

**REVIEW OF THE FISCAL YEAR 2018 STATE  
DEPARTMENT BUDGET REQUEST**

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**HEARING**

BEFORE THE

**COMMITTEE ON FOREIGN RELATIONS  
UNITED STATES SENATE**

ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

—————  
JUNE 13, 2017  
—————

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## **REVIEW OF THE FISCAL YEAR 2018 STATE DEPARTMENT BUDGET REQUEST**

**TUESDAY, JUNE 13, 2017**

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

The committee met, pursuant to notice, at 10:00 a.m. in Room SD-419, Dirksen Senate Office Building, Hon. Bob Corker, chairman of the committee, presiding.

Present: Senators Corker [presiding], Risch, Rubio, Johnson, Flake, Gardner, Young, Isakson, Portman, Cardin, Menendez, Coons, Udall, Murphy, Kaine, Markey, and Merkley.

### **OPENING STATEMENT OF HON. BOB CORKER, U.S. SENATOR FROM TENNESSEE**

The CHAIRMAN. The Foreign Relations Committee will come to order.

Mr. Tillerson, Mr. Secretary, we appreciate you being here. We are having a little bit of a discussion about the timing issue. We do have a lot of other things happening today, and I really would like to finish this in one round. So what I think I am going to do—I think what we will do, Senator Cardin, if it is okay with you, is let us put 6 minutes on the clock, and if we really need to have a second round for some reason, we will. I am open to discussion about that right now, if you wish.

Senator CARDIN. I think 6 minutes sounds fair on the first round. I do not want to preclude a member on either side that believes that they need additional time for a second round from having that second round, but I would encourage our members to try to be efficient on the use of their time.

The CHAIRMAN. So I want to begin by saying that last night about 10:20, we finished negotiating a Russia bill to be attached to the Iran bill, and we were able to gavel in the Senate last night and have Senator McConnell file cloture on it.

And I just want to thank Senator Cardin and his staff, along with my staff, for what I think was an incredible effort to bring balance to a bill but to send a very strong, strong message to Russia. And it was a cooperative effort between the Foreign Relations Committee but also the Banking Committee, which meant a number of Senators ended up being involved. But I really do think we have ended up with a very good piece of legislation.

And, Senator Cardin, I want to thank you for the way that you have worked with us, and I want to thank all the Senators here for the issues that you brought up along the way to help us make

sure that we tried to deal with the issues that were important to this committee.

Senator CARDIN. Mr. Chairman, on that point, let me just underscore the points that you have made. This was a very challenging negotiation between the Banking leadership and the Senate Foreign Relations leadership, and I want to thank you for the manner in which those negotiations took place.

I encourage the members of the committee to read the filed amendment. I am extremely pleased with the way that we were able to manage that negotiation.

On our side, I particularly want to acknowledge Senator Shaheen and Menendez who were very helpful in putting together this package. It does incorporate not only the work that this committee did on the democracy initiative that was passed out of this committee, but also two other bills, one that I authored with Senator McCain that deals with codification of executive sanctions against Russia, as well as additional sanctions against Russia. And that is included in the amendment. The other is a bill that was authored by Senator Graham that I worked with him on that provides for congressional review if the administration desires to remove any of the sanctions in regards to Russia.

So I really believe that we did accomplish what we set out to do where we had initially 10 Democrats and 10 Republican Senators who had joined together in this effort and the chairman protected our work product. And I thank him very much.

The CHAIRMAN. Just because I know we have a lot of media here, those bills are not in this bill. Those bills are not in this bill, but some of the topics that were brought up in these bills were points that we addressed in the overall legislation we developed. But I appreciate the input of all.

And we will turn to the hearing. I do want to say we have a number of people here in the audience. I know people are pretty passionate about issues right now, and I just have to say that I do not like for anybody to be arrested. I asked someone to leave a meeting, and what that means is you are immediately arrested. I was able to go down and get them out of jail, but I am not going to do it anymore. So just be warned that if you stand up or make a noise or do something that you know to be inappropriate, we are going to ask you to be escorted out. And there is nothing I can do about it beyond that. So please do not do that. This is democracy in action, and this is our ability to express ourselves in appropriate ways. But you are here. We are glad you are here, but please conduct yourselves in an appropriate way.

So with that, we will move to the business at hand. I want to thank Secretary Tillerson for being here. I want to thank him for what I believe has been unprecedented outreach to this committee and others who have wanted to give input. I share with people all over the country that, obviously, this administration is new. Some of the approaches have been very different. But one of the things that Secretary Tillerson has been willing to do and wants to do and seeks to do is to get input from the committee, and I appreciate that very much with all that you have got to do to organize. So that has been unprecedented.

I do want to say in addition to that, I know some people are going to be taking shots. That is what happens in a budget committee meeting, especially one like this one. I think, though, I can speak for most everyone here. I will speak for myself, and I know others feel the same way. I am very thankful that you are serving as Secretary of State. I am very thankful that Secretary Mattis is serving as Secretary of Defense. I am very thankful that Mr. McMaster is serving as National Security Advisor. And I just have to tell you that around the world, people are thankful that you are in these positions. And I think that in spite of the fact that they may disagree with some of the policies that are coming forth, the fact that someone like you who is as seasoned as you are in this position gives me and a lot of people here and a lot of people around the country and a lot of people around the world a lot of comfort. So I want to thank you for your willingness to serve in the capacity that you are.

On that point, I will say we sat down yesterday in the middle of the Russia negotiations. I took some time out to sit down with my staff, and we began going through the budget that you are presenting today. And after about 5 minutes, I said this is a total waste of time. I do not want to do this anymore.

And the reason it is a waste of time is I think you know that the budget that has been presented is not going to be the budget we are going to deal with. It is just not. I mean, the fact is that Congress has a tremendous respect for the diplomatic efforts that are underway, the aid that we provide in emergency situations, and it is likely—and by the way, this happens with every presidential budget—every presidential budget. This one in particular, though, is likely—that what comes out of Congress is likely not going to resemble what is being presented today. And so I felt it was a total waste of time to go through the line items and even discuss them because it is not what is going to occur.

So I say that with all due respect, pointing out that really over the last 17 years, you know, our Nation has been unwilling to deal with the fiscal issues that we face. And so 70 percent of the budget is off budget. We are heading towards a fiscal calamity. Everyone knows it, sees it coming. And I realize that this President took an inordinate amount of cuts in this particular area to demonstrate that he was trying to address fiscal issues because in fairness, unwilling to address all the other issues that are driving spending so much. So we understand that. It has happened on both sides of the aisle for at least 17 years, and that is kind of where we are.

So until we have a person who runs for President who says they are going to serve one term and they are going to try to deal with these issues, unfortunately, we are heading to a place that to me is a fiscal calamity.

So what I do appreciate about what you are doing today and what you are doing within the Department, the fact that you ran a major company that had about the same amount of employees as the State Department has—what I appreciate is what you are doing today is bringing forth a debate that we have needed to have for a long time, and that is not focusing on everything we can do, but what we should be doing as a Nation. So I appreciate that very much.

Since Congress is likely to write its own appropriations bills and spending, what I hope we will spend most of our time on today, instead of taking potshots, although everybody will do whatever they wish, I know, but I hope that you will help us lay out some of the things that you really think are appropriate for us to look at and different ways of approaching, whether it is international organizations, which many of us support, or whether it is how the State Department is going to be run.

So we thank you for being here today. I respect you very much. I respect the role that you are playing for our Nation.

And with that, I will turn to our ranking member, Senator Cardin.

**STATEMENT OF HON. BENJAMIN L. CARDIN,  
U.S. SENATOR FROM MARYLAND**

Senator CARDIN. Well, Mr. Chairman, let me also welcome the Secretary here in order to discuss the proposed budget and other issues that are important for our national security.

I just want to make an observation before I start my formal statement that reviewing the administration's fiscal year 2018 budget is a waste of time. I know that we are going to write our own budget.

Yesterday I was in Ellicott City, which suffered from a major, major flood almost a year ago, and I was talking to a federal administrator there not from the State Department—it was a different agency—about the tools that we need to make available for the businesses in Ellicott City in order to recover from that horrible tragedy and that the President's fiscal year 2018 budget for that agency would not allow the federal partner to continue providing mentoring services to the businesses and that it was a challenge for the administrator to be able to carry this out with the instructions being given by OMB in regards to budget issues.

So, Mr. Chairman, I do not think the fiscal year 2018 budget review is a waste of time. I think we will write our own budget, but I do think it has a chilling impact in the State Department with the career people trying to carry out their missions believing that their supervisors have a different vision as to what is necessary to carry out that mission.

We meet at a challenging time for the State Department and for our Nation. Mr. Secretary, we meet at a time of deep and mounting concern regarding the tone, substance, and trajectory of your administration's foreign policy. Seventy years ago this month, one of your predecessors, George Marshall, delivered a speech that helped cement his reputation as a key architect of the post-war efforts to build a liberal international order. He was present at the creation.

My concern today, quite frankly, is that your administration may go down in history as being present at the destruction of that order we have worked so hard to support and that has so benefited our security and prosperity and ideals.

Mr. Secretary, I am deeply concerned with the direction that President Trump appears to intend on taking our country and the world with it. Indeed, no matter where we look around the world today, it seems that America's interests and values in the international system, which it has led, is under threat and under pres-

sure. Most troubling, much of the recent pressure is coming not only from external forces and foes but also from the President of the United States and from your administration.

I cannot tell you how devastating the President's decision to walk away from the Paris Accords was not only to our allies abroad but also to many Americans. The decision to abdicate America's leadership sent shock waves around the globe, raising concerns about our fundamental engagement as a stakeholder in the international order that the United States has worked so hard to help build and lead over the past 7 decades. I truly believe that climate change will be a defining issue for our generation, not just an environmental or security issue or even an economic issue, although they are all those, but a moral issue in which our success or failure as stewards of our Nation's interests and shapers of global interests will rise or fall.

In your confirmation hearing, you said in response to one of my questions "I think it is important that the United States maintain its seat at the table on the conversations around and how to address threats of climate change, which do require a global response. No one country is going to solve this alone."

Well, today we find that we have left our seat at the table and shredded the efforts of the international community to respond to climate change. And we stand alone. When President Trump repudiated the Paris, he repudiated all our partners in the international community, indeed, the very idea of an international community. It was, to quote from an op-ed penned by two of your colleagues, General H.R. McMaster and Gary Cohn, the encapsulation of a view that—and I quote—"the world is not a global community but an arena where nations, nongovernmental actors, and businesses engage and compete for advantage. Rather than deny this element, the nature of international affairs, we embrace it." So we have given up on the international community? These words are hard to read.

President Truman once described the Marshall Plan as the dividing line between the old era of national suspicions, economic hostility, and isolationism and the new era of mutual cooperation to increase prosperity of people throughout the world. And I would agree, Mr. Secretary, that in advancing this new era of mutual cooperation, that successive bipartisan administrations effectively put America first. A return to the old era, be it by walking away from Paris or by the President's refusal to pledge to honor our Article 5 commitments to NATO or proposing a budget that would abruptly terminate key development investments in dozens of countries, we find America isolated alone and last.

America's leadership and engagement of global issues and with global leaders is perhaps more vital today than ever before, and there is simply no substitute for presidential commitment to American leadership and engagement. America's first approach risks undermining key tools and mechanisms that enable the United States leadership in the world, and I am deeply concerned that your administration's approach does not place America first but rather leaves America alone and places our interests and values at risk.

Our positions as leaders of the free world is at risk. The ideas of a democracy as a model of diplomacy, as a force multiplier and

development as a catalyst for change are being significantly challenged. The idea of a Europe whole and free that wellsprings our security and prosperity for the past 70 years is now being undermined, including by the President himself who hurls insults at the mayor of London following a terrorist incident and appears indifferent at best to our treaty commitments to our European allies. Russia and China appear to be elevated to privileged positions ahead of our allies in a new game of great power politics while allies like Australia and the Republic of Korea and democratic allies and partners seeking to uphold international norms and standards are subject to bullying.

The leaders of Egypt and the Philippines and others who commit devastating human rights offenses are embraced, while the rights and aspirations of the Egyptian people and the Filipino people are dismissed.

Russia has attacked our democracy, illegally annexed Crimea, and invaded eastern Ukraine. Yet, President Trump and your administration seems hell bent on finding accommodations and appeasements, even exploring how to return seized Russian spy facilities in the United States, which presumably Mr. Putin would be able to once again put to good use.

As I have said before, democracy does not defend itself. We, those of us on this dais and those of us in this room, must defend democracy and must defend the notion of good governance. We know that America derives its strength from its values and we must never retreat from that core concept. Yet, when you suggested in a speech at the Department of State earlier this year that we could divorce our values from our policies, you suggested such a retreat.

The deep cuts to international affairs spending in your budget proposal is an approach to American foreign policy that is nothing less than a devastating assault on America's interests and values. What is most perplexing to me about your efforts to gut international affairs spending is that the Defense Secretary, Mr. Mattis, made it clear that that is critically important development assistance to our national security. Slashing our foreign operations and foreign assistance makes the world more dangerous for Americans and for America.

Yet, that is precisely what that budget would do. The budget takes a pennywise pound foolish approach that will cost lives and endanger Americans here at home. The proposed cut to the State Department and foreign assistance budget suggested by you and by the Trump administration will fatally undermine our ability to renew and revise our leadership and will leave us less safe and less secure in an increasingly complex world unable to advance our ideals or to secure our prosperity.

So I look forward to hearing your thoughts and views on how this budget advances our interests and values around the world. But I can tell you that my starting point is to be prepared to work with Democratic and likeminded Republican colleagues to make sure that nothing remotely close to this budget is enacted by Congress.

The CHAIRMAN. Thank you, sir.

Mr. Secretary, since I know you just made an announcement, before you begin your opening comments, would you like to go ahead

and share with us what has just occurred and then do your opening statement?

**STATEMENT OF HON. REX TILLERSON, SECRETARY OF STATE,  
U.S. DEPARTMENT OF STATE, WASHINGTON, DC**

Secretary TILLERSON. Well, some of you may have seen a press release that was put out just before I arrived announcing that at the President's direction, the Department of State has secured the release of Otto Warmbier from North Korea. He is on his way, en route home to be reunited with his family.

We continue our discussions with the North Korean regime regarding the release of the three other American citizens that have been detained.

We have no comment on Mr. Warmbier's condition out of respect to him and the family, and that is the statement that was released.

The CHAIRMAN. Very good.

Well, listen, we look forward to your opening comments and questions. Thank you again for being here. You can begin with that, if you would. Thank you.

Secretary TILLERSON. Well, thank you, Chairman Corker, Ranking Member Cardin, distinguished members of the committee. Thank you for the opportunity to discuss this administration's State Department and USAID request for fiscal year 2018.

As we all know, America's global competitive advantages and standing as a leader are under constant challenge. The dedicated men and women of the State Department and USAID carry out the important and often perilous work of advancing America's interests every day, 24/7, 365 days a year. That mission is unchanged.

However, the State Department and USAID, like many other institutions here and around the world, have not evolved in their responsiveness as quickly as new challenges and threats to our national security have changed and are changing. We are challenged to respond to a post-Cold War world that set in motion new global dynamics, and a post-9/11 world characterized by historic new threats that present themselves in ways never seen before, enabled by technological tools that we have been ill-prepared to engage. The 21st century has already presented many evolving challenges to U.S. national security and economic prosperity. We must develop proactive responses to protect and advance the interests of the American people.

With such a broad array of threats facing the United States, the fiscal year 2018 budget request of \$37.6 billion aligns with the administration's objective of making America's security our top priority. The first responsibility of government is the security of its own citizens, and we will orient our diplomatic efforts toward fulfilling that commitment. While our mission will also be focused on advancing the economic interests of the American people, the State Department's primary focus will be to protect our citizens at home and abroad.

Our mission is at all times guided by our longstanding values of freedom, democracy, individual liberty, and human dignity. The conviction of our country's Founders is enduring, that "all men are endowed by their Creator with certain unalienable rights." As a Nation, we hold high the aspiration that all will one day experience

the freedoms we have known. In our young administration's foreign policy, we are motivated by the conviction that the more we engage with other nations on issues of security and prosperity, the more we will have opportunities to shape the human rights conditions in those nations. History has shown that the United States leaves a footprint of freedom wherever it goes.

Ensuring the security and prosperity of the American people and advancing our values has necessitated difficult decisions in other areas of our budget. The fiscal year 2018 budget request includes substantial funding for many foreign assistance programs under the auspices of USAID and the State Department, but we have made hard choices to reduce funding for other initiatives. Even with reductions in funding, we will continue to be the leader in international development, global health, democracy, and good governance initiatives, as well as humanitarian efforts. If natural disasters or epidemics strike overseas, America will respond with the care and support it always has. And I am convinced we can maximize the effectiveness of these programs and continue to offer America's helping hand to the world.

This budget request also reflects a commitment to ensure every tax dollar spent is aligned with the Department's and USAID's mission-critical objectives. The request focuses the State Department and USAID's efforts on missions which deliver the greatest value and opportunity of success for the American people. The State Department and USAID budget increased over 60 percent from fiscal year 2007, reaching a record high of \$55.6 billion in fiscal year 2017. Recognizing this rate of increase in funding is not sustainable, the fiscal year 2018 budget request seeks to align the core missions of the State Department with historic funding levels. We believe this budget also represents the interests of the American people, including responsible stewardship of the public's money.

I know there is intense interest in prospective State Department and USAID redesign efforts. We have just completed collecting information on our organizational processes and culture through a survey that was made available to every one of our State and USAID colleagues. Over 35,000 surveys were completed, and we also have held in-person listening sessions with approximately 300 individuals to obtain their perspective on what we do and how we do it. I met personally with dozens of team members who spoke candidly about their experiences. From this feedback, we have been able to get a clear overall view of our organization.

We have no preconceived outcomes and our discussions of the goals, priorities, and direction of the State Department and USAID are not token exercises. The principles for our listening sessions and subsequent evaluation of our organization are the same as those which I stated in my confirmation hearing for our foreign policy: we will see the world for what it is, be honest with ourselves and the American people, follow the facts where they lead us, and hold ourselves and others accountable.

We are still analyzing the feedback we have received, and we expect to release the final findings of the survey soon. From all of this, one thing is certain: I am listening to what my people tell me are the challenges facing them and how we can produce a more ef-

ficient, effective State Department and USAID. And we will work as a team and with the Congress to improve both organizations.

Throughout my career, I have never believed nor have I ever experienced that the level of funding devoted to a goal is the most important factor in achieving it. Our budget will never determine our ability to be effective. Our people will. My colleagues at the State Department and USAID are a deep source of inspiration, and their patriotism, professionalism, and willingness to make sacrifices for our country are our greatest resource. I am confident that the U.S. State Department and USAID will continue to deliver results for the American people.

I thank you for your time and am happy now to answer your questions.

[Secretary Tillerson's prepared statement follows:]

PREPARED STATEMENT OF SECRETARY OF STATE REX TILLERSON

Chairman Corker, Ranking Member Cardin, and distinguished members of the committee, thank you for the opportunity to discuss this administration's State Department and USAID budget request for Fiscal Year 2018.

As we all know, America's global competitive advantages and standing as a leader are under constant challenge. The dedicated men and women of the State Department and USAID carry out the important and often perilous work of advancing America's interests every single day. That mission is unchanged. However, the State Department and USAID, like many other institutions here and around the world, have not evolved in their responsiveness as quickly as new challenges and threats to our national security have changed and are changing. We are challenged to respond to a post-Cold War world that set in motion new global dynamics, and a post-9/11 world characterized by historic new threats that present themselves in ways never seen before, enabled by technological tools that we have been ill-prepared to engage. The 21st century has already presented many evolving challenges to U.S. national security and economic prosperity. We must develop proactive responses to protect and advance the interests of the American people.

In Syria and Iraq, ISIS has been greatly diminished on the ground, but there is still a substantial fight ahead to complete the job and eliminate it from the region. But the battle to ensure that ISIS and other terrorist organizations do not gain or grow footholds in other countries will continue.

The fight against Islamist extremism extends to the digital world. The battle to prevent terrorists' use of the internet and other digital tools will continue to challenge us from a security and diplomatic perspective.

The regime in Iran continues activities and interventions that destabilize the Middle East: support for the brutal Assad regime, funding militias and foreign fighters in Iraq and Yemen that undermine legitimate governments, and arming terrorist organizations like Hezbollah, which threaten our ally Israel. We and our allies must counter Iran's aspirations of hegemony in the region.

Thoughtful development and implementation of policies to ensure Afghanistan never again becomes a platform for terrorism, Pakistan does not become a proliferator of nuclear weapons, and the region is positioned for stable economic growth.

On our southern border, illegal migration from countries in the Western Hemisphere presents a risk to our security, with criminal cartels exporting drugs and violence into our communities. Almost 20,000 Americans died from overdoses of heroin or synthetic opioids in 2015, and between 90 and 94 percent of all heroin consumed in the United States comes from or passes through Mexico. While we, as Americans, must take responsibility for being the largest demand center in the world for the drug trade, stopping the cross-border flow of drugs is an essential step in protecting American lives from the catastrophic effects of drugs and the violence that follows them.

While we seek a constructive relationship with China, and in many cases are seeing signs of shared interests, their artificial island construction and militarization of facilities on features in international waters is a threat to regional stability and the economic livelihood of the United States and our allies. As a nation dependent on the free flow of commerce across the globe, we, and all other nations, have a le-

gitimate interest in the peaceful use of international waters, and we must assert our lawful right to the use of the South China Sea and other bodies of water.

Both state and non-state actors' malicious cyber capabilities present a threat to U.S. national security, and complicate our diplomatic efforts with a surge of misinformation and interference in sovereign countries' internal governments.

With such a broad array of threats facing the United States, the FY 2018 budget request of \$37.6 billion dollars aligns with the administration's objective of making America's security our top priority. The first responsibility of government is the security of its own citizens, and we will orient our diplomatic efforts toward fulfilling that commitment. Within the FY 2018 request level, funding for Diplomatic Security operations will increase by approximately 11% over FY 2016. While our mission will also be focused on advancing the economic interests of the American people, the State Department's primary focus will be to protect our citizens at home and abroad.

Our mission is at all times guided by our longstanding values of freedom, democracy, individual liberty, and human dignity. The conviction of our country's Founders is enduring, that "all men are endowed by their Creator with certain unalienable rights." As a nation, we hold high the aspiration that all will one day experience the freedoms we have known. In our young administration's foreign policy, we are motivated by the conviction that the more we engage with other nations on issues of security and prosperity, the more we will have opportunities to shape the human rights conditions in those nations. History has shown that the United States leaves a footprint of freedom wherever it goes.

Ensuring the security and prosperity of the American people and advancing our values has necessitated difficult decisions in other areas of our budget. The FY 2018 budget request includes substantial funding for many foreign assistance programs under the auspices of USAID and the State Department, but we have made hard choices to reduce funding for other initiatives. But even with reductions in funding, we will continue to be the leader in international development, global health, democracy and good governance initiatives, and humanitarian efforts. If natural disasters or epidemics strike overseas, America will respond with care and support. I am convinced we can maximize the effectiveness of these programs and continue to offer America's helping hand to the world. Despite necessary reductions from FY 2017 levels, we are still devoting \$25.3 billion to foreign assistance, which accounts for over 2/3 of the State and USAID budget. This entails \$7.1 billion in security assistance programs, and \$5.6 billion, including our diplomatic engagement, to defeat ISIS and other terrorist organizations. In several other areas where we have chosen to make reductions, we will ask other donors and private sector partners to increase their support.

This budget request also reflects a commitment to ensure every tax dollar spent is aligned with the Department's and USAID's mission-critical objectives. The request focuses the State Department and USAID's efforts on missions which deliver the greatest value and opportunity of success for the American people. The State Department and USAID budget increased over 60% from FY 2007, reaching a record high \$55.6 billion in FY 2017. Recognizing that this rate of increase in funding is not sustainable, the FY 2018 budget request seeks to align the core missions of the State Department with historic funding levels. We believe this budget also represents the interests of the American people, including responsible stewardship of the public's money.

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I thank you for your time, and I am happy to answer your questions.

The CHAIRMAN. Thank you.

I am going to use just a portion of my time, I think.

If you could, since there will be an appropriations process that is underway soon, when do you expect to have your thoughts together on how the State Department itself will be reorganized?

Secretary TILLERSON. Senator, as I indicated, we have just completed an important listening phase. I have had an initial readout. I will get a final report. I am interviewing a couple of individuals who will come in and help us now with the next stage which is the redesign effort itself, which will involve the colleagues in the State Department and USAID. That effort likely—we will have that framed over the course of the summer. The effort itself will likely get underway sometime in August-September time frame when we have our pathway forward, the process, how we want to engage our colleagues, how we want to get at various elements and themes that emerged from the listening session. Some of this is work process. Some of it is how we handle people. Some of it is how decisions are made. It is a very broad set of issues, which will quite inform us. So we have got to map out how do we want to get at each of those.

But the work itself will start towards the end of the year. Hopefully we will have some clarity around what that looks like by the end of this year. Early next year we will begin implementation.

The CHAIRMAN. And when you say this year, you mean this fiscal year?

Secretary TILLERSON. This calendar year.

The CHAIRMAN. So we are likely, as we move through the appropriations process, not to have benefit of that effort. It will take place after the appropriations for this next year are in place.

I know it is sometimes hard for State Department employees to speak, if you will, truth to power when people are sitting there talking with them about the future and sometimes their future. Can you give us some general contours of what, as you are talking with folks, you are hearing from them relative to the actual State Department operations?

Secretary TILLERSON. I would be happy to. Several things emerged. I think the overarching theme obviously though is the extraordinary dedication and patriotism of the men and women in the State Department and USAID and why they undertake a career like this, and that is a strength that we will build upon.

What we heard from a number of people is they are dedicated to this broad mission of representing America's interests around the world, but from time to time, not just now but historically as well, there have been mixed messages within the Department, between the Department and USAID, between the State Department and embassies' missions themselves. So greater clarity around how the mission is defined and how direction is given.

There are significant layers—layering of work processes and approvals required to deliver on mission. Some of these are imposed by State Department procedures and rules. Some of them are imposed by the Congress and how appropriations and programs are established and approved, all well intended to monitor and ensure that we are delivering on what we have been asked to deliver. But it does create a number of duplicative layers that create real obstacles for people to deliver on mission. And it adds cost, obviously.

We also heard a theme that they do not feel that people are held accountable for their work in the State Department, that poor performers are not dealt with. You know, the people in the State Department know who is getting the work done and who is not getting the work done. And it is demoralizing to them when they see that we do not deal with those who are not delivering on their responsibilities. That gets to how we appraise performance, how we give people feedback, how we work to improve their performance. So we have a number of human resources processes that we believe can be improved and a number of leadership areas that need to be addressed.

So most of the themes have to do—and this is the nature of what we wanted to engage people with is not, you know, is this the right objective, are these the right organizational boxes. Tell us how you get your work done and tell us what gets in the way of you getting your work done and what frustrates you because that translates to inefficiency and ineffectiveness.

As I said, we have no preconceived notions going in. It would have been very easy to approach this, take the organization chart, start collapsing boxes, start making it flatter in an uninformed way. I do not have any number in mind as to what the efficiency will be, whether it is going to be 10 percent, whether it is going to be 25, 30. We are going to let the redesign drive what those efficiencies will be. That is my experience in doing this in very large organizations both in the private sector and in the nonprofit sector where I have taken a similar approach. At the end of it, we capture significant efficiencies. But let us let the work of the redesign drive that, not going and saying I am looking for 20 percent because those generally are not sustainable changes then.

The CHAIRMAN. So much of that we can deal with, by the way, with the State Department authorization. I will say we are moving along. I know Senator Cardin and I have a meeting today. But many of the things you just addressed I know in the last administration, they began to see the State Department authorization process as a tool for them to help cause the Department to run better. And I hope you will work with us in that regard.

I am going to reserve my last 37 seconds for an interjection at some point. But thank you.

Senator Cardin?

Senator CARDIN. Thank you, Mr. Chairman.

I want to follow up on this reorganization and your desire to make sure you work with Congress on that because I think the chairman raises a good point. We are working on the State Department authorization which with the authorizing committees, we may have some views that may be consistent, it may be inconsistent. But we are the policy arm so we do that. The appropriators

are going to pass a budget. They are going to do that. And that budget may very well be consistent or inconsistent with the way that you are moving forward. So if we do not have that update—we have asked for an update, and I understand you are in a process. Our staff nor myself have been given any briefings as to how the reorganization is coming along.

So let me just give you one practical example. You could not remove the ambassador on trafficking because that is set up by statute. But you could remove the ambassador on gender issues because that is not set up by statute. So Congress may want to weigh in now to let you know we want an ambassador on gender issues. So if we do not have that close working relationship, it is going to be very difficult to get an agreement on how this committee operates or the Appropriations Committee operates consistent with what you are trying to accomplish.

Secretary TILLERSON. Well, first, Senator, we welcome the input at all times on the wishes of Congress, what your priorities are.

As you point out, we have a large number of special envoys, special representatives. I think there are some 70-plus of them. What we have done is, obviously, those that are required by statute, we have left incumbents in place if they wanted to continue. So all of those that require us to have someone in the job, some people are double-hatting. They are doing two jobs at this point. But we have left this alone.

As I said, it would be very easy to go ahead and just tell you, look, we are just going to collapse all of this into bureaus. But that would be prejudging an outcome, and I am trying to let—I am trying to get input on this.

Senator CARDIN. Well, understand Congress and previous Congresses have spoken on these by statutes. We have had traditions here of strong support for particular functions. I agree with you that that needs to be looked at, but if you do it in isolation of working with us, we are going to have a collision.

Secretary TILLERSON. We have no intention of doing it in isolation. I am trying to give you a sense of where we are in the exercise.

Senator CARDIN. But my concern is the train is leaving the station in regards to the appropriations bill and the authorization bill, and your process will not conclude a lot of these issues until after those trains have departed. We have got to get better input as to your thinking as we move through this process.

Secretary TILLERSON. I think that perhaps the difference in how we are thinking about this—it is just what people think about things differently. The effort that we are undertaking is to institutionalize change so that it stays, and we capture now and forevermore these—

Senator CARDIN. I think I understand.

Secretary TILLERSON. I understand we are working on a fiscal year budget, and I know it is hard for people to know where to—

Senator CARDIN. We want to give you the authority you need to run your agency as efficiently as you possibly can. There is no disagreement. How you put a spotlight on different priorities is something that the Congress has some strong views.

Secretary TILLERSON. We welcome that.

Senator CARDIN. That is why we set up these specialties.

Let me just ask you quickly. Anti-corruption priorities in the budget. I had a hard time finding, as the budget was submitted, a commitment to fighting corruption, which is something that we talked about during your confirmation hearing and you were pretty committed about. Am I missing something?

Secretary TILLERSON. In particular, whether it is in development areas or in law enforcement areas, we have looked carefully in particular countries of particular focus. We have done our best to preserve our ability to continue those efforts. For instance, in the Triangle country areas of Central America, through the initiatives there and other initiatives that we are working collaboratively with the Department of Homeland Security and others, to maintain our efforts towards strengthening law enforcement, strengthening the judicial system, strengthening the courts' ability to prosecute corruption because we have made progress down there and we do not want to lose that momentum.

