in situations of armed conflict.

If confirmed, I will seek to build on these and other achievements as U.S. Representative to ECOSOC. Drawing on my own U.N. experience, I will work to ensure that U.N. humanitarian agencies deliver for those at greatest risk, such as in the Horn of Africa where famine threatens millions and the United States has provided over \$600 million in life-saving assistance, much of it through U.N. partners. I will work with the leadership of U.N. agencies, funds, and programs and member states to press for concrete development results, from reducing child mortality and combating extreme poverty to supporting women entrepreneurs. I will continue to fight for the victims of human rights abuse, including through clear and strong condemnation of violators. I will work to strengthen the contribution of U.N. agencies to countries like Iraq, Afghanistan, South Sudan, and Cote d'Ivoire as they rebuild after war and claim a brighter future for their people. And I will work closely with colleagues leading the administration's reform agenda to advance comprehensive and meaningful reform at the U.N.

The United Nations has an indispensable role in promoting U.S. priorities for which U.S. leadership is essential. If confirmed, it would be an honor and a privilege to serve my country in this new capacity, and join my colleagues in working to extend U.S. leadership at and through the United Nations. I would look forward to working with the Congress, and this committee specifically, to advance our shared priorities.

Thank you, I look forward to answering your questions.

Senator MENENDEZ. Thank you.

Thank you all, for your service and your testimony. We welcome your families and friends.

And certainly, we want to acknowledge President Cristiani who is with us. Thank you very much for joining us.

Let me start with you, Ambassador Aponte. I personally think you've done an extraordinary job in El Salvador. I want to ask you about something that we learned yesterday, that El Salvador's Public Security Minister, Manuel Melgar, who the United States believes was involved in the murder of four U.S. Marines in June 1985, resigned. This is something that I think we would applaud.

What effect will his resignation have on our bilateral cooperation now on security issues?

Ambassador APONTE. Senator, thank you very much for the question.

Definitely, I think it would strengthen and it would make much smoother the working relationship between the security elements of the two countries.

While any ministerial changes are an internal matter for El Salvador, this change really demonstrates the commitment from this government to transformational change in the areas of security and economic growth. It has been stated in the negotiations that have been undergoing with the United States in the Partnership for Growth. And this relationship should now take off, and we should do very well.

Senator MENENDEZ. Let me ask you, in September, President Obama included El Salvador in a list of countries designated as major drug-producing or drug-transit countries. This is the first time that El Salvador has been so designated.

How would you assess the current level of bilateral antidrug coordination and cooperation, and the adequacy of a U.S. program in El Salvador?

Ambassador APONTE. The coordination is very good. The law enforcement community and the mission work very well with law

enforcement in El Salvador, especially at the level of narco-trafficking. There is a vetted unit within the police that we work very closely with in pursuing narco-traffickers. And we have had very, very good success.

The location of El Salvador makes it a corridor for transit. All the narco-trafficking comes from south into the north, so their geographical location does not help. However, their cooperation has been very good.

Senator MENENDEZ. One last question.

I had the opportunity to meet with the First Lady and the Secretary of Social Inclusion, Dr. Pignato, last week. She came to talk about the flooding consequences in El Salvador.

What are the implications of the damage for the Salvadoran economy and the displacement of people? Can you give me a sense of the consequences?

Ambassador APONTE. Senator, I want to preface this by saying that the Government of El Salvador did a very good job in damage mitigation during the tropical depression, which lasted 10 days. And they minimized, fortunately, loss of life.

However, the damage to the roads and the infrastructure is significant. It is important. The government has estimated hundreds of millions of dollars in damages.

I think the assessment is still ongoing, but I think they will suffer losses, especially in crops, with the loss of most of their bean crop and their corn crop. And those assessments are still ongoing, but they are—

Senator MENENDEZ. We look forward hearing from you as it gets finalized, as to what our assistance might be.

Mr. Namm, you and I had a chance to talk a little bit. You have served in a distinguished capacity in your time in the Foreign Service. You haven't had a senior political position in the hemisphere.

And I'm wondering, this particular assignment, the expulsion of Ambassador Hodges, when her honest assessment of corruption in Ecuador was made public through Wikileaks, it caused her expulsion. We haven't had an ambassador since. You'd be the person to go there, in the light of that set of circumstances.

Do you feel prepared to enter this highly political atmosphere? And, two, do you feel constrained in commenting on the government's actions or in defending civil society in the media, in the light of her expulsion and the consequences present in the environment you'll be entering?

Mr. NAMM. If I could, Mr. Chairman, let me take the second part first.

I will feel, if confirmed, absolutely no constraint about speaking out for U.S. interests and U.S. values. The President and the Secretary seek to send a new Ambassador to Ecuador precisely to elevate U.S. engagement to the highest diplomatic level in Ecuador.

Let me also say that I will absolutely not shy away from criticizing the Government of Ecuador, when warranted, simply because our last Ambassador, Ambassador Hodges, was expelled.

And more than that, I would, if confirmed, reach out and dialogue not only with the government, but with civil society, with human rights groups, with the full range of actors in Ecuador. And

I would absolutely speak with a full-throated voice and represent U.S. interests and U.S. values.

As to the question about my qualifications, the President and the Secretary believe I am qualified for this job. During the last 2½ years, I've run an organization with 1,200 employees with an annual budget in excess of \$2 billion, with many challenges, both internal to the State Department bureaucratic challenges, but also policy issues outside of the State Department dealing, for example, with private contractors, dealing in some cases with foreign governments.

As you know, I have experience in the region, two tours in Latin America, two tours working in Washington on Western Hemisphere issues. I speak excellent Spanish, and have a real passion for Latin America, having sent my daughter, Rebecca, who is sitting behind me, to a bilingual Spanish elementary school, which she attended for 6 years. So this is an area where I do have passion.

I feel that the experience I've gained through my career and especially the last 2½ years running an organization the size of the Bureau of Overseas Buildings Operations, with all of the issues there, has given me excellent preparation for an assignment as Ambassador.

Senator MENENDEZ. OK.

We'll talk to Rebecca later and check her Spanish. [Laughter.]

Just kidding. [Laughter.]

But if she wants to, it's OK.

Let me ask you, Ms. Cousens, you are not only going to be the ECOSOC Representative, but you're also going to be an Alternative Representative to the General Assembly. In that regard, I would expect that you would be cooperating with Ambassador Rice in that portfolio with respect to the Palestinians' efforts to obtain membership in the U.N. and its affiliated bodies.

One, can you verbalize for me what we are telling our fellow members of the U.N. about that?

And second, I saw on ECOSOC that several countries that are nondemocratic, including Cuba, have been elected. And I am concerned about accreditation of legitimate NGOs being stopped by such entities.

Can you talk to me about those two issues, please?

Ms. COUSENS. Yes. Thank you very much, Mr. Chairman. I'm happy to.

The Palestinian issue is not presently among my responsibilities, but, if confirmed, it certainly would be. I would join my colleagues in working very actively on this issue.

The administration's position has been extremely clear on this issue from the time this situation started. There is absolutely no shortcut to a Palestinian state. The only path to a Palestinian state is through direct negotiations between the parties to resolve all permanent status issues.

Any action that is taken in New York or Paris or anywhere else is a distraction and undermines the prospects for peace, and the administration has been extremely clear on that point.

We've also taken immediate and swift action to adhere to the legislation following the vote in UNESCO and ceased all funding to UNESCO as a result of that vote.

Senator MENENDEZ. Can you talk to me about the NGO issue that you—

Ms. COUSENS. On the NGO committee that you referenced, the administration has been, in fact, extremely effective in recent years in working to get democratic and diverse NGOs accreditation to the U.N.

The NGO committee is one of the principal venues in which we advance our interests and values, and fight very aggressively, working with as many partners as we can, to try to see a wide and diverse range of NGOs get access to U.N. debates and proceedings.

In just the last year, we managed successfully to overturn a decision to bar three NGOs that we felt deserved access to the U.N., and actually won their accreditation through ECOSOC and saw that as a real victory.

There was a democracy promotion NGO; one that dealt with Syrian human rights issues; and one that dealt with lesbian, gay, bisexual and transgender issues. That was seen, and I think widely understood, to be a significant victory for both the United States and countries who joined us in seeing that happen.

Senator MENENDEZ. Thank you very much.

Senator Rubio.

Senator RUBIO. Mr. Chairman, with your indulgence, I'm going to allow Senator DeMint to go, because he needs to get to a meeting, if that's OK.

Senator DEMINT. Thank you, Senator Rubio. Thank you, Mr. Chairman.

I do want to thank all the witnesses for being here today, all the nominees. But I'm going to focus all of my comments on the nomination of Ms. Mari Carmen Aponte.

Last year, every Republican on the Senate Foreign Relations Committee voted against moving this nomination forward. The White House continually denied reasonable requests from Senators on this side of the aisle for access to information, forcing Senators to consider a nomination without a clear picture of the nominee's background.

Rather than resolve the issue, President Obama gave Ms. Aponte a recess appointment to circumvent the Senate confirmation process.

After being forced to withdraw her first nomination under President Clinton and failing to be confirmed last year for a second nomination, Ms. Aponte is now before this committee a third time.

The White House again declined to provide information to Senators.

I appreciate Senators Menendez and Kerry's efforts to allow me to be briefed on the background summary. However, the summary that I reviewed generated more questions than answers, and it did not address the fundamental questions that have arisen from these hearings.

I appreciate that the White House has committed to get back to me with some additional answers, but the fact that they could not answer my questions is disturbing. Instead, what we have seen are a series of red flags.



I would like to ask unanimous consent to submit for the record an opinion piece published in El Salvador by Ambassador Aponte in June of this year.

Senator MENENDEZ. Without objection.  
[The op-ed article referred to follows:]

## **For the elimination of prejudices wherever they exist**

Written by Ambassador Mari Carmen Aponte  
June 28, 2011

On May 31, President Obama proclaimed June 2011 as the month of pride in the Lesbian, Gay, Bisexual and Transgender (LGBT) people.

"The history of the gay, lesbian, bisexual and transgender community in United States," the president proclaimed, "is the story of our parents and children, our mothers and daughters, friends and neighbors to continue the task of our country of a more perfect union."

In the United States, the month of June is recognized as Gay Pride Month, a time when the LGBT community celebrates its identity throughout the country, through parades, festivals and educational campaigns.

When asked Congressman Barney Frank, who is openly gay, why they would be proud of a natural and innate characteristic in people? He said: "We are proud to stand up to hatred, prejudice and violence, especially when it is so difficult to stand up and say, 'This is me'. Doing this should fill us with pride."

No one should be subjected to aggression because of who he is or who he loves. Homophobia and brutal hostility they are often based on lack of understanding about what it truly means to be gay or transgender. To avoid negative perceptions, we must work together with education and support for those facing those who promote hatred.

A year ago, Secretary of State Hillary Clinton said with great passion: "Gay rights are Human Rights". We also believe that people cannot be excluded from the rights under their orientation or sexual preference. So America will stand with worldwide elimination of violence and discrimination based on sexual orientation.

Last March, during the Human Rights Council of the United Nations, the United States and El Salvador, with 83 countries, signed the declaration for the elimination of violence against the LGBT community, and in May 2010, President Funes signed the decree 56, which prohibits all forms of discrimination by the government of El Salvador on the grounds of sexual orientation or identity. I applaud the efforts of the Salvadoran government for the rights of the LGBT community both nationally and internationally.

However, the responsibility not only lies with governments, each of us has a responsibility to contribute, either facing intimidation or violence when the presence in our schools or workplaces, or helping to inform our neighbors and friends about what it means to be lesbian, gay, bisexual or transgender. As our nation progresses, we experience a continuous transformation with respect to what it means to be a citizen in a democratic society. Together, governments and individuals can work to break the cycle of violence and discrimination.

It is the responsibility of each generation to bring our nation closer to fulfilling the promise of equality. Progress takes time, but history is on our side when we come together to demand the elimination of prejudice wherever they exist and to celebrate the diversity of the Americas.

Senator DEMINT. In her op-ed, Ms. Aponte, presuming to represent the views of all Americans and strongly promoting the homosexual lifestyle, wrote that everyone has a responsibility to inform our neighbors and friends about what it means to be lesbian, gay, bisexual, and transgender.

The op-ed upset a large number of community and pro-family groups in El Salvador, who were insulted by Ms. Aponte's attempt to impose a pro-gay agenda in their country.

I would also like to ask unanimous consent to submit for the record a response to the op-ed from a coalition of more than three dozen groups and a letter from Salvadoran groups to the United States Senate, asking the Senate to oppose Ms. Aponte's confirmation, and I quote, "We respectfully request that Ms. Aponte be removed from post as soon as possible, so that El Salvador may enjoy the benefits of having a better person as a government representative of your noble country."

Senator MENENDEZ. Without objection.

[The letters referred to follow:]

Madam Ambassador Aponte: Do not mess with our Values

One of the main rules of diplomacy, probably the most important in establishing relationships of mutual respect among nations, is circumspect: prudence under the circumstances to behave properly, discernment, decorum and gravity in actions and words. Another fundamental rule in diplomatic practices is to not disregard the traditions and customs of the host country. In addition, prudence and temperance are elementary rules of civility.

On the other hand, the Vienna Convention in Article 41 and Resolution 2625 (XXV) of the UN General Assembly, 10.24.70, containing the Declaration on Principles of International Law Concerning Amicable Relations and Cooperation among States in Accordance with the Charter of the United Nations states that diplomats are obligated not to interfere in the internal affairs of the receiving state and that states have a duty to respect the character of other states.

Ms. Aponte, in clear violation of the rules of diplomacy and international rights laws, you intend to impose to Salvadorans, disregarding our profound Christian values, rooted in natural law, a new vision of foreign and bizarre values, completely alien to our moral fiber, intending to disguise this as "human rights".

Don't tell us, Madam Ambassador, with an air of superiority, give us lessons regarding human rights, when in your country millions of defenseless and vulnerable unborn babies are murdered legally in the most cruel and merciless ways. They are dismembered, burned, poisoned alive, even if they have completed 9 months of gestation! You call this the "right to choose!" You also describe this as modernity and progress!

The fallen Roman Empire was considered modern and progressive. They aborted babies, murdered newborns, and also sustained relationships such as homosexual, bisexual, incestuous, pedophile, zoophile, and orgies. Such decay weakened this Empire, bringing them to succumb.

The only thing we agree with from your article, is to repudiate violence against homosexuals, bisexuals, transsexuals, etc.; Against these, just the same as against skinny, fat, tall or short ... This of course does not mean accepting the legal union between same sex individuals or to add new types of families like bisexual, tri-sexual, multi-sexual and the full range of sexual preferences. Not accepting the legitimacy of "sexual diversity" does not mean we are violating any human right.

There can be no talk of progress if this is how "modern" is defined. We prefer to feel proudly "old fashioned", keep our moral values, preserve our families and possess the clarity of what defines good and evil.

Salvadoran groups that signed the declaration are: Salvadoran Women's Front, Yes to Life Foundation, El Salvador, Charisma Foundation, Association of CREA Homes in El Salvador, Life and Family Foundation PIMUDE, RESVAMUSAL, EVA Foundation (Educating the Will and Affection) FORGE Foundation, ICEF Foundation (Institute for Collaboration and Family Education), Christian Community of El Salvador, Lawyers Christian Outreach of El Salvador (ACAES) Jerusalem Christian Church, Society of Ladies of Charity of St. Vincent de Paul, Christian magazine The Messenger, Health TRL El Salvador, we + for Life, Marian Sodality Ladies Association of San Miguel, International Foundation of Hope Rescue (FIRE), Foundation For the love of children, it Bibliographic SA de CV, Neila SA de CV

The following organizations support the courageous protest made by the Salvadoran organizations in defense of their values and cultural identity: Latin American Alliance for the Family (ALAFa) of Venezuela, Provida Association of Venezuela (PRO VIVA), Provida Honduras, Nicaraguan Association for Women (ANIMU), Panamanian Institute of Family Education (IPEF), Population Research Institute (PRI) USA, Institute of Family and Society Studies of Peru, Life and Human Dignity Association (ASOVID) of Guatemala, Mexican Institute of Research Sociodemographic, AC, AC Family and Society of Mexico, Family Watch International - USA, European Network of the Institute for Family Policy Network for Family Life and Chile, Peru ALAFa ALAFa Honduras, Nicaragua ANPROVIDA Association Guatemala Yes to Life, Life and Family Foundation of Panama, Central Assistance for Women in Nicaragua, Hispanic Apostolate USA Priests for Life

## LETTER TO THE SENATE

Honorable Senators:

On 28 June of this year, the U.S. Ambassador in El Salvador, Mari Carmen Aponte, published an opinion piece entitled "For the elimination of prejudice wherever they exist."

This publication has been offensive to Salvadorans, as Madam Ambassador Aponte has abused her diplomatic status, showing a clear disdain concerning our values and cultural identity, claiming to "guide" us toward a shift in our way of thinking so that we may accept the multiple forms of sexual behavior as legitimate, in the same way that President Obama promotes.

Knowing that Ms. Aponte was appointed by Obama as head of mission to our country, benefiting from a recess of the Senate to do so, and seeing as she has not achieved the consensus needed to be ratified in office, we respectfully request that you maintain opposition of such appointment so that she is not confirmed, or better yet, that she be removed from post as soon as possible so that El Salvador may enjoy the benefits of having a better person as a government representative of your noble country.

Attached please find Ms. Aponte's published article, and our response to the Ambassador's regrettable piece.

Without further ado, we would like to extend our utmost and distinguished consideration.

*Frente Femenino Salvadoreño, Fundación Sí a la Vida El Salvador, Fundación Carisma, Asociación de Hogares CREA de El Salvador, PIMUDE, Fundación Vida y Familia, RESVAMUSAL, Fundación EVA (Educando la Voluntad y la Afectividad), Fundación FORJA, Fundación ICEF (Instituto de Colaboración y Educación familiar), Comunidad Cristiana de El Salvador, Acercamiento Cristiano de Abogadas de El Salvador (ACAES), Iglesia Cristiana Jerusalén, Sociedad de Señoras de la Caridad de San Vicente de Paul, Revista Cristiana El Mensajero, TRL Salud El Salvador, Somos + por la Vida, Asociación Congregación Mariana de Señoras de San Miguel, Fundación Internacional por el Rescate de la Esperanza (FIRE), Fundación Por amor a los Niños, Expreso Bibliográfico SA de CV, Nella SA de CV*

Senator DEMINT. Thank you, Mr. Chairman.

I would like to apologize to the Salvadoran people on behalf of the United States and reassure them that most Americans share their values.

Ms. Aponte's personal, professional, and political contact over many years raises numerous questions of judgment.

I will vote no on Ms. Aponte's confirmation and strongly recommend my colleagues do the same.

And, Mr. Chairman, I'll just ask one question of Ms. Cousens, if I might.

Ms. Cousens, when you were, I think, making a presentation about climate change to the General Assembly, you said that the outcome should also substantially scale up financial assistance to

developing countries and promote technological development and dissemination.

It seems reasonable, except for given our fiscal realities that our own country is facing, including high unemployment and record Federal deficits, do you believe that substantially scaling up financial assistance to other countries for climate change is still the appropriate policy to advocate?

Ms. COUSENS. Thank you very much, Senator DeMint.

I appreciate the question and it obviously raises a very complex series of issues that are at stake in international climate change negotiations and on the broader climate change agenda.

Although I did deliver that statement, in fact, climate change is not one of the issues that I work on presently in detail, but it would obviously fall, to the extent that it arises in New York, under my portfolio if I were confirmed.

The question of financial assistance to assist countries in meeting either mitigation targets or some of the adaptation challenges that they face, particularly the poorest countries in the world, is one that is part of the ongoing agenda of climate discussions and among the ongoing issues that the administration addresses in the context of those discussions.

The results of the last Conference of Parties in Cancun was seen to be a significant achievement in taking a more balanced approach to the overall issue of climate change, which included this issue and efforts to start to address it, and also a more balanced approach to commitments from a full spectrum of countries to take action that historically they have not always been willing to do.

This is an issue that I would be happy to work on closely and consult closely with you going forward, if I were confirmed. I'd seek to have a very open line of communication on it going forward.