So we have looked in particular areas of the world where that has been—and we see the opportunity to capture lasting gains. We are trying to make sure we do not give ground to any place that we have current efforts underway. But we are looking at also ways to execute on that mission by bringing others in, seeking other contributors, finding other ways to enable that.

Senator CARDIN. In regards to the Paris agreement, you heard my opening statement. Did you change your view on that, or is this a matter that was just a political decision made by the administration?

Secretary TILLERSON. My view never changed, Senator, from what I shared with you. It was run through an interagency process. I would tell you that the President was quite deliberative on the issue and took some time to come to his decision, particularly waiting until he had heard from European counterparts in the G7 on it. So my view did not change. My views were heard out. I respect that the President heard my views, but I respect the decision he has taken.

Senator CARDIN. I appreciate that. That is pretty clear, and I can understand.

I want to ask one more question, if I might, and that is, as you heard from the chairman and from me, we have reached an agreement in regards to a Russian sanctions bill that will be considered on the floor later this week.

We had deferred committee action pending your input as to whether there was any positive progress with your discussions with Russia as to either their reductions in their affirmative attacks on democratic institutions, their views in regards to Syria, their views in regards to Ukraine. Is there any positive message that you can report back to us?

Secretary TILLERSON. We have a large placemat of difficult issues with the Russians. You just cited a number of them. As I have said, our relationship is at an all-time low and it has been deteriorating further. Our objective is to stabilize that. We are working in a couple of areas in particular to see if we can establish that there is a basis for reestablishing some type of working relationship with the Russian Government that is in our interest. There

are efforts underway in Syria specifically. Those are, I would say, progressing in a positive way, but it is far too early in the process to say whether they are going to bear fruit.

Senator CARDIN. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. So a liberty there. Because of the way that today is going to go, I am going to hold pretty firm to time here, if we could.

Senator Gardner?

Senator GARDNER. Thank you, Mr. Chairman.

Thank you, Secretary Tillerson, for your service and your time today.

Yesterday I noted that Secretary Mattis declared that North Korea was the most urgent threat to national security facing the United States. I share your assessment that North Korea is the top national security concern for the United States and that exerting maximum pressure is the only way to force this regime to peacefully denuclearize.

Two weeks ago, I had the opportunity to visit with the new South Korean Government, and I hope that in the coming weeks, they will decide that this June summit between President Moon and President Trump is an opportunity to strengthen the U.S.-Republic of Korea alliance.

But I want to draw your and my colleagues' attention to two independent reports that have recently come out regarding North Korea. They have been released this past week.

The first report was a report released by an independent organization named C4ADS, and this report identified over 5,000 Chinese companies that are doing business with North Korea. These Chinese companies are responsible for \$7 billion in trade with North Korea, which represents 90 percent of North Korea's total global trade. Moreover, the C4ADS report found that only 10 of these companies controlled 30 percent of Chinese exports to North Korea in 2016 alone. One of these companies—just one of those companies—controlled 10 percent of total imports from North Korea. Some of these companies were even found to have satellite offices here in the United States.

The second report I want to highlight was a report released by the Royal United Services Institute in the United Kingdom last week. It concluded the report finds that not a single component of the United Nations sanctions against North Korea currently enjoys robust international implementation.

In February of 2017, the U.N. Panel of Experts on North Korea similarly assessed that Pyongyang's illicit networks overseas were, "increasing in scale, scope, and sophistication."

Do these reports undermine the administration's claim that we are exerting maximum pressure on Pyongyang?

Secretary TILLERSON. No. I think they shed a significant amount of light on how complex and difficult applying pressure to North Korea is. But what we are doing is we are calling on everyone, obviously the Chinese Government. We are calling on governments around the world. And there is not a bilateral discussion I have with any government anywhere in the world, whether it is in eastern Europe, Southeast Asia, or Central and South America that we

do not talk about their relationship with North Korea and asking them to examine all of those ties. And even when they say, oh, we only have \$5 million worth of business, I say make it \$2 million. So we are at least at this stage making clear to people around the world and governments what the U.S. policy and position is.

The report that you cite, which I have not had an opportunity to review in detail, but I am familiar with it, I think does illustrate just how sophisticated and complex getting at North Korea's sources of revenue are. That is why we are also working with China and Russia to put pressure more on how commodities are delivered into North Korea because that is very visible.

The intricate financial networks that they have established around the world are challenging, but they are not impossible to address. So we are working closely with the Treasury Department. We can substantiate because we do not want to take inadvertent action against someone that we are not confident is violating these sanctions. We are moving. The approach is we reveal to the host government. We say to them we have this information. We are confident with this information. We are going to ask you to deal with this within your own country so that we are not, to the extent possible, interfering with their own ability to manage this. But we have also told them if you do not deal with it or if you do not want to deal with it, we will certainly be willing to deal with it ourselves.

So we are in a stage where we are moving into this next effort of are we going to have to, in effect, start taking secondary actions because countries that we have provided information to either have not or are unwilling to, do not have the ability to do that.

But I think you have highlighted how challenging this is. That is why we are going to have to move to work with others to begin to deny North Korea basic needs like crude oil supplies, petroleum fuel supplies, things that are fairly—or at least they are easier. I do not want to say they are fairly easy. They are easier to monitor whether we are getting cooperation with people or not.

Senator GARDNER. Would you support an Iran-style global embargo on North Korea, getting international community support to deny things like petroleum and other exports into North Korea?

Secretary TILLERSON. Well, clearly we would have to work very closely and carefully with their two principal suppliers, which is China and Russia. So if China and Russia said we are never going to vote for a global embargo—and that has historically been their position for reasons I think we all understand—then it would be ineffective.

Senator GARDNER. Do you believe that China is living up to the agreements that they have made in conversations with President Trump? Do you believe they are living up to what they said they would do as it relates to North Korea?

Secretary TILLERSON. I would tell you it is uneven at this point.

Senator GARDNER. Because I think trade with China and North Korea has increased 40 percent just in the first quarter alone—between China and North Korea.

Secretary TILLERSON. And some of that was prior to our conversations with the Chinese. They have taken steps, visible steps that we can confirm. We are in discussions with them about entities inside of China.

Senator GARDNER. Is there a timeline for those discussions on sanctions?

Secretary TILLERSON. We have another high-level dialogue with the Chinese next week. This is going to be the first topic on the agenda.

Senator GARDNER. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. Good timing.

Senator Menendez?

Senator MENENDEZ. Thank you, Mr. Chairman.

Mr. Chairman, just a prefatory remark. As the longest-serving member of this committee presently, I can tell you that budget hearings are never necessarily about budgets, and they are not about potshots. Getting to the truth about what an administration's views and policies are is a search for the truth and an understanding. And I know that there is an attempt to gloss over the administration's budget as it is dead on arrival, but a budget is a statement of values. And the administration has put forth a budget for the State Department that I do not think shares American values.

So in that context, I am particularly concerned, Mr. Secretary—and we appreciate you being here today—about the cuts to programs that support democracy, human rights, and good governance. While our support for democratic governments, independent media, and the rights of people to freely express themselves and organize are rooted in the core values that shape this great country, our support for these programs overseas is not solely in pursuit of lofty ideals. History has proven that over the long term, governments around the world with strong democratic institutions that respect the human rights of all their citizens are more stable, more prosperous, more resilient to the tentacles of radicalization and instability and ultimately make better partners for the United States.

This administration, despite statements to the contrary, seems to have deemed democracy and human rights a low priority for our American foreign policy. The administration has requested 31 percent less money for democracy, human rights, and governance programs. Furthermore, when heads of state from countries who have a long and visible history of repressing human rights make official state visits, human rights seem nowhere on the President's agenda.

So I am appalled that you have completely zeroed out—zeroed out—the democracy assistance account. As brave citizens continue to risk their lives advocating for the basic freedoms we enjoy here, this budget sends a message that the United States is no longer on their side and abandoning the pursuit of justice. It effectively withdraws American leadership around the world, pushing the door open for Russia and China to increase their scope of influence. There is a direct connection between repressive actions domestically and adversarial actions abroad.

The Russian Government this week continued a long tradition of arresting and detaining peaceful opposition protesters. This is the same Russia that violated international order by invading and occupying Ukraine, spreading its repressive tactics.

Now, in your opening statement to this committee at your confirmation hearing, you stated the following. “Our approach to

human rights begins by acknowledging that American leadership requires moral clarity. We do not face an either/or choice in defending global human rights. Our values are our interests when it comes to human rights and humanitarian assistance.”

So my question, Mr. Secretary, is simple. Does this administration believe that support of democracy and human rights is a reflection of American leadership and values? And a simple yes or no to that would be appreciated.

Secretary TILLERSON. Yes.

Senator MENENDEZ. How can you say that then when the budget completely zeroes out assistance for democracy assistance?

Secretary TILLERSON. As you know, there are other mechanisms in other parts of the budget where we continue to remain engaged with countries that are dealing with interference or repressive regimes. Certainly areas of Eastern Europe that are being threatened—we have ensured that we can maintain our engagement there and parts of Africa. There are countries that we have had to withdraw the support. And again, these are some of the hard choices that I mentioned in terms of where do we put the dollars we have to best use it where we are making progress and the threats are the greatest.

Senator MENENDEZ. If this is a core value of our foreign policy, then ultimately zeroing out its account does not speak to that core value.

Let me ask you this. Do you believe that the Russia sanctions that the Senate is about to vote on—first of all, do you believe that the Iran sanctions bill, which has been out there for some time, is on the Senate floor—do you believe the administration will support that legislation?

Secretary TILLERSON. I have not had a conversation directly with the President as we have not reviewed that in the interagency discussion yet.

Senator MENENDEZ. What would be your advice to him?

Secretary TILLERSON. I think it looks pretty good to me, and so I think you are going to find it receptive. But I do not want to speak on behalf of the President or the interagency process.

Senator MENENDEZ. I understand.

What about Russia sanctions that have been agreed to in a bipartisan fashion?

Secretary TILLERSON. I have been reviewing those as they have emerged in the last 24 hours. I think with respect to Russia—and the chairman and I have had discussions about this as well and I have had discussions with others who have called to inquire. I think what we would like is the flexibility to turn that heat up when we sense that our efforts with Russia, whether it be in Syria—we have engagements that they have asked for us to engage with them on Ukraine. So we have some channels that are open where we are starting to talk, and I think what I would not want to do is close the channels off with something new.

Senator MENENDEZ. I understand. They have done plenty already that they should be responded to.

Finally, you said in your confirmation hearing that slavery and human trafficking have to be addressed and America has to lead. The President’s budget calls for a drastic 68 percent cut in funding

for the State Department's anti-trafficking efforts. How is that we fight modern slavery when you make that type of cut?

Secretary TILLERSON. Again, we have to target there as to where we see the greatest risk and the greatest opportunity to achieve some success, but also engage other countries in multilateral approaches, which we are doing in our trans-criminal organization's initiative with Mexico, the Mexican Government. That is targeted at illicit narcotics, but it is also targeted at human trafficking and other illicit trade. So we have got to take new approaches that engage other countries who should share our same objectives for their part of the world. Then we will move and try to engage others elsewhere and keep the effort underway with the resources we have, but call on others to do more as well.

Senator MENENDEZ. Well, I hope, Mr. Chairman, we change the budget in a way that reflects the values. And I know that in this particular case, the chairman is very passionate about it.

The CHAIRMAN. I appreciate you raising that point very much. Senator Young?

Senator YOUNG. Welcome, Mr. Secretary. I first want to commend you and the dedicated public servants of the State Department for securing the release of an American national from North Korea.

I also want to applaud the Trump administration for your effort to reform our development assistance. To help inform that effort, on May 30th, Senator Shaheen and I announced that we are co-chairing a Center for Strategic and International Studies congressional task force on reforming and reorganizing U.S. development assistance. We brought together a bipartisan group of top development experts, former Bush and Obama administration officials, retired senior Foreign Service officers of USAID and State, former ambassadors, former members of the National Security Council staff. And our goal is to provide recommendations to you regarding what optimal reform and reorganization looks like, something you have spoken to you are deeply interested in. We want to provide you some actionable steps that this administration can take working with Congress.

We have already met twice. We will be meeting a number of other times. And our plan is to issue a report in mid-July. So we will have a work product very soon.

Would you be willing, Secretary Tillerson, to meet with me, Senator Shaheen, and some of these panelists to discuss the findings of this task force, the recommendations we put forward to improve the effectiveness, the efficiency, and the accountability of our Nation's development assistance?

Secretary TILLERSON. Certainly we would welcome the perspective of that group that you just described. We are also reaching out to former Foreign Service officers, retired ambassadors to get them involved as well in terms of helping inform this initiative and effort. So, yes, I certainly would welcome the opportunity to do that and to have some others who are going to help us with this exercise also participate in that. I think it would be useful.

Senator YOUNG. Great. So we will look forward to sitting down with you and the others we mentioned. Thank you so much.

As you know, Mr. Secretary, we are seeing a heartbreaking humanitarian crisis in four countries: Nigeria, Somalia, South Sudan, and Yemen, the so-called four famines, a humanitarian crisis. You may recall that on March 23rd I handed you a letter signed by 10 members of this committee asking the Department of State to implement an urgent and comprehensive diplomatic search to address political obstacles that are preventing the delivery of food and humanitarian supplies to these countries, each of which have their own complexities and challenges. Since then, this committee has passed my resolution, Senate Resolution 114, calling for the very same thing.

Sadly, in the meantime, the humanitarian situations in many of these places have only gotten worse.

Can you provide this committee with an update of what specific steps the Department of State has taken to address the political obstacles that are preventing the delivery of food and medicine in these four countries?

Secretary TILLERSON. Well, we have had discussions with the United Nations people as well to get their perspectives. We have worked with some other partners in the region. And again, on this issue, we are trying to elicit participation by others, have others bring their own capacity as well. As you point out, in all these countries, the situation is quite dynamic, and the circumstances on the ground does shift, and it does move back and forth on us, which makes delivery of humanitarian assistance all the more difficult. We have more work to do, obviously, in this regard, and we have more work to do with partners who have influence as well.

So I would welcome the opportunity to get back to you with more details later on the circumstances there. They are extremely challenging because of the situation on the ground that is contributing to the famine itself. As you well know, it is not entirely driven by just Mother Nature. It is driven by the conflict situations which we are dealing with as well.

Senator YOUNG. So very complex, sometimes quite challenging to make a significant difference in each of these four countries.

One area where, frankly, I see some low-hanging fruit, as it were, is Yemen. Arguably the greatest humanitarian crisis of the four countries. Roughly 20 million people will be facing near death circumstances either through starvation or lack of medical attention. Thousands, we can anticipate, will be infected with cholera. The situation goes on and on. No need for me to lay out the parade of horrors in my limited time.

But I have been working on this issue very directly for some time trying to engage the administration's interest and attention on the matter.

You visited with the Saudi foreign minister this morning. You, of course, know the Saudi-led coalition is engaged in a regional conflict there. There is a civil war in Yemen. And I think there is a real opportunity to mitigate some of the suffering while increasing, furthering U.S. national security interests in that region.

Were there any specific steps that you asked of the Saudis this morning with respect to improving the humanitarian situation in Yemen? For example, there are four cranes in the major port of Hodeidah in Yemen where 80 percent of the incoming food and

other supplies are typically delivered. Those cranes, paid for in large measure by U.S. taxpayer dollars, have not been delivered. Was that or anything else brought to the foreign minister's attention, sir?

Secretary TILLERSON. On the Yemen situation, I have been in discussions with the crown prince of the Emirates. I had a fulsome meeting with him and with the Saudis.

The issue in the Port of Hodeidah is it is controlled today by the Houthi rebels. We have evaluated how do you get the aid delivered and then not have it stolen, which is what is happening. And so we are working on how to open up a secure delivery mechanism as well. We are actively working it. I am very familiar with the situation with the cranes. We are very familiar with the situation of turning the operation of the port over to perhaps the United Nations. We are working through all of these in a very specific way to ensure that if we deliver aid, it ends up to the people that need it.

Senator YOUNG. I have some comebacks. Regrettably I am out of time, which is how this works.

Secretary TILLERSON. We look forward to continuing this with you offline. Please call me.

Senator YOUNG. Thank you, Mr. Secretary.

The CHAIRMAN. I really appreciate your pursuing these issues prior to today's vote. I mean, I know you have had conversations about that and look forward to that outcome.

Senator Markey?

Senator MARKEY. Thank you, Mr. Chairman, very much. And I appreciate, Mr. Chairman, the regular order that you have created here so that we can question the Secretary on the State Department budget.

I wish that there was regular order to deal with the health care bill. I wish that the Republican leadership was having open hearings, public input so that this massive health care bill, which is being constructed clandestinely, could be seen not only by the American public but by every Member of the Senate before it is brought out to the Senate floor. It could lead to 23 million Americans losing their health insurance, people losing their opioid coverage for illnesses in their own families. And it is just absolutely wrong. This is the way the Senate should operate. What they are doing with that health care bill is absolutely—it is just wrong what they are doing. And we are going to have to continue to elevate that issue.

So, Mr. Secretary, I want to follow up on what Senator Gardner said. This story that is in the "Washington Post" today about C4ADS, a company that has put together a report called "Risky Business," which tries to find the links between the China Government and its companies and the North Korean Government. And it has identified key component companies that, if they were targeted, could potentially cripple the networks because they are so intertwined with links right into the United States of America. And it could go a long way towards choking off this global illicit finance system, which the North Koreans have constructed. They are centralized. They are limited. They are vulnerable. I really recommend

this report to you, Mr. Secretary. I think that this is where we should be going.

There has been a 37 percent increase year over year in trade between China and North Korea. There is no way they are going to respond to our request that they negotiate on the ballistic missile and nuclear question unless they feel the pain of the noose tightening around their economy.

This report today is a blistering, scalding indictment of the lack of true enforcement of the trade between China and North Korea with actual financial benefits that flow to individuals and companies in the United States. So I just strongly recommend that you become very familiar with this because I think it goes right to the core of what we have to be concerned with.

Illicit fentanyl comes in from China, comes in from Mexico. In the United States last year, unbelievably 59,000 people died from overdoses. In Massachusetts, 2,000 people died from fentanyl in their system. If that was multiplied out by the whole country, that would be 70,000 Americans who died from fentanyl. The precursor chemicals come from China. They are moved to Mexico. Then the Mexican gangs bring them up into the United States.

This for me is the real terror on the streets of our country, this opioid epidemic. And given the scope of the tragedy, the Trump administration's proposed 32 percent cut to the budget of the Bureau of International Narcotics Control and Law Enforcement is absolutely unacceptable. It just shows that instead of prioritizing an issue that goes right to the heart of what people are concerned about, where they want our State Department, where they want our law enforcement, and instead, we see this dramatic undermining of the effort to stop these lethal drugs.

Can you talk about why there would be a 32 percent cut, Mr. Secretary, given the epidemic of fentanyl coming in from China and Mexico?

Secretary TILLERSON. Senator, I could not agree more with your assessment of the seriousness of the threat of fentanyl, as well as other illicit narcotics. We have underway, as a result of Secretary Kelly and my first bilateral visit to Mexico City—one of the issues we had on our discussion early on was this trafficking that occurs either from Mexico or certainly through Mexico. I told my Mexican counterparts it is time to stop playing small ball. We got to start playing large ball.

We have followed that up now with two additional bilaterals, one most recently held here in Washington where we are mapping out a different way of attacking the issue in a supply chain, value chain mechanism. Where are things produced? Where are they manufactured? Where are they distributed and transported? How are they marketed? How are they delivered?

So clearly there are parts of all of that they own. There are parts of it that we own together. And certainly the part that we own is how do we get at why we are the demand center for this. We brought in Health and Human Services to work with us in this effort as well.

Senator MARKEY. Have you raised this issue with your counterpart in the Chinese Government?

Secretary TILLERSON. We have discussed with the Chinese Government, yes.

Senator MARKEY. Did you raise it yourself?

Secretary TILLERSON. In my discussion with the Chinese, I have talked to them about the illicit drug flow coming out of China through Mexico.

Senator MARKEY. Fentanyl specifically?

Secretary TILLERSON. Yes.

Senator MARKEY. And what did they say?

Secretary TILLERSON. Well, obviously, they say it is a serious problem. Yes, they will crack down on that as well. I think it is too early to tell what efforts and whether that is producing anything. But we are going to keep it in our dialogue with the Chinese that we need you to work on your source of supply with this particular additive, this fentanyl additive which is deadly.

Senator MARKEY. A kilo of heroin costs \$6,000. It can be sold for \$80,000. A kilo of fentanyl costs \$6,000. It can be sold for \$1.5 million. The Chinese and the Mexicans are rational economic actors. They are moving in that direction, and unless you get a positive response from the Chinese Government and Mexican Government, then we have to escalate this up to the very top of the list of issues that our country expects the Trump administration to deal with.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you for that point.

Senator Isakson?

Senator ISAKSON. Thank you, Mr. Chairman.

Mr. Secretary, first of all, thank you for the great job. I do not just say that in a pandering way. Your first 6 months have been very impressive, and I appreciate it. The first trip you took with the President, with the leadership in the State Department. We are fortunate to have you in place, and thank you for doing what you are doing.

Secondly, having reorganized a large company on the scale of a small business but not a large company on the scale of Exxon Mobil, you are in an unenviable position of answering budget questions in advance of the result being determined by how you reorganize the Department and how they use the budgets of the future. In fact, if we could have fiscal year 2019 in front of us instead of 2018, the questions would be totally different, I am sure. But you do not get to do it that way. I think your statement to Senator Cardin, I do not think the train has left the station yet and do not prejudice us, but gives us the chance to do the job.

And you made a great statement in your prepared remarks when you said the budget will not determine our effectiveness. Our people will. And I think the way you are approaching the reorganization of the Department and getting all the facts in before you take any steps will serve well the reorganization that does take place in the State Department of the future.

With that said, the hiring freeze that is currently in place has had an impact on the State Department's hiring of new Foreign Service officers. Is that not correct?

Secretary TILLERSON. Well, as of today, Senator, we actually are up about 50 Foreign Service officers from the start of the year,

about a half a percent. The effect will come later as what we are doing is just allowing normal attrition to bring the numbers down.

And as we look forward, we know we have got to continue to replenish our Foreign Service officer corps. So we are still interviewing people, and as we look ahead, we will probably be looking at a one for three kind of replacement. But the Foreign Service, if we look further out—and I think we have said this publicly—by the end of fiscal year 2018, we think we will be down about 8 percent overall on permanent State Department Foreign Service, Civil Service. Foreign Service is actually only going to be down about 4 percent. Civil servants are going to be down about 12. So it is being managed in a deliberate way, but being very mindful of not diminishing the strength of our Foreign Service officers.

Senator ISAKSON. I just do not want to see you get into a position where we have a brain drain that we could not make up for pretty quickly down the line because these people are important to the visibility of America overseas.

Finally, was there a freeze relative to the employees of the State Department?

Secretary TILLERSON. State Department family members that are eligible to be hired in mission—we have a waiver process in place for that, and I have approved a number, in answer to your question, to all of those. But where we have critical missions like in Iraq, Pakistan, Afghanistan, where we really need these positions filled by family members who are willing to go to those tough locations, I have been providing waivers in those circumstances.

Senator ISAKSON. That is why I raised the point because those people have invaluable experience that nobody else has and a reason to have a willingness to serve that nobody else would have as well. So they would be valuable to the State Department.

Secretary TILLERSON. Indeed.

Senator ISAKSON. One example of what has been read in the budget by some people when they have seen consolidations of departments and responsibilities without the future result is you have got the economic support fund and the development assistance account merged into one fund without any change in the authorization for the fund and a new name called the economic support and development fund. Well, our 2019 showed the results of these mergers not just in terms of financially but in terms of reauthorization for these departments. You are not just going to redo the budget, but you are, in fact, going to restructure these departments and the mission too, I assume.

Secretary TILLERSON. That will be the intent coming out of this redesign. As all of you well know, we have a number of bureaus that have common missions. Some of them have overlapping missions, not just true within the State Department, but we have that with other agencies as well.

This exercise is to also identify where we have overlapping missions with Defense, Agricultural Department, Commerce, where do we have opportunities to achieve delivery on mission, do it perhaps more effective because there is a common greater coordination. All of that is yet to come. And that is why I said I do not want to foreclose anything at this point.

Senator ISAKSON. In other words, the train has not left the station. So stay tuned.

Secretary TILLERSON. Please get on the train with us. We need everybody on the train.

Senator ISAKSON. Thank you for your service.

The CHAIRMAN. Thank you, sir.

Senator Murphy?

Senator MURPHY. Thank you, Mr. Chairman.

Thank you for being here, Mr. Secretary.

I want to echo the comments and concerns of Ranking Member Cardin. To many of us and to many people who follow U.S. foreign policy, the withdrawal of American leadership from the world in the first several months of the Trump administration looks deliberate, whether it be a proposed 32 percent cut to your Department which represents us in some of the most forums and in every country around the world, whether it be the decision to back out of the most important international agreement that has been entered into over the course of the last decade, or whether it be this decision, whether it be deliberate or not, to keep Assistant Secretary and Deputy Secretary positions unstaffed for a longer time than any of us can remember in any previous administration. You know, it has resulted in some fairly dramatic statements by leaders around the world, not the least of which was Chancellor Merkel who said, upon President Trump's first foreign trip, at the culmination of it—she said “the times in which we can count on others are somewhat over, as I have experienced in the past few days.”

So this decision to take a big step back from U.S. leadership—it does seem deliberate. It does seem intentional. I can understand that certainly could be a strategy, to telegraph to the rest of the world that they need to make their own plans, that they need to form their own alliances, that they just simply are not going to be able to rely on us.

So let me just ask you that simple question. Is this a deliberate strategy? Should our allies start making plans that rely less on U.S. leadership and U.S. support?

Secretary TILLERSON. Well, Senator, I take a completely counter view to the way you have interpreted it, the President's actions and what the administration has had underway. In discussions with many of our longstanding allies and friends, I think we are really leaning into U.S. leadership to make it clear to these longstanding allies and very important allies and friends of ours that America has been leading for a very long time, and the American people have been reaching in their pockets and paying for this leadership for a very long time. And we are going to continue to be in this leadership role, but you, our allies, must do your part. You must do your share. And I think there is a realistic and honest examination of what the American people have been asked to do relative to what some of our allies and partners have been asked to do. There is a lack of alignment there. And I think what our approach is—

And I would tell you my interpretation of Chancellor Merkel's remark was for her to say to the German people you need to understand we are going to have to do more than we have been doing because we have that responsibility now. We should not look to

America to carry us on their backs every step of the way. That is part of the conversation that we have been trying to stimulate, and every leader has to express it to their own people in their own way.

I would tell you NATO is a perfect example. And you are well aware of the demands we have been making of NATO members. Secretary-General Stoltenberg has thanked us for taking this position. NATO has never seen a response from countries like they are seeing now because of this pressure that has been put on others. And it is a very open, honest conversation we are having with our friends and allies about how are we going to share this burden. We all carry the burden. We are not going to set the burden down. We are not going to walk away. But we have to talk about how we are going to carry this burden going forward because the world has changed. The world has changed dramatically.

Senator MURPHY. I want to switch to a question about what is happening in Syria today, just to get you on the record. In the last 30 days, the United States has come into conflict with Syrian forces, with forces aligned with the Assad regime, and with his Iranian proxies three different times. We have taken offensive action against those forces.

Let me ask you this. Has the administration made a decision to actively contest territory inside Syria with the Assad regime? And what legal authorization is the administration using to take action against the Syrian regime or against Iranian proxies inside Syria?

Secretary TILLERSON. Well, I do not want to get into detail since we are in an unclassified environment here. But our mission and our purpose and reason for being in Syria is unchanged. We are there to defeat ISIS. And all of our efforts are focused on defeating ISIS, denying them of their caliphate. As you know, both in Iraq and Syria, it is a coordinated effort. We are making tremendous progress in denying ISIS their caliphate and chasing them further down the lower Euphrates River Valley. That is the objective. That is why we are there.

Senator MURPHY. Would you agree that there is no legal authorization granted to the administration by Congress to wage war against the Assad regime or against Iranian proxies?

Secretary TILLERSON. I would agree with that.

Senator MURPHY. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. And I do want to say that this work period we plan to deal with an AUMF, and I thank everybody for their interest in that.

Senator Risch?

Senator RISCH. Mr. Chairman, thank you.

I wish Senator Markey had stayed. I understand that the memo went out to all the Democrats that they are supposed to raise health care. So I do not know what that had to do with our hearing today, but Senator Markey raised health care. And I should respond to him briefly, if I might.

He was beating his breast in righteous indignation that we have working groups that are trying to resolve this mess that is called Obamacare, and the stuff is not getting out. I would remind him that 3,000 pages of that complex legislation was dropped on my desk 30 minutes before we voted on it in the middle of the night. And so he is right. We should have substantially more work on it

than doing it in the middle of the night like happened with Obamacare or we are going to wind up with the same mess.

Secretary Tillerson, I have been very impressed with your service. There was a lot of criticism of the President over a lot of things but particularly when he appointed you because of the fact that you did not come out of what has traditionally been diplomatic circles. And I can tell you that seeing you work in the months, it has been a real pleasure when you have been on board because you have certainly picked this up. As you know, this is not run-of-the-mill stuff when you are dealing in diplomatic circles. So thank you for your service. Thank you for doing that, and we are very proud of you. And it is not just me. In my service here and on the Intelligence Committee, I deal with people from other countries all the time, and I am telling you you are getting high marks wherever you put footprints on the ground. So thank you for your service.

Senator Murphy brought up the comments by Angela Merkel about the comments that she made about people taking care of themselves. And I want to ask you a question that I have noticed. I have been here over the last 8 years meeting with people from other countries, and they were incredibly frustrated by our leading from behind or whatever you—doing nothing I guess is what it was.

After the President pulled the trigger twice, which you never hear about in the media anymore, once in Syria after the use of chemical weapons and then again in Afghanistan after one of our SEALs got killed, there was a marked change in my view of the attitude of particularly our allies and some that are not particularly allies of ours. Indeed, I met with some right after that Syrian episode, and some of them were positively giddy about the fact that America was back.

Are you finding the same thing as you travel around the world?

Secretary TILLERSON. Senator, I am. I think all of our allies and friends appreciate decisiveness. Even if we make a decision they may not like or agree with, they appreciate decisiveness. So it is clear where we are going. They certainly on the security front and in our shared battle against ISIS and counterterrorism—our moves have been very welcomed. I find our relationships to be quite strong.

My discussions with my counterparts. Whether they are foreign secretaries, foreign ministers, it is very open. It is very frank about where we are agreeing, where we are not. But there is a real common sense that U.S.-ally relationships are stronger today. We have our differences and we express them in different ways. But there is greater clarity to where we are going today than there has been in some time. That is what I hear.

Senator RISCH. I hear the same thing. And that decisiveness that you talk about has given them, in my judgment, a lot stronger confidence in what they can expect of us. I saw confusion. I saw a real troubling view from their point of view during the last 8 years, and it has changed markedly since those two events that nobody ever talks about.