Senator MENENDEZ. Thank you.

Senator Rubio.

Senator RUBIO. Thank you.

I have a similar question for all three of the nominees, and it involves trafficking in persons. I'll start in El Salvador with Ms. Aponte.

As you know, El Salvador is a tier-two country, which means it's a source, destination, and transit country for human trafficking. It's taken many antitrafficking measures, but it's struggling to address a lot of the complicated aspects of it, in particular the involvement of MS-13 in those efforts and others.

I want to focus on two things. One is the strategies that we would pursue with them in terms of helping them, because I think they want to get it right. And in particular, I've identified a sub-problem that—it involves their penal code.

In those countries, they have the laws, and we praise them, but, for example, serious offenses like rape carry up to 20 years' punishment, whereas human trafficking only has penalties of 4 to 8 years.

So have we had any conversations or—obviously, as you've outlined, your ability to communicate with the government there as measured by how the mission has become kind of a place where they all meet. And obviously, President Cristiani being here today shows the kind of broad range of people you've been able to talk to.

What efforts do we have, what thoughts do we have, about helping them confront the human trafficking problem that they face?

Ambassador APONTE. Senator, thank you very much for the question.

Partnership for Growth, which is a new initiative that we have implemented and signed as recently as last week, is a massive transformation effort working in partnership with the Salvadoran Government to transform the problems of security and to address the issue of economic growth in a very different way.

Over the last 6 months, we have negotiated 20 lines of actions, and 14 of them are in the area of security. Among those areas, we are taking a look at their penal code, their courts, and at issues of transparency. So we're going to be working with them in addressing issues such as these to see how we can partner with them and help them be more efficient in addressing their own priorities.

Senator RUBIO. Mr. Namm, the issue in Ecuador is a little bit different. They're also a tier-two watchlist country, particularly the focus there is on sex trafficking of girls. It's become a major issue in Ecuador. But all forms of trafficking, including sex trafficking of boys and adults and forced labor, all these are increasingly rampant in Ecuador.

So the general question is, What thoughts do you have or bring to the job in terms of making that a priority of our engagement there, a national priority in terms of our policy and our diplomatic mission?

And in particular, something that's concerning, the TIP report, and State Department explicitly states that Ecuador needs to improve its prosecutions and convictions of traffickers, but particularly public officials who are complicit in trafficking crimes.

We have had trafficking victims testify that the police in Ecuador inform brothel owners of impending raids and in some cases engage in sexual exploitation of the victims.

And so, two things I'd like to get from you today. No. 1 is a clear understanding of whether this is going to be a priority for us there. And second, whether given our history with the country and the expulsion and so forth, whether that would be an impediment to us if evidence is available and present of calling out the fact that there are governmental institutions like the police who are either protecting brothel owners or in fact participating in them themselves.

Mr. NAMM. Well, thank you, Senator. I appreciate the question, and I very much appreciate the issue.

Human trafficking is not only a nasty business, it also has the potential to affect our national security. And if confirmed, combating human trafficking would be one of my top priorities in Ecuador.

Ecuador, you are correct, isn't enforcing the laws that it has on the books. My understanding is that there are laws that are good laws, but they are not being enforced.

I am pleased to say that Ecuador last year set up a special police unit to combat human trafficking and that special police unit has made some gains. There have been a number of arrests in human trafficking.

However, on the prosecutorial side, Ecuador has not done enough. And if confirmed, I would work with the Ecuadorian Government, and I will also work with civil society, to raise the pressure so that more of these human trafficking cases are prosecuted and prosecuted successfully.

Senator RUBIO. Thank you.

And finally, Ms. Cousens, I would say that as we read through the background of the jurisdiction, so to speak, of the Economic and Social Council, it's pretty broad. But in particular, it focuses on promoting respect for human rights, but also the social, cultural, educational, health and related matters of the nations.

Clearly, human trafficking preys on two things. And the first thing it preys upon or the first thing it relies upon is kind of an environment where people are vulnerable, where, in essence, life is bad, and they're looking to be taken somewhere else with the promise of a better life. And so some of it is just a real lack of information at the victim level of what's happening.

And the second thing that it involves, tragically in many places, is a government or governmental institutions that are cooperative, that basically look the other way, participate in a criminal enterprise, tolerate it within their borders.

And I guess my question in general is, is this an issue that we have raised in the past or look forward to raising in the future? Not just in the General Assembly, but as part of our human rights agenda, that we continue to raise what an important issue this is, and offer our hand and our assistance in terms of helping countries that want to deal with this, and at the same time being very clear the United States is going to be a clear voice condemning this practice and calling out those nations and those governments that tolerate this or, worse, actually participate in this.

Ms. COUSENS. Thank you very much for the question, Senator.

As my colleagues have just noted, human trafficking is a grotesque practice and something against which the administration, and the United States for many years, has been a leader in speaking out and trying to identify ways to stop human trafficking in all its forms.

This is an issue that would be in my portfolio, if I were confirmed in this position, and I would welcome the opportunity to make it a priority and to speak out loudly and clearly.

There are some new mechanisms in the U.N. system that give us an opportunity to be even more forceful as an advocate on these issues, including the creation of an important new body to deal with women's rights around the world. They can be an important new partner for us in this.

But I would very much welcome the opportunity to make this issue one of my priorities going forward.

Senator RUBIO. Just as a side note, and much time has expired, and I know that others are waiting.

Just briefly, I would ask you that, in the process of doing this, you'll encounter—obviously, the United States has this problem as well, and there are issues in our policies, be it our immigration policies or law enforcement policies, that may be contributing unwittingly to some of this.

And so as you encounter this issue on the global stage, I would also encourage you to bring back to us any suggestions that you may have as to how, you know, how some of our policies may in an unintended way be contributing to this problem. We've heard testimony about that in the last few weeks, about kind of how workers fall prey to some of these foreign worker agencies that go out and recruit workers to come in to the United States. Obviously, these are groups that are participating overseas and recruiting people to come here under false pretenses.

So any suggestions that you would have from your post as to what we can do internally would be welcome, because what gives us credibility on this issue is the fact that we are addressing it in an open and frank way, that we recognize any shortcomings we may have on this end of the equation. And if we address those in an open and frank way, it gives us more credibility to urge and ask others to address it as well.

So I encourage you to bring that back as well.

Ms. COUSENS. Thank you. I welcome the opportunity to do so. Thank you.

Senator MENENDEZ. Senator Risch.

Senator RISCH. Thank you very much.

Ms. Aponte, when is your term up, the interim appointment—the appointment that the President made while we were in recess? When does that expire?

Ambassador APONTE. It expires at the conclusion of this congressional session.

Senator RISCH. So that's this year, on December 31?

Ambassador APONTE. Yes.

Senator RISCH. OK. Thank you very much.

Mr. Namm, you undoubtedly are aware of the important role that Ecuador plays as a stepping stone for narcotics into the United States, and also that we have gotten, I would say, less than full cooperation from the government, particularly where they have refused to renew a lease that we needed to operate the counter-narcotics efforts from that country.

What are your thoughts in that regard? What are your plans, as far as attempting to address that?

Mr. NAMM. Senator, thank you for the question.

Narcotics trafficking, along with human trafficking, would be one of my highest priorities.

About 30 percent of the cocaine produced in Colombia, Peru, and Bolivia transits Ecuador, so it is a very large problem, the transit of narcotics in Ecuador.

The United States has good cooperation with Ecuador. The Ecuadorian authorities, both the police and the military, are good partners of the United States.

Seizures, for example, of cocaine are up in 2011 over 2010. There have been some other successes.

You mentioned the closure of our Forward Operating Location in Manta, Ecuador. The Ecuadorians did not renew the lease, the 10-year lease that we had on that Forward Operating Location, which, frankly, was a disappointment to the United States. However, as a sovereign country, Ecuador had the right not to renew that lease.



Although we no longer have the Forward Operating Location in Manta, we go forward with the programs that we have, including some assistance to the Ecuadorian Government in this regard. There are now also vetted units again in Ecuador.

So, through these mechanisms of cooperation, we will work together. And if confirmed, I will work with the Government of Ecuador to increase our effectiveness in the fight against narcotic trafficking.

Senator RISCH. Well, I appreciate that.

I guess I'm not quite as dismissive or understanding as you are about canceling that lease. I mean, the simple answer that while they're a sovereign nation, they have the right to do that, they certainly do. Having said that, it demonstrates a less than enthusiastic support of our efforts to try to reduce the—I think they say about 220 metric tons of cocaine are going to the country, and about 60 percent of it headed for the United States. That is a tremendous amount of drugs that are trafficking through there.

And when you have a country that size, it would seem to me that it would be a really appropriate place to try to net this down. And their refusal to cooperate with us, if you would, to me is more serious than simply an exercise of their sovereign rights.

So I hope you'll carry the message that at least some of us up here are substantially more aggravated than just disappointed in what they've done.

Thank you very much, Mr. Chair.

Senator MENENDEZ. Thank you, Senator Risch.

Let me return to Ambassador Aponte.

First of all, I want to make a statement for the record.

In March 2010, I chaired your first nomination hearing before this committee. I want to reiterate what I said then today, for the record, that I'm convinced that issues raised by some of my colleagues about matters in your personal history are a nonissue.

I went to the extraordinary measure—there has been a historical pattern in which only one Democrat and one Republican get to review the file of any nominee. I forewent my own right to do so based upon a previous review, so that my colleague could have that opportunity.

I read that, and as a Member of the United States Congress for nearly 20 years now, I take a backseat to no one in terms of my advocacy on the question of promoting human rights and democracy in Cuba, and certainly in my concerns of the Castro regime's effort to proselytize and infiltrate the United States Government.

And if I thought there was a scintilla of an issue there, I'd be the first to oppose your nomination.

And the reality is that there is not. So, I'll stake my 20-year history of fighting on this issue on that reality.

Second, while I respect every colleague's view of any given work, I had an opportunity to review the opinion piece you wrote which has been submitted to the record, and it has various elements to it.

No. 1, it quotes President Obama who declared June 2011 as the month of gay pride. Two, it quotes the Secretary of State, who talks about gay rights as human rights. And, three, most importantly, it talks about the Human Rights Council of the United Nations, the

United States, and El Salvador, who with 83 other countries signed a declaration for the elimination of violence against the LGBT community, and particularly talks about President Funes' signing of Decree 56, which prohibits all forms of discrimination by the Government of El Salvador on the grounds of sexual orientation or identity.

It seems to me a description of the views of the Government of the United States, at least in the executive branch, and the Government of El Salvador, as well as that of the Human Rights Council of the United Nations. But I would be remiss at this point in the record if I didn't give you an opportunity to make any statement that you want to respond to that statement.

Ambassador APONTE. Thank you very much, Senator Menendez, for the opportunity.

Precisely, I just wanted to underline that this op-ed piece just mirrored the policy of the Obama administration and the Salvadoran Government, as well as that of 63 other countries.

It was not meant to insult anyone. It was calling for the end of prejudice wherever it existed. And I thought this is a very American value, and that's why I decided to do the op-ed.

I have done other op-eds during the course of my year there, one, for example, when President Obama visited the country. So this was not unusual that I would write an op-ed.

I also would like, if I may, to address the issue of my withdrawal from a previous nomination. In 1987, I was honored to have been nominated by the Clinton administration to serve as Ambassador to the Dominican Republic. I was thoroughly vetted and I received the top-secret security clearance at that time.

However, my nomination got stalled. When it became clear that my record was going to be distorted to embarrass the administration, I voluntarily withdrew.

Senator MENENDEZ. Thank you.

Ambassador APONTE. Thank you.

Senator MENENDEZ. I ask unanimous consent that a letter from the president and CEO of the National Council of La Raza in support of the nomination of Mari Carmen Aponte be included in the record.

Without objection so ordered.

[The letter referred to follows:]

# NCLR

NATIONAL COUNCIL OF LA RAZA

November 4, 2011

Headquarters  
 Karl Y. Rosenberg Building  
 1120 16th Street, NW, Suite 620  
 Washington, DC 20036-4845

TEL: 202.785.1670  
 FAX: 202.776.1797  
 www.nclr.org

The Honorable John F. Kerry  
 Chairman  
 United States Senate Committee on Foreign Relations  
 446 Dirksen Senate Office Building  
 Washington, D.C. 20510-6225

Dear Chairman:

In early 2010, the National Council of La Raza (NCLR), the largest national Hispanic civil rights and advocacy organization in the U.S., wrote to the members of the Senate Committee on Foreign Relations in strong support of the nomination of Mari Carmen Aponte as United States Ambassador to El Salvador. Nearly two years later, her nomination is still awaiting Senate confirmation. This is an unconscionable delay for her and the country and we urge that the Committee move her nomination forward and allow the U.S. Senate to confirm Ms. Aponte as soon as possible.

In our previous correspondence, we noted -- given Ms. Aponte's vast experience as an attorney, small businesswoman, and community leader -- that she would make an outstanding representative to one of the U.S.' most important allies in the region. We also felt that her knowledge and understanding of Central America and its issues made her an especially valuable addition to the U.S.'s diplomatic efforts. Since September of 2010, Ms. Aponte has been serving her country as Ambassador to El Salvador after being given a recess appointment by President Barack Obama. In that role, she has not only met but exceeded expectations.

As someone who has excelled in every level of her distinguished career, it is no surprise that Ms. Aponte has had such a positive impact in such a short time. She has been a strong advocate for the United States' political, economic, and security interests, initiatives, and values in the region. In addition, she has earned the trust and respect of Salvadoran leaders across the political spectrum as an "honest broker" in El Salvador's mission to strengthen its democracy after many years of turmoil.

We urge the Committee to act swiftly on Ms. Aponte's long-overdue confirmation to allow her to continue the critically important work she has already started. Thank you for your consideration of this matter.

Sincerely,



Janet Murguía  
 President and CEO

Regional Offices: Chicago, Illinois • Los Angeles, California  
 New York, New York • Phoenix, Arizona • San Antonio, Texas

Senator MENENDEZ. Senator Rubio.  
 Senator RUBIO. Thank you.

Just briefly, just for the record, I have also reviewed that file, Mr. Chairman, and I have nothing to add to what you've already said.

The second thing I would ask, because it might just help in terms of—some people in the audience or even watching may wonder what we're all talking about, so let me just—I think this

might help. And it may sound weird to people, I'm asking you this when you're going to El Salvador, but let's just do this.

What are your views of the role Cuba plays in the hemisphere and the Cuban Government plays in the hemisphere? What are your views of the Cuban Government, its nature, and the role that it plays in the hemisphere?

Ambassador APONTE. I think the Cuban Government is a totalitarian government. I think that it has sought to influence other governments in the hemisphere to follow suit.

The Government of El Salvador has certainly not done that, even though some elements of the FMLN in power have sought to radicalize the President and some people in his Cabinet.

We have worked very hard to make sure that we exert influence in support of democracy and stability in El Salvador.

I have publicly called for President Funes to have a conversation with Castro on the issue of the type of democracy that elected him and brought him into power.

Senator RUBIO. And just as a followup, in the interest of fairness, and I don't want to get into a lot of detail. I just don't want to make it more uncomfortable and more difficult for anyone.

Earlier this year, Ambassador Aponte was helpful in our efforts to assist someone who was within El Salvador who had escaped the Cuban regime, and the Cuban regime was trying to get them back and was advocating to the Government of El Salvador that this individual be returned to Cuba. And the Embassy, under her watch, and her in particular, were very helpful in ensuring that that gentleman reached freedom. So I want to put that on the record, because I want to be fair.

The last thing I need to ask you was about the op-ed, just kind of elaborate a little bit more as to why you felt it was necessary to write that. Why did you feel—it is not—maybe it's usual. I haven't seen that in other posts. But why did you feel it was necessary to write that, to make that something associated with our diplomatic mission in El Salvador?

Ambassador APONTE. As part of the messages that are conveyed in the region, there are certain messages on certain issues that ambassadors write about; for example, citizen security and human rights. That's how it came about, the human rights op-ed. I wrote about the human rights.

Senator RUBIO. Is there anything in Salvadoran society, for example, that prompted you to do that? Was this an issue that was going on within El Salvador? Was this an issue that was being debated publicly? Was it a controversial issue before you wrote it or—

Ambassador APONTE. It became a controversial issue after I wrote it. It provoked public debate and—

Senator RUBIO. And here's what I'm trying to get at. I'm just trying to deduce your judgment as to why you felt it was necessary to write an op-ed about that, as opposed to write an op-ed about some other issues. You could write about human trafficking, too—

Ambassador APONTE. It was human rights, and I felt strongly about human rights.

Senator RUBIO. OK.

Ambassador APONTE. And it was human rights month.

Senator RUBIO. Thank you.

Ambassador APONTE. Thank you.

Senator MENENDEZ. You wrote this in June 2011. The President proclaimed in June 2011 the recognition of the rights of individuals of people who are gay and lesbian. So did that instigate you to follow suit?

Ambassador APONTE. Yes, that and Secretary Clinton's proclamation as well.

Senator MENENDEZ. And the fact that President Funes signed Decree 56, which prohibited all forms of discrimination by the Government of El Salvador on the grounds of sexual orientation or identity, was that a motivating factor for you as well?

Ambassador APONTE. Absolutely, it was.

Senator MENENDEZ. Thank you.

Ambassador APONTE. Thank you.

Senator MENENDEZ. If there are no other questions from members of the committee, we thank all of the nominees. If there is a question that comes for the record for any of you, we ask you to answer it expeditiously, so your nominations could be considered.

And with that, this hearing is adjourned.

[Whereupon, at 11:58 a.m., the hearing was adjourned.]

#### ADDITIONAL QUESTIONS AND ANSWERS SUBMITTED FOR THE RECORD

##### RESPONSES OF ROBERTA S. JACOBSON TO QUESTIONS SUBMITTED BY SENATORS JOHN F. KERRY AND RICHARD G. LUGAR

Your response to Question A.8 of the committee questionnaire indicates that since 2007, you have held the following positions in the Department of State:

2007–2010 Deputy Assistant Secretary of State, Bureau of Western Hemisphere Affairs

2010-present Principal Deputy Assistant Secretary of State, Bureau of Western Hemisphere Affairs

In your ethics undertakings letter, you commit that you and your spouse will divest of your interests in the following entities within 90 days of your confirmation to the position to which you have been nominated:

Cenovus Energy, Inc.

Ecopetrol, S.A.

ARC

Calfrac Wells Services Ltd.

Crescent Point Energy Corp.

Franco Nevada Corp.

Spectra Energy Corp.

Sociedad Quimica Minera de Chile S.A.

Please respond to the following questions with respect to your interests in these entities:

*Question #1.* Please indicate the date on which you and/or your spouse first acquired an interest in each entity.

Answer. Cenovus Energy, Inc.—4/30/11, \$29,218. Ecopetrol, S.A.—1/19/10, \$9,133; 3/19/10, \$1,481. ARC—8/28/09, \$5,615; 9/28/09, \$2,082. Calfrac Wells Services Ltd.—1/19/10, \$8,618; Sold in full on 1/12/11 and 5/16/11. Crescent Point Energy Corp.—12/04/09, \$1,843. Franco Nevada Corp.—9/08/09, \$5,635; 11/4/09, \$2,168. Spectra Energy Corp.—1/19/10, \$9,133; 3/19/10, \$1,481. Sociedad Quimica Minera de Chile S.A.—11/17/08, \$6,320.

*Question #2.* Please indicate the dates and amounts of any purchases or sales you and/or your spouse made of shares in any of these entities between 2007 and the present. You may omit transactions involving the reinvestment of dividends.

Answer. Cenovus Energy, Inc.—Purchased: 4/30/11, \$29,218. Ecopetrol, S.A.—Purchased: 1/19/10, \$9,133; Purchased: 3/19/10, \$1,481. ARC—Purchased: 8/28/09, \$5,615; Purchased: 9/28/09, \$2,082. Calfrac Wells Services Ltd.—Purchased: 1/19/10, \$8,618; Sold in full on 1/12/11 and 5/16/11. Crescent Point Energy Corp.—Purchased: 12/04/09, \$1,843. Franco Nevada Corp.—Purchased: 9/08/09, \$5,635; Purchased: 11/4/09, \$2,168. Spectra Energy Corp.—Purchased: 1/19/10, \$9,133; Purchased: 3/19/10, \$1,481. Sociedad Quimica Minera de Chile S.A.—Purchased: 11/17/08, \$6,320.

*Question #3.* Pursuant to 18 U.S.C. 208(a), a federal employee is generally prohibited from participating personally and substantially in an official capacity in any particular matter in which, to his knowledge, he or any person whose interests are imputed to him under this statute has a financial interest, if the particular matter will have a direct and predictable effect on that interest.

Please describe the steps you have taken to ensure your compliance with 18 U.S.C. 208(a) with respect to the relationship between your and your spouse's interests in these entities and the performance of your official duties.

Answer. I am very aware of my outside financial interests, including those imputed to me, and am diligent in recusing myself from working on any particular matter in my official work having an effect on those entities.

In reviewing my calendar and upcoming travel, I pay close attention to the private parties involved in any particular meeting or event to avoid any actual or appearance of a conflict. In cases where a meeting or event could create an actual or appearance of a conflict, I have recused myself.

While this system has worked well to date, given the greater responsibilities of the Assistant Secretary position, within 90 days of confirmation, I will divest my financial interest in the above list of companies. I will also continue to be diligent about my remaining financial interests and will recuse myself as appropriate from any matter at work. My executive assistant also helps me screen my activities for conflicts purposes.

*Question #4.* Please indicate whether you have participated in any particular matter affecting your interests in any of these entities during the time you have been an official of the Department of State. Please describe any such matters in which you have participated, and the basis on which your participation was consistent with relevant federal ethics law and regulations.

Answer. As indicated above I have recused myself from participating in any matter at work affecting my personal financial interests.

*Question #5.* Please indicate whether you consulted with relevant federal ethics officials before your initial decisions to invest in these entities for advice on whether these investments could create a conflict of interest with the performance of your official duties. Please describe any guidance you received in any such consultations.

Answer. While I did not consult with ethics officials before investing in these entities, I have been actively aware of the legal requirement to recuse myself from participating in any matter that could affect my personal financial holdings and have diligently done so throughout my career. With respect to the eight specific holdings noted in the question above, both the decision to invest and the actual purchases were made independently by my financial portfolio manager and not by me personally. I was not consulted prior to the purchases. This financial manager handles such purchases for all the accounts held by myself and two siblings.

*Question #6.* Please indicate whether you consulted with relevant federal ethics officials at any point subsequent to your initial investments in these entities for advice on whether these investments created a conflict of interest with the performance of your official duties. Please describe any such consultations and any guidance you received.

Answer. Yes. As required by federal ethics rules, I have always reported all holdings and transactions on my annual financial disclosure forms since their initial investment. I have on several occasions discussed my holdings with relevant federal ethics officials at the Department of State as part of their review process.

I estimate that I have had three consultations with relevant ethics officials in the Office of the Legal Adviser since joining the Western Hemisphere Affairs front office. The substance of these consultations included whether my investments created a conflict of interest with the performance of my current duties. Up until my nomination to be Assistant Secretary of State for Western Hemisphere Affairs, it has always been concluded that I could maintain my investments—given the low likelihood of my ability to directly affect the financial interests of these companies or the

sector—provided that I recuse myself on a case-by-case basis from any matters that could affect my holdings.

Per the above discussions, I have always been extremely careful to recuse myself whenever necessary. For example, I have recused myself from any matter involving the Keystone pipeline, given my investments in the region. Similarly, during my September 2011 trip to Brazil, I chose not to hold a meeting with U.S. oil and gas companies operating there. Additionally, since becoming a Deputy Assistant Secretary of State in 2007, as a matter of personal policy I almost always hold meetings with Chambers of Commerce when I travel, rather than with one particular industry or company.

Finally, between July 2011 and September 2011 and prior to my nomination, I consulted with relevant federal ethics officials regarding these entities on approximately 10 occasions. These discussions led to the decision to divest these holdings upon confirmation.

*Question #7.* Please explain why you chose to invest in these entities during a period in which you held senior positions responsible for formulating and implementing U.S. policy with regard to the Western Hemisphere. Please indicate whether you believe these investments created the potential for an appearance of a conflict of interest with the performance of your official duties.

Answer. As I noted in my response to question 4, the initial investment in these entities was made by my personal financial portfolio manager. I did not direct the purchase of these entities. Based on previous years financial disclosure reviews, I was actively operating under a recusal approach to any investments I held. Prior to my nomination to the Assistant Secretary of State position, and as outlined above, I participated in a number of consultations with relevant ethics officials and ultimately it was determined that it would be best if I divested in full those entities given the heightened responsibilities of the Assistant Secretary position.

Furthermore, along with my divesting the entities that I have outlined to the committee, I have instructed my financial manager moving forward to not purchase individual securities with significant operations in the Western Hemisphere, with a strong preference for diversified mutual funds in the future.

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RESPONSES OF ROBERTA S. JACOBSON TO QUESTIONS SUBMITTED BY  
SENATOR RICHARD G. LUGAR

Despite the recent passage of free trade agreements with Colombia and Panama, U.S. engagement with Latin America has struggled from perceptions that our government has neglected the region. Although these perceptions may, in some cases, be an oversimplification, U.S. involvement with Latin America over the last 2 years has missed important opportunities to advance our mutual interests.

Many Latin American countries, beset in the past by debt defaults, currency devaluations and the need for bailouts from industrialized countries, are experiencing economic growth. Strong demand in Asia for commodities like iron ore, tin, and gold, combined with policies in several Latin American economies that help control deficits and keep inflation low, are encouraging investment and fueling much of the growth. The World Bank forecasts that the region's economy will grow by 4.5 percent this year.

The United States is being displaced in South America as the preferred and logical trading partner. U.S. market share is being lost to China, Brazil, Canada, and other countries that understand that Latin America is a fast moving, competitive environment. With this loss of market share, we are simultaneously losing influence in the region and jobs here at home.

The delay in concluding trade agreements with Panama and Colombia has already resulted in significant loss of U.S. market share in those countries. In Panama, large-scale projects, such as the \$5.25 billion Panama Canal Expansion, the \$1.5 billion Panama City Metro, and hundreds of millions of dollars in highway expansion contracts have been awarded to non-American firms.

The United States recently lost its position as Colombia's No. 1 agricultural supplier. Total U.S. agricultural exports to Colombia decreased from \$1.8 billion in 2008 to \$827 million in 2010.

Now that the free trade agreements with Colombia and Panama are concluded, the President should be accelerating the priority of much broader trade initiatives like the Trans-Pacific Partnership and a revival of the Doha round. If he does not commit the prestige of his office to an aggressive campaign to open markets, he will be weakening chances for sustained economic growth in our own country.

In the region, President Obama should propose that we initiate negotiations on a market access agreement with MERCOSUL, the Southern Common Market, which is led by Brazil. The export potential of such a landmark agreement could create enormous job growth in the United States and help solidify our political and strategic relations in South America. In addition, the President should work toward congressional ratification of a Bilateral Tax Treaty with Brazil and Chile that could greatly expand our economic links with the region.

The administration should also consider a free trade agreement with Caribbean Nations and Uruguay, and an enterprise fund for Haiti, among other important commercial priorities.

To do this, we must articulate a clear sense of our interests and develop a more effective means for advancing those policies.

I am optimistic about the potential for our relationship with countries in the Western Hemisphere. But to be successful, broadly speaking, the administration must move beyond rhetoric to construct a bold trade, commerce, security and energy agenda with countries in the Western Hemisphere.

With sustained attention, we can work with countries in the region to make the most of the mutual opportunities that are emerging in the hemisphere to create jobs and safeguard our security. To that effect, please respond to the following questions regarding Western Hemisphere affairs.

*Question.* Over the past 17 years, the United States has entered into six free trade agreements covering 11 Latin American countries. The following Caribbean countries do not have a free trade agreement in force or under consideration with the United States: Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Cayman Islands, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, and Trinidad and Tobago.

In South America, these countries include: Argentina, Brazil, Paraguay, and Uruguay. Are there any plans to enter into any of the following trade and investment arrangements with the above listed countries: free trade agreements (FTAs), unilateral preferential tariff arrangements, bilateral investment treaties (BITs), and trade and investment framework agreements (TIFAs)? If yes, which countries are being targeted and why? Broadly speaking, what is the administration's agenda for trade expansion in the Western Hemisphere?

*Answer.* In 1991, the United States entered into an Agreement Concerning a Council on Trade and Investment with the Member States of CARICOM. USTR is leading negotiations with CARICOM to update this agreement. The Caribbean Basin Initiative (CBI) provides unilateral trade preferences to 17 beneficiary countries.

The United States and Jamaica have a Bilateral Investment Treaty (BIT), which entered into force on March 7, 1997. The United States and Trinidad and Tobago have a BIT, which entered into force on December 26, 1996.

The United States and Uruguay have a BIT, which entered into force on November 1, 2006. In January 2007 the United States and Uruguay signed a Trade and Investment Framework Agreement (TIFA), followed by substantive annexes on the environment and trade facilitation signed in October 2008.

The United States and Argentina have a BIT, which entered into force in 1994. We have a U.S.-Paraguay Joint Commission on Trade and Investment, established in 2004.

USTR has the lead on trade policy, with strong support from the State Department and other U.S. agencies. The State Department sees the recently concluded free trade agreements with Panama and Colombia as moving us closer to a hemispheric trade partnership reaching from the Arctic to the tip of South America. USTR is working to complete the Trans-Pacific Partnership negotiations, which involve two Western Hemisphere countries, Chile and Peru. Other countries may seek to join the TPP process as well. We also continue to explore ways to deepen regional integration through our existing bilateral trade agreements.

*Question.* Similarly, a market access agreement with MERCOSUL, the Southern Common Market, would create a key market for U.S. exports, which would strengthen regional ties and promote job growth in the United States. Does the administration plan to negotiate a market access agreement with MERCOSUL? Why or why not? If so, at what stage in the process are negotiations?

*Answer.* USTR has the lead on trade policy issues, with support from the Department of State and other agencies.

The United States has significant trade engagement with the MERCOSUL countries. We have Bilateral Investment Treaty (BITs) with Argentina and Uruguay. In



addition, the United States and Uruguay signed a Trade and Investment Framework Agreement (TIFA) in 2007, and subsequently agreed to substantive annexes on environment and trade facilitation. With Paraguay, we have a Joint Commission on Trade and Investment. During his visit to Brazil in March 2011, President Obama announced the creation of the U.S.-Brazil Commission on Economic and Trade Relations, under the Agreement on Trade and Economic Cooperation. This Commission replaced the U.S.-Brazil Bilateral Consultative Mechanism, and will facilitate future cooperation on trade and energy issues, among others, opening up additional possibilities for closer economic ties.

We will continue working with our partners in MERCOSUL to deepen existing agreements as well as pursue cooperation in areas of mutual interest through established mechanisms such as the Commission on Economic and Trade Relations and the Economic Partnership Dialogue with Brazil.

MERCOSUL has been pursuing free trade agreements with the EU and Canada, but both negotiations have stalled over many of the same issues that we would likely encounter if MERCOSUL and the United States were to seek an agreement—notably, market access and agriculture.

*Question.* On March 18, 2011, I introduced a Senate resolution calling for a U.S.-Brazil tax treaty to strengthen investment relations between the two countries. Brazil is the largest economy with which the United States does not currently have a bilateral tax treaty.

A tax treaty based on OECD Model Tax Convention principles would provide a solid basis for investment between these two countries because these principles would apply to transfer pricing, information exchange, tax dispute resolution, and withholding rates. Overall, a bilateral tax treaty would strengthen investment relations and increase economic output in both nations. Does the administration plan to establish a bilateral tax treaty with Brazil? If not, what is the reasoning for not pursuing a tax treaty at this time? If so, what are the next steps to be taken in the tax treaty process?

*Answer.* I appreciate your leadership on this issue. The administration remains interested in concluding a bilateral tax treaty with Brazil that would be consistent with international standards and provide meaningful tax benefits to cross-border investors. The United States and Brazil have held a number of consultations since 2006 to determine the feasibility of concluding such an agreement, and will continue these discussions. In addition, the United States signed a Tax Information Exchange Agreement (TIEA) with Brazil in 2007. The TIEA was approved by Brazil's House of Representatives in February 2010 and is awaiting approval by Brazil's Senate, which is required in order to bring the agreement into force.

*Question.* Similarly, a bilateral tax treaty with Chile based on OECD Model Tax Convention principles would improve investment relations between the United States and Chile and make U.S. businesses more competitive in Chile. The United States and Chile signed a tax treaty in February 2010, but President Obama has not yet submitted it to the Senate for advice and consent. Why hasn't the administration submitted the Chile tax treaty to the Senate for advice and consent? When does it expect to do so? Are there any additional Latin American countries with which the United States is considering a tax treaty?

*Answer.* Bringing the U.S.-Chile tax treaty into force is an important U.S. policy objective, and we look forward to transmitting this tax treaty to the Senate for its advice and consent to ratification. The administration continuously evaluates the possibilities to conclude comprehensive bilateral tax treaties with our significant Latin American trading partners that would follow international standards and provide meaningful tax benefits to cross-border investors.

*Question.* In May 2011, I introduced legislation that would lead to the establishment of the Haitian-American Enterprise Fund to strengthen the private sector, to create jobs, and to establish sustainable revenue streams to ensure long-run economic progress in post-earthquake Haiti. The Haitian-American Enterprise Fund is modeled after successful post-cold-war enterprise funds that were originally introduced by Senator Lugar over 20 years ago. At my request, six former directors of enterprise funds for Eastern Europe and the former Soviet Union traveled to Haiti in April 2011 to assess the status of the private sector and to determine if an enterprise fund model would work in Haiti. Following their trip, these former directors unanimously agreed that Haiti would benefit from an enterprise fund. Do you support the Haitian-American Enterprise Fund model to spur private sector growth in Haiti? Why or why not?

*Answer.* Thank you for your constant support for Haiti recovery efforts and for your focus on the long-term challenge of economic development in Haiti. We are

directly supporting several promising efforts to spur private sector growth by helping Haitian banks increase access to credit for micro, small, and medium-sized enterprises (MSMEs); promoting agricultural value chains; and opening a new opportunity for light industry at the Caracol Industrial Park. The administration would welcome the authority to further promote private sector growth in Haiti—including authority to establish a Haiti Enterprise Fund.

*Question.* Given Brazil's status as the largest economy in Latin America and one of the largest democracies in the world, U.S.-Brazilian relations are important to Western Hemisphere economic and security issues, especially. Nevertheless, during the course of the last 2 years the United States and Brazil have failed to agree on several key issues, from trade to narco-trafficking cooperation, to climate change. And, seemed to be working at cross-purposes regarding policies relating to Iran, Honduras, and Venezuela, among others. In some regards, Brazil has become a contrarian to the U.S.'s role in Latin America and the world, and seems to aspire to minimize U.S. influence.

- Please assess the current U.S. relationship with Brazil and explain our foreign policy to Brazil. How is the United States working with Brazil throughout Latin America and the world? What is the administration's view regarding Brazil's global ambitions? Does Washington regard Brasilia as a partner in regional affairs and global affairs?

*Answer.* The United States and Brazil enjoy a close, rapidly expanding, and deepening partnership. President Obama's visit to Brazil in March highlighted the depth of the relationship between Brazil and the United States, which is based on shared values and the ties of friendship. Our countries reached a series of important agreements and understandings during the visit, including an Agreement on Trade and Economic Cooperation, an Agreement on Air Transportation and associated Memorandum of Consultations on Air Transportation, and a Memorandum of Understanding on programs that will promote decent work conditions in third countries.

Our bilateral and multilateral cooperation with Brazil is advanced through three Presidentially mandated dialogues—the Global Partnership Dialogue, Strategic Energy Dialogue, and Economic and Financial Dialogue—as well as other ministerial dialogues, including the U.S.-Brazil Commercial Dialogue, Economic Partnership Dialogue, Political-Military Dialogue, Defense Bilateral Working Group, Bilateral Consular Dialogue, U.S.-Brazil CEO Forum, and U.S.-Brazil Commission on Economic and Trade Relations.

In addition, we partner with Brazil on a host of regional and global issues. We engage with Brazil in development and food security cooperation in Africa and have excellent ongoing cooperation in Haiti where Brazil leads the United Nations Stabilization Mission in Haiti. We jointly cooperate on renewable energy, including on biofuels research, standards, and the promotion of clean biofuels' use in third countries. We collaborate on sustainable urban development and planning issues and promote educational and scientific exchanges, and we share a commitment to combat racial discrimination, advance the empowerment of women, and fight exploitative child and forced labor. In these and other areas, the U.S.-Brazilian partnership can have a major positive global impact.

*Question.* Brazil reportedly will make local content rules stricter in regard to development of its offshore energy production. According to one estimate, such a rule could reach 95 percent by 2017. What is your view on the risks and benefits of such a strategy? If confirmed, what will you do to promote U.S. participation in the energy sector supply chain?

In the 1990s, Petrobras was part-privatized, a crucial step that has facilitated Petrobras rise as a prominent global oil and gas producer. In development of the pre-salt oil production, however, the Government of Brazil seems to have reversed position, establishing Pre-Sal Petroleo and requiring that Petrobras be the operator of all development. If confirmed, what message would you deliver to the Government of Brazil on foreign company access to new oil developments?

*Answer.* We appreciate, and have shared our view with Brazilian authorities, that excessive local content requirements run the risk of hampering efficient exploration and development and reducing the overall capacity for the safe extraction of oil and gas. Brazilian officials say the intent of such a policy is to help the economic and industrial growth of Brazil while creating opportunities for oil development. If confirmed, I intend to support the Department's involvement in key energy cooperation mechanisms with Brazil, notably the Strategic Energy Dialogue. The dialogue provides an excellent opportunity to ensure the best possible communication with the Brazilian Government on energy matters, including to express our concerns about increased local content requirements. We also intend to use the dialogue and other

opportunities for engagement with public and private sector stakeholders to find more ways to provide opportunities for U.S. businesses.

It's important to note that while the Government of Brazil has designated Pre-Sal Petrolero and Petrobras as the primary drivers of pre-salt oil development, the implementation and implications of the law are still being determined. Regardless of such advantages, Petrobras can and often does partner with other foreign and domestic oil and gas companies to develop oil and gas blocks. In addition to the potential for partnership and for service-provision, there are considerable opportunities for U.S. companies to bring their technical expertise to Brazil. Several collaborative technology centers-of-excellence are being established in Rio de Janeiro by leading international firms, including notable U.S. companies. These projects aim to address safety, accelerate deepwater field development, optimize production from mature fields, and develop cost-effective technology for drilling and geosciences. If confirmed, I will convey to the Government of Brazil the view that participation from a variety of highly competent and experienced entities, including American firms, will be important to the long-term success of the oil and gas industry in Brazil and the expeditious development of oil production, which will help supply global oil markets over the medium term.

*Question.* Is the administration interested in seeking congressional support to devise a comprehensive framework regarding trade, energy, and cooperation to fight drug trafficking in South America and Africa, with Brazil?

*Answer.* We welcome and deeply appreciate congressional views and collaboration with respect to policies and programs in the region. If confirmed, I look forward to continued support in this regard from Members of Congress and their staff.

During the President's trip to Brazil in March, he and President Rousseff laid out a framework for our bilateral relationship composed of dialogues, which both countries coordinate at the "Presidential level," though Presidents have delegated the responsibility for the meetings to the appropriate Cabinet members. These include, the Global Partnership Dialogue, led by the Department of State; the U.S.-Brazil Economic and Financial Dialogue, led by the Department of the Treasury; and the U.S.-Brazil Strategic Energy Dialogue, led by the Department of Energy, and are all considered Presidential under this rubric.

The Global Partnership Dialogue (GPD), which last occurred on May 31 and June 1 and which was chaired by Secretary Clinton and Foreign Minister Patriota, reflects the increasingly global nature of the U.S.-Brazil relationship and provides for engagement on economic cooperation, energy, counternarcotics, multilateral and trilateral cooperation, innovation, human rights, and hemispheric issues.