And by the way, have you heard any reports of use of chemical weapons in Syria since that episode?

Secretary TILLERSON. None that we are aware of, but we are watching it closely.

Senator RISCH. Thank you.

And I would assume it would not take a rocket scientist to figure out that if we can drop 97 of them on a dime in one of their airfields, that we can probably put one down the chimney in Damascus somewhere. Would that be something that some reasonable person might conclude?

Secretary TILLERSON. We would just like to know who is sitting next to the fireplace.

Senator RISCH. Lastly, Mr. Tillerson, those of us that sit on this committee and, for that matter, on the Intelligence Committee—one of the things—and this is not something that is a huge part of this budget, but there is money that goes to assistance to the Palestinian Authority. And the payments that have been made over the years from some of that money to the Palestinian Liberation Organization that they use to pay families of suicide bombers—I will tell you that is like grating on a blackboard as far as a lot of us are concerned. I am sure that is on your radar. And I realize that there are other sides of that as far as those payments into the West Bank or into Gaza. But this is something that really galls on us. Anything you can do about that would be greatly appreciated.

Secretary TILLERSON. Well, let me assure you, Senator, it was discussed directly when President Abbas made his visit with his delegation to Washington. The President raised it, but then I had a much more detailed bilateral with him later that day, and I told him you absolutely must stop making payments to family members of “martyrs.” I said it is one thing to help orphans and children, but when you designate the payment for that act, that has to stop.

They have changed their policy. At least I have been informed they have changed that policy, and their intent is to cease the payments to the family members of those who have committed murder or violence against others. So we have been very clear with them that this is simply not acceptable to us. It is certainly not acceptable to the American people.

Senator RISCH. Well, Mr. Abbas probably has something to say about the West Bank, but you get deep into Gaza—I do not know how much influence he has got there.

Secretary TILLERSON. Well, and I would say in Gaza we are working with others who have provided assistance and funding into Gaza, much of which is, as you know, to relieve the humanitarian problem, rebuilding homes, hospitals, schools. But there is always a lot of leakage of that money. And so we are working carefully with others as to how do you help. And the Israeli Government is supportive of stabilizing Gaza by providing these type of humanitarian actions. We just cannot have the money leaking into the hands of those who would commit violence with it.

Senator RISCH. Thanks for the job you are doing.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. I do want to thank you for bringing up the Taylor Force issue. And I just want to say to the committee that it is my hope that before we go home for August recess, that we will have passed out of committee a Taylor Force-like piece of legislation to address that issue. So thank you for raising it.

Senator Coons?

Senator COONS. Thank you, Chairman Corker, Ranking Member Cardin.

Thank you, Secretary Tillerson, for your service and the chance to be with you again. We will be together later today at an Appropriations subcommittee.

So in this context, I will focus on some narrow questions that are about State Department functioning and authorization, if I might.

Let me just first more broadly say my predecessor in this seat, former Vice President Biden, often said, "Do not tell me what you value. Show me your budget and I will tell you what you value." And I am greatly concerned that the proposed deep cuts to development assistance and diplomacy suggest we do not value diplomacy and development as tools of foreign policy at a time when we badly need them and need more of them.

I think the growing threat we have seen, the attack on our democracy by Russia, the destabilizing acts of North Korea, the nuclear program, and the world's worst humanitarian and refugee crisis since the Second World War call for us to invest more in diplomacy and development, not to dramatically cut it. But I will save the rest of that for the appropriations hearing this afternoon.

I understand from your testimony you are nearly done conducting a review of the whole State Department. How soon can we expect nominations for the six regional bureaus? I am concerned about some of the difficulty in moving forward key nominations.

Secretary TILLERSON. We are at about, I would say, the 50 percent mark in terms of under secretaries, assistant secretaries, in terms of people that have been identified. Names are actually being submitted so they can begin to work their way through the White House PPO process, but also for a lot of people, they have to get this paperwork behind them. And I would tell you that is no small challenge. As I check on the status of various people we have recommended and nominated to the White House, what I am finding, is more often than not it is the paperwork that is slowing them down. In my own case, I had to hire eight people to help me get mine done. Most people cannot afford to hire eight people to help them get their paperwork done. So it takes a very long time.

But we are about 50 percent of the way through, and we have other names that are in process. What we are doing, we try to get the candidate list of people we think would be useful to talk to down to a couple, and then we actually interview them face to face and then make a decision and submit them.

So this is a pretty active process. It is one I sit down with the people that are helping me coordinate it about every 10 days just to see where are we, make decisions on other people, if we are hearing feedback, we have talked to folks. Maybe they do not want to do it after all. So it is moving and that is about where we are within the State Department and the bureaus.

Senator COONS. It is my hope and expectation, Mr. Secretary, that we will work on a bipartisan basis to confirm qualified candidates who come forward. I am concerned about the impact on our embassies in a lot of places in the world that may not be top of the news but that need an Assistant Secretary to help coordinate policy.

As I have traveled recently—I traveled to Uganda with Chairman Corker not too long ago, traveled to Vietnam with Senator McCain recently—I make my best efforts to visit with mid-level Foreign Service officers and with the Civil Service folks who really run the Department. And I am concerned about the impact on morale of these proposed cuts.

One specific concern I have also got is about diversity. As part of the hiring freeze, I understand State has frozen the accession for all current Rangel and Pickering fellows. And last week all those current fellows were told these classes were on hold indefinitely. And this is one of the premier accession programs in the Foreign Service and has served as a key tool for improving diversity in the ranks of FSOs. These actions taken to freeze the program to me could indicate a disturbing lack of attention to the importance of diversity.

What are your plans for these programs, and how do we move forward on diversity initiatives taken by previous administrations that are worthy of continued effort?

Secretary TILLERSON. Well, I will follow up on it, Senator, but I do not think we have frozen the Rangel and Pickering programs in terms of people that are in process. We are continuing and we are going to continue to take applicants as well. But let me follow up with you because I do not think there is a full freeze in place on those.

Senator COONS. My understanding is they are being asked to make very difficult choices in terms of seeking employment elsewhere while they wait for the next opportunity for an entry level class. And you can imagine how someone with a lot of skill and ability would find it quite difficult to go take another job while waiting an indeterminate period for an opening in the State Department.

In April, I was one of a number of Senators on Appropriations who pressed for additional money for emergency funds to address famine conditions in Nigeria, South Sudan, Somalia, and Yemen where there is roughly 20 million people at risk of starvation. And the congressional budget justification accompanying your fiscal year 2018 request notes unusually high carryover funds. I think the estimate was \$1.3 billion in IDA funds.

Why were these funds not obligated in the year they were appropriated by Congress, which was 2016 and 2017? And what is your longer-term goal? I am concerned about impoundment and whether or not these funds, which are critically needed to address famine, might instead be reprogrammed or returned as unobligated balances.

Secretary TILLERSON. Well, first, let me thank the Congress for the big plus-up in 2017 in recognition, as you point out, of some serious challenges around the world.

I think, Senator, our intention is to get that deployed in a way that the food shows up, the relief shows up where it is needed.

I think what you are seeing is how difficult it is to execute on some of these areas. And so having the money—having the funds are certainly appreciated and needed, but then we have to be able to deliver, working with other aid agencies and working with the situation on the ground to have the aid reach those most in need.

Our expectation, as we reflect—I just wanted to be completely transparent with everyone—is that we are pushing that out as quickly as we can effectively do that, but that we are going to have some carryover as a result of the plus-up. I think when we get around—it is broader budget question as to—you know, it is difficult to execute a \$55 billion budget for the organization.

And so the statement show me your funding and I will show your level of commitment I do not agree with. Funding does not equal results. Show me your results and I will tell you your commitment. And that is what we are trying to get the folks in the State Department—is what are the results, and then I will tell you what I need to deliver on those results. Giving me a pot of money and suggesting that that confirms our success and our commitment is just simply—I have to take exception to that. I have never had the experience anywhere.

Senator COONS. Mr. Secretary, we may share a view that once money is obligated, we also have an obligation to spend it in the most efficient way possible. I do not think this is an either/or conversation. I think the chairman and I have worked hard to try and find ways to improve the efficiency of delivery of food assistance, and having this funding in the IDA accounts I believe was a way that it would be streamlined and moved forward more efficiently. I did not mean to suggest that simply spending proves our values. Spending efficiently is what proves our values. Cutting without a reasonable justification at a time of record famine I also have some difficulties with. I look forward to our further conversation this afternoon about how we can be more efficient and effective in our support of development and diplomacy.

Secretary TILLERSON. And I agree with delivering through the IDA program, we believe is also much more effective as well.

The CHAIRMAN. We look forward to working with you. 5 million to 8 million people a day—5 million to 8 million people a day—would be being fed around the world if we would break down these cartels that are controlling us right now and move funding appropriately to IDA. It is a shame. The same amount of dollars, not a penny more. Think about that—5 million to 8 million people a day—so thank you for that.

Senator Rubio?

Senator RUBIO. Thank you for coming. How is it going? You could have been HHS, you know, Health and Human Services. You could have answered all the Obamacare questions today.

I want to start with the Asian continent, the news I guess today or yesterday about a \$4.5 billion cut to Radio Free Asia. And that comes on the heels of what I am hope you are aware of, an article in “The Wall Street Journal” from May 23rd about an interview that had been scheduled in the Mandarin language broadcast with a Chinese real estate and investment tycoon about his claims of extensive corruption in the Chinese Communist Party. The Chinese Government got very upset about this interview. They actually issued a red notice on Interpol to try to wrap him up and the like. And then there was a dispute within the Voice of America. This interview was cut short. The person who conducted the interview, Sasha Gong, who I believe was the head of the Mandarin radio

broadcast is on suspension, and now there is this fight going on internally.

So two questions that I have. The first is the combination of the cuts and the interview. You could assure us here today that our efforts to improve relations with China have nothing to do with either the budget cut and/or the directive that was given to this reporter to cut the interview short.

Secretary TILLERSON. I can confirm that to my knowledge, it had nothing to do with our relationship with China.

Senator RUBIO. And would you be supportive of an IG investigation into this dispute that is occurring within that branch between the head of the Voice of America and this particular reporter?

Secretary TILLERSON. I would like to look at it, get a greater understanding myself. But certainly if it would seem that if there has been anything improperly done there, we should call for one.

Senator RUBIO. The concern is basically is that we cannot allow geopolitical pressures from China to influence our ability to broadcast the truth, particularly in that language in Mandarin. And so, obviously, we want to understand whether that is what would happen or not.

Secretary TILLERSON. I strongly agree, strongly agree.

Senator RUBIO. Now, obviously you have heard from a lot of the members here about the budget situation. And, look, I get it. We have got to do better. We have got to get more bang for our buck in terms of the money we invest in foreign aid and in foreign engagement. I am a big believer in foreign engagement because it certainly has paid extraordinary dividends. And it is always important to remind people, when it comes to foreign aid, it is less than 1 percent or about 1 percent of our budget. Some people think it is like 25 or 30, and it has brought real successes.

And I think South Korea is a success of that. People forget that 35 to 40 years ago, South Korea's economy was smaller than North Korea's. It was a dictatorship. And today I believe it is the 11th largest economy in the world, the strongest American ally, a vibrant democracy. And nothing illustrates that better than that famous Google Earth picture of the darkness on the North Korean side and all the lights on the South Korean side. American engagement.

In the western hemisphere, one of the best news stories from that engagement is Plan Colombia and the state that was on the verge failure, thanks to extraordinary bravery and courage and investment by the Colombians and U.S. support for that effort, brought them to a better place under President Uribe.

As you are well aware, President Santos visited here a few weeks ago. And it has always been my preference and inclination to be helpful because of the importance of our relationship with Colombia.

That said, I left open-minded. Despite the fact that the Colombian people in a referendum rejected his peace deal, I have tried not to opine about internal matters in that country because they are an ally and a democracy. So he comes to Washington. And after the visit, I am actually more concerned than I was before he came for a couple points.

The first is I remain concerned about their creation of the special legal framework in their peace deal that basically puts the FARC on par with the Colombian Government in terms of prosecuting people, which basically means human rights abusers, prosecute them. But it basically means some of these people that were working with us to destroy these drug gangs and these guerilla groups could be on trial for working with us to carry that mission out. We put the FARC at equal footing, not to mention they have now become a political party.

I am concerned about them stopping extraditions. As of the latest count, about 60 members of the FARC are potentially wanted for extradition because they violated all laws. And they have even pushed at one point to delist the FARC as a terrorist organization, which they should always be on that list.

And the one that is really concerning is this massive surge in cocaine production in Colombia over the last year and a half, which perfectly coincides with President Santos' decision to suspend aerial eradication, which he chalks up to not wanting to spray in national parks. But I would just advise him when he keeps saying that to Members of Congress who know better, that may have been an element of it, but that is not entirely the rationale. They stopped aerial eradication because he did not want to upset the peace deal with the FARC.

I raise all this because they are now coming back for additional money to help implement all of these things we have concerns about. So the peace deal belongs to the sovereign nation of Colombia, but our willingness to participate and fund it depends on the conditions that we lay out. And I just wanted to get your sense, in the minute that we have remaining, where we are in that process, what those conditions are, and in particular, the delisting of the FARC, the release of a criminal, Simon Trinidad, who is in federal prison, the aerial eradication. In essence, why should the American taxpayer be paying for a deal that is flawed and, actually in many ways, could potentially undo the progress of Plan Colombia?

Secretary TILLERSON. Well, all of the flaws that you have identified and the peace plan that they have we would agree with. I think we see it the same way.

We have had discussions with them, and as you point out, I think it is a question of how far do we want to go in trying to interfere with or condition or in any way undo the plan that they have arrived at and the agreement they have arrived at with the FARC.

I would comment on the spraying of the fields. And we had a long discussion about this because the numbers are just eye-popping in terms of what has happened with the acreage under cultivation in particular. They indicated they had, in some sense, created this problem of their own because they had been paying farmers to get out of production of cocaine fields and the supply fields and convert to other. And they have halted that program while they were in the midst of these talks. And what the farmers did is they went out and planted more acreage so they could get more payments. So we have told them, no, we have got to get back to the spraying. We have got to get back to destroying these fields, that they are in a very bad place now in cocaine supply to the United States. And the President talked to President Santos di-

rectly about that. So we are going to work with them on how do we address that particular issue.

And then on the other issues, it is a question of how heavily we want to condition our support to them in terms of making changes to a peace process that they have put together and understanding would that completely unwind it. What is the consequences of that?

So I share all of the concerns you have. We have highlighted those concerns to them as well. Very troubling to us because we were on a great track. It kind of came off the track with the vote, and this is where we are.

The CHAIRMAN. Thank you. Very good, good exchange.  
Senator Udall?

Senator UDALL. Thank you, Mr. Chairman.

And thank you, Mr. Secretary, for being here today.

I think everyone on this panel can agree that among our greatest national security threats are nuclear proliferation from North Korea, as well as remnants of the A.Q. Khan group in Iran, among others. Just yesterday, Secretary Mattis made it clear by stating "the most urgent and dangerous threat to peace and security is North Korea."

Given the importance of countering this threat, I would expect the State Department to prioritize nonproliferation and programs that support anti-terrorism. Yet, the budget the President has presented to the Congress for consideration does the opposite. Instead of robustly funding these programs, this budget puts Americans at risk by cutting the nonproliferation and anti-terrorism, demining, and related programs that account for \$333 million.

Based on your personal review, have you directed the State Department to deemphasize these areas? Is the official State Department position that these accounts are no longer a priority?

Secretary TILLERSON. No, Senator, we have not in any way deemphasized this. As you point out, we agree North Korea is the greatest threat, and that is why if you look back at the early stages of the administration, that was the first foreign policy area that we dealt with at the State Department was North Korea. That process continues, as you well know.

I think in terms of our activities that you just listed, some of those we are working with the Defense Department on areas of budgeting authority they have, how do we coordinate the most effective deployment of the resources available to us to achieve common objectives. We are not looking for their money to supplant our money. Rather, we have, between Secretary Mattis and I, developed a very, very close process between our two relevant bureaus as to how we are putting our funds that are available to work, what funds do they have in the same geographic locations where they are trying to achieve similar objectives, how do we manage that in a way that continues to allow us to address the issues that you are discussing there.

But we have not deemphasized the threat of nonproliferation. We have other parts of the world that this is a serious concern to us and are developing policy approaches there. Again, these are just some of the difficult choices that have been made in where to take certain budget reductions.

Senator UDALL. Mr. Secretary, I would like to move to our own hemisphere here. The U.S. Chamber of Commerce and its support for engaging Cuba and during its launch of the U.S.-Cuba Business Council stated that—and I am quoting here—“we are facing an historic opportunity to support a vital and growing Cuban private sector, one that is defined by entrepreneurs whose expanding efforts show that the spirit of free enterprise is already taking hold in the country.”

In fact, multiple States are already in trade agreements with Cuba, increasing business opportunities for rural and urban areas alike. And the Cuban people themselves, including those who host tourists from the United States either in cuentapropistas or Airbnb's have gained entrepreneurial experience and have begun the work to pull themselves out of poverty.

Do you agree we should continue these efforts, or do you believe that we should return to the failed policies of the Cold War?

Secretary TILLERSON. Senator, what you described is the sunny side of the relationship, and it is all positive and it is great and it is good. There is the dark side, though, and that is that Cuba has failed to improve its own human rights record. Political opponents continue to be imprisoned. Dissidents continue to be jailed. Women in White continue to be harassed. And so what we have to achieve in approaching Cuba is if we are going to sustain the sunny side of this relationship, Cuba must—absolutely must—begin to address its human rights challenges.

Now, within that sunny side of the relationship, there are troubling elements to us that bring the relationship into conflict with existing statute obligations. And that is, as we are developing these business relationships, as we are enjoying the benefits on the economic and development side, are we inadvertently or directly providing financial support to the regime? Our view is we are. And the question is how do we want to deal with that. How do we bring that into compliance with longstanding statutory obligations?

So we are examining that. We would love to keep the sunny side. We would love to keep it in compliance with existing statutes that does not lead to financial support for this what we can only describe continues to be a very oppressive regime.

Senator UDALL. Mr. Secretary, should the United States make it easier or harder for U.S. companies to engage in Cuba to improve access to the Internet? Do you believe, as many on this committee do, that access to the Internet is an important part of creating a modern and just society, including supporting nascent entrepreneurs? And finally, will you build on efforts from the previous administration to help U.S. companies do business in Cuba?

Secretary TILLERSON. We do support greater access to the Internet, not just for the commercial economic reasons, but we also think it is an important way people have access to voices of freedom and democracy and greater visibility. So we are supportive of that. We are supportive of continued economic development as long as it is done in full compliance with our existing statutes to not provide financial support to the regime. That is the focus of our current policy review.

Senator UDALL. And this is not a question. It is just a final comment. If that is the sole test on financial support from the regime

and if they are getting money from small businesses and everything, then it just seems to me we are headed down a path of once again closing down the abilities of these private businesses and Airbnb's and cuentapropistas and a lot of others to be out there and people be making a living and developing the private sector. I mean, as long as I have been working on this issue and the opening up, I mean, we have seen half a million people that are working there in the private sector. But if the test is going to be do they give a single dime to the government, then we get ourselves, I think, in a situation where we go back to the old Cold War policy, which I think has been a real failure.

Secretary TILLERSON. Well, Senator, I know you are not suggesting that we encourage private companies to violate the law, but it does require perhaps a more thorough discussion among the Congress and the executive over is that law still useful. But the law is there. We cannot ignore that law, and we cannot encourage people to violate that law.

Senator UDALL. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Cardin for closing comments and observations.

Senator CARDIN. So, first, Mr. Chairman, I would ask consent that a letter addressed to me from President Ron Daniels at Johns Hopkins University concerning the global health budget be included in the record.

The CHAIRMAN. Without objection.

[The information referred to is located at the end of this hearing transcript.]

Senator CARDIN. And two documents I received from CARE USA—one is testimony for the record, the other an assessment of human impacts of the budget—also be made part of our record.

The CHAIRMAN. Without objection.

[The information referred to is located at the end of this hearing transcript.]

Senator CARDIN. And then two observations.

One, Mr. Secretary, in regards to the discussion with Senator Coons on the Pickering and Rangel fellows, there has been an historic challenge within the Department of State that predates your stewardship on attracting a diversified workforce. And this committee has weighed on it. We have had legislation on it. I have introduced some legislation in this Congress. I would just urge you that in regards to the Pickering and the Rangel fellows, that is one of the avenues that have been a bright spot for diversity within the State Department and that your personal attention to allow that process to continue would be very important.

The second observation—the chairman has made this suggestion. You have also, working together as you go through the reorganization at the State Department. I will just give you another example. Your budget proposes to eliminate the development assistance account at USAID and the economic support fund at State, instead creating a new economic support and development fund. There is a cut in that, which we will leave aside, but then the organizational aspects of how that would be done versus USAID and State

is something of interest to our committee. So I would just urge you to work with us on those issues because I think these are areas where we can work together to give you the type of accountability that we have all talked about that we want to see in the Department.

Secretary TILLERSON. I look forward to that, Senator, and welcome it.

The CHAIRMAN. I just, in my closing observations and comments, want to say that I really do think that there are things that prevent the State Department from functioning as well as it could that we can help with. And I leaned over in a side conversation with Senator Cardin, and I know you all have been in to brief us both—your staff has—and briefed our staff as to how things are moving along. But we do look forward to working with you in that regard. And I think for this year in particular, I think people are going to want to be very engaged in that in a way that—I think we began to see the opportunities last year, but this year see tremendous opportunities in working with you in that regard.

On the food aid component, if I could, you know, the American farmer, generally speaking—these are people that are patriotic, care about other people, proud of what they do. And as I have talked with them about what we are doing in food aid, I get a response of disbelief. They are unaware, totally unaware, that people who represent them here have forced U.S. commodities to be used, when it is only one-half of 1 percent of their entire output—to be used in places that you cannot get U.S. commodities to. Senator Coons referred to Uganda. In some cases, it takes 6 months, believe it or not, when people are starving to get U.S. commodities to these places. And as you know, when we do that, 50 percent of it has to be shipped by these maritime entities that—it costs 40 percent more for us to do it that way. So I appreciate the comments you made about IDA and some of the things that we can do.

I would just ask, with all the things that you have going, that you sit down with Secretary Perdue also because I think as we talk to the grassroots farmers out there, again they are in disbelief that we have a program that for the same amount of dollars could feed 5 million to 8 million more people a year, and yet people who “purport to be representing their interests are keeping that from happening.” So if you could make that happen, I would appreciate it. I know we are planning to do the same.

And then secondly, I know this Friday the President is going to be laying out Cuba policy. I know Senator Udall asked some questions about it. Can you give us some of the general contours you see shaping up relative to what that policy is going to be?

Secretary TILLERSON. Well, Senator, it is still in an interagency review going on actually today. My deputy is hefting it for me since I am here. The general approach, if I can say that, is to allow as much of this continued commercial and engagement activity to go on as possible because we do see the sunny side, as I described it. We see the benefits of that to the Cuban people and to ultimately restoring somehow down the road, getting to some point of normalization.

But on the other hand, we think we have achieved very little in terms of changing the behavior of the regime in Cuba and its treat-

ment of people, and it has little incentive today to change that. And in fact, our concern is they may be one of the biggest beneficiaries of all of this, which just, again, promotes the continuance of that regime. So we are examining how the past policy was implemented, how it was described to others, you know, what were people told, what assurances were given. But we think it is important that we take steps to restore the intent of the Helms-Burton legislation which was to put pressure on the regime to change. And that pressure has been, in our view, largely removed now. How do we re-engage on that and still allow as much of the sunny side of what has been done to be preserved?

There are other areas of important diplomatic issues regionally that we want to engage with the Cuban regime on because we think there may be some areas of common interest if we can establish what this relationship is going to be.

So the policy takes all of these things into consideration.

The CHAIRMAN. Well, look, I was down there not long ago. America has always felt if it could do more business with folks, then that would help pave the way towards Western values, capitalism, democracy, and those kinds of things. On the other hand, the obstinance that the government has—it is almost like it is engrained in them that whatever it is the United States wishes for them to do on human rights and other activities, they are not going to do just to demonstrate that the revolution is still alive, still calling what is happening down there a blockade.

So I look forward to engaging some this week with you and others over what we ultimately do on Friday. And I understand the rub, and I do hope we end up with a policy that over time will cause the Cuban people themselves to be able to reach their aspirations. It is a country that has incredible potential, like Venezuela, with a terrible governance system that has held people back for years and yet very intelligent, well-educated folks that could be in a very different place standard of living-wise if the policy would ever get right.

So with that, thank you for being here today. I think it has been a great hearing.

We are going to keep the record open until Thursday for written questions. I know you have a lot of responsibilities, but to the extent you could answer those fairly promptly or if Mary or others can answer those fairly promptly, we would appreciate it. Thank you.

And the meeting is adjourned.

[Whereupon, at 11:55 a.m., the hearing was adjourned.]

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## Secretary Tillerson's Responses to Additional Questions Submitted by Members of the Committee

RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD  
SUBMITTED TO SECRETARY TILLERSON BY SENATOR CORKER

*Question 1.* What processes do you use or anticipate developing to prioritize the allocation, composition, and deployment of sector assistance resources?

Answer. The Department has longstanding practices for prioritizing the allocation, composition, and deployment of its security assistance funds, including the development of the Integrated Country Strategy, which details each Mission's goals and objectives; the development of the Mission Resource Request, which reflects each Mission's annual funding request for all State assistance accounts; various interagency planning forums; and program-specific proposal review processes.

State is also working with DoD to develop processes to integrate security assistance planning and programming across the two Departments. At the direction of Secretary Mattis and myself, the Departments have established a new State-DoD Security Sector Assistance Steering Committee that is taking on this important task. The Steering Committee will oversee a process to ensure that State and DoD are optimizing our respective department resources and individual authorities to advance top national security priorities and partnerships.

*Question 2.* Security Cooperation programs and expenditures administered by the Department of Defense have grown relative to those administered by the Department of State over the past 15 years. Do you have any concern for an erosion of civilian oversight over this instrument of national influence?

Answer. The provision of security assistance is inherently an act of foreign policy. The Department must be able to coordinate and align all U.S. security assistance programs to ensure that we are advancing a unified foreign policy strategy. We appreciate this Committee's strong support for the Department's role in this regard.

Both State Department and DoD foreign assistance resources advance U.S. foreign policy objectives. State and DoD are working together to develop processes to synchronize security assistance planning and programming across the two agencies. At the direction of Secretary Mattis and Secretary Tillerson, the Departments have established a new State-DoD Security Sector Assistance Steering Committee that is taking on this important task.

Legislated provisions for State concurrence with, and joint planning of, DoD assistance programs-like those included in DoD's new section 333 train and equip authority-help ensure the synchronization of State and DoD assistance policy and programs over the long-term. State encourages the inclusion of this requirement in all other DoD train and equip programs.

*Question 3.* The FY 2017 National Defense Authorization Act that was passed and signed into law last year consolidates many of the Department of Defense authorities for security cooperation programs and mandates a number of organizational and administrative structures, including a single office for oversight at the undersecretary level or below. Do you anticipate that you will identify a similar single point of contact for security sector assistance with the Department of State? Where will it be? How will it be integrated with the regional bureaus and embassies?

Answer. I have designated the Assistant Secretary for Political-Military Affairs (PM) as the lead coordinator for the Department in the joint planning, development, and implementation of section 333 programs, in line with the requirement for the Department to designate an individual responsible for program coordination at the lowest appropriate level. At the same time, the Office of U.S. Foreign Assistance Resources (F) maintains overall responsibility for ensuring the alignment of foreign assistance resources with administration policy and strategies, and exercises the delegated authority to concur with section 333 programs.

In fulfilling its role as lead section 333 coordinator, PM manages a consultative and inclusive planning and approval process to ensure that Departmental priorities and policy concerns are reflected in DoD plans and programs. This process involves

the Department's functional and regional bureaus, including F, the Legal Advisor, the Bureau of Democracy, Human Rights, and Labor, and Chiefs of Mission.

*Question 4.* The FY 2017 NDAA requires the establishment of a system for assessment, evaluation, and monitoring of Title 10 security cooperation programs:

- Do you anticipate that you will seek to establish such a system for Title 22 security assistance programs that is consistent with or complementary the DOD system? Will it be consistent to the extent practicable across the various international security assistance funding and program streams (INCLE, FMF, NADR, PKO, and parts of ESF / DA, etc.)?

Answer. With respect to security assistance, the Department has been and remains a leader among U.S. government agencies on developing and implementing assessment, monitoring, and evaluation for these programs. State led the inter-agency effort to create a Performance Management Framework to establish common principles for effective security sector assistance (SSA) performance management, including: assessment, design, performance management, and monitoring and evaluation of SSA plans and programs. DoD contributed to the framework and the inter-agency ensured that the framework was consistent with and complementary to DoD's Assessment, Monitoring and Evaluation process. This framework lays the foundation for Departments and Agencies to better realize the goals of effective SSA programs by determining whether and how plans are progressing through looking at the collective effort supporting and, when appropriate, refining SSA objectives and sub-objectives. The framework also provides SSA policymakers, planners, program managers, and implementers the information and evidence necessary to make effective decisions, maximize program outcomes, increase program accountability, and report program achievements.

The Department's evaluation policy, which applies to security sector activities, has guided the conduct of and standards for evaluations of assistance and establishes evaluation requirements. The policy also provides considerable flexibility in the implementation of evaluation activities within the Department. This flexibility is necessary due to the number and scope of foreign assistance programs implemented by the Department around the world.

Through the early evaluation work of the PKO-funded Global Peacekeeping Operations Initiative and followed by other State programs—the Department has developed a range of frameworks, tools, and best practices widely recognized to ensure effective programs, improve future plans, and, ultimately, inform policy. While the programs cited cover a broad range of activities serving an array of foreign policy objectives, the Department continuously seeks to ensure consistency. Ensuring that our efforts are complementary with DoD's nascent assessment, monitoring, and evaluation effort is a focus for our military assistance programs.

*Question 5.* What are the incentives, structure, and management tools in place or anticipated for security assistance implementers within State to coordinate among themselves? To coordinate with the Department of Defense and Regional Commands?

Answer. The Department has longstanding mechanisms for coordinating security assistance, including processes such as the development of the Integrated Country Strategy, which details each Mission's goals and objectives and provides a framework to organize and prioritize the full spectrum of in-country activities; the development of the Mission Resource Request, which reflects each Mission's annual funding request for all State assistance accounts; various interagency planning forums throughout the budget cycle; and program-specific proposal review processes.

State is also working with DoD to develop processes to synchronize security assistance planning and programming across the two Departments, in light of DoD's expanded assistance authority. At the direction of Secretary Mattis and myself, the Departments have established a new State-DoD Security Sector Assistance Steering Committee that is taking on this important task.

Both State and DoD benefit from coordination, as close collaboration permits the agencies to maximize our limited resources and capitalize on each other's unique expertise and authorities.

*Question 6.* When should this Committee expect a communication of State Department management reorganization plans?