There were a number of significant outcomes from the productive discussions during the last GPD, including:

- Both sides welcomed progress on the Memorandum of Understanding to advance biofuels cooperation, including the aviation biofuels partnership, sustainability indicators for bioenergy under the Global Bioenergy Partnership, and the provision of a \$3 million grant through the Organization of American States to deepen cooperation with third-country partners.
- The United States and Brazil committed to advancing technical collaboration on science, technology, innovation, the environment, and natural disaster response.
- The United States and Brazil also discussed political and security issues, including counternarcotics cooperation in Bolivia, the Central American Citizen Security Initiative, and law enforcement training.

*Question.* With both the Olympics and World Cup being held in Brazil in coming years, myriad commercial opportunities exist to build infrastructure in Brazil and create U.S. jobs. What steps has the State Department taken, if any, to facilitate American entrepreneurs interacting with Brazilian interlocutors to build this infrastructure?

*Answer.* Although Brazil has had experience with major events such as the Pan American Games, the world sporting events that Brazil will host every year from 2011 to 2016 will present unprecedented challenges, particularly with respect to infrastructure development and creation of complex systems, areas in which U.S. firms excel. The steps Brazil is taking to successfully surmount these challenges will offer numerous trade and investment opportunities for U.S. companies in a wide variety of sectors, including construction and engineering, advanced technologies (including green technologies), services (such as financial and legal services, insurance, and leasing) and security systems.

Tenders related to the Olympic Games are still in their initial stages and thus procurement directly related to the Olympic Games has not yet begun full-force. In addition to procurement by the Brazilian Olympic Public Authority, Rio de Janeiro's

city and state governments, and the Brazilian arm of the International Olympic Committee will also issue public tenders to procure goods and services. These projects, many of which will be public-private partnerships, are still in the planning phase and must be approved by the International Olympic Committee. Tenders for these projects and activities are expected to open after the 2012 London Olympic Games. Along with our colleagues at the Department of Commerce's Foreign Commercial Service, with the support of the White House, the Department of State is starting now to ensure that U.S. companies get the access, information, and exposure they need to tap into this market in formation.

To set the stage for bilateral cooperation in preparation for the games and for U.S. companies' investments, during President Obama's March visit to Brazil, a memorandum of understanding was signed on cooperation was signed on the upcoming global sporting events hosted by Brazil, aimed at intensifying bilateral cooperation, particularly on infrastructure, safety, and security. During that visit our governments also signed an "Open Skies" agreement which expands international commercial air transport services between our two countries, which could be advantageous for U.S. airlines in the context of anticipated greater flows of individuals to attend the games.

The Department of State is also collaborating closely with other agencies on initiatives that foster cooperation with Brazil on the upcoming Major Events. With the support of the Department of State and in support of the Energy and Climate Partnership of the Americas, the Environmental Protection Agency is leading for the U.S. Government the Joint Initiative on Urban Sustainability, an ambitious effort in collaboration with the Government of Brazil to encourage that games-related infrastructure investments are sustainable, which creates new opportunities for U.S. companies in the energy-efficient technologies and green building materials sectors. Additionally, the Department of Commerce's Foreign Commercial Service and Mission Brazil are participating in National Export Initiative events in the United States to promote investments in Brazil in preparation for the games and are organizing numerous State-level trade missions.

Finally, the Department and other U.S. agencies are supporting the trade promotion activities of U.S. States. In October, the Governor of Florida led a delegation of more than 200 companies to Sao Paulo to explore commercial opportunities and contacts. Mission Brazil will host additional trade missions from Maine, Massachusetts, and Idaho before the end of 2011.

*Question.* Please explain your views regarding the domestic security challenges that Brazil must overcome to ensure that the Olympics and World Cup occur smoothly and that U.S. and international visitors to Brazil do not face robberies, petty crime, or personal injury. How is the United States working with Brazilian security forces in the security preparations for these events?

*Answer.* We believe that the Government of Brazil takes seriously its responsibility to provide safe and secure venues for the increasing number of international events held in Brazil. To enhance security arrangements for the major sporting events, Brazil has established a Security Secretariat for Special Events to serve as a hub for national, state, and local security efforts. At Brazil's request, U.S. security officials are in direct and regular contact with the Secretariat to share best practices and real-time information regarding potential threats to the safety of players, organizers, audience members, travelers to Brazil, and the general public.

The U.S. Government has developed a robust strategy to help Brazil prepare for events such as the 2014 World Cup and 2016 Olympic Games. Through the State Department's Anti-Terrorism Assistance program, Brazilian Federal and State Police Officers attended seven courses on major security events in FY 2011. The courses cover topics such as Quality Control in Civil Aviation Security, Preventing Attacks on Soft Targets, Chemical, Biological, Radiological, & Nuclear Hospital-Based Management of Mass Casualty Incidents, Critical Incident Management, VIP Protection, Fraudulent Document Recognition and Tactical Management of Special Events, Police Leaders Role in Combating Terrorism, and Senior Crisis Management.

In addition, we have developed a Voluntary Visitor Exchange Program and three International Visitor Leadership Programs for officials tasked with planning and providing security at major events. These programs provide opportunities for senior officials from the Brazilian State Security Secretariats that will host World Cup matches to meet, liaise, and share best practices with U.S. Federal, State, and local law enforcement authorities experienced in providing security for major events.

*Question.* It is my understanding that the Government of Argentina has recently become the first country in the 30-year history of the ICSID Convention—the most widely used international arbitral body in the world—to refuse voluntary payment

of ICSID awards. Argentina's actions are not only harming U.S. companies that have invested in Argentina, the Argentines are establishing a dangerous precedent that other countries may follow. What actions has the U.S. Government taken, to encourage Argentina to abide by the ICSID Convention?

**Answer.** The United States has repeatedly raised the final and enforceable International Centre for the Settlement of Investment Disputes (ICSID) awards against Argentina with Argentine Government officials at the highest levels, and will continue to do so in the future. The United States will continue to remind the Government of Argentina of its international obligations, stress the importance of maintaining a fair and transparent investment climate that includes functional dispute resolution mechanisms, and underscore the extent to which foreign investment is critical to Argentina's economy. In addition, the administration is now reviewing two petitions filed by U.S. companies that seek the removal of Argentina's eligibility from the Generalized System of Preferences based on the Argentine Government's alleged failure to act in good faith in recognizing as binding or in enforcing arbitral awards owed to the petitioners.

In September 2011, due in part to these concerns, the Treasury Department began instructing the U.S. Executive Directors at the World Bank and Inter-American Development Bank to vote against all loans to Argentina. The Treasury Department may make exceptions when programs effectively target very poor and vulnerable populations, because the administration does not believe these populations should be denied assistance as a result of their government's policy choices. As noted, this new policy responds to serious concerns about Argentina's failure to resolve pending ICSID arbitral claims and take the necessary steps to fully and conclusively normalize relations with its creditors.

**Question.** During the September 21st House Financial Services Committee hearing on multilateral development banks, Marisa Lago, Treasury's Assistant Secretary for international markets and development, announced that the administration will oppose all loans from multilateral development banks to Argentina. This policy was adopted by the Department of Treasury in response to Argentina's repeated failure to respect more than 100 U.S. court judgments in favor of U.S. creditors against Argentina. Does the State Department share the Treasury Department's concerns? In what ways will the State Department implement this policy?

**Answer.** The Treasury Department has the lead on U.S. Government policies toward the Multilateral Development Banks. In September, Treasury instructed U.S. Executive Directors at the Inter-American Development Bank and the World Bank to vote against all loans to Argentina. The Treasury Department may make exceptions when programs effectively target very poor and vulnerable populations, because the administration does not believe these populations should be denied assistance as a result of their government's policy choices.

The Department of State shares the serious concerns about Argentina's failure to pay outstanding final International Centre for the Settlement of Investment Disputes arbitral awards and take the necessary steps to fully and conclusively normalize relations with its creditors. For our part, we continue to use diplomatic channels to encourage the Government of Argentina to address these issues.

**Question.** It was reported that during President Kirchner's recent meeting with President Obama at the G20 summit (November 4, 2011), President Kirchner expressed that she only intends to offer the "holdout" bondholders the same deal Argentina offered in the April 2010. Are these reports correct? If so, what is the Department of State's reaction to this news?

**Answer.** In the November 4 meeting, President Obama underscored the importance of Argentina addressing its outstanding issues with international creditors. There was no discussion of specifics of how Argentina should do that.

The United States will continue to raise this issue with Argentine officials at the highest levels, stressing that reaching agreement with its creditors is an important step in creating a favorable climate for attracting foreign investment.

**Question.** How concerned should Americans be of the fact that Venezuela seems to have developed all the characteristics of a narcostate? Seeing the everyday violence throughout Mexico, do you think Venezuela might, in the near future, exhibit the patterns of drug-propelled violence we are witnessing in Mexico?

**Answer.** Since 2005, and in every subsequent year, the United States has found that Venezuela has failed demonstrably to meet its international counternarcotics obligations. The United States has also taken action by identifying senior Venezuelan officials as having assisted narco-trafficking efforts. The Department of the Treasury's Office of Foreign Asset Control (OFAC) designated four high-level Ven-

ezuelan officials, including an army two-star general, in September 2011 for materially assisting the narcotics trafficking activities of the FARC. These four join other former and current Venezuelan officials previously designated by OFAC.

Venezuela has engaged in some limited cooperation on counternarcotics matters, including increasing its dialogue with Colombian authorities and, on some occasions, deporting members of the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN) back to Colombia. Venezuela has also coordinated the deportation of fugitives wanted for drug trafficking to the United States and has participated in occasional maritime interdictions with the U.S. Coast Guard.

We have clearly stated for years that we are open to increasing cooperation with the Venezuelan Government to fight the increasing flow of illegal drugs in the region and globally.

*Question.* According to reports, President Chavez has an aggressive form of cancer which many speculate will compromise his ability to govern Venezuela in the near term. Is the United States Government prepared for the aftermath of his rule in Venezuela? Is the United States prepared to deal with the implications of President Chavez having welcomed narcotraffickers and foreign agents from countries with motives contrary to law abiding, democratic countries to operate freely in Venezuela, and in countries who share the interests and aspirations of the Bolivarian Movement?

*Answer.* We do not have any specific information about President Hugo Chavez' health condition beyond what the Venezuelan Government has publicly reported. We closely monitor the situation in Venezuela and stand ready to calibrate our policy as appropriate. As stated in the Inter-American Democratic Charter, the people of Venezuela, like those of other hemispheric nations, have a right to democracy. This commitment to democracy forms a critical foundation of our foreign policy throughout the hemisphere and, if confirmed, it will be a central focus of my efforts with respect to our policy toward Venezuela.

The United States has expressed our concern about Venezuelan policies with respect to support for international efforts to confront terrorism and narcotrafficking. Every year since 2006, the President has determined that Venezuela is "not cooperating fully with U.S. antiterrorism efforts," a determination made under section 40A of the Arms Export Control Act. Each year since 2005, we have determined that Venezuela has "failed demonstrably" to meet its international counternarcotics obligations, a determination made under section 706 of the Foreign Relations Authorization Act. We will continue to monitor Venezuela for activities that would indicate a pattern of support for acts of international terrorism, narcotrafficking, or other activities that might harm U.S. national interests, and take appropriate action when warranted.

We have been able to work effectively with many nations in the hemisphere who share our vision of inclusive growth, strong commitment to democratic values, and a cooperative combined effort to provide for citizen security.

*Question.* Technology ("Tech") companies are interested in training the world's best "Tech" talent in U.S. universities, but are tired of seeing the individuals that receive this training being forced to work for foreign competitors because they have been denied H1-B visas. In the Western Hemisphere, as illegal immigration to the United States diminishes what will the administration do to ensure that sufficient legal opportunities to work and live in the United States, such as H1-B visas and formal immigration options, remain open to the many skilled workers from the region who are so critical to the growth of the U.S. economy?

*Answer.* The Department of State works hard to ensure the prompt issuance of employment visas to all qualified applicants in accordance with immigration law. H-1B visas are numerically limited based on the law, capped at a maximum of 65,000 per year, with an additional 20,000 above the cap for recipients of a U.S. master's degree or higher. There is also unlimited H-1B availability for workers employed by or at a higher education or research institute. The numerical limits are worldwide and not specified for specific geographical regions.

All U.S. embassies and consulates have established procedures to expedite interview appointments for business travelers, including H1-B applicants. We will continue to explore ways to improve those procedures at our embassies and consulates throughout the hemisphere. U.S. officials work closely with American Chambers of Commerce in more than 100 countries around the world, and in each of our 50 missions in the hemisphere, to streamline the visa process for business travelers. We are continually working with interagency partners to improve and make more efficient the process to ensure it best serves the interests of the United States.



*Question.* Much has been made about reports of Chinese commercial, energy, and security investments in Latin America. Please describe these interests. What are they? Please explain the motivation for Chinese interests in the region. Is an enhanced presence of China in the Western Hemisphere a threat to U.S. interests?

*Answer.* China's economic engagement in the hemisphere is not necessarily a cause for friction between the United States and China. The United States remains the region's largest trading partner. China's trade, mainly from commodity purchases and exports of manufactured goods, reached \$178 billion with Latin America in 2010 compared to \$661 billion in trade between the United States and Latin America. China's trade presence and investment are focused mainly on satisfying its domestic demand for fuels, mineral resources and agricultural products. We recognize that China's growing economic influence has become important to many countries in the region, but the United States trade with the region remains far larger, more diverse, and is also growing rapidly. The recent passage of the Colombia and Panama Free Trade Agreements will help to maintain U.S. economic leadership in the hemisphere.

The primary goal of U.S. policy is to encourage a responsible role of China in the development of the region's economic prosperity.

*Question.* Currently the United States and Mexico are negotiating an agreement to cooperate on offshore transborder oil and natural gas production. Such an agreement is touted as facilitating joint production operations between PEMEX and U.S. energy companies.

If such an agreement is successful, please describe what, if any, additional constitutional, legal, or regulatory steps will be necessary for PEMEX to be able to participate in production sharing agreements with U.S. companies. What steps has the Government of Mexico committed to in fulfilling those steps?

Given that PEMEX is reportedly suffering from inadequate capital for investment, why is it to the benefit of the United States enable joint ventures instead of simply allowing leasing on the U.S. side of the border?

Please characterize the current state of technical information on economically accessible oil and natural reserves along the U.S.-Mexico offshore border.

*Answer.* On June 23, 2010, the Governments of the United States and Mexico jointly announced their intention to negotiate an agreement governing the disposition and regulation of hydrocarbon reservoirs that cross our international maritime boundary. Since that time, negotiating teams have carried out issue-specific workshops, informal consultations, and several rounds of formal negotiations. Work on the agreement is ongoing, and a final text is not yet agreed upon.

Mexico's Constitution places restrictions on the ability of Mexico's national oil company, Petroleos Mexicanos (PEMEX), to enter into business relationships with foreign companies. While there has been no change to the constitutional restriction on foreign investment in the oil sector, reforms undertaken in 2008 did open the possibility that hydrocarbon reservoirs that crossed the maritime boundary could be exploited in accordance with the provisions of a bilateral treaty that the Mexican Government could negotiate and submit to the Mexican senate for ratification. One of the objectives of the bilateral agreement we are currently negotiating, if concluded and brought into force by each side's respective ratification procedures, is to give PEMEX greater flexibility in carrying out cooperative transboundary projects with U.S. companies.

Leasing on the U.S. side of the maritime boundary has occurred, and some commercial activity has taken place in those lease blocks. This agreement, if concluded and brought into force, would establish an international legal regime to govern activities in the boundary area.

No transboundary reservoir has yet been discovered. Some technical information does exist regarding potential economically recoverable oil and natural reserves along the boundary. Should cooperative projects become more likely, we anticipate that additional exploration in the region would produce more and higher quality technical information on potential transboundary deposits.

*Question.* From a standpoint of transatlantic economic and energy security, especially considering likely nuclear power phaseouts in Germany, Belgium, and possibly additional nations, would trade in liquefied natural gas (LNG) exports from the United States to Europe be in the national interest and support of U.S. foreign policy toward Europe? Absent any LNG exports from the United States, what nations in the Western Hemisphere are likely to supply natural gas to European nations? Please describe the State Department's interaction with the Department of Energy in consulting on LNG export license applications.

**Answer.** The diversification of energy sources is vital as a means to protect consumers from price volatility, ensure adequate and secure supplies and, to mitigate climate change by increasing the use of lower carbon fuel sources. Additional global LNG, whether exported from the United States or from any other source, would advance a pillar of the U.S.'s Eurasian foreign policy objective to promote new, diversified, and clean sources of energy supplies for Europe. Domestically, potential future exports of LNG could create much needed jobs in our own country.

In the Western Hemisphere, Trinidad and Tobago and Peru currently export LNG to Europe, but most gas imports going to European markets come from Eurasia, North Africa, and the Middle East. Gas rich nations in the Western Hemisphere potentially looking to export LNG in the future include Colombia, Venezuela, and Bolivia.

Authorization to grant LNG export licenses is the sole responsibility of the Department of Energy's Office of Fossil Energy.

**Question.** Recently the Inspector General of the State Department announced an inquiry related to the Keystone XL pipeline permit application.

- Please describe the scope of that investigation. Specifically, will it examine the merits of the permit application itself?
- Will the decision on the Keystone XL permit application be delayed to wait for the outcome of the inspector general's investigation?

**Answer #1.** Given my current recusal from participation in matters that affect Keystone XL and the oil industry in Canada and to avoid even the appearance of partiality, I regret that I am unable to respond to this question. As I stated during my hearing, if I am confirmed, it would be my intention to resolve my recusal and I would then be available to address the committee's concerns to the extent possible. Another Department of State official will address this question promptly.

**Answer #2.** (Response by OES on behalf of the Department of State): On the scope of the investigation, I would refer you to the Department of State's Office of the Inspector General.

**Question.** Tight oil, or oil shale, production in the North Dakota region is rapidly expanding. Several reports have indicated logistical challenges in exporting production from North Dakota to refineries in the United States.

- Please describe the proposed ability of the Keystone XL to also transport oil from the northern U.S. Great Plains. What economic benefit would that have in those U.S. areas of production?

**Answer #1.** Given my current recusal from participation in matters that affect Keystone XL and the oil industry in Canada and to avoid even the appearance of partiality, I regret that I am unable to respond to this question. As I stated during my hearing, if I am confirmed, it would be my intention to resolve my recusal and I would then be available to address the committee's concerns to the extent possible. Another Department of State official will address this question promptly.

**Answer #2.** (Response by OES on behalf of the Department of State): Since 2008, the Department has been conducting a transparent, thorough, and rigorous review of TransCanada's application for the proposed Keystone XL Pipeline project. As a result of this process, given the concentration of concerns regarding the environmental sensitivities of the current proposed route through the Sand Hills area of Nebraska, the Department has determined it needs additional information and will undertake an in-depth assessment of potential alternative routes in Nebraska.

After obtaining the additional information, the Department will determine, in consultation with the eight other agencies identified in Executive Order 13337, whether the proposed pipeline was in the national interest, considering all of the relevant issues together. Among the relevant issues that will be considered are environmental concerns (including climate change), energy security, economic impacts, and foreign policy.

Because this National Interest Determination process has not been completed, the administration has not yet completed its analysis of the issues raised by your specific questions and is therefore unable to provide authoritative answers at this time. The Environmental Impact Statement (EIS) included information indicating that the proposed Keystone XL pipeline would provide up to 100,000 barrels per day of shipping capacity for crude oil produced in North Dakota and Montana. Based on information from the North Dakota Pipeline Authority, the projections of combined shipping capacity by pipelines and rail out of the Bakken region of North Dakota and Montana is greater than the projections of production, even without the proposed Keystone XL pipeline. This information is summarized in Figure 3.14.2-2 of the final EIS.



We remain committed to engaging with you and your staff as the process unfolds and to keeping you informed as the integrity of our regulatory process permits.

*Question.* Executive Order 13337 requires the State Department to offer other U.S. Federal agencies a 90-day period to comment as part of a National Interest Determination process and a further 15 days to issue a permit decision.

- Is it your opinion that the procedures elaborated in the E.O. 13337 are binding on the State Department?
- Is the current review period and decision process on track to meet those deadlines?
- If the permit review process is not on schedule meet the time requirements of Executive Order 13337, what are the obstacles and how are they justified within the bounds of applicable Executive orders and statute?

*Answer #1.* Given my current recusal from participation in matters that affect Keystone XL and the oil industry in Canada and to avoid even the appearance of partiality, I regret that I am unable to respond to this question. As I stated during my hearing, if I am confirmed, it would be my intention to resolve my recusal and I would then be available to address the committee's concerns to the extent possible. Another Department of State official will address this question promptly.

*Answer #2.* (Response by OES on behalf of the Department of State): As an executive branch agency, the Department is required to follow procedures laid out by the President under E.O. 13337. The Executive order does not set a time limit as to when the Department must make a decision on a permit application once it has received the recommendations of at least the eight named agencies in the order. Our review process is currently being conducted in conformity with the provisions of the Executive order.

*Question.* Recent press reports have indicated a confused decisionmaking process on the Keystone XL permit application at the State Department vis-a-vis the White House. White House spokesman Jay Carney has reaffirmed that the decision lies at the State Department, whereas it is reported that President Obama indicated to Nebraska reporters that he will be taking a personal role: ". . . I'll be measuring these recommendations when they come to me."

- What roles are White House officials playing in the Keystone XL permit application review process?
- Have White House officials identified a position on Keystone XL or otherwise given guidance to the State Department beyond procedures in existing Executive orders as to how a national interest determination and final decision shall be made?
- Will the Secretary of State issue a permit decision under authority delegated to her, which may or may not subsequently be reviewed by the White House, or will the Secretary of State make a recommendation to the President for his decision?

*Answer #1.* Given my current recusal from participation in matters that affect Keystone XL and the oil industry in Canada and to avoid even the appearance of partiality, I regret that I am unable to respond to this question. As I stated during my hearing, if I am confirmed, it would be my intention to resolve my recusal and I would then be available to address the committee's concerns to the extent possible. Another Department of State official will address this question promptly.

*Answer #2.* (Response by OES on behalf of the Department of State): The review of the Keystone XL permit application is being conducted in accordance with the procedure outlined in Executive Order 13337. The Executive order authorizes the Department (the Secretary of State or her designee) to determine whether granting a Presidential Permit authorizing a petroleum pipeline at the border is in the national interest. The Executive order outlines a procedure that requires the Department to seek the views of at least eight other federal agencies before making a proposed determination. Under the Executive order, a permit determination is only referred to the President for decision if one of the eight listed agencies objects to the Department's proposed determination. There has been no change to the process outlined in that Executive order.

*Question.* The negative national security impacts of overdependence on oil imports from unstable regions and difficult governments are well established and reaffirmed by the Secretary of State and President.

- Please describe how oil trade with Canada fits into the State Department's strategy to diversify and reduce geopolitical risks inherent to the current oil import portfolio.

- What potential do oil sands imports from Canada have to reduce need for oil from Venezuela?
- What would be the energy security, economic, and foreign policy implications of halting all future oil sands import growth from Canada?

Answer #1. Given my current recusal from participation in matters that affect Keystone XL and the oil industry in Canada and to avoid even the appearance of partiality, I regret that I am unable to respond to this question. As I stated during my hearing, if I am confirmed, it would be my intention to resolve my recusal and I would then be available to address the committee's concerns to the extent possible. Another Department of State official will address this question promptly.

Answer #2. (Response by OES on behalf of the Department of State): Since 2008, the Department has been conducting a transparent, thorough, and rigorous review of TransCanada's application for the proposed Keystone XL Pipeline project. As a result of this process, given the concentration of concerns regarding the environmental sensitivities of the current proposed route through the Sand Hills area of Nebraska, the Department has determined it needs additional information and is undertaking an in-depth assessment of potential alternative routes in Nebraska.

After obtaining the additional information, the Department will determine, in consultation with the eight other agencies identified in Executive Order 13337, whether the proposed pipeline was in the national interest, considering all of the relevant issues together. Among the relevant issues that will be considered are environmental concerns (including climate change), energy security, economic impacts, and foreign policy.

Because this National Interest Determination process has not been completed, the administration has not yet completed its analysis of the issues raised by your specific questions and is therefore unable to provide authoritative answers at this time. However, we remain committed to engaging with you and your staff as the process unfolds and to keeping you informed as the integrity of our regulatory process permits.

*Question.* The Government of Canada has clearly stated their support for approval of Keystone XL.

- In your view, what impact would approval or disapproval of Keystone XL have on the bilateral relationship between Canada and the United States?
- How is a rejection of the Keystone XL permit likely to be perceived by the Canadian Government?

Answer #1. Given my current recusal from participation in matters that affect Keystone XL and the oil industry in Canada and to avoid even the appearance of partiality, I regret that I am unable to respond to this question. As I stated during my hearing, if I am confirmed, it would be my intention to resolve my recusal and I would then be available to address the committee's concerns to the extent possible. Another Department of State official will address this question promptly.

Answer #2. (Response by OES on behalf of the Department of State): Since 2008, the Department has been conducting a transparent, thorough, and rigorous review of TransCanada's application for the proposed Keystone XL Pipeline project. As a result of this process, given the concentration of concerns regarding the environmental sensitivities of the current proposed route through the Sand Hills area of Nebraska, the Department has determined that it needs additional information and will undertake an in-depth assessment of potential alternative routes in Nebraska.

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Because this National Interest Determination process has not been completed, the administration has not yet completed its analysis of the issues raised by your specific questions and is therefore unable to provide authoritative answers at this time. However, we remain committed to engaging with you and your staff as the process unfolds and to keeping you informed as the integrity of our regulatory process permits.

*Question.* Robust and expanding trade is a longstanding pillar of our bilateral relationship with Canada. Energy trade is a fundamental part of that relationship, including oil as well integration of our electric grids. Energy trade was deemed to be of sufficient importance to also have a special and protected status within NAFTA.

- (a) Please elaborate on the criteria by which the United States may block energy trade with Canada.
- (b) In your view, would rejection of Keystone XL be a setback to longstanding trade promotion with Canada?

Answer #1. Given my current recusal from participation in matters that affect Keystone XL and the oil industry in Canada and to avoid even the appearance of partiality, I regret that I am unable to respond to this question. As I stated during my hearing, if I am confirmed, it would be my intention to resolve my recusal and I would then be available to address the committee's concerns to the extent possible. Another Department of State official will address this question promptly.

Answer #2. (Response by OES on behalf of the Department of State): USTR is the lead on trade issues and I would defer to that agency. Regarding part (b), this question requests information that may be relevant to the Department's National Interest Determination under Executive Order 13337, and therefore, in order to protect the impartiality and integrity of the Department's deliberative process under the Executive order, the Department is not in a position to address this question at this time.

*Question.* Americans benefit from robust market-driven trade in global oil markets, which gives supply flexibility that can help smooth price volatility. Unfortunately, many governments and in particular OPEC members engage in cartel behavior to limit supply and boost prices. The U.S. Government through the IEA and bilaterally promotes freer trade in energy. Rejection of free energy trade within North America could be seen as hypocritical and dampen our efforts elsewhere.

- In your view, how important is it to "practice what you preach" in energy trade?

Answer #1. Given my current recusal from participation in matters that affect Keystone XL and the oil industry in Canada and to avoid even the appearance of partiality, I regret that I am unable to respond to this question. As I stated during my hearing, if I am confirmed, it would be my intention to resolve my recusal and I would then be available to address the committee's concerns to the extent possible. Another Department of State official will address this question promptly.

Answer #2. (Response by OES on behalf of the Department of State): The specific question posed addresses an issue that may be relevant to the Department's National Interest Determination under Executive Order 13337, and therefore, in order to protect the impartiality and integrity of the Department's deliberative process under the Executive order, the Department is not in a position to address this question at this time.

Since 2008, the Department has been conducting a transparent, thorough, and rigorous review of TransCanada's application for the proposed Keystone XL Pipeline project. As a result of this process, given the concentration of concerns regarding the environmental sensitivities of the current proposed route through the Sand Hills area of Nebraska, the Department has determined it needs additional information and is undertaking an in-depth assessment of potential alternative routes in Nebraska.

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Because this National Interest Determination process has not been completed, the administration has not yet completed its analysis of the issues raised by your specific questions and is therefore unable to provide authoritative answers at this time. However, we remain committed to engaging with you and your staff as the process unfolds and to keeping you informed as the integrity of our regulatory process permits.

*Question.* The share of U.S. oil imports coming from Canada has increased as oil sands production has increased, and Canada is now the single largest foreign oil supplier to the United States. IHS CERA consultants have estimated that this proportion could increase to 36 percent of imports.

- How would the decision to permit Keystone XL affect the ability to reach this potential growth in secure imports from Canada?

Answer #1. Given my current recusal from participation in matters that affect Keystone XL and the oil industry in Canada and to avoid even the appearance of partiality, I regret that I am unable to respond to this question. As I stated during my hearing, if I am confirmed, it would be my intention to resolve my recusal and

I would then be available to address the committee's concerns to the extent possible. Another Department of State official will address this question promptly.

**Answer #2.** (Response by OES on behalf of the Department of State): The specific question posed addresses an issue that may be relevant to the Department's National Interest Determination under Executive Order 13337, and therefore, in order to protect the impartiality and integrity of the Department's deliberative process under the Executive order, the Department is not in a position to address this question at this time.

Since 2008, the Department has been conducting a transparent, thorough, and rigorous review of TransCanada's application for the proposed Keystone XL Pipeline project. As a result of this process, given the concentration of concerns regarding the environmental sensitivities of the current proposed route through the Sand Hills area of Nebraska, the Department has determined it needs additional information and is undertaking an in-depth assessment of potential alternative routes in Nebraska.

After obtaining the additional information, the Department will determine, in consultation with the eight other agencies identified in Executive Order 13337, whether the proposed pipeline was in the national interest, considering all of the relevant issues together. Among the relevant issues that will be considered are environmental concerns (including climate change), energy security, economic impacts, and foreign policy.

We remain committed to engaging with you and your staff as the process unfolds and to keeping you informed as the integrity of our regulatory process permits.

**Question.** In many of the world's largest oil production countries, such as Russia, Saudi Arabia, Iran, and Venezuela, state-controlled firms (or quasi-state controlled firms) dominate oil production. The United States and Canada are also among the largest oil producers in the world, but those governments allow publicly traded firms, many of which are listed on U.S. stock exchanges, and private firms to engage in production.

- Has Canada in any way restricted access to U.S. investment in oil sands production?
- What magnitude of economic benefit to U.S. companies and their shareholders would you estimate for existing and planned future oil sands production?
- Approximately how much tax revenue does the U.S. Government receive from profits repatriated from oil and gas production in Canada?

**Answer #1.** Given my current recusal from participation in matters that affect Keystone XL and the oil industry in Canada and to avoid even the appearance of partiality, I regret that I am unable to respond to this question. As I stated during my hearing, if I am confirmed, it would be my intention to resolve my recusal and I would then be available to address the committee's concerns to the extent possible. Another Department of State official will address this question promptly.

**Answer #2.** (Response by OES on behalf of the Department of State): The specific question posed addresses an issue that may be relevant to the Department's National Interest Determination under Executive Order 13337, and therefore, in order to protect the impartiality and integrity of the Department's deliberative process under the Executive order, the Department is not in a position to address this question at this time.

Since 2008, the Department has been conducting a transparent, thorough, and rigorous review of TransCanada's application for the proposed Keystone XL Pipeline project. As a result of this process, given the concentration of concerns regarding the environmental sensitivities of the current proposed route through the Sand Hills area of Nebraska, the Department has determined it needs additional information and is undertaking an in-depth assessment of potential alternative routes in Nebraska.

After obtaining the additional information, the Department will determine, in consultation with the eight other agencies identified in Executive Order 13337, whether the proposed pipeline was in the national interest, considering all of the relevant issues together. Among the relevant issues that will be considered are environmental concerns (including climate change), energy security, economic impacts, and foreign policy.

Because this National Interest Determination process has not been completed, the administration has not yet completed its analysis of the issues raised by your specific questions and is therefore unable to provide authoritative answers at this time. However, we remain committed to engaging with you and your staff as the process unfolds and to keeping you informed as the integrity of our regulatory process permits.

*Question.* The current United States unemployment rate is 9.0 percent.

- Please characterize estimates of job creation in the United States that could be attributed to construction of the Keystone XL pipeline?
- If completed, are these jobs likely to be filled by Americans or filled offshore?
- What is the estimated value of piping and other durable materials that would be required to construct the pipeline?
- What quantity of these materials is estimated to be sourced in the United States?

*Answer #1.* Given my current recusal from participation in matters that affect Keystone XL and the oil industry in Canada and to avoid even the appearance of partiality, I regret that I am unable to respond to this question. As I stated during my hearing, if I am confirmed, it would be my intention to resolve my recusal and I would then be available to address the committee's concerns to the extent possible. Another Department of State official will address this question promptly.

*Answer #2. (Response by OES on behalf of the Department of State):* Since 2008, the Department has been conducting a transparent, thorough, and rigorous review of TransCanada's application for the proposed Keystone XL Pipeline project. As a result of this process, given the concentration of concerns regarding the environmental sensitivities of the current proposed route through the Sand Hills area of Nebraska, the Department has determined it needs additional information and is undertaking an in-depth assessment of potential alternative routes in Nebraska.

After obtaining the additional information, the Department will determine, in consultation with the eight other agencies identified in Executive Order 13337, whether the proposed pipeline was in the national interest, considering all of the relevant issues together. Among the relevant issues that will be considered are environmental concerns (including climate change), energy security, economic impacts, and foreign policy.

The Environmental Impact Statement (EIS) includes information relevant to the questions asked. Section 3.10 of the EIS notes that the construction workforce for the proposed Keystone XL pipeline would consist of approximately 5,000 to 6,000 workers over the 2–3 years required to construct the pipeline. EIS 3.10–55. The EIS also notes that the total project cost (in the United States and Canada) is approximately \$7 billion, with approximately \$6.58 to \$6.65 billion being spent on materials, supplies, easements, engineering, and other costs. EIS 3.10–58.

Because this National Interest Determination process has not been completed, the administration has not yet completed its analysis of the issues raised by your specific questions. As part of the National Interest Determination process, the Department has been and will be consulting with other agencies to further consider the information from the EIS, as well as information from other sources (particularly comments received from the public during the National Interest Determination comment process). Therefore unable to provide authoritative answers at this time. However, we remain committed to engaging with you and your staff as the process unfolds and to keeping you as the integrity of our regulatory process permits.

*Question.* Previous pipeline permit applications have been relatively routine and uncontroversial, but the Keystone XL pipeline has become highly politicized.

- Please compare the timeline for consideration of the Keystone XL permit application to similar projects previously approved or rejected to the State Department.
- How frequently are oil and gas pipeline permit applications rejected by the State Department? What have been the principle reasons for their rejection?
- Please identify all opportunities for public comment that have been established by the State Department in consideration of the Keystone XL pipeline permit application.
- How does the public comment process for Keystone XL compare to earlier pipeline permit comment periods?

*Answer #1.* Given my current recusal from participation in matters that affect Keystone XL and the oil industry in Canada and to avoid even the appearance of partiality, I regret that I am unable to respond to this question. As I stated during my hearing, if I am confirmed, it would be my intention to resolve my recusal and I would then be available to address the committee's concerns to the extent possible. Another Department of State official will address this question promptly.

*Answer #2. (Response by OES on behalf of the Department of State):* The application for a Presidential permit for the original Keystone pipeline was submitted on April 19, 2006; the Department issued a permit for this pipeline on March 11, 2008. The application for a Presidential permit for the Alberta Clipper pipeline was submitted on May 15, 2007; the Department issued a permit for this pipeline on August

20, 2009. The application for a Presidential permit for the Keystone XL pipeline was submitted on November 4, 2008; the matter is still pending.

Since 2000 the Department has not approved both previous applications for new, major, cross-border oil facilities. Because there has been significantly more public interest and participation in the process for the Keystone XL review, the public comment procedures for this permit application were more extensive than than previous recent applications. The Department issued the following Federal Register notices regarding the process for consideration of the Keystone XL application: 73 Fed. Reg. 65713; 74 Fed. Reg. 5019, 6687, and 12172; 75 Fed. Reg. 19969, 20653, 22890 and 33883; 76 Fed. Reg. 8396, 22699, 22744, 53525, 54767, 55155, 55157. The Department held a total of 50 public meetings, both in states through which the pipeline would pass, if approved, as well as in Washington, DC. The various comment periods and public meeting times were also noted on the Web site the Department maintains on this issue:

[HTTP://WWW.KEYSTONEPIPELINE-XL.STATE.GOV/CLIENTSITE/KEYSTONEXL.NSF?OPEN](http://www.keystonepipeline-xl.state.gov/clientsite/keystonexl.nsf?Open)

The Web site also provides information about the project (including the final Environmental Impact Statement (FEIS)) and a mechanism for submission of comments over the Internet and other means.

The timeframes for the Keystone XL review compared to the two most recent pipeline reviews are as follows:

Keystone I—Application: April 19, 2006; Permit Issued: March 11, 2008.

Alberta Clipper—Application: May 15, 2007; Permit Issued: August 20, 2009.

Keystone XL—Application: November 4, 2008; Still under consideration.

*Question.* In evaluating permit applications such as that by Keystone XL, rigorous environmental analysis is necessary to make an informed judgment of risks inherent to any project and steps needed to help mediate those risks to an acceptable level.

- Please describe the process by which the environmental impact assessment was conducted.
- Please describe any environmental and safety precautions in excess of those required by U.S. law that the Keystone XL pipeline would implement.

*Answer #1.* Given my current recusal from participation in matters that affect Keystone XL and the oil industry in Canada and to avoid even the appearance of partiality, I regret that I am unable to respond to this question. As I stated during my hearing, if I am confirmed, it would be my intention to resolve my recusal and I would then be available to address the committee's concerns to the extent possible. Another Department of State official will address this question promptly.

*Answer #2.* (Response by OES on behalf of the Department of State): These issues are addressed in the final Environmental Impact Statement, particularly the Introduction, Section 3.13, and Appendix U, available at: <http://www.keystonepipeline-xl.state.gov/clientsite/keystonexl.nsf?Open>.

RESPONSES OF ROBERTA S. JACOBSON TO QUESTIONS SUBMITTED BY  
SENATOR ROBERT MENENDEZ

*Question.* U.S. Development Assistance to Latin America and the Caribbean: Assistance fell from almost \$421 million in FY 2010 to an estimated \$362 million in FY 2011, a 14 percent decline. U.S. assistance to Latin America is declining and proportionally, the region is receiving less and less of the total assistance pie. In 2006, Latin America received 11 percent of the regional distribution of U.S. Foreign Assistance, by 2011 that percentage had shrunk to 8 percent of the pie. The Western Hemisphere is the region of the world with the greatest potential to affect our Nation—positively, through enhanced trade relations, and negatively through undocumented immigration fed by social unrest, insecurity, and lack of opportunity.

- How does the administration prioritize funding by regions? What role will you play in 7th-floor decisions about regional allocations?
- Do you anticipate further decreases in U.S. assistance to the region based on overall decreases in U.S. foreign assistance?

*Answer.* In the current lean budget environment, we have carefully coordinated our requests for foreign assistance to Latin America and the Caribbean with our embassies, USAID missions, and the U.S. interagency. While funding in Latin America and the Caribbean has been reduced at a slightly faster rate than other regions, some of this reduction was made possible by the real successes achieved in the region, notably our efforts with Colombia to nationalize security programs. Our

assistance programs are designed to enhance our partnerships in the region and spread the responsibility for success. Our request levels reflect a recognition of the emerging global leadership of countries like Colombia, Brazil, and Chile, which complement U.S. priorities and are increasingly contributing foreign assistance in the region and around the world. We have concentrated our assistance in those regions of the hemisphere where it is most effective and advances U.S. interests—especially in Central America and the Caribbean. Our cooperation with Mexico reflects its strategic position along our southern border.