Answer. The Department of State (State) takes very seriously its responsibility to consult with Congress on its plans and vision for the future of the agency.

Executive Order 13781 of March 13, 2017, calls for each agency to submit a plan, due in September, to improve the efficiency, effectiveness, and accountability of that agency. State and U.S. Agency for International Development (USAID) are working

to meet this deadline and have begun to discuss goals, priorities and the strategic direction of the organizations to adapt to the changes that we will face over the next twenty years. We are looking at aligning resources, people, and our overarching mission, including restructuring State and USAID's operations, in order to deploy the talent and resources of State and USAID in the most efficient way possible. This review has no preconceived outcomes.

In the first "listening" phase of this discussion, we asked for the participation of the State and USAID community, to enlist their help in identifying how they are going about completing the organizations' missions. We engaged Insigniam, a consulting firm, to conduct a survey made available to all of our State and USAID colleagues, including employed family members, locally-engaged staff, and contractors. Over 35,000 surveys were completed. Insigniam also held in-person listening sessions with approximately 300 individuals, including Committee staffers, to obtain their perspective on what we do and how we do it. Most of the sessions were conducted with randomly identified individuals who fit a representative cross-section of our workforce, and some of these were held abroad at our posts. The surveys and listening sessions, all of which occurred in early-mid May, collected information on our organizational processes and culture, including what activities to eliminate, ideas for restructuring the organization, ideas for improving organizational efficiency and effectiveness, and workforce management. Insigniam compiled the results and generated a report, which was previewed to me on May 30. From this feedback, we have been able to get a clearer overall view of our organization. We are still analyzing the feedback we have received, and intend to use the results of the report as input to efficiency improvements as part of our larger efforts called for under E.O. 13781.

Before the end of June, I will communicate with all State and USAID employees, as well as the committee and others in Congress, about the results of the report and the plans for the second phase of this endeavor. The general intent for the second phase is to engage the State and USAID community to design how the agencies will function for the next twenty-plus years. We will seek the input of the Committee and others in Congress throughout this process. The recommendations, blueprints, and new vision that emerge from the redesign phase will be presented to OMB in September as part of the requested Agency Reform Plan, and will be fully discussed with the Committee and others in Congress before implementation begins in FY 2018.

*Question 7.* In response to a question regarding Cuba, you stated that in assessing policy changes, the administration wants to ensure you are in compliance with long-standing statutory obligations:

- Were you referring to the Libertad Act? Also, it is my understanding that the policy changes undertaken by the previous administration were taken based on statutory authority, including the President's authority to issue licenses under the embargo. Is this also your understanding?

*Answer.* The embargo in its current form results from both executive and legislative actions over the past half century. The LIBERTAD Act constitutes one of the statutes relevant to the embargo against Cuba, along with others, including the Trading with the Enemy Act of 1917, the Cuba Democracy Act of 1992, and the Trade Sanctions Reform and Export Enhancement Act of 2000. While the embargo contains certain prohibitions on transactions, it is well established that the Executive branch may authorize transactions notwithstanding the prohibitions, by license or otherwise, within certain limits.

*Question 8.* What role has the State Department and USAID played in the administration's strategic consideration of U.S. policy for Afghanistan and Pakistan?

*Answer.* Both the State Department and USAID are integrally involved in a thorough and wide-ranging ongoing interagency strategic review for South Asia to clarify our priorities in the region and how best to achieve them. The interagency is continuing discussion to ensure that U.S. policy for Afghanistan and Pakistan is integrated within a broader regional strategic framework. When the administration concludes its strategy review, we look forward to briefing Congress on the State Department's activities under this reframed strategy.

*Question 9.* How has diplomacy and development been incorporated into overall U.S. strategic policy deliberations and conclusions with regard to Afghanistan and Pakistan?

*Answer.* The Department of State and USAID have been active participants in the administration's review of our policy towards Afghanistan, Pakistan, and South

Asia. Diplomatic and development goals and initiatives continue to play a central role in the administration's approach to South Asia.

Our primary goal is to ensure that transnational terrorist organizations never again exploit Afghanistan, or the broader region, to threaten the United States. Diplomatic and development initiatives in the region will continue to play an integral role in achieving our national security objectives in Afghanistan and Pakistan, including encouraging regional security, stability and peace. We continue to prioritize the launch of an Afghan-led, Afghan-owned peace process to end the conflict in Afghanistan.

*Question 10.* What is the overall USG strategy, broken down by agency, as it relates to Afghanistan, and how each will implement in the field?

Answer. The National Security Council (NSC) is currently leading an interagency strategy review for South Asia. Although the strategy is still in development, the underlying objective is to protect U.S. vital national interests in Afghanistan and the region. Achieving this objective requires a capable Afghan government partner and a stable political order.

U.S. Government agencies currently do the following:

- The State Department works to promote a political dialogue to end the Taliban insurgency and advance U.S. interests in Afghanistan through political, economic, and public diplomacy. State implements assistance programs to support the Afghan government in the following sectors: counternarcotics, justice, corrections, weapons removal and abatement, export control and border security, and anti-terrorism assistance. State also provides humanitarian assistance to Afghan refugees and internally displaced persons.
- The Department of Defense maintains a presence of 8,400 U.S. troops to support the bilateral counterterrorism mission and NATO's non-combat Resolute Support Mission.
- USAID implements development and technical assistance programs to support improvements in health, education, women's empowerment, economic growth, infrastructure, agriculture, and good governance, to include rule of law and anti-corruption efforts. USAID also provides substantial on-budget support to the Afghan government through a World Bank-managed trust fund.

*Question 11.* Describe in detail the national strategic interests for continued U.S. commitment in Afghanistan and what if any expectations must be met by the Afghan government and regional actors to sustain that commitment.

Answer. Our primary vital national interest in Afghanistan is to keep the United States safe and to prevent al-Qa'ida, ISIS-K, and other terrorist groups operating in South Asia from using Afghan soil to develop the capability to direct or support attacks against the U.S. homeland or U.S. persons. Our diplomatic, development, and military engagement in Afghanistan contributes to this goal by bolstering the Afghan government's ability to provide security and services to the Afghan people. The Afghan government counts on its partnership with the United States and recognizes that it has an obligation to improve its performance. President Ashraf Ghani has committed to a comprehensive reform agenda to address core governance issues that include reducing corruption, improving transparency, and increasing economic growth. Many of these commitments have already been codified in the Self-Reliance through Mutual Accountability Framework, which was established in 2015 and updated at the October 2016 Brussels Conference on Afghanistan. Long-term stability in Afghanistan will only come through a peace process and negotiated settlement between the Afghan government and the Taliban.

*Question 12.* Describe in detail the national strategic interests for continued cooperation and collaboration with Pakistan, and what if any expectations must be met by the Pakistan government to sustain that commitment.

Answer. Our relationship with Pakistan involves a number of vital national strategic interests, including combatting terrorism, promoting security and economic growth across Central and South Asia, ensuring strategic stability, and safeguarding the U.S. homeland from threats.

There are, however, elements of our relationship that have proved challenging. For instance, the United States and Pakistan have collaborated successfully to combat many terrorist groups operating in Pakistan, including those that pose a direct threat to the U.S. homeland—such as Al Qai'da and ISIS. However, the Afghan Taliban, including the Haqqani Network, and other externally-focused militant groups retain the ability to plan, support and conduct terrorist operations from Pakistani soil, including attacks that target U.S. interests in Afghanistan. We continue to stress to the Pakistani leadership the need to take specific and deliberate action

to curb the activity of all militant and terrorist groups in Pakistan. As you know, we are currently engaged in an interagency policy review to determine the most effective policy for achieving our goals in Pakistan and the region.

*Question 13.* What role has the State Department, USAID, MCC, OPIC, BBG, our embassy country teams—as well as specific inclusion of USTR, defense and intelligence community input—played in the administration’s budget and organizational review relative to U.S. policy and presence in African countries?

Answer. The initial input for developing the budget request for Africa comes from the Chief of Mission at each sub-Saharan Africa post in response to these overarching policy goals. It incorporates input of all U.S. government partners at post—including USAID, MCC, OPIC, BBG, USTR, and the defense and intelligence communities—and lays out an integrated approach for meeting the diplomatic and development challenges in each country. The Africa Bureaus at both State and USAID work hand in hand throughout all phases of the budget development process—from the initiation of the request in the field to the development of the final request for the President.

Other U.S. government partners are included throughout the planning and budget development process as appropriate for their areas of focus. For example, through the U.S. President’s Emergency Plan for AIDS Relief (PEPFAR), the cornerstone of health programming in the region, the State Department’s Office of the U.S. Global AIDS Coordinator and Health Diplomacy leads an interagency process—including, USAID, the Department of Health and Human Services, the Department of Defense, and the U.S. Peace Corps—in planning and implementing the comprehensive U.S. government response to the HIV/AIDS pandemic.

MCC Board members include the Secretary of State who serves as Chairman, the USAID Administrator, and other principals from the interagency community, such as the Secretary of the Treasury and the U.S. Trade Representative. This participation ensures that our respective resources are brought to bear on common objectives that both increase the impact of developmental objectives and optimize stewardship of U.S. resources.

*Question 14.* How does the FY 18 budget proposal incorporate the input or otherwise consider the input of each of the above elements?

Answer. State Department budget proposals for Africa incorporate inputs from a variety of stakeholders, including Washington and field-based missions, the interagency community, regional and functional bureaus, and technical roundtable and working group recommendations. These inputs combined help to inform final request levels.

The initial input for developing the budget request for Africa comes from the Chief of Mission (COM) at each sub-Saharan Africa post in response to several overarching policy priorities jointly agreed upon by the interagency community. They include: 1) advancing peace and security; 2) spurring economic growth and trade; 3) strengthening democratic institutions; and 4) promoting opportunity and development.

Under COM leadership, the initial request incorporates input from all U.S. government partners at post and lays out an integrated approach for meeting the diplomatic and development challenges in each country. The Africa Bureaus at both State and USAID work hand in hand throughout all phases of the budget development process—from the initiation of the request in the field to the development of the final request for the President.

*Question 15.* List each sub-Saharan African country where the United States has diplomatic facilities or representation, including regional and sub-regional organizations and chart the existing personnel levels by agency and function at each. Please carry this chart out, extending 4 years as the administration’s budget process currently projects for each of these posts.

Answer. Due to the sensitivity of the requested information, the Department of State is not able to provide it publicly. The Department will provide the requested information in an appropriate setting.

*Question 16.* As man-made humanitarian crises persist, and have grown significantly more threatening relative to civilian populations, describe the preventive or deterrent U.S. foreign policy that will help minimize the threat of and ultimate high U.S. cost in response to such events?

Answer. The United States is a leader in global humanitarian response and conflict prevention efforts. The U.S. Government is actively engaging with partners to reduce fragility and promote stability in conflict-affected states. This includes enhancing the ability of fragile countries to mitigate shocks and prevent conflict, and

advancing the stabilization of conflict-affected areas so that they can transition to long-term political, economic and social stability.

To strengthen fragile states and prevent conflict, our diplomatic and development efforts promote accountable and transparent governance, equitable delivery of services, along with inclusive economic growth, job creation, and the sound policies needed for sustainable private sector expansion and stable employment. We are actively working to assess dynamics that put countries at greater risk of conflict and violence and the best mechanisms to address those factors. Our FY 2018 request includes programs that will build the capacity of civil society actors including those operating in closing and closed spaces so they can successfully advocate for peaceful change and mitigate conflict.

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RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD  
SUBMITTED TO SECRETARY TILLERSON BY SENATOR CARDIN

*Question 1.* The FY 18 Budget Request makes a draconian \$1 Billion cut to the FMF program, exempting only Israel, Jordan and Egypt; Pakistan receives a significant reduction. All other states receive zero allocations, and are to be offered the option of loans; however, this is a false choice, in that all but a literal handful will be likely be ineligible for such loans, and most if not all will be unwilling to assume such debt. As such, the President's request is, in practical effect, the end of the FMF program as a long-standing U.S. global tool to assist countries with their legitimate defense needs, promote better U.S. security and foreign policy relationships with them, and a golden opportunity for China and Russia to fill the gap and gather greater influence. Moreover, since FMF is spent on U.S. defense companies, and according to Department of Commerce estimates, it is likely that this cut could affect or eliminate as many as 6,000 U.S. jobs: Why does the administration and the State Department wish to cut-off this long-standing and successful national security program?

Answer. The administration is taking steps to encourage our partners to assume more responsibility for their defense needs, including by making U.S. defense articles and services available on a repayable basis, via Foreign Military Financing (FMF) loans. At the same time, the administration's request maintains the flexibility to provide both grants and loans, and resources for DoD to undertake foreign assistance programs. Partners may have the opportunity to borrow more than they received in prior years in grant assistance, potentially allowing recipients to purchase more American-made defense equipment and services than they have in the past.

*Question 2.* What will the State Department use to replace this program and attempt to maintain U.S. influences with all the countries that are about to [be] cut-off from this assistance?

Answer. U.S. influence around the world does not depend solely on the provision of grant military assistance. The Department will work with other U.S. government agencies, including DoD, to leverage all our available diplomatic tools, authorities, and resources to advance our foreign policy objectives in a strategic manner.

*Question 3.* How will the U.S. seek to prevent Russia and China from taking advantage of this opportunity to replace U.S. assistance with these countries and thereby garner greater influence?

Answer. The administration's request gives the United States a range of tools to build the capacity of foreign militaries, including through FMF grants, FMF loans, and DoD assistance programs.

The administration has requested \$200M in global FMF funds to support current foreign policy priorities. To ensure the strategic focus of these resources, the Department will finalize the most appropriate allocations and purposes for these funds during the year of appropriation, based on real-time requirements and priorities, and notify Congress appropriately. This approach permits greater flexibility, selectivity, and responsiveness than the previous structure, which required the Department to determine and publish requested bilateral allocations years before the funds would be implemented.

DoD resources will also be available to build the security capacity of foreign partners. The Department will work with DoD to optimize our respective resources and authorities to advance top national security priorities.

*Question 4.* In going through the budget proposal you submitted I note that the number of accounts where the budget requests a total amount but provides no detail

is upwards of 30 percent of the entire Function 150 budget. How can Congress make decisions on authorization levels, budgets, or appropriations when we don't know how you arrived at the number or what level is appropriate to support activities that both the Department and this committee want to support? For example, with the exception of Israel, Egypt and Jordan, no country levels for FMF were included in the budget proposal, other than vague language that says that amounts will vary in the new loan system. The result is that we have no visibility into how much other nations would get, for example, or how FMF can continue to play a role in partners capacity building in the Asia-Pacific maritime domains: Can you provide this Committee, today, country-by-country details on your FMF proposal?

Answer. The administration has requested \$200M in a global FMF fund to support current foreign policy priorities. To ensure the strategic focus of these resources, the Department will finalize the allocations and purposes for these funds during the year of appropriation, and notify Congress appropriately. This approach permits greater flexibility, selectivity, and responsiveness than the previous structure, which required the Department to determine and publish requested bilateral allocations years before the funds would be expended.

*Question 5.* On the other budget items where no detail has thus far been provided to Congress? If you can't do so today—and I understand that this is somewhat of an unfair question—can we get your commitment to provide that necessary detail to this Committee and other relevant congressional committees by the end of this month?

Answer. The FY 2018 Department of State and USAID Congressional Budget Justification (CBJ) did not include as much detail as previous years due to the accelerated budget formulation during the Presidential transition. The Department has committed to providing additional program or account details, as presented in past CBJs, upon request by Congress.

*Question 6.* The International Development Association (IDA), part of the World Bank, was created in 1960 at the suggestion of the United States to provide concessional loans to the world's poorest countries. Over the last five years, IDA financing has helped immunize 227 million children, provide access to better water sources for 64 million, and provide access to health services for 500 million people. The President's Budget request reduces our IDA contribution by nearly \$100 million: As U.S.-led international financial institutions face increasing competition from organizations such as the Asian Infrastructure Investment Bank and BRICS Bank, are you concerned that the reduction in U.S. funding for the multilateral development banks will negatively affect our international standing?

Answer. We do not believe that the proposed funding level for the MDBs will negatively affect our international standing. The proposed funding level for MDBs opens space for funding other security and domestic priorities, has limited impact on the funding that the MDBs will be able to make available to developing countries, and ensures that the United States remains a leading donor to the MDBs. Please note that as the lead agency overseeing the MDBs, Treasury, is responsible for the funding request for the MDBs and can provide any further details.

*Question 7.* Your budget proposal cuts ECA funding by 55 percent, but at the same time enumerated in the congressional budget justification a large number of programs that have, as I suspect you know, political support on the Hill, indicating that these programs would be protected and supported. Help me understand how the math will work on that. At what level will these programs be supported? Likewise, the budget documents also suggest that private sector exchanges will fill the relationship void made by budget cuts: And while I support private sector exchanges as well, given that the Hire American Executive Order policy review is looking at cutting the J-1 Summer Work Travel program by 90 percent please help me understand how gaps in programs cut will be filled by programs that are also likely getting gutted. Something does not seem to add up?

Answer. Facing a limited resource environment, ECA has reviewed the full range of the Bureau's exchange programs. The Department's budget request for ECA proposes to retain a portfolio of established and effective programs to meet the highest priority foreign policy goals. In consultation with Department leadership, ECA would identify how and where to deploy specific people-to-people exchange programs and at what scale in order to most effectively address foreign policy challenges around the world.

Private sector exchanges overseen by ECA, including the Summer Work Travel program, are an important part of our outreach. However, private sector exchanges

do not replace the targeted foreign policy effect of United States Government funded exchanges.

*Question 8.* Defense, diplomacy and development make up the three legs of our national security stool. The Defense leg of the stool has no shortage of champions on Capitol Hill. The other legs—diplomacy and development- which combined make up just over 1 percent of the federal budget—are grossly underfunded and yet save millions of lives and promote global stability and security. We need to invest in these aspects of our foreign policy, to strengthen our alliances and to combat the apathy and sympathy towards extremism and political instability that can be generated by poverty, hunger and disease. In addition to the immediate development and economic gain there is also a critical element for U.S. moral leadership in these programs. Yet your budget proposes a massive cut in development assistance from State and USAID: Do you believe that robust investment in civilian foreign assistance programs is necessary for effective US global leadership?

Answer. The Fiscal Year 2018 budget request includes substantial funding for many State Department and USAID foreign assistance programs. In a constrained budget environment, the request focuses on the most critical U.S. national security interests and foreign policy priorities. I acknowledge we had to make some tough choices, but even with reductions in funding, we will continue to be the leader in international development, global health, democracy and good governance initiatives, as well as humanitarian efforts. If natural disasters or epidemics strike overseas, America will still respond. I am convinced we can maximize the effectiveness of these programs and continue to offer America's helping hand to the world.

It is important to note that global challenges cannot be met by the United States alone. Focusing our efforts will allow us to advance our most important foreign policy goals, while ensuring that other donor countries contribute their fair share toward meeting these global challenges.

*Question 9.* The budget is very scant on detailing the policies and procedures that would govern this new ESDF program. In fact, extent of the budget's operational description of this new program is limited to one sentence in the budget: "Through ESDF, assistance previously provided separately in the DA, ESF, Assistance for Europe, Eurasia, and Central Asia (AEECA), and Democracy Fund (DF) accounts will support only those countries and programs that are most critical to U.S. national security and strategic objectives." Did you and your staff undertake a thorough review to ensure that best practices remain and that there is sufficient funding available to achieve America's goals under this proposal?

*Question 10.* Do you have a detailed policy and administration proposal for how this new program would be governed? If so will share it with this committee? If not, then please explain how this program will work and why are you proposing it, at the expense of eliminating other well established programs, if it does not appear ready for execution?

*Question 11.* How are determining which countries and programs "are most critical"? Will you share with this committee the inputs, data and stakeholders that are informing these decisions?

*Question 12.* Do you believe the public has a right to know how these decisions are being made?

Answer to Question 9 to 12. The Fiscal Year 2018 budget request supports the President's commitments to make the U.S. government more efficient by streamlining efforts to ensure effectiveness of U.S. taxpayer dollars. Our proposed creation of a new, consolidated Economic Support and Development Fund (ESDF) account that replaces the Economic Support Fund (ESF), the Development Assistance (DA), Assistance for Europe, Eurasia, and Central Asia (AEECA), and Democracy Fund (DF) accounts is one example of how we are streamlining our efforts.

This consolidated account does not mean that development programs are eliminated, or that development is no longer important to the United States. Instead, it allows the State Department and USAID to better assess, prioritize, and target development-related activities in the context of broader U.S. strategic objectives and partnerships. It will support many of the same programs previously funded with ESF, DA, AEECA, or DF funds.

In a constrained budget environment, the request focuses on the most critical U.S. national security interests and foreign policy priorities as determined by the administration. The President is committed to a government that is transparent and accountable to the American taxpayer.

*Question 13.* Does the administration intend to seek congress authorization for the ESDF?

Answer. The Economic Support and Development Fund requested in the FY 2018 budget is a new account that would combine existing authorities of the Economic Support Fund and Development Assistance Accounts. If the requested ESDF appropriation is enacted, it would be based on the existing authorities in the Foreign Assistance Act of 1961, and no further legislation would be requested.

*Question 14.* If the administration is not provided specific funds for the ESDF, but is instead appropriated funds for the historical programs the FY 18 budget proposes to eliminate, will you just reallocate those funds to the ESDF anyway? And if that happens or is planned will you consult this committee beforehand?

Answer. The Department of State and the U.S. Agency for International Development (USAID) will obligate funds consistent with the appropriations and authorities provided by law.

*Question 15.* How will you ensure that development with identified long-term objectives to reduce poverty—including by supporting education, agricultural improvements, and health interventions—is prioritized over short-term political calculations?

Answer. Development programs are critical to meeting our foreign policy objectives, but challenges to global development cannot be met by the U.S. alone. Focusing our efforts will allow us to advance our most important policy goals and national security interests, while ensuring that other donor countries contribute their fair share toward meeting global challenges.

*Question 16.* The budget eliminates DA and ESF investments in 37 countries. The goal of U.S. aid should be to foster long-term self-sufficiency in partner countries, ultimately supporting their transition from foreign aid. However, these transitions should not be driven by arbitrary budgets or timelines, but by measurable and realistic benchmarks, such as social and economic progress across social groups, public sector capacity, and the enabling environment for civil society and the private sector: What do you believe is the appropriate way for the U.S. Government to help countries move along a continuum of partnership with the United States?

Answer. Under the FY 2018 budget request, the United States will remain a major donor of foreign assistance while focusing our funds on the most critical priorities. In some cases, we are leveraging prior-year funds to continue some support to particular countries. In others, we propose utilizing funds from a regional line to support activities in a particular country. When making these difficult choices, we considered the track record of the assistance partnership as well as our interests and goals.

As the President has said, we need to focus foreign assistance on regions and programs that most advance our national interests. The challenges facing countries today cannot be met by our assistance alone. We anticipate that the private sector, other donors, and countries themselves will make effective use of other resources for development. We will continue to partner with these countries and organizations.

*Question 17.* How will you leverage alternative finance mechanisms like domestic resource mobilization and co-financing that assist countries build self-reliance?

Answer. The development finance landscape has changed considerably over the last several years, and USAID is taking significant action to adapt to it.

USAID is committed to use its assistance whenever possible to help developing countries better mobilize their own domestic resources to finance their development, build self-reliance, and reduce dependence on foreign aid. In particular, USAID is helping more than 15 countries strengthen their capabilities in domestic resource mobilization (DRM) so that their systems of public financial management including their tax systems are more efficient, transparent, and accountable, and raise more revenue while lowering barriers to economic growth.

In this same vein, USAID is supporting mobilization of large and growing pools of home-grown institutional capital, particularly local pension funds. The Agency is also working with more private capital providers to spur new lending in sectors critical to development. For example, through its loan guarantee program, the Agency has mobilized \$4.8 billion in private sector financing from 382 partners across 77 countries to support development programming in agriculture, education, health, environment, small business and microenterprise expansion, and municipal finance.

*Question 18.* What risk analysis has the State Department conducted on the impacts of ending or significantly curtailing U.S. development presence in countries like Sierra Leone, Niger, Laos, and Malawi—all countries where we've historically

invested DA and ESF funds, but under the President's FY 18 budget would receive zero ESDF funds?

Answer. The State and USAID budget formulation process considers inputs from a variety of stakeholders, including Washington and field-based missions, regional and functional bureaus, and technical roundtable and working group recommendations. These combined inputs help to inform final request levels.

To ensure the efficiency and effectiveness of U.S. taxpayer dollars, we acknowledge that we have to prioritize and make some difficult choices. Not requesting bilateral funding for a particular country does not necessarily mean that no programs are supporting that country. For example, the USAID/West Africa Regional and USAID/Sahel Regional operating units will fund activities in Niger, Cote d'Ivoire, and other countries in the Sahel. We may also utilize Washington central funds to support activities in countries that do not receive bilateral assistance. In some cases, other U.S. government funding (e.g. MCC, Peace Corps or via international organizations) will continue to provide critical support.

*Question 19.* If you've done such a risk analysis, would you share it with this committee? If not, what confidence can you provide this committee that a U.S. retreat from these countries won't contribute to a collapse in governance, economic growth, and sustainable development in these countries.

Answer. To ensure the efficiency and effectiveness of U.S. taxpayer dollars, we acknowledge that we had to make some tough choices. We do not consider this a retreat from the affected countries. We recognize, instead, that global challenges cannot be met by government assistance alone, and cannot rely too greatly on the United States. The FY 2018 request expects to see greater leverage of U.S. investments, along with increased efficiency and effectiveness of each dollar. The request moreover requires that the private sector and countries themselves make better use of their own investments for development.

Not requesting bilateral funding for a particular country does not necessarily mean that no programs are supporting that country. In some cases we may utilize funds from a regional line to support activities in a particular country. In other cases we may utilize Washington central funds to support activities. In several cases, other U.S. government funding (e.g. MCC, Peace Corps) will continue to provide critical support. Countries for which bilateral funding has not been requested may also receive critical support from the private sector, a variety of international organizations to which the U.S. contributes, and other governments worldwide.

We will continue to partner with key allies to protect Americans, advance bilateral partnerships, open new markets for U.S. businesses, and promote U.S. interests abroad, in a manner that puts America first.

*Question 20.* A common metaphor I often hear you, Mr. Secretary and Chairman Corker recite is that you believe we need to evolve our approach to foreign affairs and foreign assistance away from a "Cold War Mentality". I have to be honest, I'm not what you mean when you say this. If you are saying that you don't think the U.S. should work to counter Russian aggression or that Russia's meddling in our elections, and the elections of our close allies, than I have to strongly disagree with you. If perhaps you mean the U.S. practice of "buying influence" through development investments needs to stop, than I would ask you to explain how that squares with all the "counter ISIS" mentions in the State Foreign-USAID Budget, where the budget seems to suggest that foreign economic and development assistance should be focused in areas to counter terrorism—i.e. buy influence: Can you please tell the committee what this metaphor means? The sentence explaining how the new all-encompassing ESDF program, would seem to perpetuate a "Cold War mentality" by requiring all ESDF funds to be dispensed based on political and strategic (i.e. defense) goals determined by the President. How is that not perpetuating the Cold War mentality on development and foreign policy? Isn't this administration just changing out who the enemy is: exchanging the USSR for ISIS?

Answer. As noted in my opening comments, America's global competitive advantages and standing as a leader are under constant challenge. In spite of the important work that the dedicated men and women of the State Department and USAID carry out each and every day, the Department and USAID, like many other institutions here and around the world, have not evolved in their responsiveness as quickly as new challenges and threats to our national security have changed and are changing. We are challenged to respond to a post-Cold War world that set in motion new global dynamics, and a post-9/11 world characterized by historic new threats that present themselves in ways never seen before, enabled by technological tools that we have been ill-prepared to engage. With such a broad array of threats facing the

United States, the Fiscal Year 2018 budget request aligns with the administration's objective of making America's security our top priority.

The proposed Economic Support and Development Fund (ESDF) is an effort to streamline accounts and ensure the most effective use of foreign assistance funding. The ESDF account will continue to support select programs and activities previously requested under the Economic Support Fund and Development Assistance accounts, allowing the Department and USAID to better assess, prioritize, and target development-related.

*Question 21.* The line item for PL 480, Title II is zero. The budget appendix section on Foreign Disaster Assistance, however, says: "This request includes \$723.7 million for the USAID Office of U.S. Foreign Disaster Assistance to prepare for and respond to natural disasters, civil strife and prolonged displacement of populations that continue to hinder the advancement of development and stability. It also includes \$1.094 billion for the USAID Office of Food for Peace for emergency food responses with a range of interventions such as local and regional purchase of agricultural commodities near crises, the provision of U.S. food commodities, food vouchers and cash transfers and complementary activities." What is the rationale for zeroing out PL 480 and changing the account source for the program to one where food assistance must compete with other global crisis situations?

*Answer.* The International Disaster Assistance (IDA) Account request includes \$690.3 million in enduring resources as well as \$1.817 billion in Overseas Contingency Operations resources. The combined total of \$2.508 billion will provide humanitarian assistance in response to natural disasters and complex emergencies around the world.

Given the topline budget constraints of FY 2018, the administration looked for budget-neutral means to increase critical Defense Department gaps. The proposed FY 2018 humanitarian budget decreased in size along with the total proposed FY 2018 State/USAID budget. The proposed percentage of humanitarian funding requested as part of the FY 2018 State/USAID foreign assistance budget remains the same as in FY 2016, roughly 22 percent, and the relative priority of these interventions has not diminished.

The International Disaster Assistance (IDA) Account provides USAID with the full flexibility needed to provide the most appropriate food assistance modality for any emergency context. IDA is the most flexible and efficient account when responding to food security emergencies overseas, allowing partners to provide in-kind food purchased in the United States or in markets closer to beneficiary populations, and allowing beneficiaries to purchase food themselves in local markets.

*Question 22.* Feed the Future is specifically driven by needs and capacity, not to be politicized: Will you commit to fulfilling the goals of the Feed the Future program according to the law and keep this program free of political or "strategic" influence?

*Answer.* Yes.

*Question 23.* The success of this program, is of course linked to how well it is resourced, will you commit to adequately resourcing Feed the Future so that the U.S. can continue to be a force for good in getting more countries on the path towards sustainable food production making them more food secure and less likely to need disaster food assistance in the future?

*Answer.* The U.S. Government will remain a global leader in the effort to increase food security and resiliency around the world. Through targeted, catalytic investments, the State Department, USAID, and nine other USG agencies will continue to partner with other countries, international organizations, and the private sector to invest in sustainable food production.

*Question 24.* How many of the 10 countries where the administration is proposing not to continue Feed the Future effort were based on these countries achieving "transition" status and what were the metrics used and benchmarks achieved in making these determinations?

*Answer.* The interagency undertook a process of country selection in three phases to produce an objective and evidence-based list of target countries. The countries were selected based on the six selection criteria outlined in the Global Food Security Strategy: level of need, potential for agriculture-led growth, opportunities for partnership, opportunities for regional integration, host government commitment to investment and policy reform, and U.S. Government resource availability. The interagency, led by USAID, analyzed a wide range of quantitative and qualitative data to inform the selection process. While the U.S. Government will focus and concentrate its efforts in the new target countries, we remain committed to supporting

food security efforts, where possible, in other countries where there is still need and potential for sustainable impact.

Former Feed the Future focus countries still investing in agriculture and nutrition will continue to receive BFS technical and programmatic support. Similarly, countries that continue to prioritize food security but have not yet reached target country status will receive support tailored to meet their specific food security needs. The interagency is developing a thoughtful graduation approach that analyzes where each target country falls along the development continuum to meet each country's specific food security needs and bring to bear interagency tools that can accelerate success.

*Question 25.* Poor maternal and child nutrition in the first 1,000 days has irreversible physical and economic impacts for the rest of a child's life. Poor nutrition can hold entire national economies back. Nutrition in Global Health Programs was requested at \$78.5 million for FY 2018—a decrease of almost \$50 million from the past few years. And the total specified for maternal and child nutrition from all accounts was \$120 million—a decrease of \$136 million in the total budget for nutrition in the State Department and USAID from last year: What is the justification for cutting funding to maternal and child nutrition programs?

Answer. Good nutrition is central to successful development, creating a defining link among health, economic growth, and food security. We have looked at our programs and are strategically focusing our investments within a reduced overall budget. Funds will support evidence-based approaches to nutrition and innovations that will improve outcomes for the most vulnerable populations. We are also looking to our development partners and host country partners to increase their efforts to help improve maternal and child nutrition. While the United States will continue significant funding for global health programs, even while refocusing foreign assistance, other stakeholders must do more to contribute their fair share to global health initiatives.

*Question 26.* How do you plan to maintain current U.S. commitments to global nutrition (USAID Multi-Sectoral Nutrition Strategy, U.S. Government Global Nutrition Coordination Plan, U.S. Government Global Food Security Strategy, Global Nutrition Targets 2025, 2030 Agenda) with such a budget?

Answer. We are confident that this budget request will allow us to support US commitments and priorities. The United States is committed to helping achieve global nutrition targets and we have been a large funder of global nutrition programs for many years. Our commitments are made together with the commitments of other development partners and countries, and we expect these partners to increase their efforts to help meet these global targets.

*Question 27.* How would the proposed elimination of Food for Peace and IDA funds impact the ability to help treat and prevent the life-threatening condition of acute malnutrition afflicting millions of children around the world?

Answer. The International Disaster Assistance (IDA) account provides USAID with the full flexibility needed to save lives, reduce suffering, and mitigate and prepare for natural disasters and complex emergencies through relief, rehabilitation, and reconstruction assistance, including emergency nutrition programming.

USAID has used both Food for Peace Title II and IDA resources to procure specialized food products and support emergency nutrition interventions overseas. IDA resources can be used to procure commodities—including specialized products used to prevent and treat acute malnutrition—both in the United States and from suppliers closer to targeted beneficiary populations.

*Question 28.* What do these cuts mean for preventing the long-term effects of malnutrition such as stunting?

Answer. The United States will continue to implement effective nutrition programs to prevent the long-term effects of malnutrition, such as stunting. Funds will support evidence-based approaches to nutrition and innovations that will improve outcomes for the most vulnerable populations. Activities focus on the prevention of undernutrition through integrated services, including nutrition education to improve maternal diets; nutrition during pregnancy; exclusive breastfeeding and infant and young child feeding practices; diet quality and diversification including through fortified or bio-fortified staple foods, specialized food products, and community gardens; and delivery of nutrition services such as micronutrient supplementation and community management of acute malnutrition. We will work with countries to increase domestic investments in nutrition programs. The FY 2018 request expects greater leverage of U.S. dollars, along with increased efficiency and effectiveness of each

dollar. In addition, the request requires that the private sector and countries themselves make better use of their own investments.

*Question 29.* There is no line item for Power Africa in the Budget, although USAID's Africa Regional summary in the CBJ states: "Assistance will fund Power Africa's work towards 2020 targets identified under 277 the Electrify Africa Act of 2015 by supporting new power generation and access to electricity and leveraging private and public sector commitments made to Power Africa." Will you commit to supporting Power Africa and provide a specific FY 18 budget goal or target for Power Africa to this committee?"

Answer. Power Africa is an extremely valuable and successful program, and I commit to supporting it. As one of the largest public-private partnerships in the world, Power Africa is leading a global consortium of public and private partners to revolutionize the power sector by bringing American innovations and investments to the African continent. The administration remains committed to emphasizing programs such as Power Africa that, as Ambassador Green said in his confirmation hearing, "incentivize local capacity-building and implementation, mobilize domestic resources, and ensure that our host-government partners have 'skin in the game.'" The administration believes that Power Africa represents these values. In the FY 2018 budget, the Africa allocation of \$5.2 billion includes a planned level of \$45.45 million for Power Africa under the USAID Africa Regional Operating Unit to support transaction assistance, on-grid and beyond the grid connections, and enabling environment reforms critical to the development and sustainability of the power sector.

*Question 30.* In the FY 18 State Department Congressional Budget Justification it says that, ". the United States is working to significantly reduce child and maternal deaths—with all countries having fewer than 20 deaths per 1,000 live births and fewer than 50 maternal deaths per 100,000 live births by 2035." Please explain how eliminating the Family Planning and Reproductive Health program account at USAID will help reduce child and maternal deaths by 2035. Will you commit to ensuring that ending preventable deaths of mothers and children remains a USAID priority?

Answer. Preventing child and maternal deaths is a priority for USAID and relies on sustained investment and appropriate linkages across diverse health programs focused on maternal and child health, nutrition and malaria. All of these efforts contribute to preventing child and maternal deaths. The FY 2018 request includes \$1.3 billion to prevent child and maternal deaths and proposes to redirect \$250.0 million in previously appropriated Ebola supplemental funds for malaria programs.

The United States is by far the largest overall global health donor. While the United States will continue significant funding for global health programs, even while refocusing foreign assistance, other stakeholders must do more to contribute their fair share to global health initiatives.

*Question 31.* USAID plays a critical and distinct role in global health research and development (R&D), supporting late-stage and implementation research to advance new drugs, vaccines, diagnostics, and other health tools intended for use in remote and low-resource settings. Since 2000, the agency has supported development of 21 new health technologies with demonstrated track records of saving lives and cutting program costs. USAID's research investments are also critical for American health, and allow health technologies to be tested in regions of the world with the highest disease burdens, which in turn ensures Americans have access to the most effective, high-performing health tools. Despite these returns, the administration's FY 18 budget proposal cuts USAID funding for global health R&D—and zeros out USAID investments in HIV/AIDS research. This work is unique, and not duplicative of research happening at other US Agencies: Can you detail why global health research is being deprioritized by administration's budget at a time when global infectious disease epidemics are on the rise?

Answer. The FY 2018 budget consolidates all U.S. assistance for global HIV/AIDS efforts within the State Department to simplify the management and coordination of these investments. USAID will continue to remain one of the primary implementing agencies for PEPFAR, and will continue to implement a significant share of U.S. global HIV/AIDS assistance in this capacity. With regard to global health research, USAID intends to increase its efforts to leverage partners' expertise and resources, strengthen country capacity to conduct their own research and development (R&D), and strategically utilize market shaping and innovative financing tools to incentivize private companies to invest in R&D.

While the United States will continue significant funding for global health programs, other stakeholders must do more to contribute their fair share to global

health initiatives. USAID will work closely with the State Department's Office of the Global AIDS Coordinator to highlight the importance of developing and introducing microbicides for women, HIV vaccines, and improved HIV treatment regimens.

*Question 32.* International basic education assistance works. Not only does it exemplify core US values, it is a powerful determinant of economic growth. Studies have shown that each additional year of education can bring with it a 10 percent increase in income, and if all children in low-income countries left school with basic reading skills there would be a 12 percent reduction in world poverty. Since 2011, U.S. education projects in 45 different countries have reached over 41 million learners and trained an average of 450,000 teachers annually. USAID's programs ensure that students develop the necessary skills to be part of the global workforce, have safe learning opportunities, and have equitable access to quality education.

*Answer.* Thank you for your acknowledgement of the successes of our basic education programs. USAID has focused on learning outcomes and taken seriously the measurement of results in education. The Agency recently released its USAID Education Strategy 2011-2015 Progress Report, which is publicly available at <http://pdf.usaid.gov/pdf/docs/pa00mg68.pdf>. The report shows that, from 2011 to 2015:

- In reading, USAID reached a cumulative 37.7 million individual primary school students (18.4 million females, 19.3 million males). Of these 37.7 million, we have measured change, through a baseline and midline or endline assessment, in reading for 10 million (4.9 million females, 5.1 million males). Of these 10 million, 1.5 million meet our definition of improved reading (900,000 females, 600,000 males). As data become available, we will report on the results for the 27.7 million learners who have been reached but not yet measured with a midline or endline assessment.
- In terms of access to education in conflict and crisis, USAID programs reached a total of 11.8 million individual children and youth (5.6 million females, 6.2 million males) through programming designed to improve or establish safe, quality education. This number includes increased access to education for 2.4 million who were previously out-of-school (1.1 million females, 1.3 million males).

*Question 33.* Do you agree that for United States to fully engage in and benefit from a stable and healthy international economy, we must continue to invest in the world's most at-risk and vulnerable children?

*Answer.* Yes. Improving educational opportunities for the world's most vulnerable populations and strengthening education systems accelerates economic growth, strengthens communities, and reverses the root causes of instability that often fuel crime, conflict, and extremism. Investments in education are a smart, strategic, and effective part of U.S. foreign assistance, and remain vital to U.S. national security and economic interests.

*Question 34.* The administration's current review and potential reorganization of the federal government should increase the effectiveness and efficiency of U.S. development institutions, rather than undermine them. This includes a critical recognition that development and diplomacy serve complementary, but distinct, roles in U.S. foreign policy. Recognizing it is critical that development and humanitarian assistance be provided in an independent and impartial way, how will you protect development and humanitarian assistance at the State Department and USAID from political, security, and economic priorities of other U.S. Government entities?

*Answer.* Both development and humanitarian assistance are necessary to help prevent and mitigate humanitarian crises. The administration's goal for FY 2018 is to balance humanitarian and development interventions to help prevent the next humanitarian crisis.

Humanitarian assistance is provided by the United States based on need, regardless of political, religious, and other affiliation, and does not discriminate against or favor one group over another. The goal of humanitarian assistance is to save lives and alleviate suffering and supporting the most vulnerable populations is the core value of our humanitarian assistance.

*Question 35.* The President's budget proposes a 44 percent cut across accounts that provide the bulk of U.S. humanitarian assistance: International Disaster Assistance, Migration and Refugee Assistance, Emergency Refugee and Migration Assistance, and Food for Peace Title II, the latter of which also includes significant funds for development assistance. This is despite 128 million people being in need of humanitarian assistance globally, including over 70 million who are food insecure—30 million of whom are at risk of famine—65 million forcibly displaced per-

sons, and the possibility of large-scale natural disasters or pandemics which we cannot currently foresee:

- In the face of potential cuts, how will you ensure decisive and adequate humanitarian action to meet increasing needs in response to emergencies in countries like Afghanistan, Burundi, Central African Republic, the Democratic Republic of Congo, Iraq, Libya, Nigeria, the Northern Triangle in Central America, Somalia, South Sudan, Syria, Venezuela, and Yemen?

Answer. The proposed percentage of humanitarian funding requested as part of the FY 2018 State/USAID foreign assistance budget remains the same as in FY 2016, roughly 22 percent, and the relative priority of these interventions has not diminished.

Both development and humanitarian assistance are necessary to help prevent and mitigate humanitarian crises. The administration's goal for FY 2018 is to balance humanitarian and development interventions to help prevent the next humanitarian crisis.

We remain committed to providing lifesaving assistance to those who need it most. The FY 2018 request includes significant funding for humanitarian assistance, including food assistance, disaster, and refugee program funding. This request would focus funding on the highest priority areas while asking the rest of the world to pay their fair share.

Humanitarian funding decisions are based on need, as assessed by international and non-government organizations, USG field teams, assessments, and in close coordination with local governments and our implementing partners. The Department and USAID continually work to support populations with the greatest humanitarian need, and to assess whether implementing partners have the operational capacity and access to the people in need.

*Question 36.* Given growing humanitarian need around the world, what criteria will you use to prioritize the allocation of humanitarian assistance?

Answer. The Department and USAID continuously monitor humanitarian needs worldwide and make emergency funding decisions on a rolling basis, providing life-saving assistance where it is most needed today while also meeting and mitigating anticipated emergency needs. We rely on a variety of tools to determine need and vulnerability and prioritize resources, including information from international and non-government organizations, our field staff and partners, as well as forecasting from the Famine Early Warning Systems Network (FEWSNET) funded by USAID.

Unfortunately humanitarian needs always exceed global resources available and we may not be able to fund responses to all crises at the desired levels. Difficult trade-offs, such as prioritizing immediate action at the expense of longer-term resilience and development activities may need to be made.

Recognizing that the U.S. alone cannot meet all needs, we will continue to engage with fellow donors and actors within the international humanitarian community to seek their assistance and collaboration. Sustained U.S. humanitarian leadership, both diplomatic and financial, is critical for the continued engagement of both traditional and emerging donors, and to further develop new partnerships with the private sector, and the World Bank.

*Question 37.* How will you ensure that humanitarian assistance goes to the most vulnerable, regardless of location? How will you protect humanitarian assistance from political/security/economic priorities of other USG entities?

Answer. Both development and humanitarian assistance are necessary to help prevent and mitigate humanitarian crises. The administration's goal for FY 2018 is to balance humanitarian and development interventions to help prevent the next humanitarian crisis.

The United States provides humanitarian assistance based on need, regardless of political, religious, and other affiliation, and does not discriminate against or favor one group over another. The goal of humanitarian assistance is to save lives and alleviate suffering. Supporting the most vulnerable populations is the core value of our humanitarian assistance.

*Question 38.* Timeliness is vital in a humanitarian response. Not only do timely interventions save lives, they also help ensure that crises do not deepen, increasing demand for larger, costlier responses in the future. The President's budget indicated that OMB intends to use higher levels of carry-over funding—or to withhold funding allocated by Congress in FY 17, including additional resources provided for immediate famine relief—in order to blunt the impacts of its proposed cuts to and consolidation of humanitarian accounts: How will you ensure that humanitarian responses limited by the proposed cuts in FY 18, as well as OMB's stated intention to carry

over funding from FY 17, will not lead to larger, costlier humanitarian response in future years?

Answer. The amount of carry-over from humanitarian accounts each year is a function of prioritizing needs in crises, funding availability, timing, humanitarian access, the capacity of our implementing partners, the ability to effectively monitor programs, and the ongoing and prospective actions of other donors. The administration is continually adjusting to changing conditions and needs, and building in the ability to respond to unanticipated new disasters, humanitarian crises, or changes in existing situations.

The USG continues to respond robustly to the major humanitarian crises facing the world today, including famine and potential famine in South Sudan, Nigeria, Somalia, and Yemen, as well as conflict and refugee crises in Syria and Iraq. The State Department and USAID will utilize funds appropriated in 2017 to provide life-saving assistance through the remainder of the fiscal year and into early FY 2018. We will continue to make programming decisions based on humanitarian need.

*Question 39.* How do you justify carrying over levels of funding above historical norms in the face of clear Congressional intent to respond to pressing crises now?

Answer. The administration is continuing to assess needs in order to determine the U.S. share of the resources needed to adequately respond to crises. As with previous years, the State Department and USAID anticipate that it will carry over significant FY 2017 funds into FY 2018 to enable it to respond quickly early in the new fiscal year to the needs that do not correspond with the budget cycle.

Due to the timing of the generous FY 2017 IDA appropriation, which is higher than the administration anticipated, and over \$2.1 billion above the record FY 2016 spending levels, the administration anticipates that the carryover of IDA from FY 2017 into FY 2018 will be significantly higher than in prior years even while responding at a higher level to ongoing crises. [NOTE: Including P.L. 480 Title II, the increase is nearly \$2.6 billion (over 60 percent) above the record FY 2016 spending levels.] Carry over of MRA from FY 2017 into FY 2018 is anticipated to be in line with more traditional levels.

*Question 40.* While no one objects to reforms which may create efficiencies, we cannot plausibly expect that a drastic reduction in funding will not impact the extent of humanitarian response. Where do you plan to cut back on such funding in FY 18? Which crises do you feel warrant a lesser response now?

Answer. Given the topline budget constraints, the proposed FY 2018 humanitarian budget has decreased in size along with the total proposed FY 2018 State/USAID budget. However, the proposed percentage of humanitarian funding requested in the FY 2018 State/USAID foreign assistance budget remains the same as in FY 2016, roughly 22 percent, and the relative priority of these interventions has not diminished.

*Question 41.* Has your counsel advised you about what level of carry-over funding may run afoul of the Congressional Budget and Impoundment Control Act of 1974? Do you intend to push back on this withholding of funds to meet the exceptional level of humanitarian need globally?

Answer. The Department and USAID will obligate funding appropriated by Congress consistent with applicable law, including the Congressional Budget and Impoundment Control Act of 1974.

*Question 42.* If the goal of our global health programming is to “graduate” countries off U.S. assistance by helping them develop strong, sustainable health systems: Please discuss how a 26 percent reduction in State and USAID global health programs will help us achieve that goal.

Answer. While the United States will continue significant funding for global health programs, other stakeholders and the partner countries must do more to contribute their fair share to global health initiatives. In the aftermath of the Ebola epidemic, for example, many partner countries have made renewed commitments to building resilient health systems. Countries are moving toward strengthening the management capacity needed to develop and sustain essential health institutions and programs. The FY 2018 budget will continue our efforts to strengthen country health systems, with the goal of graduating countries from U.S. assistance.

*Question 43.* Democracy and Governance: Assistance for Democracy, Rights, and Governance pays dividends. In recent years we have witnessed gains in Colombia, Myanmar, Nigeria, Lebanon, Sri Lanka, and Tunisia, among others: How will this administration support these positive trends and support fragile states headed in the right direction?

Answer. Supporting countries in strengthening democracy, human rights, and governance (DRG) is critical for defending national security, fostering economic opportunities for the American people, asserting U.S. leadership and influence, and ensuring effectiveness and accountability to the American taxpayer. It is also fundamental to reducing fragility. As has been the case for many years, DRG programs implemented by both USAID and the State Department seek to build the accountability, transparency, and responsiveness of democratic governing institutions; foster respect for human rights and the rule of law; fight corruption; promote citizen participation and engagement in good governance and rule of law; and strengthen civil society organizations and independent media. These programs are foundational to sustainable development and, coupled with sector-specific programs such as health, economic growth, and food security, help reinforce the positive gains made by countries such as Tunisia, Nigeria, Myanmar, and Colombia.

*Question 44.* Every year, hundreds of aid workers are attacked, killed, injured, and kidnapped in the course of their work, with the largest number of these attacks occurring in Afghanistan, Somalia, Sudan, South Sudan, and Syria. A new report released May 3 by the Safeguarding Health in Conflict Coalition found that in 2016, hundreds of attacks on healthcare providers took place in 23 different countries: How will the State Department respond to these unconscionable assaults to ensure that humanitarian personnel are respected and protected while carrying out their work?

Answer. We remain deeply concerned by frequent lapses in the respect for the rules of international law, in particular international humanitarian law. We are gravely concerned that in many places affected by conflict, access to medical care continues to be severely restricted due to indiscriminate attacks on healthcare facilities (including their water and power sources), targeting of healthcare workers, and restrictions on medical supplies, among other limiting factors. We continue to use all means available to call upon all parties to armed conflict to comply with their obligations under international humanitarian law, including with respect to the protection of healthcare staff and humanitarian aid workers. As the largest single humanitarian donor, we regularly condemn these attacks in our bilateral discussions, in the U.N. Security Council, and in our public diplomacy.

The United States strongly supports the principles of humanity, neutrality, impartiality, and independence for the provision of humanitarian assistance and regularly calls upon all States, all parties involved in armed conflict, and all humanitarian actors to respect these principles in order to ensure the provision of humanitarian assistance, the safety of civilians receiving such assistance, and the security of humanitarian personnel. We urge all parties involved in an armed conflict to allow full, unimpeded access by humanitarian personnel to all people in need of assistance; to make available all necessary facilities for their operations; and to promote the safety, security, and freedom of movement of humanitarian personnel.

We regularly and consistently express deep concern that attacks and threats against humanitarian personnel, the United Nations, Red Cross and Red Crescent, and associated personnel are factors that severely restrict the provision of assistance and protection to populations in need. We regularly and consistently urge States and all parties to armed conflict to develop effective measures to prevent and address unlawful violence against such personnel, their means of transport and equipment, as well as hospitals and other medical facilities.

The United States has and will continue to reiterate our strongest condemnation of all violations of international law committed against or directly affecting civilians, including healthcare workers and humanitarian personnel. At every opportunity, we will continue to restate our insistence that all parties to armed conflicts comply strictly with the obligations applicable to them under international humanitarian law, international human rights law, and international refugee law, and emphasize the need for all parties to armed conflict to take all feasible precautions to avoid civilian casualties and to respect and protect civilian populations, including healthcare workers and humanitarian personnel.

*Question 45.* Civil Society: NGO access and preserving the role of civil society is critical to both humanitarian and development assistance, especially in supporting societies that hold their governments accountable: How will funding be provided to support civil society under the President's budget?

Answer. An independent civil society is not only critical to the delivery of development and humanitarian assistance, it is also an important bulwark against state fragility. Despite the critical role that Civil Society Organizations (CSOs) play in a country's development process, CSOs have faced a mounting backlash and closing of the political space in which they operate in many parts of the world. In 2017,

Freedom House reported the eleventh consecutive year of global decline in civil liberties and political rights.

In response, the Department of State and USAID's FY 2018 budget request includes \$1.6 billion for Democracy, Human Rights and Governance (DRG) programs, of which, \$261.6 million is dedicated to civil society. This funding would support CSOs working in closing and closed spaces by building their capacity to galvanize citizen participation, foster a positive shift in government responsiveness to citizen demands, improve freedom of information, and expand civic participation and CSO engagement with governments for improved accountability.

*Question 46.* Today, youth between the ages of 15 and 29 comprise more than 30 percent of the population of the Arab world—roughly 100 million out of 300 million people. Is it in the national interest to engage with these young people who will one day be the region's leaders and citizens? If so, how should the U.S. engage the youth of the Middle East and how can the U.S. do it effectively given the deep cuts to diplomacy and development budgets in the President's request?

Answer. The youth bulge, rise of violent extremism, and high youth unemployment in the NEA region demonstrate the urgency to engage with and invest in youth. The State Department and USAID work in partnership with governments, the private sector, and civil society to advance our interests in reducing extremism and violence by supporting educated, healthy, employed and civically engaged youth who drive economic growth, democracy and prosperity. Public diplomacy focuses on robust social media outreach, educational exchanges like the Kennedy-Lugar Youth Exchange and Study (YES) program, and English teaching programs, including English Access Micro-scholarships. Foreign assistance programs emphasize areas of economic growth such as vocational education, skills training, and small and medium enterprise development; democracy and governance programs that partner with civil society to develop youth leadership in democratic processes and institutions; conflict resolution and countering violent extremism; and social sector development programs that promote literacy, support equitable access to quality basic education and higher education scholarships. We will work to maintain current program levels for the most effective youth programs, expand virtual exchange programs like the J. Christopher Stevens Virtual Exchange Initiative which endeavors to involve 20 million regional youth in on-line, digital exchanges by 2020, and explore additional outreach opportunities.

*Question 47.* In the Middle East, we have heard plenty from the administration about use of military force to defeat ISIS, including delegating decision-making down to commanders in the field. In the medium and long term however, the conditions that allowed ISIS to flourish cannot be addressed exclusively through military means. This is another reason why the President's proposed budget is deeply alarming—this budget cuts funds for the experts and programs that seek to address entrenched systemic problems—a deficit of good governance, open economies, and fundamental freedoms that enable citizens to flourish: Are you raising the challenges of long-term accountability, anti-corruption, human rights, and genuine reform with your counterparts in the Middle East?

Answer. We continue to raise these long term challenges with our interlocutors across the region in the full range of our diplomatic engagements, including through private engagement and, when appropriate, public engagement and targeted programming. We are deeply committed to promoting human rights and good governance and, combatting corruption around the world, particularly in the Middle East and North Africa. We consider these activities as integral factors in fostering long term regional stability and security. Budgetary fluctuations do not mean that these issues are not priorities. As I said in my testimony, the United States will continue to be the leader in international development, global health, democracy and good governance initiatives, and humanitarian efforts. I am convinced that we can maximize the effectiveness of our diplomacy and programs.

*Question 48.* The May 3rd readout of President Trump's meeting with President Abbas said that the President "raised his concerns about payments to Palestinian prisoners in Israeli jails who have committed terrorist acts, and to their families, and emphasized the need to resolve this issue." What would be required for the issue to be resolved? What steps is the administration taking to pressure Palestinian leaders to abandon a system of payments that incentivizes violence?

Answer. The United States always condemns any payments for acts of terrorism. We cannot tolerate any program that results in financial gain for committing acts of violence.

Senior U.S. government officials have repeatedly asked senior Palestinian Authority (PA) officials to stop payments related to perpetrators of violent acts, and have

facilitated meetings with members of Congress who have made similar requests. Last month, the PA announced it was stopping payments to some Hamas-affiliated prisoners. While this is a positive first step, much more needs to be done to address our concerns.

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*Question 50.* It is my understanding that U.S. and Iraqi officials are currently discussing a follow-on mission for U.S. forces in Iraq, after the defeat of ISIS. However, I am concerned that Iraq will remain perpetually unstable and susceptible to ISIS' successor if Iraq's leaders do not come together in a national program of inclusive governance and reconciliation: What conditions should the U.S. insist on if we are to shoulder the cost and risk of keeping forces in Iraq?

Answer. Defeating ISIS and ensuring that it cannot reconstitute is a core national security priority of the United States. The ISF, including Kurdish Peshmerga, are bravely leading this fight, taking the vast majority of the casualties, and slowly but surely pushing ISIS out of Iraq. More than 70 percent of the territory ISIS once held is now back under Iraqi control and not a single liberated community has fallen back under ISIS control. At the invitation of the Government of Iraq, the United States has played a supporting, but critical, role in helping the ISF achieve a nearly two-year run of unbroken victories in Tikrit, Ramadi, Sinjar, Fallujah, Hit, Bayji, Rutbah, Qayyarah, and soon Mosul. Nevertheless, ISIS remains a brutal foe that is a threat to the United States and our partners in the region and Europe; it is clearly in the interest of the United States to defeat ISIS and to remain engaged with our partners to ensure the group cannot reemerge.

President Trump and Prime Minister Abadi made it clear during Abadi's March visit to Washington that together they seek to build an enduring bilateral security partnership after the defeat of ISIS in Iraq. A continued U.S. security partnership will help Iraq to develop the forces needed to prevent threats to Iraqi sovereignty and a resurgence of terrorist activity, and will ensure our gains against ISIS are lasting. It is in the interests of both the United States and Iraq to develop this post-ISIS partnership.

We share your concerns about instability in Iraq and the potential for continued terrorism, even after ISIS no longer controls territory. This is all the more reason why the United States should remain engaged with our Iraqi partners—we, and they, must not fight the same war again. We agree that Iraqi leaders need to do more to improve governance and address unresolved issues to better meet the needs of the Iraqi people. The Iraqi government's decentralization program, which helps bring responsibility for government services closer to local communities, is one example of our joint efforts. We will continue to work with a wide range of Iraqis across the political spectrum and civil society to advance this agenda. As a starting point, we consider stabilizing areas liberated from ISIS a key component in ensuring that displaced communities, primarily Sunnis and ethnic minorities, are able to return home in dignity and with greater autonomy from the central government to manage their affairs. These grassroots initiatives to promote reconciliation complement and reinforce the Government of Iraq's efforts at broader national reconciliation.

Iraq will hold national elections in the spring of 2018, and the Iraqi people will be able to hold their leaders accountable for their performance in office. The United States will continue to work with the United Nations Assistance Mission for Iraq (UNAMI) to ensure that these elections occur on time and reflect the will of the Iraqi people. Our focus remains on supporting the constitutional system and strengthening democratic institutions that transcend the interests of individuals, political parties, or sectarian components of Iraqi society.

*Question 51.* What are you asking other members of the anti-ISIS Coalition to contribute to reconstruction and stabilization of Iraq? What are members of the Gulf Cooperation Council contributing?

Answer. The United States and our partners, particularly those in the Global Coalition to Counter ISIS, are making significant contributions to help Iraq as it recovers from destruction caused by ISIS. In March of this year, donors utilized the Counter-ISIS Coalition Ministerial in Washington, D.C. to make more than \$2 billion in Coalition pledges for humanitarian assistance, stabilization, and demining support for Iraq and Syria. These contributions come on top of the \$22.2 billion in humanitarian assistance, stabilization, demining, and economic support by coalition partners for Iraq and Syria since 2014.

The stabilization of liberated areas is the first step toward recovery and is instrumental in cementing gains made on the battlefield. Coalition governments from over twenty countries have contributed \$411 million to the U.N. Development Program (UNDP) Funding Facility for Stabilization (FFS), which funds stabilization projects, such as efforts to rehabilitate infrastructure, grants to small business to help jumpstart the local economy, technical support to local government, and grass-roots reconciliation programs. UNDP has initiated and/or completed over 1,000 stabilization activities in 28 liberated areas of Iraq, including in Anbar, Salah ad Din, Ninewa, and Diyala provinces.

Our assistance to UNDP is cost effective: for every \$1 contributed by the United States, UNDP received roughly three times that amount from our Coalition partners. More importantly, we are seeing results: to date, stabilization initiatives have facilitated the return of 1.9 million internally displaced Iraqis nationwide.

Demining is another important area of Coalition support for Iraq. The United States and Coalition partners have contributed over \$40 million to fund mine clearance of high priority sites in Anbar and Ninewa provinces through a private contractor, Janus. The Janus Task Order is approximately 70 percent State Department funded, with the other 30 percent contributed by Coalition partners.

Stabilization and demining are not possible without trusted local security. Italy is leading a Coalition police training program to build the capability of federal, local, and Kurdish police forces. Spain and the Czech Republic have also contributed trainers to this effort that to date has trained over 8,500 police officers across Iraq. Several other partners are exploring trainer contributions to increase the throughput of Iraqi police force generation.

The World Bank's International Bank for Reconstruction and Development has provided Iraq with a \$350 million loan for reconstruction; a significant portion of these funds will be directed toward the Sunni areas of Salah ad Din Province, and portions of the loan could also be directed toward Anbar reconstruction. Germany has also agreed to provide Iraq with a 500 million euro loan for reconstruction.