My familiarity and long experience with U.S. foreign assistance in the hemisphere, and my role in the Department's internal assistance allocation process allows me to influence these decisions, and to have a seat at the table as global level decisions are made. I can assure you that with my deep understanding of the region and my passion for its importance to the United States, if confirmed, I will be a forceful advocate for robust and productive engagement, including with respect to assistance. Our conversations with the Secretary and other Department and U.S. Government leaders are continuous, and always aimed at achieving an assistance level for the Western Hemisphere that is consistent with our interests, takes into account the needs of our partner nations, as is cognizant of the difficult budget environment we face.

If confirmed, I will continue to advocate for resources that advance our stated goals of citizen security, strong institutions of democratic governance, reducing social inequality and increasing economic opportunity, securing a clean energy future and mitigating the effects of climate change.

**Question.** U.S. Counternarcotics Spending: As outlined in the State Department's FY 2012 Congressional Budget Justification for Foreign Operations, U.S. counternarcotics aid to Latin America amounted to almost \$747 million in FY 2010 while the FY 2012 request is for \$424 million. I presume the 43 percent decline in counternarcotics assistance for the region reflects past funding for substantial equipment sales to Mexico as a part of Merida, but I'm also wondering why there is such a precipitous decrease when the needs in Central America are still so significant?

Answer. Countering the threats posed by drug trafficking and transnational crime remains a high priority area for U.S. foreign assistance to the Western Hemisphere, particularly Mexico, Colombia, Central America, and the Caribbean.

In Mexico, our Merida Initiative assistance is shifting toward relatively lower cost capacity and institution-building efforts that we and our Mexican partners believe are critical to address the underlying causes of the challenge facing Mexico. In Colombia, substantial savings are realized as we nationalize some counternarcotics programs in a gradual and predictable way. Colombia's ability to take over these programs reflects the success of our prior year investments and is a concrete demonstration of the growing capacity and effectiveness of our Colombian partners. For Central America and the Caribbean, we have maintained or increased citizen security funding levels consistent with prior years, particularly for the Central America Regional Security Initiative and the Caribbean Basin Security Initiative, to respond to sustained security threats to those regions and to increase partner nation capacity to administer the rule of law.

**Question.** Colombia: What effect will last Friday's death in combat of the FARC leader, Alfonso Cano, have on the FARC's ability to function? Is this a major setback for FARC or is there a secondary or tertiary leader who can step in?

Answer. At the time of his death, Alfonso Cano was the leader of the terrorist organization the Revolutionary Armed Forces of Colombia (FARC). Since taking over the FARC in September 2010 after the death of Mono Jojoy, Cano increasingly turned the FARC to asymmetrical warfare, including the use of assassinations, kidnapping, and IEDs.

The stated goal of the FARC is the violent overthrow of the Government of Colombia. Cano's death is an important victory for Colombia and represents a major blow against the largest terrorist organization in this hemisphere. The FARC engages in narcotics trafficking, kidnapping, and extortion, and there are regular clashes between the FARC and Colombian security forces. Cano is the fourth member of the FARC's General Secretariat to have been killed in the past 3 years, and the second Supreme Commander to die in that time period.

Cano's death could demoralize the FARC, and disrupt its decisionmaking, at least in the short term. However, the FARC has several senior ranking members available to step in as leader. At this moment, we cannot predict who that will be and therefore cannot speculate as to how this might affect the FARC's ability to function.



The Santos administration has stated on numerous occasions that it is prepared to consider negotiations with the FARC, once the FARC releases all hostages, agrees to a cease-fire, and terminates illicit activities.

*Question.* Inter-American Development Bank: What is the Department's position on funding the capital increase for the Inter-American Development Bank (IDB)? What impact will a partial increase—25 percent of the request—have on the Bank's lending portfolio? On contributions from other countries? Do you anticipate the Bank being able to maintain its commitment to Haitian reconstruction and development if the Bank's capital increase is short-changed?

*Answer.* The Department strongly supports the President's request and the U.S. commitment to the IDB General Capital Increase (GCI). We believe that failure to honor our full obligations to the IDB would seriously weaken U.S. influence in Latin America and the Caribbean at the same time that other emerging donor countries like China are increasing their presence.

We are in close contact with the Treasury Department, which is the lead agency on multilateral development bank policy, to coordinate and support our efforts to secure funding for the GCI request.

Full funding of the President's request for multilateral development banks would allow the United States to proceed with the full subscription of callable capital and a partial contribution of our paid-in capital commitments, and therefore allow the GCI to proceed.

The IDB is a key partner for the United States in the region, in our efforts on citizen security in Central America, and particularly in Haiti, the poorest country in the hemisphere. After the 2010 earthquake, the IDB cancelled all of Haiti's outstanding debt and converted undisbursed loan balances into grants. At the urging of the U.S. Government, the IDB also pledged to provide Haiti \$2 billion in grants over the next decade to fund its recovery efforts and long-term development plans as part of the GCI. Although a temporary shortfall in the United States paid-in capital contribution should not affect the IDB's financial capacity to meet the commitment to Haiti, there is risk that the IDB's Board of Governors, which must approve the transfer of funding for Haiti on an annual basis, would reject the transfer if the United States falls short of its GCI contribution.

*Question.* Authoritarian Trends in the Hemisphere: While democracy has been solidly consolidated in many countries in the region, a resurgence of authoritarianism, combined with tolerance for corruption and resulting from weak institutions and judiciaries threatens democratic progress in Venezuela, Bolivia, Ecuador, Nicaragua, and even Belize and Argentina. What role do you see the United States playing in providing support to civil society organizations, the independent media and others grassroots groups advocating for government transparency, free media, and judicial reform?

*Answer.* Our commitment to democracy and protection of human rights forms the foundation of our foreign policy throughout the hemisphere. As a matter of principle and longstanding policy, the United States believes that representative democracies require strong institutions, a robust and authentically independent judiciary, vibrant civil society, and free and independent media.

Our diplomats engage constantly with governments, addressing issues of democracy and human rights both publicly and privately. In bilateral and regional meetings, we press all governments to fulfill their commitments under the Inter-American Democratic Charter and other international conventions and treaties to which they are signatories. We have spoken out strongly, both in international fora and directly to governments, against corruption, lack of justice, and election irregularities in Nicaragua; against severe restrictions on civil society and freedom of expression in Venezuela, and in defense of media freedom in Ecuador and elsewhere.

We also engage consistently with grassroots civil society organizations and independent media that seek to promote and protect fundamental freedoms. Our democracy and human rights programs support civil society by providing them with the knowledge base and the tools to lay the groundwork for a better future.

If confirmed, this strong and longstanding commitment to democracy and protection of human rights will continue to guide my approach to relations with these countries and support for civil society. I intend to be a strong advocate for the democratic principles that guide our Nation and that are at the heart of the hemisphere's vision for governance.

*Question.* Freedom of the Press: In which countries are freedom of expression most at risk and what are main factors accounting for the deterioration of press freedom in several Latin American countries in recent years? To what degree have executive abuse of power and organized crime and violence been factors in the dete-



rioration of freedom of expression? How does U.S. policy call attention to concerns about freedom of expression, and what can be done to counter the deterioration of freedom of expression in some countries in the hemisphere?

Answer. We are concerned about recent trends that present risks to media freedom in the Western Hemisphere. Department of State Country Reports on Human Rights practices, NGO reports, and other data document challenges to open media, including crime-driven violence and intimidation directed at journalists; government-instigated pressure, ranging from physical violence to legal and administrative harassment; excessive government use of privately owned media to carry government propaganda; and, the creation of government-controlled media to compete with independent voices.

Government control of traditional media in Cuba (press, television, radio) is complete, leaving Cubans isolated and eager for unfiltered news from outside the island, and for unbiased information about events on-island and worldwide. Cuba has one of the lowest levels of Internet penetration in the world, and the Cuban Government continues to create legal and technical obstacles preventing the vast majority of the populace from gaining unfettered access to the Web. Moreover, the level of self-censorship among the Cuban population is extremely high due to real and perceived threats if they speak candidly and on the record. Some Cuban activists who are also independent journalists have been imprisoned for their activities.

Venezuela's Government routinely harasses and threatens media organizations and journalists which present coverage deemed by the government to be in opposition to its policies or in support of the democratic opposition. Over the last several years, it has used administrative procedures to close 34 radio stations, as well as RCTV, the nation's oldest television network, in 2007. Venezuela uses the threat of withdrawing broadcast licenses from remaining media and a stringent media law to constrain media outlets and journalists, contributing to a palpable culture of self-censorship. These practices are inconsistent with the hemispheric vision of freedom of expression. For example, in October, Venezuela's telecommunications regulator fined independent news broadcaster "Globovision" the equivalent of more than \$2 million for covering a prison riot, claiming the coverage made an "apology for crime" and fomented "the anxiety of the citizenry."

In countries as diverse as Ecuador, Guyana, Nicaragua, and Panama, government attempts to influence media, and to silence media outlets deemed hostile to the government, concern us. Among the techniques used are denunciation of purported antigovernment posture of media outlets, the creation of restrictive legal frameworks and the denial or suspension of licenses to broadcast or publish. In July, an Ecuadorian court ruling in a civil case lodged by the President sentenced the editor and two directors of the newspaper *El Universo* to 3 years in prison and levied \$30 million in fines for libeling the President. This case, which has drawn expressions of deep concern from press freedom organizations, is on appeal. In Nicaragua, President Ortega has called on his supporters to stop media from working to "wear down his administration's image." The government has used harassment, censorship, and arbitrary application of libel laws to suppress reporting, and withholds government advertising contracts from independent media.

Violence related to organized crime, particularly in Mexico and Central America, has taken a heavy human toll on journalists, and has a chilling effect on media coverage of crime, as well as on efforts to galvanize public support for anticrime programs.

Through diplomatic engagement, work with civil society, and public statements, the Department of State calls attention to the obstacles to freedom of expression and conveys support for those who strive to protect it. This engagement is in accordance with the Secretary's strong commitment on freedom of expression, including the Internet. It is also part of our commitment to hemispheric instruments, including the Inter-American Democratic Charter, as Deputy Secretary Burns noted in September at the Charter's 10-year anniversary. The United States actively supports the Special Rapporteur for Freedom of Expression of the Inter-American Commission on Human Rights and sponsored an Organization of American States General Assembly resolution, adopted in El Salvador in June 2011, related to promotion of freedom of expression in the Americas.

Our embassies engage deeply and continuously with media organizations, human rights groups, and governments wherever and whenever freedom of expression is under threat. We are enhancing our public diplomacy programs and exchanges focused on journalist education and safety, and on social media's capacity to buttress freedom of expression. We emphasize professional development for journalists to help them develop skills such as investigative reporting so they can move beyond official government pronouncements and develop broad-based, balanced coverage. U.S. human rights promotion programs seek to strengthen independent media and

increase awareness of the importance of freedom of expression. The U.S. Interests Section in Cuba uses distance learning and technology channels to offer independent journalists professional development and opportunities to disseminate their stories.

Our support for freedom of expression reflects deep values our people hold, because it reflects our strong conviction that a vibrant and free media is essential to the development of fully effective representative democracy in the Americas.

*Question.* In October, the Venezuelan Government imposed an outrageous fine on Globovision for coverage of last summer's prison riots—a fine up to 7.5 percent of its gross earnings for 2010, which could amount to \$2.1 million. A fine clearly intended to put the company out of business. Has the State Department contacted the Venezuelan Authorities regarding this issue?

*Answer.* Venezuela's Government routinely harasses and threatens media organizations and journalists which present coverage deemed by the government to be in opposition to its policies or in support of the democratic opposition. Over the last several years, it has used administrative procedures to close 34 radio stations, as well as RCTV, the nation's oldest television network, in 2007. Venezuela uses the threat of withdrawing broadcast licenses from remaining media and a stringent media law to constrain media outlets and journalists, contributing to a palpable culture of self-censorship. Venezuela's media laws also create vague categories of impermissible coverage, further contributing to an aura of uncertainty about reportage which is inconsistent with the hemispheric vision of freedom of expression. In response to the October fine made by Venezuela's telecommunications regulator, against independent news broadcaster, Globovision, for covering a prison riot, claiming the coverage made an "apology for crime" and fomented "the anxiety of the citizenry," the Department of State publicly urged the Venezuelan Government to uphold its obligations under the Inter-American Democratic Charter (IADC), including the principle that freedom of expression is essential for representative democracies. If confirmed, I will continue to urge the Venezuelan Government to uphold its obligations under the IADC. Media outlets must be guaranteed the freedom to independently cover important news stories, including controversial stories, without fear of government reprisal. Freedom of expression is a fundamental freedom vital to the health and proper functioning of any democracy.

*Question.* Citizen Security in the Americas: Looking ahead, what are the most significant challenges for Citizen Security Initiatives in the region in the next few years? Do you anticipate shifting greater attention and resources toward Central America and the Caribbean to address the immense organized crime and security crisis in Central America and the overflow into the Caribbean? Do you share A/S Brownfield's concerns that drug cartels will ramp up their transit routes through the Caribbean?

*Answer.* Weak rule of law institutions will continue to be at the center of our citizen security challenges in the region. The inability of governments to exercise the rule of law and provide services to citizens, beginning with security, will slow their efforts to improve citizen security, reduce inequality, and foster development in the region. We will continue to work with regional governments as they strengthen their institutions and secure their streets, waters, remote regions, and vulnerable populations. Stronger communities with vibrant civil society organizations that can resist the transnational criminal organizations are also critically important—especially as partners with governments against crime.

While we have made good initial progress, there is much to be done, and we must ensure that the progress made by our partner governments becomes more systematic and institutionalized.

We are urging our partners in Central America—which have some of the lowest tax collection rates in the world—to invest more in their own security. We are continuing to provide critical targeted assistance through the Central American Regional Security Initiative and the Caribbean Basin Regional Security Initiative. Central America and the Caribbean are already high priorities, as evidenced by the Secretary's frequent travel to both regions and our assistance within both programs—which we hope to maintain at consistent levels in the coming years. As drug trafficking organizations have repeatedly demonstrated their adaptability, we will continue to be particularly alert for any "balloon effect" increasing the flow of drugs through Central America and/or the Caribbean as Colombia and Mexico continue to pressure drug trafficking organizations and current trafficking patterns. We must not allow success in one part of the hemisphere to increase the threat to other parts of the hemisphere.

*Question.* Barriers to Market Access in Argentina and Brazil: USTR's 2011 National Trade Estimate maintains that both Argentina and Brazil have barriers

that can impede U.S. imports. Since 2008, Argentina has imposed a growing number of customs and licensing procedures and requirements that make importing U.S. products more difficult, including nonautomatic import licenses, minimum pricing, and import-export swap arrangements, in addition to intentionally slow processing virtually all imports. Argentina has now applied these restrictions to imports of virtually all U.S. products. Meanwhile, Brazil has started to follow in the footsteps of its southern neighbor, starting in 2009 with increased import tariffs on hundreds of industrial products and application of a variety of federal and state taxes on imports that effectively double the cost of imported products. Recently, Brazil has expanded the number of new restrictions a wide range of imports of U.S. goods, including additional import monitoring, enhanced inspections, and delayed release of targeted goods. Brazil also recently imposed new increases in customs fees on imports a wide range of products.

- What efforts are being made with Argentina and Brazil to address barriers to U.S. exports to these countries and to ensure that these countries are living up to their bilateral and international trade commitments?

Answer. The Department and our Embassy in Buenos Aires speak directly to the Argentine Government to register concerns with Argentina's import licensing procedures which restrict imports of U.S. goods. We also work closely with USTR, the lead U.S. agency at the WTO Committee on Import Licensing Procedures at the Council for Trade in Goods. In these meetings, the United States, joined by other WTO members, have raised concerns regarding Argentina's practices, including the legal basis under the WTO for its use of these import licensing procedures. We have also sought further clarification regarding the time period for approving licenses, and the reported requirement that companies commit to exporting or establish production facilities in Argentina in order to obtain an import license. We continue to insist that the Government of Argentina explain how such requirements are consistent with WTO rules.

We agree that Argentina's import licensing procedures are hurting U.S. companies' ability to export to Argentina. Not only are our companies concerned about the added costs and uncertainty associated with these measures, they are also concerned about the negative effects of products being sold increasingly on the gray market due to distortions created by Argentina's import procedures.

With respect to Brazil, we monitor closely what appears to be an increase in import duties on foreign goods and the promotion of products manufactured in Brazil through trade-distorting measures. We have broached this in our bilateral discussions with Brazil and we are working closely with USTR to advocate our interests in WTO negotiations.

We have established high-level trade, economic, and commercial dialogues with Brazil to promote the free flow of goods, services, and investment between the two countries. As a result, U.S. exports to Brazil are booming.

Our discussions include private sector input which is essential for identifying areas of opportunity for greater cooperation, as well as impediments to a level playing field for international trade. Business groups in both countries discuss opportunities to foster understanding and advance commercial priorities between the two countries. Trade missions also provide important channels for U.S. companies to meet with Brazilian Government officials to discuss and better understand the business climate.

*Question.* China's Interest in Latin America. China's linkages with the region, including trade, investment, and political relations, have grown significantly over the past several years. What are China's reasons for expanding its economic and political linkages with Latin American and Caribbean countries? What are the implications of China's engagement with Latin America and the Caribbean for U.S. policy toward the region?

Answer. China's economic engagement in the hemisphere is not necessarily a cause for friction between the United States and China. The United States remains the region's largest trading partner. China's trade, mainly from commodity purchases and exports of manufactured goods, reached \$178 billion with Latin America in 2010 compared to \$661 billion in trade between the United States and Latin America. China's trade presence and investment are focused mainly on satisfying its domestic demand for fuels, mineral resources, and agricultural products. We recognize that China's growing economic influence has become important to many countries in the region, but the United States trade with the region remains far larger, more diverse, and is also growing rapidly. The recent passage of the Colombia and Panama Free Trade Agreements will help to maintain U.S. economic leadership in the hemisphere.

The primary goal of U.S. policy is to encourage a responsible role of China in the development of the region's economic prosperity.

*Question.* Haiti Reconstruction: What type of international support would be needed to improve Haiti's economic development prospects over the long term? Other than France, what countries are still providing disaster assistance to Haiti? Job creation is vitally important for Haiti's economic recovery to take hold, but are you concerned that U.S. development projects like the North Industrial Park will have negative effects on those companies that are already in Haiti? What is the status of President Martelly's ability to address the political and legal roadblocks to reform, such as land titling?

Answer. Haiti will need sustained international donor attention over the next decade not only to provide development assistance, but also to advocate for the reforms that will enable sustainable economic growth. Several nations contribute to disaster assistance in Haiti. The Office of the U.N. Special Envoy provides the most regularly updated and comprehensive information about the contributions of donors to Haiti at [www.haitispecialenvoy.org](http://www.haitispecialenvoy.org)—specifically the data sheet under the section labeled “assistance tracker.”

The North Industrial Park is part of a comprehensive northern region development initiative ably coordinated by the Inter-American Development Bank (IDB). Joint efforts in the north are designed to improve the conditions for all companies in the region—enhancing the infrastructure, including roads, shelter, and electricity generation, and providing workforce vocational training that will ultimately benefit not just one industrial park, but several industries throughout the region.

President Martelly has shown an early commitment to systemic reforms—including by strengthening a working group to deal with land titling issues, bringing together NGOs, donors, and the various government agencies that have some responsibility for housing in Haiti. With respect to judicial reform roadblocks, President Martelly has filled three long-vacant positions at Haiti's Supreme Court, enabling that key branch of government to finally begin to play its constitutional role.

*Question.* Following several years of political animosity, yesterday, the United States and Bolivia signed a framework agreement, pledging to work together in the areas of trade, development assistance, and counternarcotics. What does the United States hope to get out of the framework? Do you expect to see a decrease in anti-American rhetoric by the Bolivians and enhanced cooperation, particularly in the area of counternarcotics?