Our engagement with Gulf Cooperation Council (GCC) members on support for Iraqi reconstruction and stabilization has proven effective. The United Arab Emirates has contributed \$50 million toward Iraq stabilization. The Emirates Red Crescent provided over \$10 million in humanitarian assistance to support IDPs in northern Iraq. Qatar donated \$10 million to the Qatar Red Crescent Society for humanitarian assistance for Iraq, with a focus on food security and health care in predominantly-Sunni Anbar province. Additionally, the Qatari Foundation for Humanitarian Services (RAF) implemented a number of humanitarian projects for IDPs in Iraq's southern provinces. Kuwait's financial assistance to Iraq by suspending Iraq's obligation to pay 5 percent of Iraq's oil revenues to Kuwait as reparations for Iraq's 1990 invasion of Kuwait in both 2015 and 2016 freed up billions for Iraq to spend on domestic priorities. The Government of Kuwait also provided more than \$9.5 million to U.N. humanitarian agencies and \$500,000 to the Kuwaiti Red Crescent for humanitarian assistance to Iraqi IDPs.

*Question 52.* I am concerned that, with Afghanistan policy deliberations reportedly fixated on a troop increase, we are missing the bigger point—that there is no solely military solution to the conflict. We need to encourage a negotiated political settlement, including an end to the Taliban's safe haven in Pakistan, and boost the Afghan government's ability to uphold justice and the rule of law in the face of rampant corruption and record-high civilian casualties: What is U.S. policy on Afghanistan? Should the U.S. play an active role in supporting political settlement? If so, what do you see as the role of the State Department?

Answer. The National Security Council has been coordinating an interagency process to develop an integrated regional strategy that advances our vital interests in Afghanistan and the broader region. The strategy recognizes that there is no military solution to the conflict in Afghanistan.

A negotiated political settlement with the Taliban is critical to ending the conflict and ensuring the long-term preservation of our national security interests. We have stated to the Afghan government and our NATO allies that it is our priority to launch a peace process, and we regularly engage Afghanistan's neighbors to press the Taliban to come to the negotiating table. The Department of State is taking a lead role in building a regional consensus in support of an Afghan peace process. The United States would only support an agreement to end the conflict if it ensured that the Taliban would cease violence, break all ties to international terrorists, and accept the Afghan Constitution, including its protections for women and minorities. These end-conditions are necessary to ensure the gains achieved over the last 15 years are protected.

The integrated regional strategy is broadly focused on combatting terrorism and preventing wider conflicts. Afghanistan is nested in this strategy within a broader context to account for the dynamics and interdependencies among the South Asian nations and the region. The review process is ongoing, but has already resulted in some important decisions, including the President's decision in June to delegate authority over troop levels in Afghanistan to the Department of Defense. Meanwhile, as this strategic review continues, we remain fully engaged with our Afghan and international partners in advancing our common interest in a more stable, secure and self-reliant Afghanistan.

*Question 53.* In your response to questions for the record for your confirmation hearing, you said that "helping African countries strengthen democratic institutions and the rule of law should remain a primary U.S. objective." However the FY 18 budget request for such—nearly two thirds lower than the FY 17 request—indicates that this is not a priority: How do you explain such a drastic draw back?

*Answer.* Accountable, citizen-centered governance and independent civil society are bulwarks against state fragility and help promote stable and open economies. We will continue to support democracy, human rights, and governance (DRG) programs in Africa and work with our African and other international partners to support the consolidation of democracy, which promotes America's security and economic interests. As we focus on ensuring the effectiveness and efficiency of foreign assistance overall, a continued commitment to DRG in Africa is reflected in the request. The FY 2018 request includes \$131.2 million for DRG in Africa, \$20.1 million below FY 2016. The proportion of the non-health request for Africa to support DRG programs is 16 percent in the FY 2018 request as opposed to 9 percent in the FY 2016 actual level.

Our DRG efforts in Africa span a wide range of country situations, from post-conflict states to consolidating democracies. In partnership with African governments, civil society, and international like-minded diplomatic missions, the U.S. government helps advance democracy and good governance in Africa by promoting the rule of law, credible and legitimate elections, a politically active civil society, and accountable and participatory governments. Support is also provided for anti-corruption reforms, strengthening the rule of law, effective service delivery, and improved accountability of African governments to their citizens.

*Question 54.* Nigeria: The Nigerian Air Force mistakenly bombed an IDP camp in Rann in January, killing as many as 200 people. There has been no report to the public about what went wrong. The Army is accused of massacring 300 people and burying them in a mass grave in December of 2015.

No one has been held accountable to date. In mid-2015, Amnesty International released a report alleging that the deaths of 8000 civilians are attributable to the Nigerian military in northeast Nigeria, and that specific commanders had knowledge of torture, extra-judicial killings and arbitrary detentions in overcrowded facilities.

In your response to questions for the record for your confirmation hearing, you said that "assistance on the improvement on human rights is something that must be considered on a case by case basis:"

- Have you reviewed the case of Nigeria?
- Why are we moving ahead with the sale of Super Tucanos without getting assurances that the government will share with us the findings of the investigation into the Rann bombing and insisting on accountability for the Zaria massacre?

*Answer.* In the State Department's conversations with the Nigerian government at all levels, we regularly underscore that human rights abuses and impunity for those violations tarnish Nigeria's international reputation, undermine its ability to establish trusting relationships with its citizenry, and impede our ability to serve as a partner in Nigeria's efforts to defeat Boko Haram and the Islamic State of West

Africa. I will continue to urge timely and credible investigations into all allegations of human rights abuses, pursue broader and more transparent efforts to end impunity, and that individuals found guilty of wrongdoing be held to account.

Nigeria is a critical partner in the fight against terrorism in Africa. As President Trump told President Buhari in their February phone call, we support Nigeria's interest in purchasing a close support aircraft capability from the United States to counter the regional threat of the Islamic State of West Africa and to defeat Boko Haram. This is part of our efforts to help professionalize the Nigerian security forces. The ultimate goal of U.S.-Nigeria security cooperation is to support the transformation of the Nigerian military into an operationally capable and professional organization which upholds international human rights standards and the Law of Armed Conflict in its operations and holds any violators to account.

The bombing of Rann was a terrible tragedy. The strike appears to be the result of human error. When the incident occurred, the Nigerian government and military immediately assumed responsibility for the tragedy. The Nigerian air force also promptly stood up a six-person panel to investigate the incident. This and other investigations are ongoing. The Nigerian air force has also initiated a number of corrective actions to prevent future such mistakes, including closer coordination with humanitarian organizations active in the region. We support Nigeria's desire to acquire aircraft which are designed for more precise air-to-ground strikes, enabling pilots to positively identify targets prior to the release of weapons. Since this incident, the U.S. government has secured funding for air-to-ground integration training with the Nigerian military.

*Question 55.* In your response to questions for the record for your confirmation hearing, you said that "the situation in South Sudan is one of the pressing in the world. It is critical to help build some political space for reconciliation between the government and rebel factions." The conflict continues to rage on. Nearly four million people have been forced to flee their homes; half of them children. Famine has been declared in parts of the country. A bipartisan group of Senators has asked for the appointment of a special envoy. The nomination of an Assistant Secretary of State for Africa would be a welcome step as well. In your six months as Secretary, what steps have you taken to, as you say, "help build some political space?" Are there international efforts to implement the 2015 peace agreement?

*Answer.* We are currently pressing our partners, notably the Inter-Governmental Authority on Development (IGAD), the Troika (Norway and the United Kingdom), the African Union (AU), and the United Nations to work with us to open the political space and develop a way forward. In recent months, we have encouraged the African Union and the U.N. to take an active role in pressing all parties in South Sudan to implement a cessation of hostilities in conjunction with the resumption of an inclusive political process. Only an end to the fighting combined with a renewed political process can lead to a lasting, stable peace.

We have also pressed IGAD to work towards the political resolution of the South Sudan conflict with more urgency. After consistent diplomatic pressure from the United States and our Troika partners, IGAD held an Extraordinary Summit on June 12 where it called for the rapid convening of a "High-level Revitalization Forum" of the 2015 peace agreement that would be open to all "estranged parties." This marked the first regionally-sanctioned call for renewed political talks between the core warring parties since the resumption of hostilities in July 2016.

In parallel to our efforts to work with international and regional partners to achieve a cessation of hostilities and initiate a credible, inclusive political process, the United States continues to address the humanitarian crisis, providing emergency, life-saving assistance to those affected by the conflict. The United States has provided more than \$2.5 billion in emergency humanitarian assistance since December 2013 to conflict-affected South Sudanese and South Sudanese refugees in neighboring countries.

*Question 56.* I and a bipartisan group of Senators including several on this committee have introduced a resolution calling for greater respect for human rights in Ethiopia. In your response to questions for the record for your confirmation hearing, you said that you would "engage Ethiopia to express our concerns about violations of human rights and support for responsible governance." You also said that you would work closely with us to support greater democracy and human rights: What have you done since becoming Secretary to follow through on your commitment to engage Ethiopia on these issues?

*Answer.* Ethiopian Prime Minister Hailemariam and I spoke on March 1, and we discussed a range of issues concerning the relationship between the United States and Ethiopia, including those related to human rights and governance. The Depart-

ment of State and the United States Embassy in Ethiopia advocate for human rights by attending the trials of arrested journalists, bloggers, and opposition party officials; by raising issues pertaining to these detentions, including the government's use of the Anti-Terrorism Proclamation and its continued state of emergency to stifle dissent; by advocating for rule of law and assisting legal defense clinics; by calling for respect of religious freedom; by supporting access to social media and sponsoring events through our visiting speaker program; by applying Leahy vetting to all applicable bilateral assistance programs; by calling publicly and privately for evidence-based investigations and prosecutions; by having our Resident Legal Advisor connect Ethiopian judges and prosecutors with U.S. counterparts to expand best practices, and by working with Ethiopian nongovernmental organizations to assist the justice sector in efforts to improve accountability and ethics.

*Question 57.* In recent years, a succession of new and re-emerging infectious diseases have caused outbreaks and pandemics that have affected thousands of people worldwide. In just the last month we have seen the emergence of Ebola in DRC; Zika in India; Middle East Respiratory Syndrome coronavirus in Saudi Arabia, UAE and Qatar and avian flu in China. Given the extraordinary challenges we've seen with global health security over the last couple of years: Please explain how eliminating the global health security account and instead instituting a one-time transfer of \$72.5 million from Ebola funds (33 percent cut from FY 16 funding levels) will protect Americans at home and abroad from infectious disease threats?

Answer. The FY 2018 request continues to support Global Health Security by requesting to use \$72.5 million in remaining FY 2015 Ebola emergency funds, which would maintain a straight-line of support for global health security in development programs at the FY 2016 levels.

The remaining balances from the Ebola response are an appropriate source of funding for programs whose objective is to prevent and contain future outbreaks of existing or new diseases. Programming these funds will enable the U.S. government, in partnership with other nations, international organizations, and public and private stakeholders, to prevent avoidable epidemics that could spread to the United States, detect threats early, and respond rapidly and effectively to disease outbreaks in an effort to prevent them from becoming global pandemics.

The budget pursues greater efficiencies and leveraging of resources. Funding will enable sustained support for global health security and the building of country-level systems to prevent, detect, and respond to emerging disease threats to the American people.

*Question 58.* With the recent reemergence of Ebola in Africa, in your view, is reprogramming Ebola funds appropriate at this time?

Answer. Redirecting a portion of the remaining balances from the Ebola response will provide an appropriate source of funding for programs whose objective is to prevent and contain future outbreaks of new or existing diseases, such as Ebola. Programming these funds will enable the U.S. government, in partnership with other nations, international organizations, and public and private stakeholders, to prevent avoidable epidemics that could spread to the United States, detect threats early, and respond rapidly and effectively to disease outbreaks in an effort to prevent them from becoming global pandemics.

The budget pursues greater efficiencies and leveraging of resources. Funding will enable sustained support for global health security and the building of country-level systems to prevent, detect, and respond to emerging disease threats to the American people.

*Question 59.* Last week, an alarming New York Times report included projections that drug overdose deaths in the United State likely exceeded 59,000 in 2016. This staggering figure is largely driven by illicit heroin and fentanyl analogs. As a result, drug overdoses are now the leading cause of death among Americans under 50. While our country needs a comprehensive solution that also includes improved public health interventions, we desperately need better counternarcotics cooperation with our closest partners: Given the scope of this tragedy, can you explain why, in FY 2018, the administration has proposed a 32 percent cut to the International Narcotics Control and Law Enforcement budget over the level enacted by Congress for FY 2017?

Answer. The FY 2018 budget reflects the President's "America First" agenda that prioritizes the well-being of Americans, bolsters U.S. national security, secures our borders, and highlights U.S. economic interests. As we work to streamline efforts to ensure efficiency and make effective use of U.S. taxpayer dollars, we acknowledge that we have to prioritize and make some tough choices. Focusing our efforts will allow us to advance our most important policy goals. While the administration has

proposed a reduction of 32 percent to the International Narcotics Control and Law Enforcement (INCLE) budget over the level enacted by Congress for FY 2017, we will concentrate resources where they offer the most value and impact to U.S. national security priorities. The Department of State is also helping lead U.S. implementation of President Trump's February 9, 2017 Executive Order 13773 on Enforcing Federal Law with Respect to Transnational Criminal Organizations and Preventing International Trafficking, and in this regard is working to ensure that U.S. foreign assistance programs are aligned with U.S. interagency efforts to combat illicit drug trafficking and related transnational organized crime threats. This includes activities funded through the INCLE budget that address the U.S. drug epidemic by strengthening our partners' capacity to combat transnational organized crime, to include illegal narcotics trafficking. INCLE resources for counternarcotics will focus on programs that directly impact the flow of illegal drugs, particularly fentanyl and other opioids, to the United States. These programs address national security interests and align with long-term strategic goals for engagement and assistance.

Projects funded with INCLE resources bolster partner countries' criminal justice systems, including their ability to cooperate effectively with U.S. law enforcement, strengthen law enforcement and judicial capabilities, counter drug flows, combat transnational crime, and address the underlying conditions, such as corruption and weak rule of law, that foster state fragility and spur irregular migration to the United States. This includes improving foreign law enforcement and intelligence gathering capabilities; enhancing the effectiveness of criminal justice sectors to allow foreign governments to increase drug shipment interdictions; effectively investigating, prosecuting, and convicting major narcotics criminals; and breaking up major drug trafficking organizations. These activities enable foreign governments to be stronger partners with U.S. law enforcement and criminal justice agencies in investigating and prosecuting transnational crime and combatting the trafficking of dangerous drugs to the United States. INCLE projects also fund multilateral counterdrug information sharing systems run by the United Nations Office of Drugs and Crime (UNODC) and the International Narcotics Control Board (INCB). INCLE funding, and that of other donors, enables critical global awareness of emerging threats from synthetic drugs, including fentanyl analogues and new psychoactive substances.

*Question 60.* Is it the administration's intention to weaken international cooperation to combat heroin and fentanyl trafficking? Are you trying to cut efforts to reduce the volume of lethal drugs entering our country?

*Answer.* The Department of State's most urgent drug control priority is to reduce the flow of illicit opioids and other lethal drugs entering the United States. The current opioid epidemic is our country's worst drug-related public health crisis in decades, and the Department of State is proactively working along multiple lines of effort to address this national emergency. This includes integrating U.S. law enforcement and policy efforts to combat drug trafficking as part of our interagency efforts to implement President Trump's February 9, 2017 Executive Order on Enforcing Federal Law with Respect to Transnational Criminal Organizations and Preventing International Trafficking.

We are particularly working to improve cooperation with our neighbors, Mexico and Canada, to reduce illicit opioid production and improve interdiction efforts on our continent. Building on prior security collaboration, the Department of State is working with the Government of Mexico to identify new opportunities to combat transnational criminal organizations, including by disrupting the business model of their drug trafficking networks. In Mexico, the Department's Bureau of International Narcotics and Law Enforcement Affairs (INL) administers programs to improve the effectiveness of Mexican efforts to eradicate opium poppy; train and equip Mexican law enforcement to identify and dismantle clandestine drug laboratories, including through safe handling of interdicted fentanyl; upgrade Mexico's National Drug Control System to track legitimate precursor chemicals entering Mexico to avoid their diversion to illicit production of fentanyl and other drugs; and build Mexican investigative capacities to interdict drugs and dismantle drug trafficking organizations. By building the capacity of Mexican security institutions to strengthen borders and ports, interdict drugs, including heroin and fentanyl, disrupt illicit financial networks, and bring criminals to justice, our security assistance will continue to provide the lasting change both nations seek. The United States works with Mexico and Canada through the North American Dialogue on Drug Policy to develop a greater shared understanding of drug flows and drug threats within North America and we are working together to confront these threats. For example, we have agreed to improve cooperation by: (1) sharing results of research and analysis of

heroin, fentanyl, methamphetamine, and precursor chemicals; (2) exploring ways to better track cross-border illicit financial transfers; and (3) coordinating our messaging to countries outside of North America on mitigating the impact of the illicit opioid threat to our continent.

The Department has also expanded its engagement with China to tighten controls over the production and traffic of illicit fentanyl and other dangerous synthetic drugs including support for the annual meeting of the United States—China Joint Liaison Group on Law Enforcement (JLG). The State Department, along with the Departments of Justice and Homeland Security, co-chairs this meeting to address broad law enforcement cooperation. Through this forum, the United States has provided China with updated lists of New Psychoactive Substances (NPS), assigning greatest priority to fentanyl-related substances, together with relevant scientific data and samples to facilitate expediting China's process.

Since 2015, China has taken unprecedented action, controlling 138 NPS and establishing an expedited mechanism to control other synthetic drugs that have no known medical use. This March, in response to our engagement, China announced control on four fentanyl analogues, including carfentanil, which is even more potent than fentanyl and responsible for a rash of deaths in the United States. All four of these fentanyl analogues were on the priority list of fentanyl analogues the Drug Enforcement Administration (DEA) shared with China during the JLG Counter Narcotics Working Group (CNWG) in September 2016.

Because drug trafficking networks are adaptable and can shift to new sources of supply and transit routes in response to law enforcement pressure, we also remain committed to continuing our work to reduce the illicit drug trade in Afghanistan, where the majority of the world's illicit opium originates. INL continues to build Afghan capacity to conduct eradication, interdiction, alternative development, demand reduction, and public information programs.

We are also heavily engaged in multilateral venues to combat the trafficking of illicit drugs to our streets. In particular, our support to the United Nations Office of Drugs and Crime (UNODC) and the International Narcotics Control Board (INCB), and outreach to key international partners in the U.N. Commission on Narcotic Drugs (CND), has paid dividends. Last March, the 53 member states of the U.N. Commission on Narcotic Drugs voted in favor of implementing international controls on ANPP and NPP—the two primary precursor chemicals used to produce illicit fentanyl and fentanyl analogues. This action should help reduce the availability of chemicals used for the illicit manufacture of fentanyl and its analogues.

*Question 61.* DHS Secretary Kelly has spoken at length about how U.S. engagement in Central America can address the root causes of irregular migration, mitigate humanitarian concerns, and uphold U.S. national security. In fact, he is hosting a conference this week with Central American leaders to strengthen that cooperation. However, your State Department is proposing 30 percent cuts to funding for the very programs needed to improve security conditions, combat corruption, defend human rights, and create economic opportunity. How will these cuts undermine cooperation that Secretary Kelly has said is important to U.S. national security?

Answer. The United States is providing a total of \$1.3 billion in FY 2015 and FY 2016 assistance to Central America. Congress directed an additional \$655 million for Central America in the FY 2017 appropriation. Prior year U.S. assistance in Central America will continue to have a positive impact as we implement programming well into FY 2018. This level of funding, when combined with the FY 2018 request of \$460 million, represents a significant investment by the American taxpayer in dismantling criminal networks and addressing the underlying causes of illegal migration and illicit trafficking.

The FY 2018 funding will enable us to focus efforts in areas that will have the greatest potential for transformative impact on U.S. national security. The Department and USAID will implement an integrated approach to crime and violence prevention through programs that reduce gang violence and the influence of organized crime across borders; promote good governance, anti-corruption, and fiscal management; and foster prosperity through regional integration and the creation of sustainable jobs for citizens, which in turn will create opportunities for U.S. companies.

We are also encouraging increased private sector investment in the Northern Triangle and to mobilize additional support from other partner nations and institutions. For example, 60 private sector representatives from the Northern Triangle countries, Mexico, and the United States participated in the Central America conference in Miami in June. Moreover, Mexico co-hosted the event with the United States and representatives from Chile, Canada, Colombia, Spain, and international financial institutions also attended.

*Question 62.* Additionally, as I have repeatedly raised the importance of making sure that our assistance in Central America is consequential, what efforts will you undertake to assess the impact of our engagement? I am particularly concerned about challenges of corruption and human rights abuses; how will you prioritize these issues?

Answer. Human rights abuses are symptomatic of the high levels of impunity prevalent in the region for most kinds of crime. U.S. assistance efforts build professional and accountable civilian police forces throughout the region, and support campaigns against impunity and public corruption to strengthen the rule of law. We will direct U.S. assistance to support the Honduran government's implementation of a protection mechanism to safeguard human rights defenders, journalists, social communicators, and justice operators with the objective of protecting and promoting freedom of association, expression and other fundamental human rights. A key goal is to strengthen national level institutions so they are more transparent and responsive to citizen's needs. As part of this, the United States also supports the Organization of American States' Mission to Support the Fight Against Corruption and Impunity in Honduras (MACCIH), an anti-corruption commission charged with preventing and combatting corruption and impunity and improving the rule of law in Honduras.

With our support, the Salvadoran government has taken important steps to establish and implement a plan to create a professional, accountable civilian police force and curtail the role of the military in internal policing and to reduce venues for corruption. This plan includes strengthening the regional police offices in charge of investigating police misconduct, such as the San Miguel investigative office responsible for the Eastern region of El Salvador. We also direct U.S. assistance to the Salvadoran Attorney General's efforts.

In Guatemala, the United States actively supports the U.N. Commission Against Impunity in Guatemala, the Public Ministry, and civil society organizations working to strengthen the rule of law, expand access to justice, and prosecute officials who commit abuses. We direct U.S. funding to programs that educate Guatemalan National Police and our funding also supports the Body for the Analysis of Attacks against Human Rights Defenders to strengthen government protection of key members of civil society.

*Question 63.* As Venezuela trends towards failed state status, the country is suffering an economic and humanitarian crisis marked by growing human rights abuses and an increasingly authoritarian government. While the administration has emphasized multilateral diplomacy and used targeted sanctions, you have zeroed out all funding to address the situation, including critical assistance for democratic civil society and human rights defenders. As you know, I introduced a bipartisan bill on Venezuela with members of this committee that includes humanitarian aid, supports multilateral efforts, codifies additional targeted sanctions, and requires increased intelligence reporting on corruption: What is your assessment of the trajectory of Venezuela's crisis and what is the administration's policy for responding? Will you commit to working with members of this Committee on our bipartisan legislation to address the Venezuelan crisis?

Answer. Yes, I will commit to working with the committee. We are following developments in Venezuela. Based on current assessments, Venezuela's crisis is worsening as evidenced by the rise in deaths related to violent protests, economic dysfunction, and acute medicine and food shortages. It is in this context that the U.S. government is working with democratic governments throughout the Americas, to support a unified regional approach to help Venezuela find a peaceful, democratic, and comprehensive solution to its current problems. At the Organization of American States General Assembly, the voices of 20 member states representing the vast majority of the population of our hemisphere demonstrated that despite the Venezuelan government's efforts to silence dissent, the international community will continue to speak up for democratic principles and respect for human rights. Our region continues to be seriously concerned about the function of democracy in Venezuela and we are working with a growing group of like-minded countries to promote a sustainable Venezuelan-led solution. Such a solution should involve the National Assembly. We will explore every option in our diplomatic and legal toolkit, including the use of visa restrictions and targeted sanctions to hold accountable those individuals, regardless of their rank or position, who participate in actions that undermine democratic processes or institutions, abuse or violate human rights, and restrict freedom of expression or freedom of peaceful assembly.

*Question 64.* Last month, DHS granted a short six-month extension of Temporary Protection Status (TPS) for more than 58,000 Haitians in the U.S. given the precar-

ious conditions stemming from natural disasters in Haiti. While I support the extension, I am concerned that Haiti will adequately equipped to receive more than 58,000 people come January 2017. As you know, the U.S. has committed billions in foreign assistance to Haiti, especially after the devastating earthquake of 2010 and Hurricane Matthew in 2016. In an era of reduced budgets, including our funding for Haiti, how will you ensure that U.S. assistance in Haiti is consequential? Are you concerned that the return of more than 58,000 individuals will be counter-productive to our efforts in the country?

Answer. Following two years of political impasse and stalled elections, Haiti now has a democratic government in place with an elected president, a confirmed cabinet, and a complete Parliament. We are encouraged by the progress in Haiti, and believe the post-election stability, combined with President Moise's private sector experience, will lead to more effective development. The government of Haiti is focused on reforms to bolster economic opportunities that allow Haitian citizens to help build their country. In addition, the Haitian government affirmed its commitment to ensuring Haitian citizens, who may be affected in the event that TPS is not extended, return to Haiti safely, with dignity, and opportunities.

Continued U.S. assistance will promote good governance, fight poverty by advancing economic development, and safeguard transparent and accountable government institutions.

*Question 65.* In May, President Trump praised President Santos' efforts to bring peace to the Colombia and reaffirmed U.S. commitment to continued bilateral cooperation. The President also pledged U.S. willingness to support Colombia's efforts to address ongoing security challenges, including a spike in coca cultivation and cocaine production. As you know, Colombia is at a pivotal point as it transitions from armed conflict to the implementation of its peace accord. Successful implementation is imperative as the consolidation of peace and regional stability depend upon it. The administration's request proposes a nearly 30 percent reduction in funding levels for Colombia at a time when U.S. engagement is critical: Are you concerned that a reduction in funding for Colombia will undercut our ability to fulfill U.S. commitments to peace?

Answer. As the President stated in his May 18 meeting with Colombian President Juan Manuel Santos, Colombia is a strategic U.S. partner, and the United States remains committed to helping the Colombian government secure a just and lasting peace. We have a vital national interest in Colombia's success. Colombia at peace will be an even stronger partner for us on countering drug-trafficking, organized crime, terrorism, and irregular migration. Securing the peace in Colombia will also increase trade and investment opportunities for U.S. firms.

Our budget request reflects the administration's more constrained approach to foreign assistance. Building on prior year programs, U.S. assistance will help the Colombian government implement the peace agreement and focus on special U.S. capabilities and technical expertise to catalyze and enhance Colombia's own peace accord implementation and counternarcotics efforts.

Our programming focuses U.S. assistance on: (1) security, including the government's counternarcotics efforts and reintegration of ex-combatants; (2) the expansion of state institutions and presence in former rebel areas, including rural economic development, justice services, the military's civil engineering units, and humanitarian demining; and (3) justice and other support for victims.

*Question 66.* Will these cuts limit our ability to combat drug trafficking and increased cocaine production?

Answer. We remain deeply committed to supporting Colombian efforts to combat drug trafficking and roll back recent increases in coca cultivation and cocaine production. The administration's FY 2018 Request includes an eight percent increase from the FY 2016 Actual levels for Department of State and USAID counternarcotics programs. The FY 2018 Request for International Narcotics Control and Law Enforcement (INCLE) for Colombia counternarcotics activities is \$90.5 million, a slight increase over the FY 2016 Actual level. The Department will concentrate these resources on the highest priority activities. This will include assistance to help Colombia combat the increase in coca cultivation by supporting implementation of Colombia's counternarcotics strategy, including through land and maritime interdiction efforts, eradication, and police aviation programs. In addition to counternarcotics, INCLE funding will support activities that counter transnational organized crime, support police reform, and promote the rule of law.

Additionally, the FY 2018 Request includes \$57.4 million in ESF for USAID counternarcotics programming, a 16 percent increase above FY 2016 Actual levels. This funding supports programs to improve the conditions necessary for inclusive, licit,

rural economic growth-an important complement to the INCLE counternarcotics programs. USAID's programs will be prioritized to bolster citizen security and extend access to justice and other government services, all in support of U.S. national security and consistent with peace accord implementation.

*Question 67.* As you know, I believe that it is critical for US security and prosperity to continue to invest in the Asia-Pacific. In particular I support the State Department and USAID taking a lead role in expanding maritime security in the South China Sea and promoting democracy and governance issues throughout the region: How does the budget request reflect the State Department's priorities when it comes to maritime security and democracy and governance funding in the Asia-Pacific?

*Answer.* We appreciate Congress's support for and attention to maritime security capacity building and advancing democracy and good governance in the Asia Pacific region.

#### *Maritime Security*

The United States has made significant progress building the military and law enforcement capabilities of key partners in Southeast Asia, including maritime domain awareness and other maritime capabilities. The U.S. government uses several funding streams to build capacity in the Philippines, Vietnam, Indonesia, and Malaysia including Foreign Military Financing (FMF), International Military Education and Training (IMET), and DoD funding, including the Maritime Security Initiative (MSI). The State Department also supports maritime capacity building for law enforcement from the International Narcotics Control and Law Enforcement (INCLE) account. The Department of Defense uses its Maritime Security Initiative (MSI) to provide training and equipment to improve intelligence, surveillance, and reconnaissance (ISR) and other military capabilities.

For example, in the Philippines, programs will promote the rule of law through modernization of the court system, which will likewise foster citizen confidence, reduce tolerance for extra-judicial killings, and combat corruption. U.S. assistance will continue to build trust by engaging citizen participation in local governments in Mindanao, and enhancing their ability to deliver services that are responsive to citizen needs. In Indonesia, democracy and governance efforts address corruption, weak rule of law, and ineffective government institutions by strengthening both the government and civil society institutions that are the frontline in the struggle against radicalism, intolerance, and violent extremism in Indonesia. The budget will also support civil society in Vietnam and reinforce democratic gains in Burma by supporting good governance and the peace process to end ethnic conflict.

*Question 68.* China's official development assistance to African countries has increased by more than 780 percent since 2003. And just last month, President Xi Jinping pledged \$124 billion for a new global infrastructure and development initiative called "One Belt One Road." At the same time, the administration is proposing to close nine USAID missions and eliminate economic and development assistance to 37 countries around the world. That includes zeroing-out Thailand, Laos and Cambodia in the proposed ESDF and cutting over \$300 million from the EAP bureau:

- Are you concerned that your cutbacks to development assistance could provide an opening for countries like China to exert additional influence in Asia and around the globe?

*Answer.* The Fiscal Year 2018 budget request will allow us to advance our foreign policy goals, while ensuring we are using U.S. taxpayer dollars as effectively and efficiently as possible. It includes substantial funding for many foreign assistance programs, but we have made tough choices to reduce funding for other foreign assistance initiatives. The budget request acknowledges that our operations must become more efficient, that our aid must be more effective, and that our primary mission must always be advocating for the national interests of our country. Focusing our efforts will allow us to advance our most important policy goals. We will continue to be the leader in international development, global health, democracy, good governance initiatives, and humanitarian efforts in Asia and around the globe. We are working with partners in the region to provide an alternative to Chinese state-directed financing, thereby mobilizing a broader effort beyond U.S. development assistance. This includes new approaches that engage other countries that share the same objectives for the region as we do, and that cooperate with the World Bank and other multilateral development institutions to improve the investment climate in ASEAN countries and attract more private sector financing to the region.

*Question 69.* We are facing the largest refugee crisis in decades. We know that pregnancy related deaths and instances of sexual violence increase significantly during these times. In 2015, the U.N. estimated that 61 percent of maternal deaths worldwide occur in fragile states, many of them affected by conflict and recurring natural disasters where health services were not available to women. However, the State Department in April made a baseless determination to withhold funding for UNFPA, the leading provider of maternal and reproductive health care in humanitarian settings, and the FY 18 budget proposal reflects this decision:

- How are the State Department and USAID working to ensure the needs of women in these crises are being met?

*Answer.* We will continue to prioritize gender based violence prevention and response and reducing maternal deaths, including in humanitarian settings. The Department is continuing to work with partners to find alternative ways to use its funding originally intended for UNFPA to meet humanitarian challenges in conflict-affected countries.

*Question 70.* Just thirteen years ago, the AIDS epidemic threatened the very foundation of societies in Africa- creating millions of orphans, stalling economic development and leaving countries stuck in poverty. Today, thanks to bipartisan commitment to PEPFAR-the largest commitment by any nation to combat a single disease internationally-we have made remarkable progress in our fight to stop HIV/AIDS in its tracks. Recently released data suggests that more than 11 million AIDS-related deaths and 16 million infections have been averted worldwide since PEPFAR began. In 2016 alone, PEPFAR investments ensured that nearly 2 million babies were born HIV-free, that 6.2 million orphans and vulnerable children received care and support and that more than 74.3 million people received HIV testing and counseling. There is broad international consensus that the next four years of action towards controlling AIDS is imperative if the AIDS crisis will be ended as a public health threat by 2030-a goal enshrined in the U.N.'s Sustainable Development Goals. According to UNAIDS, to achieve this by 2030, the number of new HIV infections and AIDS-related deaths will need to decline by 90 percent compared to 2010: Will the President's budget enable us to scale up our efforts around the globe? How does the President's budget move us toward the global goal to end AIDS as a public health threat by 2030?

*Answer.* The nearly \$5.0 billion requested for PEPFAR in the President's budget will allow the program to continue prioritizing smart investments that save lives and advance progress toward controlling the HIV/AIDS pandemic. The President's budget also supports PEPFAR's close collaboration with key partners, including host governments and the Global Fund to Fight AIDS, Tuberculosis and Malaria, all of which must step up their efforts to end the AIDS epidemic as a public health threat by 2030.

With the President's budget, PEPFAR, in collaboration with host governments, will accelerate efforts toward achieving epidemic control in 13 high impact epidemic control countries by expanding the most impactful HIV services among the highest-HIV-burden locations and populations. PEPFAR will also focus on increasing partner performance and identifying and leveraging efficiency gains through the collection and use of more granular data (disaggregated by age, sex, and at the site level).

*Question 71.* Given the wealth of rigorous evidence available about what works in HIV programming, how can you assure the American people that these cuts will not reverse the gains we've seen globally in mitigating the impact of HIV nor increase HIV-related deaths worldwide?

*Answer.* In the 13 high impact epidemic control countries, PEPFAR will accelerate efforts to reduce HIV infections and AIDS-related deaths toward achieving epidemic control. We will expand the most impactful HIV prevention, treatment, and care services among the highest-HIV-burden locations and populations. This effort will be supported by using data to drive accountability, find efficiencies, leverage partnerships, and increase transparency.

Outside of these 13 high impact epidemic control countries, PEPFAR will maintain its current level of antiretroviral treatment through direct service delivery and expand both HIV prevention and treatment services, where possible, through increased performance and efficiency gains. PEPFAR will also work with partner governments, the Global Fund, and others to determine how HIV prevention and treatment services can be expanded in cases where PEPFAR is not the primary funder and/or service delivery provider.

*Question 72.* What is the rationale for zeroing out the \$330 million in HIV and AIDS funding for USAID? Will the US meet our 33 percent contribution to the Global Fund?

Answer. The FY 2018 budget consolidates all U.S. assistance for global HIV/AIDS efforts within the State Department to simplify the management and coordination of these investments. It is important to note that in the budget, USAID will remain one of the two (along with the Centers for Disease Control and Prevention) primary implementing agencies for PEPFAR, and will continue to implement a significant share of U.S. global HIV/AIDS assistance in this capacity.

The budget includes \$1.13 billion for the U.S. contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria, which keeps the U.S. on track to meet its commitment to match \$1 for every \$2 provided by other donors for the Global Fund's most recent 5th Replenishment period.

*Question 73.* The President's budget would scale PEPFAR down to just 12 focus countries to achieve epidemic control. OGAC indicates that since the budget release you have added one country to the list, so now there are 13: What was the criteria for determining the 13 epidemic control countries?

Answer. Yes, Lesotho was added, bringing the total number of high impact epidemic control countries to 13. These 13 countries were prioritized based on several factors: HIV/AIDS burden; rate of new HIV infections (HIV incidence); number of AIDS-related deaths; and the potential for achieving epidemic control in the next 3.5 years—by 2020.

*Question 74.* Are you considering adding more countries to the list? Perhaps most importantly, how will you transition non-priority countries off PEPFAR programs?

Answer. With the President's budget, PEPFAR will accelerate efforts toward reaching epidemic control in 13 high impact countries in the next 3.5 years—by 2020. Across its entire program portfolio, PEPFAR will maintain its current levels of antiretroviral treatment through direct service delivery as well as its current level of prevention services.

Outside of the 13 high impact epidemic control countries, PEPFAR will expand both HIV prevention and treatment services, where possible, through increased performance and efficiency gains. PEPFAR will also work with partner governments, the Global Fund, and others to determine how HIV prevention and treatment services can be expanded in cases where PEPFAR is not the primary funder and/or service delivery provider.

*Question 75.* OGAC indicates that current PEPFAR-supported ART patients (irrespective of where) will continue to receive these lifesaving drugs. Who will oversee the provision of ART in non-priority countries?

Answer. In all of the countries its supports, PEPFAR will maintain its current levels of antiretroviral treatment through direct service delivery as well as its current level of prevention services. PEPFAR will expand both HIV prevention and treatment services, where possible, through increased performance and efficiency gains. Outside of the 13 high impact epidemic control countries, PEPFAR will continue to work closely with partner governments, the Global Fund, and others to determine how HIV treatment services can be expanded in cases where PEPFAR is not the primary funder and/or service delivery provider.

*Question 76.* Can you explain how all current HIV/AIDS patients would stay on treatment with a 15 percent reduction in resources?

Answer. With the President's budget, PEPFAR is committed to maintain its current level of antiretroviral treatment through direct service delivery globally. This will be accomplished by increasing partner performance, identifying and leveraging efficiency gains through the collection and use of more granular data (disaggregated by age, sex, and at the site level), and prioritizing the strategic outcomes that are most directly related to achieving epidemic control.

*Question 77.* The President's budget request does not include a voluntary contribution to UNICEF. While UNICEF would still be able to access funds for specific programs, like lifesaving measles vaccinations and humanitarian response, those funds do not support the staffing and infrastructure that makes UNICEF a global partner for the United States in helping children around the world. The lack of UNICEF support in the President's budget is also unfortunate given that the U.N. is in the process of choosing a new UNICEF Executive Director. The UNICEF Executive Director has always been an American, because of our historic strong support for that agency: What is the justification for eliminating the US voluntary contribution to UNICEF?

Answer. The United States has traditionally been one of the top contributors to many U.N. funds and programs, including The United Nations Children's Fund (UNICEF).

The President's request does not include funding for UNICEF from the International Organizations and Programs (IO&P) account. The IO&P account is only one of numerous USG sources of funding for voluntary contributions to international organizations. State Department and USAID funding may still be contributed to other U.N. organizations, such as UNICEF, if they are selected as implementing partners to execute specific foreign assistance programs, such as humanitarian or health programs.

The absence of funding for these programs in the FY 2018 request is the result of prioritizing the use of scarce funding within overall budget constraints. The administration also believes that the high level of U.S. voluntary contributions has allowed other countries to lessen their voluntary contributions resulting in an unfair and disproportionate burden on U.S. taxpayers.

*Question 78.* The United States relies on a number of intergovernmental organizations, including the IAEA, CTBTO, and OPCW to assist the United States in combating the spread of chemical, biological, and nuclear weapons. The President's budget does not provide for specific funding levels for these organizations in his FY 18 request: Will you commit to fully funding critical non-proliferation intergovernmental organizations at FY 2016 levels?

Answer. With regard to the IAEA and the OPCW, the President's FY 2018 budget request proposes to reduce funding for the Department of State's Contributions to International Organizations account by approximately thirty percent from the previous year to \$1 billion. Specific amounts of funding for international organizations will be determined following an inter-Agency process that weighs U.S. national interests and the impact of funding reductions at each organization, with a particular emphasis given to how the organization advances U.S. national security.

With regard to the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO) Preparatory Commission (PrepCom), we intend to fully pay our assessment. The \$29M requested in FY 2018 is essentially unchanged from FY 2017. Our requests have decreased since FY 2016 because the fall in the value of the euro against the U.S. dollar means that fewer U.S. dollars are needed to pay the euro-denominated portion of our PrepCom assessment.

*Question 79.* Is the United States planning on calling for a meeting of the Special Verification Commission to discuss Russia's continued violation of the INF treaty?

Answer. The United States requested that the Special Verification Commission convene last fall. The session occurred November 15-16, 2016. Belarus, Kazakhstan, Ukraine, and Russia participated, and the United States used the session to raise its concerns with Russia's violation. While no final decision has been made regarding whether to call an additional session of the Special Verification Commission, we are pursuing diplomatic engagement with Russia to pressure it to return to compliance with its INF Treaty obligations, including by raising the issue in appropriate venues. We have made very clear our concerns about Russia's violation, the risks it poses to European and Asian security, and our strong interest in Russia returning to compliance with the Treaty.

*Question 80.* What steps is the United States taking to pressure the Russian Federation to abide by its commitments regarding the INF Treaty?

Answer. The administration's review of U.S. policy toward Russia, and approach to enforcing compliance with arms control agreements such as the INF Treaty, is ongoing. As this review continues, we are pursuing diplomatic engagement with Russia to pressure it to return to compliance with its Treaty obligations, closely coordinating and sharing information with regional allies and partners, and considering responses to impose costs and deny Russia any significant military advantage from its violation.

*Question 81.* Can you promise that you will fully consult and coordinate with our European allies and Congress before any decision is taken to withdraw from the INF Treaty?

Answer. The administration has maintained close contact with Congress and European and Asian allies on developments relating to Russia's ongoing violation of the INF Treaty, and we will continue to do so. As the administration continues its review of Russia's violation in order to assess the viability of the Treaty, and the potential national security implications for the United States, we stand ready to continue to provide briefings and additional information related to our concerns with Russia's INF compliance and efforts to address this issue.

*Question 82.* Currently, Foreign Service Officers newly-graduated from A-100 courses perform a consular tour for their first tour of duty. The current hiring freeze, and subsequent lack of A-100 graduates, will presumably result in a severe dearth of Foreign Service Officers on consular tours. These consular officers are on the front lines when it comes to protecting our borders, as they make the first decision on whether or not to let foreign nationals into our country. With fewer officers serving in these roles, consular officials, workloads will become more overloaded, resulting in even shorter interview times and larger backlogs of paperwork. In addition, our consular operations in some countries, like India, are a profit-generating enterprise. In India alone, the United States collected an estimated \$180 million in visa revenue in 2016. These revenues also help offset the costs of consular operations in other countries with loss-making visa operations: Given the hiring freeze, what are the State Department's plans to sufficiently staff consular operations?

*Answer.* The provision of consular services is one of the Department's highest priorities, a national security imperative, and a powerful driver of the U.S. trade and tourism sectors. Consular adjudication can only be performed by a U.S. citizen consular professional with an active consular commission. The Department has traditionally relied on Foreign Service Entry-Level Officers to fill consular positions through a requirement that all newly hired officers serve at least one year in a consular assignment. The current hiring freeze has widened the projected gap between hiring and near term adjudicator need beyond initial CA projections.

Predating the hiring freeze, the Bureau of Consular Affairs (CA) and the Bureau of Human Resources (HR) anticipated that the demand for consular services would outpace the hiring of Entry-Level Officers. To address this deficit, the Department developed a range of hiring programs to diversify the pool of candidates available for assignment to entry-level consular positions, including Appointment Eligible Family Member Consular Adjudicators (CA-AEFMs), Civil Service Adjudicators, members of the Consular Fellows Program (CFP), and Register Candidate Consular Fellows. The CFP targets candidates with existing language skills in Arabic, Mandarin Chinese, Portuguese, Russian, and Spanish. CA and HR are working with the Foreign Service Institute (FSI) to ensure these hires have the language skills necessary to satisfy national security requirements prior to their assignments. These alternative hiring programs are funded by consular fees.

To satisfy urgent staffing gaps while under the hiring freeze, we prioritize and deploy Temporary Duty (TDY) staff and utilize the CFP. CA's TDY program has grown dramatically in the past two years; in FY 2015, our personnel completed 684 TDY assignments, more than a 156 percent increase from the previous year. In FY 2016 our personnel completed 675 TDY assignments. The White House recognized the importance of the CFP in Executive Order 13780, which directed that "the Secretary of State shall immediately expand the Consular Fellows Program, including by substantially increasing the number of Fellows." The Department will hire up to 98 Consular Fellows in August 2017—the largest ever such class.

*Question 83.* I have heard repeatedly from our European allies that the U.S. is not committed to upholding transatlantic partnerships and the democracy and human rights values on which they are based. In particular, there are increasing questions about the stance this administration is willing to take against Russian aggression toward Europe: What are the Department's plans for bolstering democratic institutions in Europe to defend against Russian aggression—this would include programs to promote anti-corruption, governance, and pushing back against disinformation.

*Answer.* Supporting countries in strengthening democracy, human rights, and governance is critical for defending national security, fostering economic opportunities for the American people, asserting U.S. leadership and influence, and ensuring effectiveness and accountability to the American taxpayer.

Europe remains an important priority for the Department and USAID as we work to counter Russian pressure and aggression through support for a strong, independent Ukraine, an economically and politically resilient Georgia, and Balkan countries able to resist the external and internal pressures that result in democratic backsliding. In particular, targeted U.S. foreign assistance will bolster long-term resilience against Russian pressure by building the accountability, transparency, and responsiveness of democratic governing institutions; fostering respect for human rights and the rule of law; fighting corruption; promoting citizen participation and engagement in governance and rule of law; strengthening civil society organizations and independent media; and promoting Euro-Atlantic integration.

*Question 84.* To what extent will such programs be directed at countries in the Western Balkans especially vulnerable to Russian interference?

Answer. The administration's request for the Western Balkans reflects a continued focus on consolidating democratic reform in the region as a means of countering Russian pressure and advancing national security interests relating to transnational crime, corruption, and violent extremism. Assistance will support our governmental and non-governmental partners' efforts to reform weak democratic institutions and to fight corruption and organized crime. These efforts will build resilience against Russian pressure in the region, ensure continued momentum toward EU and NATO integration, and help to preserve a more even playing field for foreign investors. Bilateral and regional rule of law programs that provide technical assistance to special prosecutors who tackle high profile corruption and organized crime cases are prioritized throughout the region. Support for investigative journalism, independent media, and civil society will help to increase the reach of outlets producing objective news and to expose corruption. This support is critical to countering Russian disinformation and to keeping Euro-Atlantic integration on track in spite of Russian efforts to derail the process.

*Question 85.* How are you working with Secretary Mattis to support European resilience in political-military, cybersecurity, and other critical spheres?

Answer. The European Reassurance Initiative (ERI), including the \$4.8 billion requested for FY 2018, provides funding to increase U.S. presence across Europe, expand U.S. participation in exercises and training activities with NATO Allies and partners, enhance prepositioning of U.S. military equipment in Europe, improve infrastructure at military installations, and provide assistance to build the capacity of our allies and partners to defend themselves and enable their full participation as operational partners in responding to crises.

U.S. efforts under ERI and NATO's deterrence and defense decisions out of the 2016 Warsaw Summit—specifically to establish an enhanced Forward Presence in the Baltic States and Poland and a tailored forward presence in the Black Sea region, serve as an important deterrent to Russia.

Further on the military side, the Alliance will continue to prepare for, deter and defend against attacks that employ chemical, biological, radiological, or nuclear material; to invest in robust, flexible, and interoperable military capabilities; and to protect our military supply chains and work to address, as appropriate, existing dependencies on Russian-sourced legacy military equipment through national efforts and multinational cooperation.

On the civilian side, the Alliance will continue to improve civil preparedness, maintain and protect critical civilian capabilities. The Alliance will also strengthen and enhance, as a matter of priority, the protection of our national infrastructure and networks against the increasing threat and sophistication of cyber-attack.

*Question 86.* Do you agree with the collective intelligence community view that Russia interfered in the 2016 election?

Answer. As the U.S. intelligence community first reported in October 2016, the U.S. government is confident that the Russian Government directed the compromise and the subsequent release of emails in advance of the November 8 general election.

The intelligence community assessed that Russia's activities were intended to influence the election, erode faith in U.S. democratic institutions, sow doubt about the integrity of our electoral process, and undermine confidence in the institutions of the U.S. government.

The Department remains concerned by Russian efforts to interfere in elections in Europe and elsewhere. Russian tactics include disinformation campaigns, financial influence of political parties, and use of cyber operations.

*Question 87.* Since coming into office, you have met with Russian Foreign Minister Sergei Lavrov on at least four occasions and had several phone conversations:

- Have you raised Russia's interference in our election with Lavrov?

*Question 88.* How many times have you raised it? Please describe the nature of those conversations.

Answer to Question 87 to 88. While I do not want to get into specifics of my diplomatic conversations, I assure you that the Russian Government is well aware of our concerns over its cyber activities directed against the United States and more globally. The Department has repeatedly raised its concerns with the Russian Government. The U.S. government will take action to protect our interests and to harden our defenses against malicious cyber activity. The Department also continues to maintain established means and modes of communication to ensure that the United States and Russia do not misunderstand one another.

*Question 89.* What specific diplomatic measures are you taking to send a clear message to Russia that it cannot interfere in the 2018 election?

Answer. The Department has raised U.S. concerns repeatedly and at all levels with the Russian Government about its cyber activities. The Department also continues to maintain established means and modes of communication to ensure that the United States and Russia do not misunderstand one another.

*Question 90.* Putin's aggressive foreign policy to undermine democratic processes and values in Europe and the United States is a function of his domestic policy to eliminate dissent and shore up his brittle, corrupt regime. So part of our response to Russian aggression must be to support to those Russians pushing for reform, transparency, and human rights in their own country. As you know, many of your predecessors met with human rights activists in Russia as a matter of course during their visits to Moscow, though you did not. Why did you not meet with human rights defenders and civil society activists during your visit to Moscow?

Answer. I believe that the Department of State's mission is at all times guided by our longstanding American values of freedom, democracy, individual liberty, and human dignity.

While I was not able to meet with civil society groups on this first trip, Department officials at all levels, including officials at the United States Embassy in Moscow, Russia, regularly meet with civil society groups. We believe that the Russian people, like people everywhere, deserve a government that supports an open marketplace of ideas, transparent and accountable governance, equal treatment under the law, and the ability to exercise their rights without fear of retribution. Although the space for civil society and free media in Russia has become increasingly restricted, Russian organizations and individuals continue to express a desire to engage with the United States. As long as this continues to be the case, the United States will support opportunities for direct interactions between Russians and Americans, including through peer-to-peer, educational, cultural, and other regional programs that provide exchanges of best practices and ideas on themes of mutual interest.

*Question 91.* What is the State Department specifically doing to engage the Russian people?

Answer. The Department of State maintains engagement with the Russian people in support of U.S. national interests. We use public diplomacy channels to build linkages between our societies. Our programs shape the perspectives of future Russian leaders and nurture relationships that anticipate improved political relations.

U.S. public diplomacy operations overcome limitations through creative programming focused on Russian youth. When the government cancelled the 20-year old Future Leaders Exchange (FLEX) program for high schoolers in 2014, the Embassy pivoted and launched the YEAR (Year of Education in America for Russians) program, which sends college-age students on a similar one-year exchange and connects them to thousands of FLEX alumni across Russia.

English programs are critical avenues to expose students and teacher/influencers to Western principles and sources of information. Our cultural programs provide a broader and more nuanced view of America, diluting the negative impact of Russian Government disinformation and propaganda.

Embassy Moscow runs an American Center on the Embassy compound that attracts a significant audience. This American Center is the last remaining space in a network of 29 centers that the Russian Government shuttered over the past five years. Despite operating out of a temporary space, Embassy Moscow is seeing an increasing flow of Russians eager to use the space and attend American-themed programming.

*Question 92.* How does this administration regard our long-standing, bipartisan support for Russians' human rights and their hope for transparent, accountable governance?

Answer. We believe that the Russian people, like people everywhere, deserve a government that supports an open marketplace of ideas, transparent and accountable governance, equal treatment under the law, and the ability to exercise their rights without fear of persecution or retribution.

The United States will continue to support longstanding efforts to ensure the rights of all Russians are protected, and promote values of freedom, democracy, individual liberty, and human dignity. In coordination with Allies and partners, we will call on the Government of Russia, in both public statements and private discussions, to uphold its international obligations and commitments to promote and protect human rights and fundamental freedoms. We will also urge Russian authorities to

take steps to ensure the release of anyone wrongfully detained, conduct an independent and credible investigations into reported human rights violations, and hold any perpetrators responsible. Continued robust implementation of Magnitsky Act sanctions will also demonstrate our commitment to accountability for human rights abuses.

*Question 93.* The Director of the U.S. State Department's Bureau of Energy Resources office for Europe, the Western Hemisphere and Africa, reportedly stated this past February that Russia's planned Nord Stream 2 pipeline is "a national security threat." Can you confirm that this is the official position of the U.S. State Department and explain what steps are being taken to counter this threat? If not, please explain what the official U.S. position is on Nord Stream 2.

Answer. The United States has a clear interest in the energy security of our European allies and therefore we oppose Gazprom's Nord Stream II gas pipeline. We share many of our partners' concerns that this project strengthens Russia's dominance over Europe's gas sector, undermines European energy security, and hurts Ukraine. Some states in the Baltic Sea region also have raised broader security concerns about the project. The Director referenced these European concerns in the course of a panel discussion at a conference.

We believe that energy security derives from a diversity of energy type, supply sources, and transshipment routes, as well as an integrated and efficient regional energy market. Russia has an established energy relationship with Europe and it is neither possible nor desirable to exclude Russian gas from the European market. However, Russia should play by the same rules as others; Russia should not be able to use its market position to either exert geopolitical leverage on its Eastern European neighbors or engage in anti-competitive practices. This is the message the State Department has conveyed to European interlocutors, many of whom share our apprehensions.

Earlier this year, the European Commission stated that it considers Nord Stream II inconsistent with the core principles of the European Energy Union and would seek EU member state approval to lead negotiations with Moscow on the applicability of the principles of EU energy law to the offshore pipeline.

Ultimately, the European Union and its member states must make their own energy choices, but our view is that Nord Stream II runs counter to Europe's own energy policy, energy security, and long-term interests, as well as to United States' and European Union efforts to support Ukraine in the face of Russian aggression.

*Question 94.* My understanding is that the Department is State is looking to apply some FY 17 funds to FY 18 for Embassy Security, under the argument that are excess funds available for Embassy construction and Embassy Security, with your budget proposal asserting that the ARB is fully funded. It is my understanding, however, that the ARB can only be considered fully funded because of funds applied from prior years and that in fact \$300 million in additional funding is required in FY 18 to meet the next set of ARB recommendations. \$300 million might not be much in the context of a federal budget proposal that double counts \$2 trillion, but that represents a large amount of money for State. Assuring that there are no embassy security vulnerabilities or exposures is a critical priority for me: How did you arrive at your budget proposal for Embassy Security?

Answer. Consistent with the Benghazi Accountability Review Board recommendation, the FY 2018 Request provides \$2.2 billion for Capital Security Cost Sharing (CSCS) and Maintenance Cost Sharing (MCS) in total when the Department's appropriated share is combined with other agency contributions and State consular fees. The State Department's appropriated share of the FY 2018 CSCS-MCS programs is \$956.2 million, of which \$337.8 million is requested in FY 2018 and \$618.4 million is would be applied from the FY 2017 Security Assistance Appropriations Act (SAAA).

The Department does not regard the SAAA funding as "excess," but rather a reprioritization of available balances to provide State's share of the ARB recommended level for the CSCS and MCS program. The Department will formally notify such changes as part of the FY 2017 Operating Plan for the ESCM account.

*Question 95.* How will the FY 18 proposal, without borrowing from prior years, fully fund all the ARB recommendations?

Answer. The FY 2018 Request provides \$2.2 billion in total for the Capital Security Cost Sharing (CSCS) and Maintenance Cost Sharing (MCS) program, combining \$337.7 million in new Embassy Security Construction & Maintenance (ESCM) funding, other agency contributions, consular fees retained by the State Department, and resources provided for ESCM in the FY 2017 Security Assistance Appropriations Act (SAAA). The FY 2018 budget request includes language that would clarify that the

Department's FY 2018 CSCS-MCS contribution would include ESCM appropriations provided under the SAAA. If ESCM appropriations provided under the SAAA are not utilized for the Department's FY 2018 CSCS-MCS contribution, the Department would need to identify other available funds to support the FY 2018 CSCS-MCS program at the \$2.2 billion level.

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RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD  
SUBMITTED TO SECRETARY TILLERSON BY SENATOR JOHNSON

*Question 1.* National security experts from every field and from both political spectrums are outspoken in their support of cultural programs such as the J-1 visa Summer Work Travel program, citing their immense strategic value and cost effectiveness. Please explain the administration's position on the strategic value of educational and cultural exchanges to U.S. national interests.

Answer. Educational and cultural exchange programs increase American global competitiveness, create relationships and understanding, and contribute to increased national security in meeting the President's goal of "building a more democratic, secure, and prosperous world." Exchange programs allow us to reach diverse sectors of American society and are vital to our diplomatic engagement worldwide, including with frontline states, countries in transition, emerging economies, and longstanding allies. Exchange programs benefit Americans, as more than 90 percent of the State Department's budget for exchange programs is either spent in the United States or invested directly in American citizens. Every exchange program involves Americans and brings the strengths of our society and its values to bear. In fact, more than 10,000 Americans, hailing from every state, have the opportunity to travel abroad each year on State Department-funded exchange programs, ranging from Fulbright and Gilman to the National Security Language Institute for Youth. International students also contribute nearly \$36 billion annually to the U.S. economy and local communities

In addition to fully funded programs, the State Department's Office of Private Sector Exchange, which uses no appropriated funds, promotes greater understanding of the United States through a variety of programs dedicated to a particular group of foreign participants with whom the United States wishes to engage. One such initiative is the Summer Work Travel program (SWT), a privately-funded Exchange Visitor Program that places foreign students in a U.S. business or organization for a short period of time, typically during the summer months. This program allows thousands of Americans, including tens of thousands of volunteers, from all walks of life and every state, to host and interact with exchange participants from around the world. It also allows small and family-operated U.S. businesses in tourist destinations such as Ocean City, Maryland and the Wisconsin Dells to meet short-term, high volume worker needs during peak and shoulder seasons.

Exchanges like SWT are a strong complement to U.S. Government-funded programs, which are more uniquely able to reach underserved populations and people from countries that are foreign policy priorities for the United States. We will continue to support this critical outreach with a strategic focus to ensure our State Department-funded educational and cultural exchange programs are advancing America's foreign priorities.

*Question 2.* In 1999, the United States Information Agency was folded into the State Department and U.S. public diplomacy has never recovered. There have been widely circulated reports suggesting the administration was considering a similar restructuring of USAID. Is the administration considering such a reorganization, and, if so, how will it ensure USAID retains its mission, culture, mandate, and expertise?

Answer. We are reviewing options to ensure the efficiency, effectiveness, and accountability of the United States' diplomatic and development operations. This endeavor has no preconceived outcomes.

The State Department and USAID recently completed collecting information on our organizational processes and culture through a survey that was made available to everyone in State and USAID. Over 35,000 surveys were completed, and we also held in-person listening sessions with approximately 300 individuals to obtain detailed perspectives on what we do and how we do it. From this feedback, we have been able to get a clearer overall view of our organizations and will be able to make informed decisions on how we can produce a more efficient, effective State Department and USAID that maximize the expertise of staff and continue to deliver results for the American people.

*Question 3.* Russia is prosecuting an information war in Europe designed to weaken EU and NATO solidarity. Does the administration intend to build a capacity to counter Russian propaganda and disinformation that is inimical to our interests? Does the administration believe the Department of State should play a leading role in such an effort?

*Answer.* The goal of Russian disinformation and propaganda is to destabilize, distract, and divide our allies and partners in Europe and undermine transatlantic unity and U.S. interests. The State Department's public diplomacy programming, and our alignment with Allies and partners, including through NATO and the EU, enhances our collective resilience against Russian malign influence that threatens democratic institutions and processes.

The Department of State has partnered with the Department of Defense and other members of the interagency to craft a whole-of-government approach that addresses the challenge of disinformation and false narratives, including those that originate from Russia. A key channel is supporting U.S. Embassies in Europe so they can promote positive, accurate messages about the United States and our interests to effectively counter this propaganda. U.S. programs and initiatives also work to inoculate foreign publics by bolstering civil society, expanding media literacy, and supporting independent media.

The 2017 National Defense Authorization Act broadened the mission of the Department of State's Global Engagement Center (GEC), providing it the statutory authority to "lead, synchronize, and coordinate efforts of the Federal Government to recognize, understand, expose, and counter foreign state and non-state propaganda and disinformation efforts aimed at undermining United States national security interests." The GEC continues to engage in widespread consultations throughout the interagency and civil society to address its expanded mission.

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RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD  
SUBMITTED TO SECRETARY TILLERSON BY SENATOR MENENDEZ

*Question 1.* How will this administration manage effective levels of assistance to the Northern Triangle countries and ensure that U.S. funds are beneficial and continue to address corruption, poverty, violence and development challenges?

*Answer.* The United States is providing \$1.3 billion in FY 2015 and FY 2016 assistance to Central America. Congress directed an additional \$655 million for Central America in the FY 2017 appropriation. This level of funding, when combined with the FY 2018 request, represents a significant investment by the U.S. taxpayer in dismantling criminal networks and addressing the underlying causes of illegal migration and illicit trafficking, which include corruption, poverty, and violence. The FY 2018 request level of \$460 million supports our programs in Central America that directly impact the well-being of Americans by bolstering U.S. national security and advancing U.S. economic interests.

Assistance to El Salvador supports the strengthening of institutions responsible for investigating and prosecuting corruption, tax policy, and public finance management systems, and effective trade and business development services for small- and medium-sized enterprises. Assistance for Guatemala includes implementation of economic growth, health, and education programs in the Western Highlands, the area with the highest levels of out-migration to the United States, in addition to strengthening institutions that aid in the investigation and prosecution of corruption. Assistance for Honduras seeks to build on the Honduran government's efforts to achieve a properly trained and vetted civilian police force, and supports efforts to strengthen the capacity and independence of the Honduran Public Ministry to investigate and prosecute criminals. Assistance to Honduras also supports improved early-grade literacy and job training, particularly for youth and other vulnerable populations. Regional assistance for security, rule of law, and human rights programs implemented by the Department of State and USAID supports: community-based violence prevention programs, anti-corruption initiatives and increased effectiveness of the judiciary and law enforcement, expanded vetted investigative and enforcement units for counternarcotics efforts, reform of prison systems, and improved border and maritime security.