Answer. The signing of the Framework Agreement is the first step toward more normal relations between the United States and Bolivia. We believe increased dialogue, resulting in part from the forums established by the agreement, will help achieve concrete improvements in counternarcotics cooperation, development assistance, and trade. However, both governments recognize that successful implementation will require substantial engagement and dialogue.

In addition to discussions in the working groups established by the Framework Agreement, our governments will work toward the restoration of diplomatic representation at the ambassadorial level. The exchange of Ambassadors will permit the United States to engage the Bolivian Government, and wider Bolivian civil society, at the highest level.

By channeling both nations' desire to return to a functional relationship based on our mutual interests, the agreement sends a powerful signal as to the desired direction of the bilateral relationship, which includes effective counternarcotics cooperation.

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RESPONSES OF HON. MARI CARMEN APONTE TO QUESTIONS SUBMITTED BY  
SENATOR ROBERT MENENDEZ

*Question.* Flooding: Last week, the First Lady of El Salvador and the Secretary of Social Inclusion, Dr. Vanda Pignato, met with a number of Senators to discuss U.S. flood assistance to the country. What will the United States be doing down the road to assist the Salvadoran people? What are the implications of the damage for the Salvadoran economy? Are you concerned that this event might increase undocumented immigration to the United States if jobs become few and food becomes too expensive?

Answer. In response to tropical depression 12-E, the U.S. Government has provided \$409,231 in disaster assistance. Humanitarian assistance included funds from USAID and the Defense Department for transportation support, toolkits, medicine, food, hygiene kits, and supplies for emergency relief projects and rescue operations.

USAID continues to coordinate closely with the Government of El Salvador and the international donor community to identify areas in which we can further assist El Salvador in disaster recovery, including infrastructural and agricultural needs. USAID is reviewing its programs to determine if funds can be redirected to meet recovery priorities identified by the Government of El Salvador.

*Question. Counternarcotics Cooperation:* On September 16, 2011, President Obama included El Salvador on the list of countries designated as "major" drug-producing or "drug-transit" countries, the first time the country has received such a designation. What evidence supports El Salvador's designation as a major drug transit country? How would you assess the current level of bilateral antidrug cooperation and the adequacy of U.S. counternarcotics assistance to El Salvador (both bilateral aid and assistance provided through CARSI)?

*Answer.* The countries of Central America are increasingly used for trafficking of cocaine and other drugs primarily destined for the United States. As a result, crime and insecurity are increasing throughout the region. El Salvador forms part of the "Northern Triangle" along with Guatemala and Honduras, where international criminal syndicates are transiting illegal drugs headed to the United States from South America.

El Salvador and the United States enjoy close cooperation on counternarcotics issues. Bilateral counternarcotics cooperation funded under the Central America Regional Security Initiative (CARSI) focuses on projects designed to reduce the flow of illegal narcotics and other contraband through El Salvador's territory and its littoral waters. Projects include support for police professionalization, assistance for interdiction efforts at borders and checkpoints, and equipment and technical assistance for the country's police, immigration, and security services.

Additional CARSI assistance is being provided to the Government of El Salvador to support the implementation of recently passed legislation related to wiretapping, electronic intercepts, and asset forfeiture. These laws, and related U.S. assistance, will enable the Government of El Salvador to more effectively investigate complex transnational crimes, including narcotics trafficking, and to seize, sell, and monetize property and assets seized in conjunction with narcotics arrests and to use the profits for counterdrug efforts.

To enhance the delivery of U.S. Government counternarcotics and related citizen security assistance to the Government of El Salvador, the Department has decided to open a full-fledged Narcotics Affairs Section within the Mission, which will bring additional management, procurement and planning resources to bear in support of our engagement.

*Question. Violence/Gangs:* How has the Funes government's approach to addressing gangs and other public security challenges differed from that of previous ARENA governments? How likely is it that the government will be able to implement some sort of security tax to increase funds for efforts to deal with gangs and crime? How well is U.S. assistance (both bilateral aid and assistance provided through CARSI) supporting those efforts and how might that assistance be targeted more effectively?

*Answer.* Across the political spectrum in El Salvador, there is agreement that gangs operating in El Salvador, whether transnational in scope, such as the 18th Street Gang or MS-13, or not, represent one of the most visible, pressing threats to the citizens of El Salvador. As such, the Farabundo Marti National Liberation Front (FMLN) government of President Funes has continued the efforts of former ARENA governments to investigate and dismantle these criminal organizations, including by prosecuting gang members.

President Funes took the additional step of allocating military resources to supplement the police in June of 2010, and up to half the military remains engaged in street patrols, border security, and guarding the prisons. This move has been widely supported by a public concerned with rising crime; polls show the military is the most highly respected government institution.

The Funes government has welcomed collaborative antigang efforts with the U.S. Government, aimed at dismantling those gangs which have a nexus to the United States. Central America Regional Security Initiative (CARSI) funded cooperation supports the FBI-led Transnational Anti-Gang Unit (TAG) in San Salvador, and an Immigration and Customs Enforcement Vetted Unit that addresses gang-related smuggling activities, and provides assistance to segregate gang members incarcerated in El Salvador's prisons. CARSI also provides funding for USAID programs to identify youth and communities at-risk to provide educational, training, and related services to mitigate risks in these affected areas, in coordination with the Government of El Salvador.

Additional CARSI assistance is being provided to the Government of El Salvador to support the implementation of recently passed legislation related to wiretapping, electronic intercepts, and asset forfeiture. These laws, and related U.S. assistance, will enable the Government of El Salvador to more effectively investigate gang activities, to seize, sell, and monetize property and assets seized in conjunction with gang arrests, and to use the profits for gang and citizen security efforts.

President Funes has sought additional national funds for this effort. He has been negotiating with the private sector over a security tax that would generate additional resources to be directed at improving citizen security. So far, that effort has not achieved consensus. Consequently, President Funes did not include a security tax in the FY 2012 budget he submitted to the legislature on September 30. The U.S. Government supports efforts in El Salvador and throughout the region to generate resources that would bolster the capacity of law enforcement institutions to combat criminal gangs and drug cartels and reduce reliance on foreign assistance.

To enhance the delivery of U.S. Government citizen security assistance to the Government of El Salvador, the Department has decided to open a full fledged Narcotics Affairs Section within the Mission, which should bring additional management, procurement, and planning resources to bear in support of our engagement. The Department's Bureau of International Narcotics and Law Enforcement Affairs also maintains a Regional Gang Advisor in San Salvador to coordinate antigang assistance being provided to the Government of El Salvador.

*Question. Economic Issues:* A joint U.S.-Salvadoran assessment published in July 2011 as part of the Partnership for Growth (PFG) Initiative identified the two greatest constraints on growth in the country as crime and insecurity and a lack of competitiveness in the "tradables" sector of the economy. To what extent have those barriers inhibited El Salvador from receiving the full benefits of its participation in DR-CAFTA Agreement? To what extent, if at all, has dollarization inhibited El Salvador's ability to remain competitive with other countries? How much support are government reform efforts receiving from the private sector? What type of U.S. support could be useful?

*Answer.* The two constraints identified by the joint analysis do limit El Salvador's ability to fully benefit from the DR-CAFTA. The World Bank estimates the costs associated with mitigating the effect of crime and insecurity add at least 10 percent to the cost of doing business for firms in El Salvador. The joint U.S.-Salvadoran assessment indicates that El Salvador may be losing 8 percent of its GDP, compared to other CAFTA countries, due to the productivity constraint in tradables. Relieving these constraints will allow El Salvador to more fully benefit from the opportunities created by the DR-CAFTA. Dollarization has protected El Salvador from inflationary shocks that were common with the Colon, and it prevents speculation against the local currency, which can put pressure on the government's reserves and cash flow. Dollarization also benefits Salvadorans living in the United States by making their remittance transfer costs cheaper.

The private sector is playing a constructive role in support of reform efforts. For example, banks and power distribution companies worked together with the Salvadoran Government to restructure natural gas subsidies. Under the Partnership for Growth, the private sector also makes up one-half of the newly installed Council for Growth, which will work to address competitiveness issues in El Salvador. Continued strong U.S. support through the Partnership for Growth will help El Salvador overcome obstacles related to sustained broad-based economic growth. Funding the various lines of action and accelerating the development of our PFG and other programs will help us apply maximum political and diplomatic tools in support of President Funes and his government.

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RESPONSES OF ELIZABETH M. COUSENS TO QUESTIONS SUBMITTED BY  
SENATOR ROBERT MENENDEZ

*Question. Palestinian U.N. Membership:* In addition to serving as the U.S. Representative to ECOSOC, you are also nominated to serve as an alternative representative to the General Assembly and in that context you are a part of our USUN team in New York, advocating for the broad spectrum of U.S. interests. With respect to the Palestinians' efforts to obtain membership in the U.N. and its affiliated bodies, what is the latest state of play? What is the earliest date that UNSC will have to take up this issue? Have the Palestinians communicated through official channels that they do not intend to apply for membership at any other U.N. bodies, as has been reported in the press? Has the mission made clear to other countries and to General Secretary Ban Ki-moon that the United States will not pay its contribution



to UNESCO? Is USUN privy to any discussions to continue U.S. contributions to UNESCO by other means, for example, by paying for related programs in countries where UNESCO is currently working?

- With respect to the Palestinians' efforts to obtain membership in the U.N. and its affiliated bodies, what is the latest state of play?

**Answer.** With respect to the Palestinian application for U.N. membership, the U.N. Security Council Admissions Committee is currently reviewing a draft report circulated by Portugal as the chair. Consistent with longstanding precedent, the report summarizes the discussions of the Admission Committee over the last several weeks, including the various positions of the committee members. We anticipate the committee will adopt the report on November 11 and that it will be submitted to the Security Council. If a member of the UNSC, at the behest of the Palestinians, calls for a vote, such a vote could be held as early as the week of November 14. The United States has made clear it will not support any such initiative in the Council, vetoing it if necessary. Our view is that Palestinian moves to join U.N. bodies undermine the prospects for peace, delay their quest for an independent state, and damage the U.N. entities they seek to join—and as a result undermine U.S. security interests.

*Question.* What is the earliest date that UNSC will have to take up this issue?

**Answer.** A member of the Council could introduce a draft resolution recommending Palestinian admission and call for a vote at any time after November 11.

*Question.* Have the Palestinians communicated through official channels that they do not intend to apply for membership at any other U.N. bodies, as has been reported in the press?

**Answer.** The Palestinians have indicated publicly that they won't pursue membership in other U.N. entities for the time being.

*Question.* Has the mission made clear to other countries and to Secretary General Ban Ki-moon that the United States will not pay its contribution to UNESCO?

**Answer.** We have been very clear in public, in all our exchanges with the Palestinians, and in senior-level engagement with governments worldwide that Palestinian membership as a state in UNESCO triggers longstanding provisions of U.S. law that prohibit the United States from making assessed or voluntary contributions to UNESCO.

*Question.* Is USUN privy to any discussions to continue U.S. contributions to UNESCO by other means, for example, by paying for related programs in countries where UNESCO is currently working?

**Answer.** We have already withheld contributions to UNESCO following the vote to approve the Palestinian application. I am not aware of any consideration of plans to continue contributions to UNESCO by other means.

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RESPONSES OF ADAM E. NAMM TO QUESTIONS SUBMITTED BY  
SENATOR ROBERT MENENDEZ

*Question.* Freedom of Expression: What do you believe will be the impact on Ecuador's press from the government's successful lawsuit and judgment against the leading opposition newspaper? What are the repercussions of a new communications law in Ecuador as the law is envisioned pursuant to the May referendum? What steps, if any, would you take to encourage freedom of the press in Ecuador if appointed Ambassador?

**Answer.** As a matter of principle and longstanding policy, the United States upholds freedom of the press as a vital element of a representative democracy. All signatory nations to the Inter-American Democratic Charter, including Ecuador, are committed to uphold the democratic practices and institutionality.

In July, an Ecuadorian court ruled in favor of Ecuador's President Correa in a civil suit, convicting the editor and two directors of the second-largest national daily, El Universo, of libel, for an editorial criticizing President Correa for the events surrounding police protests of September 30, 2010. Immediately following the verdict, we joined the Inter-American Press Association, the Committee to Protect Journalists, and others in expressing concern over the sentence. We understand the case is under appeal, and are following that process closely.

The May Referendum, approved by popular vote, included a proposal for a new Communications Law, which is still under debate in Ecuador's National Assembly. The implementation of these revisions, including the Communications Law, deserves

careful scrutiny and analysis within Ecuador, by civil society, and by other nations that, like Ecuador, are signatories to the Inter-American Democratic Charter, which commits them to uphold strong democratic principles.

**U.S. engagement with and assistance to Ecuador include an important and enduring focus on strengthening democratic institutions, including a free press, an independent and vigorous judiciary, and vibrant civil society organizations. If confirmed, I will speak out publicly and forcefully on these points, engage with the Ecuadorian Government at the highest levels, and work with Ecuador's civil society to further these U.S. policy priorities.**

*Question. Investment Climate:* Private companies have long experienced problems in Ecuador's oil and mining industries. How would you describe the current investment climate in Ecuador and how might it be improved? How would you assess the Correa government's efforts to attract much-needed foreign investment and how might they be improved? To what degree are U.S. companies welcome to invest and operate in Ecuador?

**Answer.** The United States and Ecuador have maintained a strong commercial relationship in Ecuador dating that country's independence from Gran Colombia in 1830. The United States remains Ecuador's largest trading and an important investment partner. The Ecuadorian Government and private sector have expressed interest in strengthening the bilateral commercial relationship with the United States. Taking into consideration specific areas for improvement in attracting foreign investment, we will look to engage with Ecuador to promote U.S. interests and protect U.S. investments.

Ecuador's investment climate includes a number of contrary factors, not least of which is the task of implementing provisions precipitated by Ecuador's 2008 constitution which could impact investment. Ecuador's stated intention to withdraw from bilateral investment treaties, including with the United States, has increased uncertainty.

Despite these challenges, Ecuador is relatively open to foreign investment, including from the United States, and is cognizant of the need to attract foreign investment as it looks to expand its petroleum and mining sectors. The Ecuadorian Government announced that it plans to make available new oil concessions in the southwestern portion of the country. It is currently negotiating large-scale mining contracts with a number of foreign investors to move the sector from exploration to production in order to exploit the country's untapped yet substantial reserves. In addition, the government has sought to generate investment in small and medium-sized firms through a newly adopted "Production Code," which includes tax incentives to encourage investment in key sectors.

The Ecuadorian Government has expressed hope for an improved commercial relationship with the United States in the future. The United States funds assistance programs aimed at aiding Ecuadorian efforts to fight corruption, address rule of law and overall security concerns, and in general improve the judicial system. Such steps could be helpful in terms of the investment climate. If confirmed, I would commit my efforts and those of the Embassy to engage with the Ecuadorian Government and with the private sector to raise any concerns about the business and investment climate, to seek U.S. investment in Ecuador, and to ensure that U.S. investors are treated fairly and equitably under the law.

*Question. Non-Tariff Barriers/WTO:* Ecuador maintains a number of WTO-illegal safeguards measures against imports of U.S.-made and U.S.-branded products including textiles, tires, windshields, apparel, footwear, and television sets as well as very restrictive and nontransparent tariff-rate quotas (TRQs) on imports of most U.S. agricultural products. What efforts are being made with Ecuador to address barriers to U.S. exports, especially as the World Trade Organization plans its next biennial Trade Policy Review of Ecuador later this month?

**Answer.** USG officials in Washington, Quito, and elsewhere have raised concerns with the Ecuadorian Government that a number of its trade policies may not be consistent with its WTO obligations. We continue to urge Ecuador to comply fully with its WTO commitments, and are working to mitigate the adverse impact of Ecuadorian trade restrictions on U.S. interests by engaging with the Ecuadorian Government directly through frank discussions on these issues. We also plan to raise our concerns at the next World Trade Organization biennial Trade Policy Review of Ecuador and utilize all other mechanisms at our disposal to address concerns of barriers to U.S. exports.

Despite these restrictions, the Department, USTR, and our Embassy in Quito have been instrumental in successfully advancing and promoting U.S. economic and commercial interests in Ecuador. In July 2010, as a result of our Embassy and



USTR efforts, the Government of Ecuador eliminated balance of payments safeguards that had negatively affected U.S. exports. In addition, the Ecuadorian Government lifted its Sanitary and Phyto-Sanitary agreement ban on poultry imports from West Virginia and Arkansas. In 2010, the United States registered a 30-percent increase in exports to Ecuador.

Among the Embassy's advocacy successes is the New Quito International Airport project, which was successfully renegotiated and includes \$264 million in lending from U.S. Government agencies and \$685 million in U.S. exports of goods and services over the project life.

If confirmed, it will be a priority for me to engage, along with my colleagues from the Foreign Commercial Service and USDA, with Ecuador's Coordinating Ministry for Production, Ministry of Industries, Ministry of Agriculture, National Customs Service, and Foreign Trade Committee to facilitate imports of U.S. products and services. Likewise, if confirmed, I will work to advance further the Embassy's Economic and Commercial sections' efforts with Ecuador's Intellectual Property Institute to promote awareness of Intellectual Property Rights (IPR) issues through educational campaigns and to promote increased IPR enforcement.

RESPONSES OF ROBERTA S. JACOBSON TO QUESTIONS SUBMITTED BY  
SENATOR MARCO RUBIO

*Question.* For more than three decades, the State Department has designated Cuba as a State Sponsor of Terrorism. Last month, there were troubling reports that the administration could be considering removing Cuba from the list in exchange of Mr. Alan Gross' release.

- Can you confirm whether the administration has ever considered removing Cuba from the State Sponsors of Terrorism list in exchange for Mr. Gross' release?
- Under what conditions would the administration consider removing Cuba from this list?
- Do you envision brokering any additional deals with the Government of Cuba that involves their status as a terrorist supporting state?

*Answer.* At no time has the administration considered removing Cuba from the State Sponsors of Terrorism list in exchange for Mr. Alan Gross' release. There is an established series of requirements necessary for a country to be removed from the State Sponsors of Terrorism list, and the Government of Cuba is well aware of these requirements.

The conditions/requirements under which Cuba could be considered for removal from the State Sponsors of Terrorism are as follows:

In the absence of a fundamental change in the leadership and policies of the Cuban Government, in order to rescind Cuba's designation as a State Sponsor of Terrorism, the law requires the President to first submit a report to Congress justifying the rescission and certifying that:

- The Government of Cuba has not provided any support for international terrorism during the preceding 6-month period, and,
- The Government of Cuba has provided assurances that it will not support acts of international terrorism in the future.

We have not brokered any deals with the Government of Cuba that involve their status on the State Sponsor of Terrorism list, and we do not envision brokering any such deals at this time.

*Question.* I understand that our policies in Cuba are based on a cost-benefit analysis that balances accomplishments in democracy promotion versus the financial resources that will go to the Castro regime and indisputably enhance the regime's capacity for repression. We now know that since the Obama administration eased restrictions on travel and remittances in April 2009, the regime has doubled its hard currency deposits in foreign banks. The Bank for International Settlements reported banks in 43 countries held \$5.76 billion in Cuban deposits as of March of this year, compared with \$4.285 billion at the close of 2009 and \$2.849 billion at the close of 2008.

- Can you provide detailed examples of what has been achieved in terms of democracy promotion in Cuba since April 2009 that outweigh the financial gains to the regime?
- Political repression by the regime has more than doubled this year, reaching the worst documented level of repression in 30 years. How is this increase in funds helping the regime's repressive apparatus?

Answer. The increase in Cuban bank account balances from 2008–2011 is most likely the result of substantial third-country lines of credit, petroleum subsidies, import reduction efforts, and remittances from other countries. We do not believe it is likely the direct result of increased U.S.-based remittances or travel activities to the island.

Regulatory changes announced in April 2009 and January 2011 were designed to enhance the free flow of information to, from, and among the Cuban people and promote their independence from the Cuban state. These measures do not allow for tourist travel, which is against the law and will not be authorized under these regulations. We work very closely with the Treasury Department's Office of Foreign Assets Control (OFAC) to prevent the misuse of these measures to promote tourism. We believe the Cuban people's gain through the people-to-people measures outweigh any potential benefit to the Cuban regime.

In addition to expanding people-to-people contact, our democracy and human rights programs complement our efforts to support the Cuban people by providing them with the knowledge base and the tools to gain greater freedom. Our Interests Section in Havana meets frequently with dissidents and we have trained hundreds of independent journalists whose work has appeared in major international news outlets. Human rights groups trained by our grantees have also documented human rights abuses for submission to international human rights bodies at the United Nations and Organization of American States and our diplomats work tirelessly to keep attention focused on Cuba's human rights record.

*Question.* Over the last 9 months, you have also served as the Western Hemisphere Security Coordinator at the State Department, coordinating U.S. security cooperation across the region and U.S. Federal agencies.

- How often did you hold coordination meetings with agencies outside of the State Department?
- What concerns and complaints did U.S. federal agencies express to you regarding coordination of State Department projects?
- How could U.S. cross-agency coordination better work to address the increased security challenges in this complex environment along our southern border?
- As Western Hemisphere Security Coordinator, how often did you brief the U.S. Congress on the interagency and interprogram coordination strategy and developments?
- How often did you brief other agencies on delays or coordination challenges that arose in relation to any of the security programs in the region? Please list date and general content of discussion.
- Are there examples of successful cross-agency coordination for State Department led initiatives that were carried out by the Under Secretary for Political Affairs? What is the benefit to having a high-level career officer hold this role?

Answer. The coordinator on citizen security initiatives is responsible for ensuring necessary coordination among our citizen security initiatives in the hemisphere, and among the agencies that execute them. In this capacity, it has been my responsibility to ensure that the appropriate WHA offices were in regular contact with their interagency interlocutors. I facilitated coordination within WHA, with partner bureaus in the State Department, and throughout the interagency community. During the period in question, I chaired or cochaired large, high-level interagency meetings on April 1 and on May 26, 2011, and attended at least a half dozen interagency policy committee meetings during which such coordination took place. While these larger meetings are of significant value, I would also note the very intense coordination on the citizen security initiatives in the Western Hemisphere that take place every day in smaller, more informal meetings and at the working level.

Interagency discussions focused not only on the implementation of State Department programs but more importantly also on the critical effort to ensure the best possible coordination among the various programs executed by our interagency partners. For example, security programs and development programs often had to be sequenced to ensure maximum effectiveness.

As one example, through our broad engagement with Mexico on the full range of important security, economic, and border management issues, we are enhancing U.S. interagency coordination and information sharing to address the increased security challenges along our southern border. For example, the "National Southwest Border Counternarcotics Strategy" was updated by the Office of National Drug Control Policy on July 7, 2011, to better guide national efforts focused on reducing the flow of illicit drugs and drug proceeds across the Southwest border. Other mechanisms to improve coordination include the Executive Steering Committee on 21st Century Border Management and the Mexico Merida High Level Consultative Group.

Alone, and with other State Department officials from multiple bureaus, I have briefed Members of Congress and their staff on our citizen security initiatives, our budget requests, and overall strategy on many occasions, as requested. I testified before the U.S. Senate Caucus on International Narcotics Control on May 25, 2011, on our Central America Regional Security Initiative (CARSI) in a hearing titled "Combating Drug Violence in Central America." Our efforts to improve coordination were both integrated into the initiatives themselves and regular briefings and conversations regarding the initiatives between WHA and Congress.

On the matter of coordinating delivery of U.S. assistance, I and my staff were in constant coordination with the Bureaus of International Narcotics and Law Enforcement Affairs and Political-Military Affairs (INL and PM), our embassies, inter-agency colleagues, and host governments concerning the details of implementation, seeking the best possible information, and to ensure an integrated and effective effort. These meetings occurred virtually every day. We developed improved mechanisms to speed the delivery of assistance and developed best practices to help to alleviate future delays and coordination challenges. For example, as a result of inter-agency coordination and the intervention of the most senior levels of the State Department, we were able to overcome early challenges in the delivery of UH-60 helicopters to the Mexican Navy and accelerate the manufacturer's schedule to meet the initiative's requirements.

Various Under Secretaries have very effectively coordinated Department-led initiatives. The Under Secretary for Global Affairs will become the Under Secretary for Civilian Security, Democracy, and Human Rights, and will have a key role in coordinating and overseeing civilian security efforts, including by ensuring coordination of cross-cutting initiatives and global or multiregion initiatives. That said, we take advantage of the enormous expertise involved in coordinating implementation of bilateral and subregional citizen security initiatives which exists within State's regional bureaus. The relationship between the Western Hemisphere Bureau and the functional experts within INL, PM, DRL and other Bureaus continues to be extremely positive and results-oriented.

*Question.* Regarding Daniel Ortega's reelection in Nicaragua. What are the implications of his reelection—and the process leading up to it—for the democratic consensus in Central America and the broader Western Hemisphere?

*Answer.* The Nicaraguan elections were marred by irregularities and lack of transparency. The government failed to accredit some credible domestic organizations as observers, voters faced difficulties in obtaining proper identification, and Nicaraguan authorities declared that electoral candidates could be disqualified after the elections.

We view this as an exception rather than the rule in Central America and in the hemisphere more broadly. The region's commitment to democratic development is widespread and strong. The Organization of American States can help support the hemisphere's democratic progress, especially as we work to implement fully the unique Inter-American Democratic Charter which enshrines the duties of our governments to protect and promote our citizens' right to democracy.

Through our statements, our bilateral diplomacy, and our multilateral diplomacy, if confirmed, I will remain committed to defending democratic processes and universal human rights, during electoral processes and beyond, and addressing threats to democratic institutions as they arise.

*Question.* What measures has the administration taken to lead a robust debate at the OAS on the irregularities and violations of the Nicaraguan Constitution that took place leading up to the November 6 election?

*Answer.* We have spoken out publicly about the elections, agreeing with the European Union electoral mission that the Supreme Electoral Council did not operate in a fair and impartial manner, including in a public statement on November 10. We also share the concerns of the OAS electoral mission regarding irregularities in the electoral process, and we join the OAS in calling upon Nicaraguan authorities to investigate acts of violence perpetrated on election day.

The United States—and other member states—also expressed concern with the initial press release issued by the OAS which spoke of democracy advancing through the elections. This quote was later removed by the OAS.

In our ongoing discussions with OAS Secretary General Insulza, Chief of Mission of the OAS Electoral Mission Dante Caputo, OAS member states, and other donors, we have underscored the importance of ensuring that the OAS take into consideration preelectoral issues impacting democratic institutions in Nicaragua. We will continue to raise our concerns on these points when the preliminary report of the OAS Electoral Mission is presented to the OAS Permanent Council.

The United States remains committed to defending democratic processes and universal human rights in the OAS. This is fully consistent with our common commitment to representative democracy, as expressed in the Inter-American Democratic Charter.

*Question.* What steps is the administration taking or is prepared to take to ensure the constitutional and electoral irregularities that have taken place in Nicaragua receive a robust response at the OAS, consistent with previous decisions regarding constitutional disruptions elsewhere in Central America?

*Answer.* The administration is working tirelessly with our partners in the region to ensure that the OAS addresses the irregularities observed in the Nicaraguan election, consistent with the shared commitment of all OAS member states to representative democracy, as expressed in the Inter-American Democratic Charter. As Article One of the Charter clearly states, "the peoples of the Americas have a right to democracy and their governments have an obligation to promote and defend it."

The United States is committed to defending democratic processes and universal human rights and continues to urge the OAS to take steps to address the irregularities in a transparent and open manner. The United States has been working closely with the OAS Secretary General, Chief of Mission of the OAS Electoral Mission Dante Caputo, and other donors to review the irregularities in the Nicaraguan elections and ensure appropriate followup by the OAS Permanent Council. A preliminary report will be made to the OAS Permanent Council in the coming days by Mr. Caputo, and we look forward to a robust discussion of the findings.

The mission's report will address concerns regarding the identity card process, the makeup of the polling committees or "Juntas Receptoras de Votos," the accreditation of political party observers ("testigos") and the fulfillment of procedures related to the activities of international observers. The OAS Electoral Mission has also expressed concern regarding irregularities in the electoral process, as well as different acts of violence perpetrated on election day. We fully support the Electoral Mission's call on Nicaraguan authorities to fully investigate and clarify these events.

We will continue to press the OAS to take all necessary steps to promote free and fair elections in all countries in the hemisphere. We remain steadfast in our commitment and will continue to raise our concerns at the highest levels of the OAS.

*Question.* As you know, the administration has announced that it will oppose all loans from multilateral development banks to the Government of Argentina until the Argentine Government respects its obligations under the International Centre for Settlement of Investment Disputes (ICSID) Convention. I understand that the administration is also considering the prohibition of trade benefits to Argentina currently granted under the Generalized System of Preferences, until that country comes into compliance with its ICSID obligations.

- When do you expect a decision on the GSP measures? Are there other steps that the U.S. Government can take to protect American investors affected by Argentina's behavior on this matter?

*Answer.* The Department of State is pleased that the Generalized System of Preferences (GSP) program was recently reauthorized.

The Department of State is one of several executive branch agencies on the GSP Subcommittee of the Trade Policy Staff Committee, led by USTR. The subcommittee has two petitions under review seeking Argentina's removal from the GSP program based on alleged nonconformance with certain GSP eligibility criteria. Each of the petitions alleges that the Argentine Government has failed to act in good faith in recognizing as binding or in enforcing an arbitral award owed to the petitioner. On September 28, 2010, the GSP Subcommittee held a public hearing on these two petitions.

Following the hearing, the subcommittee undertook a review of the hearing testimony, public comments, and other information in order to consider whether the circumstances warrant any changes to Argentina's GSP eligibility. When authorization for the GSP program expired, on January 1, 2011, review of this and other petitions was suspended, pending reauthorization of the program. In October 2011, Congress passed, and the President signed into law, legislation reauthorizing the GSP program. As a result, the GSP Subcommittee has resumed its review and is now considering next steps with respect to the petitions. Any change to the list of GSP beneficiaries would require a determination by the President.

The United States has repeatedly raised Argentina's final and enforceable International Centre for the Settlement of Investment Disputes (ICSID) awards with Government of Argentina officials at the highest levels and will continue to do so in the future. The United States will continue to remind the Government of Argentina of its international obligations, stress the importance of maintaining a fair and

transparent investment climate that allows for effective dispute resolution, and underscore the extent to which foreign investment is critical to Argentina's economy. The new multilateral development bank lending policy responds to serious concerns about Argentina's failure to pay outstanding final ICSID arbitral awards and also to take the necessary steps to fully and conclusively normalize relations with its creditors.

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RESPONSES OF HON. MARI CARMEN APONTE TO QUESTIONS SUBMITTED BY  
SENATOR MARCO RUBIO

*Question.* Mexico has had some success in combating how the cartels and Drug Trafficking Organizations (DTOs) finance themselves by limiting one-time cash deposits into a Mexican bank account to \$10,000. This has driven the DTOs into Guatemala and El Salvador, where regulations are much weaker and they can open bank accounts with huge sums of cash.

- Can you describe your work with Salvadoran authorities to encourage banking regulations and reforms that will target the cartels and DTOs that are bringing violence into Central America?

*Answer.* U.S. agencies are currently working with the National Civilian Police to create a vetted unit that will focus on money laundering and other related criminal activities. Under President Obama's Partnership for Growth, we will also create a committee comprised of experts from El Salvador and the United States to encourage the approval and implementation of a complete asset forfeiture law as well as improvements to legislation to combat money laundering. The committee will use a portion of the forfeited assets to fund crime prevention programs. Additionally, we will work with the Salvadoran Government to strengthen units in charge of financial investigation in the Police Force and Attorney General's Office.

*Question.* Our cooperation with Mexico has been affected by bureaucratic delays in the delivery of key equipment. Have you identified similar delays affecting the timely and efficient delivery of our security cooperation programs in El Salvador?

*Answer.* Mexico had significant national resources available to support, sustain, and expand upon the equipment purchased through our security programs. Central American nations, including El Salvador, lack the capacity to provide similar levels of support for large equipment purchases, such as helicopters, planes, and advanced nonintrusive inspection equipment (NIE). Therefore, CARSI's focus is heavily oriented toward training, mentoring, and professionalization versus the acquisition of equipment. As required, and based upon assessments of El Salvador's needs and capabilities, we are supporting the acquisition of limited quantities of equipment for El Salvador that is easy to maintain, requires little additional host-nation maintenance to sustain the capability, and require limited training. Examples of this equipment include bullet proof vests, communications equipment, and hand-held nonintrusive inspection equipment, such as fiber optic scopes.

To enhance the delivery of citizen security assistance to the Government of El Salvador, the Department has decided to open a full-fledged Narcotics Affairs Section within the Mission, which should bring additional management, procurement and planning resources to bear in support of our engagement. To ensure that we are providing a whole-of-U.S. Government approach to citizen security in El Salvador, the Mission coordinates all citizen security efforts of all U.S. agencies involved in delivering prevention, law enforcement, rule of law, and security assistance (relevant agencies include Bureau of Alcohol, Tobacco, Firearms and Explosive, Drug Enforcement Administration, Federal Bureau of Investigation, Immigration and Customs Enforcement, the Military Group, and U.S. Agency for International Development).

To increase the impact of our efforts, the mission is also leading a "Group of Friends of El Salvador" with like-minded donors, international financial institutions and multilateral organizations to avoid duplicative programming and seek leveraging opportunities to collaborate with other partners on El Salvador's most pressing citizen security challenges.

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RESPONSES OF ADAM E. NAMM TO QUESTIONS SUBMITTED BY  
SENATOR MARCO RUBIO

*Question.* What is your assessment of the current state of democratic institutions in Ecuador, specifically regarding government controls over the media, government regulations over civil society, and the consolidation of legislative and judiciary power under the executive branch?

Answer. The Ecuadorian Constitution of 2008 and a May 2011 referendum mandated a substantial restructuring of a number of Ecuadorian governmental institutions. Both measures were approved by popular vote. The referendum directed changes to Ecuador's judicial system and a new Communications Law. Both the judicial restructuring and the new Communications Law are still under debate in Ecuador's National Assembly.

Ecuadorian and international civil society have expressed concern about the referendum, particularly the possibility that the judicial reform would result in effective executive control over the judiciary. Similarly, a civil suit lodged by President Correa against the *El Universo* newspaper that resulted in a very large fine being assessed to *El Universo* has raised concerns about media freedom. The State Department expressed similar concerns.

As a matter of principle and longstanding policy, the United States believes that representative democracies require strong democratically established institutions, a robust, independent judiciary, and vibrant and independent media. It is for this reason that implementation of these revisions deserves careful scrutiny and analysis within Ecuador, by civil society, and by other nations that, like Ecuador, are signatories to the Inter-American Democratic Charter, which commits them to uphold strong democratic principles.

Secretary Clinton has stated publicly that free press, freedom of expression, and a vibrant civil society are critical elements of democratic governance. If confirmed, I will continue to communicate the importance of these irreplaceable democratic values and universal human rights to the Ecuadorian Government and ensure that we follow closely any restructuring of Ecuador's institutions.

*Question.* What are your greatest concerns regarding the growing ties between the government of Rafael Correa and Iran?

Answer. We are fully aware of the Iranian Government's flouting of international standards, including defiance of United Nations Security Council resolutions. Secretary Clinton said in 2009 that Latin American nations should therefore "think twice" about engaging with Iran.

The focus of the Ecuador-Iran relationship has largely focused on diplomatic and some commercial ties. Both governments have discussed closer cooperation and have signed a number of agreements, but to date, there have been few concrete results, if any, from such projects.

For our part, we carefully monitor Iranian activities in Latin America to ensure that violations of U.S. law or international sanctions are quickly detected and appropriate actions taken. The United States, when merited, has taken specific and effective actions concerning other countries in the region to address violations of U.S. statute or regulation with respect to dealings with Iran. We would do the same in the case of similar violations involving Ecuador or any other country in the region.

We have expressed to the Ecuadorian Government our concerns over Iran's support for terrorism, human rights violations and nonproliferation activities, U.S. policy designed to address this threat, and the importance of complying with international sanctions intended to deprive funding for entities involved in these activities. In 2009, the Export Development Bank of Iran, which was and is designated by Treasury's Office of Foreign Assets Controls, indicated publicly that it had reached agreement to operate in Ecuador. At the time, and since, we have continued to reiterate the risks that financial institutions, both private and public, run, should they engage in transactions with U.S.-sanctioned entities, such as the Export Development Bank of Iran.

RESPONSES OF ELIZABETH M. COUSENS TO QUESTIONS SUBMITTED BY  
SENATOR JOHN BARRASSO

*Question.* In your speech on November 19, 2009 at the Informal Meeting of the General Assembly on Climate Change, you stated that "one of mankind's greatest challenges" is "sustainable, climate-friendly development."

- You also stated, "We have in Copenhagen the opportunity to reach a deal that can spur us on this path immediately and speed the transition to a low-carbon global economy."
- If confirmed, will you promote sustainable, climate-friendly development over all other forms of development?
- Do you believe U.S. taxpayers should pay billions in climate change adaptation assistance to developing countries?

Answer. The new Presidential Policy Directive (PPD) on Global Development recognizes that development is vital to U.S. national security and a strategic impera-

tive for the United States. It calls for a new focus on sustainable outcomes and a more strategic approach to development policy and assistance. The strategic approach focuses on the key drivers of broad-based economic growth and democratic governance, innovative solutions to longstanding development challenges, stabilization of countries emerging from crisis or conflict, and a new emphasis on holding all recipients of U.S. assistance accountable for development results. Climate change considerations are integrated in this policy as one important factor for countries' long-term economic growth prospects and resilience.

As I have understood from colleagues in the Office of the Special Envoy for Climate Change, part of what made the Copenhagen and Cancun agreements possible was a commitment, in the context of meaningful mitigation commitments and transparency by developing countries, to assist poor countries—particularly the least developed countries who are some of the most vulnerable to climate change impacts—in both their adaptation to the effects of climate change and in their own efforts to limit carbon emissions. There was also an understanding that resources for adaptation assistance would need to be mobilized from a wide variety of sources, including the private sector. I believe that such a balanced approach to climate change is very much in U.S. national interest and bolsters U.S. leadership. It can also contribute to our own economic growth and help build a clean-energy world that is more resilient to the challenges presented by climate change, helping to decrease the costs of disaster assistance in the future.

Many countries around the world, from least developed countries to some of our longest standing allies see climate change as one of the fundamental challenges facing their populations. It is vital to U.S. diplomatic leverage generally, and to long-term U.S. interests, to remain internationally engaged on these issues.

Our programs are already making a difference on the ground. For example, in northern Uganda, we have worked to replace costly and inefficient diesel-powered water pumps at schools and health centers with solar energy systems. In the country of Georgia, the United States is promoting energy efficiency and renewable energy demonstration projects in sectors and buildings typically short of funding and lacking in donor support for energy improvements, such as hospitals. These kinds of programs, along with those of our partners around the world, make a difference not only in the effort to address climate change, but also in the lives and economies of the communities in which we work.

*Question.* India and China are growing rapidly as a result of affordable power, primarily from coal. Broader economic improvements in poor countries have been bringing real living improvements to people.

- Given your previous statement in support of sustainable, climate-friendly development, do you believe poor countries should not be allowed to improve their standard of living by using affordable power derived from coal?

*Answer.* Every country has unique energy needs and energy options. A clean and secure energy future that allows for sustained economic growth over the long-term must therefore include many options and incorporate a diversity of energy sources over time. In many contexts, traditional energy sources such as coal will remain an important part of a country's energy portfolio in the short and medium term. However, the administration's energy policy is focused on diversifying sources beyond traditional fossil fuel energy as part of a comprehensive, long-term strategy for energy independence. This includes expanding cleaner sources of electricity, including from renewable resources, nuclear power, and cleaner fossil fuels, such as natural gas, as well as energy efficiency measures.

Through the Global Climate Change Initiative (GCCII), the United States will integrate climate change considerations, as appropriate, into other considerations of law and policy guiding foreign assistance to foster low emissions development strategies and enable developing countries to explore energy solutions path that are commercially viable as well as environmentally sustainable.