*Question 2.* State Department economic assistance and USAID support have committed to strengthening judiciary institutions, protecting human rights, and preventing violence in Mexico. This year already six journalists have been killed in Mexico and human rights defenders remain in danger. An effective response to addressing violence and corruption in Mexico involves maintaining this assistance in-

cluding to the Mechanism to Protect Human Rights Defenders and Journalists, police reform, the independence of the attorney general's office and the transition to a new criminal justice system.

- How will the State Department continue to help these programs ensure that Mexico advances towards addressing human rights and corruption?

Answer. Through the Merida Initiative, the United States and Mexico have forged a multi-faceted partnership to combat transnational organized crime and drug trafficking and to support Mexico's efforts to strengthen its security and justice institutions, enhance rule of law, improve border security, disrupt illicit financial networks, and promote respect for human rights.

U.S. support for Mexico's ongoing transition to an accusatorial criminal justice system has been an integral component of our strategy to combat organized crime. A transparent, efficient, and effective criminal justice system is essential to the administration's goal of dismantling transnational criminal organizations and helps the Government of Mexico combat impunity. It also strengthens the rule of law by protecting due process, promoting assistance to crime victims, and strengthening human rights. As Mexico embarked on this set of reforms, the United States provides essential support for law enforcement professionalization, strengthening judicial institutions, training prosecutors and judges, curriculum support for law schools, accreditation of federal and state forensic laboratories and certification of their personnel, and improving the corrections system.

The U.S. government continues to play a key role in supporting the Government of Mexico in standing up its Protection Mechanism which currently provides protection measures to more than 600 human rights defenders and journalists. USAID works with the Mexican government to increase prosecution of crimes against journalists, advocate for increased protection, and apply lessons learned from international best practices in protecting freedom of expression. USAID support to civil society groups, who advocate for threatened human rights defenders and journalists and help them learn self-protection methods, has been essential to the program.

*Question 3.* As you know, a strong Mexican middle class, (as my colleague Senator Rubio often says) is the best economic partner we can hope for in Mexico. Do you believe cutting vital economic development programs that help build independent businesses and provide economic opportunities outside of organized crime serves American interests?

Answer. Economic development investments build independent businesses that provide more economic opportunities. The United States makes substantial contributions to economic growth and development of the middle class in Mexico primarily through international financial institutions. In 2016, the United States supported \$2.04 billion in commitments to projects in Mexico via the Inter-American Development Bank. In 2016, the United States supported \$100 million in World Bank projects in Mexico and \$350 million to date in 2017. Given the importance of macro-economic stability to ensuring growth of a strong middle class in Mexico, the United States has also supported an \$85 billion Flexible Credit Line from the International Monetary Fund which the Mexican authorities have used as a precautionary measure to protect against global market volatility.

The Overseas Private Investment Corporation (OPIC) and the U.S. Export-Import Bank (EXIM) also have significant engagement in Mexico. As of September 2016, EXIM had authorized over \$8 billion in lending, insurance, and guarantees to help Mexican firms purchase U.S. products. OPIC currently has \$781 million in active projects helping to develop a wide range of Mexico's economic sectors, including wind, solar, and other renewable energy projects which generate demand for U.S. products and services.

Reflecting the U.S. government commitment to tackling the issue of transnational criminal organizations, USAID provides support through the Merida Initiative to train at-risk youth to gain the skills required to either obtain employment or further education, thereby drying the pool of recruits for these organizations.

*Question 4.* What is your assessment of the trajectory of Venezuela's crisis and what is the administration's policy for responding?

Answer. The U.S. government is working with democratic governments throughout the Americas to support a unified regional approach to help Venezuela find a peaceful, democratic, and comprehensive solution to its current problems. At the Organization of American States General Assembly, the voices of 20 member states representing the vast majority of the population of our hemisphere demonstrated that despite the Venezuelan government's efforts to silence dissent, the international community will continue to speak up for democratic principles and respect for human rights. Our region continues to be seriously concerned about the func-

tioning of democracy in Venezuela and we are working with a growing group of like-minded countries to promote a sustainable Venezuelan-led solution. Such a solution should involve the National Assembly.

We will explore every option in our diplomatic and legal toolkit, including the use of visa restrictions and targeted sanctions to hold accountable those individuals, regardless of their rank or position, who participate in actions that undermine democratic processes or institutions, abuse or violate human rights, and restrict freedom of expression or freedom of peaceful assembly.

*Question 5.* Will you commit to working with members of this Committee on our bipartisan legislation to address the Venezuelan crisis? How will your request for no funding address your ability to respond to the Venezuelan crisis?

Answer. Yes, I will commit to working with the committee on your legislation and other approaches to this serious problem. We will support all efforts that would appropriately address the Venezuelan crisis. I am convinced that we can maximize the effectiveness of our programs.

While there is no funding requested in FY 2018, the FY 2017 appropriation provided support for democracy in Venezuela, consistent with current USAID programs. These funds will allow us to continue our programming for the near future. The Department will engage and support human rights and democracy activists diplomatically. We will work with partners in the region to promote peaceful solutions in Venezuela. We want the Venezuelan people to thrive under a representative democracy that respects the constitutional roles of Venezuela's different branches of government, especially the role of the National Assembly.

*Question 6.* The Inter American Foundation was on the list of federal agencies that may be revoked based on the FY 18 budget proposal. As you know Mr. Secretary, the IAF has demonstrated to be an economically well-run small independent agency that has provided effective aid to reduce poverty in Latin America and Caribbean for the last four and a half decades. Its position in the region helps to address the roots of the migration and refugee crisis in the Northern Triangle of Central America, with its community development projects focused on poor rural areas affected by drought and coffee blight and its programs for at-risk youth in rural and urban areas. Will the administration revisit this decision?

Answer. The Inter-American Foundation (IAF) is a separate legal entity from the State Department, with independent authority, its own enabling legislation, and separate Congressional appropriations. Accordingly, the State Department's budget does not include funding for the IAF. We refer you to the IAF for further details on the FY 2018 request.

The FY 2018 President's Budget supports the President's priorities to defend national security, assert U.S. leadership, foster opportunities for U.S. economic interests, and ensure accountability to the U.S. taxpayer. The administration had to make some tough choices, including eliminating Federal funding for agencies that serve niche missions and may duplicate the efforts of other federal programs or the non-profit and private sectors, in order to focus our limited foreign assistance resources on advancing our most important policy goals and national security interests.

The \$1.1 billion Department of State and U.S. Agency for International Development (USAID) FY 2018 request for the Western Hemisphere, includes assistance to address weak governance, insecurity, corruption, uneven economic growth, poverty, and human rights under the U.S. Strategy for Engagement in Central America. To advance prosperity and governance objectives under the Strategy pursuant to the FY 2016 Consolidated Appropriations Act, the IAF is receiving \$6 million of FY 2016 Development Assistance for the Empowering Community Prosperity and Resilience program via a non-expenditure transfer from USAID.

*Question 7.* Can you confirm if the Egyptian government, for example: has freed political prisoners, is enforcing laws or policies to govern democratically, is taking necessary steps towards protecting and advancing the rights of women and religious minorities, and is providing detainees with due process of law?

Answer. Egypt has made some efforts in these areas, including the new church construction law and legislation restricting female genital mutilation. The overall human rights situation, however, has deteriorated. As noted in the Department's 2016 Human Rights Report, the most significant human rights problems in the country were excessive use of force by security forces, deficiencies in due process, and the suppression of civil liberties. Although the government has freed some prisoners, it has not freed many prisoners arrested for their political affiliations or activism. The continued restriction of civil society is deeply concerning.

*Question 8.* After President el-Sisi signed an oppressive new law confining civil society and reports of an increased crackdown against civil society organizations in Egypt, do you believe the Egyptian government is enforcing reforms that protect “the ability of civil society organizations and the media to function without interference”?

Answer. I testified previously that we were extremely disappointed by the recent legislation that President Sisi signed regarding NGO registration and preventing certain NGOs from operating. Looking at this legislation as it is written gives me strong doubts that they are engaged in reforms that protect the ability of civil society to function without interference, but we need to remember that the law has not been implemented yet and much will depend on the way in which the legislation is applied. We continue to raise our serious concerns about this legislation and the overall human rights situation in Egypt.

*Question 9.* What examples, if any, can you give as evidence of those actions by the Egyptian government? What examples, if any, can you specify as evidence of the Egyptian government violating those principles?

Answer. A notable improvement was the acquittal and release of Aya Hijazi, her husband and their colleagues. We are glad to see her back in the U.S. The passage of the new Church Construction Law was also a step in the right direction. The government, at its own expense, finished rebuilding the churches burned by rioters under the previous government and religious dissident Islam el-Beheiry was pardoned by the President.

Despite these steps, our human rights report makes clear areas of continued concern. Significant human rights problems include lack of due process, including the excessive use of preventative custody and pretrial detention, trials involving hundreds of defendants in which authorities did not present evidence on an individual basis, and the use of military courts to try civilians. Civil society activists are regularly subjected to asset freezes, travel bans and arrests. The government failed to resolve the ongoing “foreign funding case” which involved convictions against U.S. citizens and Egyptian employees of U.S. registered non-profits. We will continue to stress the fundamental importance of respect for human rights and the need for a robust civil society.

*Question 10.* Do you believe that Egypt’s new NGO law defies the Brownback Amendment by allowing the Egyptian government veto power over U.S.-funded democracy programs?

Answer. The Department of State and USAID implement programs consistent with the Brownback Amendment. Many of the practical implications of Egypt’s new NGO law are not yet clear, and we are trying to get a better understanding of the law and how it may impact our programs and implementing partners. We continue to make clear to Egyptian government our commitment to supporting Egypt’s stability, which requires, among other things, respect for civil society. We will continue to monitor closely Egypt’s implementation of its new NGO law.

*Question 11.* In broader terms, under this new law, what type of economic, development, or democracy programming is even possible for U.S. assistance to support in Egypt?

Answer. On May 24, 2017 President al-Sisi signed a new law governing NGOs. The law contemplates extensive government oversight, onerous regulatory burdens, and high registration fees for NGOs. It imposes severe consequences-including imprisonment-for failure to register properly or even for conducting a survey without Egyptian government permission. Many of the practical implications of the new NGO law remain unclear, and we are in the process of determining how the law will impact our programs and implementing partners.

State and USAID have deep experience operating in challenging environments and consistently find ways to adapt our programming to new and difficult circumstances. We will continue to monitor these developments closely.

*Question 12.* In your view, should the repeal of this NGO law be a pre-requirement to the United States giving continued economic aid to Egypt?

Answer. The Egyptian government is an important partner on a number of key U.S. foreign policy priorities. While there has been some progress over the last few months in the bilateral relationship, we were extremely disappointed when President al-Sisi signed the NGO law. From the time the parliament proposed this legislation until President al-Sisi approved it, the United States clearly and repeatedly communicated our concerns about the law. We do not want to slow the progress we have made in our bilateral relationship, but a strategic relationship is a two-way

street that requires trust and credibility. We are therefore considering a range of options to respond to recent developments.

A strong U.S.-Egypt partnership that includes economic assistance helps strengthen Egypt's security and social safety net, grow its economy, and build accountable government institutions—which is ultimately in the best interest of both Egypt and the United States.

We have reiterated our concerns to Egyptian officials about the law and will continue urging them to mitigate the effects of the law through the implementing regulations that are due this July. We must continue to press the Egyptians to implement and enforce the law in a manner that preserves reasonable means and sufficient freedom for U.S. assistance programs and civil society to operate. With Egypt, as is the case around the world, we use a wide range of tools including our assistance and diplomatic engagement to advance U.S. interests. We continuously assess how these tools can be utilized and believe we can achieve our foreign policy goals most effectively with fewer limitations on the funding we are appropriated.

*Question 13.* Nearly 300,000 women die of complications related to pregnancy and childbirth every year, and 225 million women in developing countries want to avoid pregnancy but are not using an effective contraceptive method. Evidence shows that fully meeting the need for both contraceptive and maternal and newborn health services saves more lives and is more cost-effective than funding only maternal and newborn health services. In fact, every additional dollar spent on contraceptive services will save almost \$1.50 in the cost of providing pregnancy-related and newborn health care. Moreover, maternal deaths would drop by two-thirds and newborn deaths by three-fourths. Supporting family planning services is one of the most effective and cost-effective tools we have in saving mothers' and newborn lives. Yet, this administration proposes eliminating this funding entirely. Why is this administration proposing a more expensive, inefficient and ineffective way to reduce maternal and newborn deaths?

Answer. Preventing maternal and child deaths remains a priority for this administration. By focusing our efforts on global health programs in maternal and child health, nutrition, and malaria we will continue to save the lives of women and children, while ensuring that other donors contribute their fair share toward global challenges.

*Question 14.* Nearly 300,000 women die of complications related to pregnancy and childbirth every year, and 225 million women in developing countries want to avoid pregnancy but are not using an effective contraceptive method. Evidence shows that fully meeting the need for both contraceptive and maternal and newborn health services saves more lives and is more cost-effective than funding only maternal and newborn health services. In fact, every additional dollar spent on contraceptive services will save almost \$1.50 in the cost of providing pregnancy-related and newborn health care. Moreover, maternal deaths would drop by two-thirds and newborn deaths by three-fourths. Supporting family planning services is one of the most effective and cost-effective tools we have in saving mothers' and newborn lives. Yet, this administration proposes eliminating this funding entirely: What is your view on the Global Gag rule, or the Mexico City Policy? Do you believe it furthers our interests abroad?

Answer. "Protecting Life in Global Health Assistance," implements what the President has made very clear: U.S. taxpayer money should not be used to fund foreign organizations that perform or actively promote abortion as a method of family planning in other nations. The policy, which applies to global health assistance furnished by all U.S. departments or agencies, will not impact the total amount of U.S. government funding for these programs. Departments and agencies will make available to other organizations any funding they would have awarded to NGOs that do not agree to the terms of the policy. Given the expansive nature of the new policy, the Department will undertake a review of the effectiveness and impact of the policy's application after the first six months of implementation, which could include identifying implementation issues and the impact on our partnerships with other donors and any other new information affecting implementation going forward.

*Question 15.* Nearly 300,000 women die of complications related to pregnancy and childbirth every year, and 225 million women in developing countries want to avoid pregnancy but are not using an effective contraceptive method. Evidence shows that fully meeting the need for both contraceptive and maternal and newborn health services saves more lives and is more cost-effective than funding only maternal and newborn health services. In fact, every additional dollar spent on contraceptive services will save almost \$1.50 in the cost of providing pregnancy-related and newborn health care. Moreover, maternal deaths would drop by two-thirds and newborn

deaths by three-fourths. Supporting family planning services is one of the most effective and cost-effective tools we have in saving mothers' and newborn lives. Yet, this administration proposes eliminating this funding entirely. Can you say that with these cuts to maternal and child health, nutrition, and other core global health programs will keep us on track for reaching those goals? The money that doesn't go to saving these people, is it more important for it to go to defense funding?

Answer. The Department believes the prevention of maternal and child death is an important global health goal. As we work to ensure that U.S. taxpayer dollars are used efficiently and effectively, we must prioritize our international assistance and make some difficult choices.

*Question 16.* What actions can you take to help these individuals that are committed to the Department and furthering diplomacy?

Answer. We understand your concern about the recent letter sent to the current cohort of Fellows offering them the choice of entering the next available Foreign Service Generalist Orientation Class (A-100) or entering the Consular Fellows Program in the interim. Historically, Fellows have entered the Foreign Service as Foreign Service officers on career conditional appointments in the regularly scheduled July and September A-100 classes. However, given the current hiring constraints, the next A-100 has not yet been scheduled.

We have offered the current cohort of Pickering and Rangel Fellows the opportunity to join our Consular Fellows Program, where they will play a crucial role in our visa security efforts, doing the same work, with the same responsibilities and authority as career Foreign Service Officers. Consular Fellows are members of the Foreign Service and are often the first U.S. Government official foreigners meet. Service in the Consular Fellows Program would count toward Fellows' service obligations under the fellowships. If an individual Pickering or Rangel Fellow chooses not to join the Consular Fellows Program, he/she may choose to wait and enter the next scheduled A-100 class, depending on his/her personal and individual circumstances. Fellows who choose to begin their service as Consular Fellows will be placed in the next available A-100 class upon completion of their one or two two-year Consular Fellows tour(s). Time spent as Consular Fellows will count towards their Pickering or Rangel Fellowship service commitment and will fulfill their Foreign Service Generalist consular tour requirement. As Consular Fellows, they may also be eligible for the Student Loan Repayment Program and a recruitment incentive payment of 10 percent of basic salary, if authorized. As we have conveyed to the Fellows, the Department's commitment and intent to hire every qualifying Fellow into an A-100 class regardless of which option they choose has not changed.

The Department is committed to the Pickering and Rangel Programs as our premier diversity recruitment programs, which together are responsible for 21 percent of the diversity currently in the Foreign Service. We value these talented individuals and recognize that their selection as Pickering and Rangel Fellows is testimony to their substantial promise and abilities. It remains our hope that regardless of which option a Fellow may choose now, they will make their careers in the Foreign Service. We will continue to keep Congress apprised of the status of the A-100 course.

*Question 17.* Do you think the President's hiring freeze further inhibits and constrains the State Department? Wouldn't you consider the above counterintuitive?

Answer. The President's government-wide hiring freeze was in place from January 23 through April 12 of this year. At the end of the freeze, I chose to continue it for the Department of State, with exemptions on a case-by-case basis, pending a comprehensive review of the efficiency and effectiveness of the Department, which is going on now.

We're allowing normal attrition to bring the numbers down. As we look forward, we will continue to replenish our Foreign Service Officer corps. We are mindful of not diminishing the strength of our Foreign Service.

We remain flexible. I have granted several exemptions in order to support our safety, security, and health and I continue to entertain requests for exemptions from throughout the Department on a case-by-case basis.

As part of these efforts, I aim to make the Department of State lean, accountable, and more efficient. Continuation of the hiring freeze is a necessary, but temporary part of that effort.

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RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD  
SUBMITTED TO SECRETARY TILLERSON BY SENATOR YOUNG

*Question 1.* On May 25, in anticipation of Ambassador Haley's trip to Geneva, I convened a subcommittee hearing on the United Nations Human Rights Council (UNHRC). That hearing and the testimony of the witnesses underscored two leading problems with the U.N. Human Rights Council. First, some of the world's worst human rights abusers are members of the human rights council; and second, the Council exhibits a shameful and systematic anti-Israel bias. What specific steps do the Department of State and our mission at the U.N. plan to take to address these two problems at the U.N. Human Rights Council?

Answer. I share your serious concerns about the membership and anti-Israeli bias of the United Nations Human Rights Council (UNHRC).

Although, at its best, the UNHRC calls out human rights violations and encourages positive action, all too frequently it fails to act as it should—not addressing critical situations for political reasons—and undermines its own credibility. Countries with poor human rights records are routinely elected to the Council, where they use their position to shield themselves and frustrate efforts to safeguard fundamental freedoms. The UNHRC maintains a clear anti-Israel bias in the persistence of Agenda Item 7.

This administration believes that reforms are urgently needed to strengthen the Council's membership and revise its agenda.

Toward that end, we are calling on member states to join together in the months ahead to develop and enact changes to the Council's election procedures, accountability measures, standing agenda, and operations to ensure that the world's most critical human rights situations—regardless of where they take place—are addressed fully and effectively.

If such reforms are not possible, I have been clear that we will have to reevaluate our participation in the UNHRC.

*Question 2.* The Center for Strategic and International Studies (CSIS) recently published a report on why the merger of the U.S. Information Agency (USIA) into the State Department in 1999 was a poor decision with long-lasting and negative repercussions on the post-9/11 war of ideas. Have you read this report and how do you believe it might inform current reorganization discussions?

Answer. The State Department is reviewing and taking into considering a wide range of ideas, including those from CSIS, without having any restrictions placed on the internal working groups tasked to provide recommendations to bring greater effectiveness and efficiency for all employees in completing their missions and objectives. I look forward to working with you and the Committee as we develop specific proposals in the months ahead.

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RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD  
SUBMITTED TO SECRETARY TILLERSON BY SENATOR COONS

*Question 1.* Multiple families in Delaware have been impacted by the Ethiopian government's decision to suspend international adoptions. What is the status of the State Department's inquiry into the suspension and ensuring that adoption cases underway prior to April 21st will be resolved?

Answer. Since Ethiopia's April 2017 suspension of intercountry adoptions, Department of State officials have vigorously engaged with the Ethiopian government to strongly advocate for a way forward for cases in process. On June 1, an official from the Ministry of Woman and Children's Affairs (MOWA) told Embassy Addis Ababa that MOWA would resume issuing Vital Signature letters for cases with Federal First Instance Court (FFIC) approval, which is a legal adoption.

Since June 1, MOWA has issued documents allowing more than 24 adopted children with FFIC approval to obtain Ethiopian passports and initiate their U.S. immigration processes. MOWA continues to process cases in all stages of the adoption process and has informed the Embassy they will have an "exit strategy" for remaining cases. The Department of State continues to request information on the status of pending cases.

Ethiopia's adoption policy has reportedly changed to favor domestic placements over international adoptions. The Ethiopian government has not released an official statement on the suspension or the reported policy change. The Department of State will continue to advocate for intercountry adoption as an option for Ethiopian children in need of permanent homes.

*Question 2.* As a part of the hiring freeze, I understand that the State Department has decided to freeze the accession for all current Rangel and Pickering fellows. Last week, all current Pickering and Rangel fellows who were about to start A100 were told were told that those classes were on hold indefinitely. Both the Pickering and Rangel fellowships are premier accession programs into the Foreign Service and have served as vital pathways for increasing the diversity in the ranks of Foreign Service Officers. The actions taken to freeze these programs show a disturbing lack of attention and commitment of the crucial importance of diversity in the State Department. What are your plans for these important programs?

Answer. The Department is committed to the Pickering and Rangel Fellowship diversity recruitment programs, which were established to increase diversity in the Foreign Service. Fellows are trained to and expect to join the Foreign Service upon the completion of the programs. Historically, the Fellows have entered the Foreign Service as career conditional entry level officers. As of June 13, the Department was unable to offer this year's cadre of Fellows a spot in an A-100 class at that time, as had been customary. We value these talented individuals and are determined to bring their skills into the Department. Although the Department was not able to offer the Fellows a spot in an A-100 class as of that date, the Department offered them the opportunity to join the Consular Fellows Program as an alternative to waiting until the next A-100 class. Fellows were given the option to choose to enter the Foreign Service as a Consular Fellow now, or wait until the next A-100 class, depending on their personal and individual circumstances. Fellows who would have chosen to begin their service as Consular Fellows would have been placed in the next available A-100 class upon completion of their one or two two-year Consular Fellows tour(s).

Since that time the Department has offered all eligible Fellows spots in the July and September 2017 A-100 entry level Foreign Service Officer classes. On July 24 we welcomed 35 Pickering and Rangel Fellows into the Foreign Service, and we will welcome another 24 on September 18.

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RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD  
SUBMITTED TO SECRETARY TILLERSON BY SENATOR PORTMAN

*Question 1.* When you were here last, you spoke about the importance of supporting Ukraine against Russian aggression and maintaining sanctions against Russia for its purported annexation of Crimea and ongoing activities inside eastern Ukraine. Having engaged with the Russians on this issue, what do you think the Russian goals are in Ukraine?

Answer. Russia has opposed any attempts by former Soviet states to integrate with NATO or the European Union (EU). Russia's violation of Ukraine's sovereignty and territorial integrity came as a response to Ukrainian efforts to sign a cooperation agreement with the EU, and Moscow's main goal is likely to exercise veto power over Ukraine's strategic foreign policy decisions.

This administration believes that Russia needs to make the first step toward ending the conflict in eastern Ukraine, including implementing a lasting and durable ceasefire, withdrawing heavy weaponry, and granting OSCE monitors full and safe access. Russia, and the forces it leads in the Don River Basin (Donbas) continues to systematically obstruct the operations of the Special Monitoring Mission (SMM), which is a vital component to implementation of the Minsk agreements. We have called on Russia to compel the so-called "separatists" they equip, lead, train, and fight alongside, to immediately end their campaign of harassment aimed at the SMM and allow their operations to continue. The administration has stated that Russia must adhere to its commitments under the Minsk agreements.

Russian involvement in Ukraine remains a significant obstacle to improving U.S.-Russian relations. If Russia wants to move the U.S.-Russia bilateral relationship to a better place, it needs to begin by making a visible, verifiable, and irreversible improvement in the security situation in eastern Ukraine now.

*Question 2.* When you were here last, you also stated your support for providing defensive lethal assistance to Ukraine, as part of a comprehensive strategy to give Ukraine the tools to needs to defend itself. Do you still hold this position?

Answer. While the United States has not provided lethal defensive weapons to Ukraine, we have not ruled out the option of doing so. As I stated previously, Ukraine has a right to defend itself against Russian aggression. We are closely examining how to best use our security assistance funding going forward to bolster Ukraine's ability to defend its sovereignty and territorial integrity. The United

States continues to focus on finding a diplomatic solution to the crisis in eastern Ukraine through the full implementation of the Minsk agreements. In response to Russian aggression, the United States has committed more than \$600 million in security assistance to provide training and equipment to help Ukraine defend its sovereignty and territorial integrity, better monitor and secure its borders, and deploy its forces more safely and effectively. We have also established a Multinational Joint Commission and a training group to coordinate international efforts and help build Ukraine's defense capacity to deter further Russian aggression. As I have told my Russian counterpart directly, our Minsk-related sanctions will remain in place until Russia fully implements its commitments, and our separate Crimea-related sanctions will remain in place until Russia returns the peninsula to Ukraine.

*Question 3.* What is the role you see for the EU, particularly the French and the Germans, in helping to resolve the situation in Ukraine? Do you agree that it is important for the United States to assume a leadership role in urging our allies to remain united on this issue?

Answer. The EU has been a reliable and crucial partner in implementing and maintaining sanctions on Russia in response to its aggression in Ukraine. On June 22, EU leaders agreed to extend the economic sanctions against Russia for its failure to implement the Minsk Agreements. We anticipate this political decision to be formally adopted by the Council of the EU in the coming weeks.

France and Germany play a flagship role in resolving the conflict in eastern Ukraine and are working through the Normandy process to achieve sustainable peace as outlined in the Minsk Agreements. Shortly after his inauguration, newly elected French President Macron called for a Normandy Quartet (Germany, France, Russia and Ukraine) Heads of State summit, demonstrating France's commitment to the implementation the Minsk peace agreements.

We are exploring ways that we can accelerate a resolution of the conflict and put an end to the human suffering in eastern Ukraine. We want to supplement the work that is already taking place and find a meaningful way to contribute in consultation with all parties involved.

*Question 4.* With regards to Ukraine, in what areas have you seen the greatest progress in implementing reforms? In what areas should the United States encourage greater progress?

Answer. Ukraine has made significant progress in implementing key reforms since the Revolution of Dignity in 2014. In the area of macroeconomic reforms, Ukraine has passed two IMF-compliant national budgets, continues to clean-up the banking sector, relaxed currency controls, and is actively pursuing pension reform.

In the energy sector, reform of state-owned natural gas company Naftogaz, including more professional corporate management of the enterprise, enabled Naftogaz to be a net contributor to the national budget for the first time last year. Ukraine also increased gas tariffs to 100 percent of cost recovery in order to more accurately reflect market prices and lower Government expenses, passed an electricity market law (a key requirement under the EU's Third Energy Package), and adopted the Law on the Regulator, which increased the political and budgetary transparency of the National Energy Regulatory Commission.

The United States will continue to encourage greater progress in the following areas: anticorruption and judicial sector reforms (including the formation of an anticorruption court); corporate governance reform and privatization efforts; and, continuing to meet required conditions for additional funding under the \$17.5 billion IMF program.

*Question 5.* What is your assessment of the impact of these proposed cuts on our efforts to support Ukraine and other post-Soviet states attempting to forge an independent and democratic future?

Answer. The President's FY 2018 budget request for Europe and Eurasia will allow us to continue to support the work of the Department and USAID to strengthen resilience, reduce vulnerability to Russian aggression and malign influence, and support the Euro-Atlantic aspirations of our partners in the region.

The United States remains firmly committed to Ukraine's sovereignty and territorial integrity, and sanctions against Russia will remain in place until Russia fully implements its commitments under the Minsk agreements and returns control of the Crimean peninsula to Ukraine. In addition, the FY 2018 request supports Ukraine's reform agenda and efforts to accelerate Ukraine's integration into Europe. It also provides assistance to resist Russian aggression and malign influence region wide, with a particular focus on conflict mitigation, anti-corruption, rule of law, democratic governance, trade and investment, financial sector reform, and economic and energy diversification.

*Question 6.* Please explain why you propose cutting funding to post-Soviet states like Ukraine, often considered among the states most vulnerable to Russian influence, considering that countering Russian aggression and malign influence is considered one of the main objectives of regional assistance?

Answer. As we work to streamline efforts to advance the security and prosperity of the American people and ensure efficiency and effectiveness of U.S. taxpayer dollars, we have had to prioritize and make some tough choices.

With the President's FY 2018 Request for Europe and Eurasia, we will target our assistance areas where we see the greatest risk of Russian malign influence and the greatest opportunity to achieve success, retaining focus on our highest priorities, engaging other countries to advance our shared interests, and leveraging our funds with other donors wherever we can. U.S. foreign assistance programs will seek to counter Russian covert and overt malign influence by improving democracy and good governance; expanding civic engagement and independent media; increasing defense capabilities; strengthening rule of law and anti-corruption measures; and, promoting European integration, trade diversification and energy security. This includes continuing support for a strong, independent Ukraine, an economically and politically resilient Georgia, and Balkan countries that are able to resist external and internal pressures that result in democratic backsliding.

*Question 7.* Would you agree that the dangers posed by extremist messaging and state-sponsored information operations represent a critical national security threat to the United States?

Answer. Yes, both extremist messaging and state-sponsored disinformation operations represent a critical national security threat to the United States.

GEC leads the USG effort to deny extremist groups a digital safe haven even as they lose territory on the ground. We recognize that the information battlespace is as important as the physical battlespace. Any long-term strategy to counter violent extremism needs to focus on preventing the recruitment of terrorists. As we continue to defeat ISIS on the battlefield, we must continue to fight them aggressively online to prevent their ability to increase their online presence and inspire audiences to commit violence in response to territorial losses. That is precisely why the USG originally established the Global Engagement Center (GEC) last year and charged it with leading the coordination of federal government efforts to counter the messaging of non-state actors. The GEC is focused on countering the recruitment efforts of terrorist groups such as ISIS and exposing and countering their warped and perverse ideology.

In December 2016, the U.S. Congress expanded the GEC's mission and granted it new legal authorities out of growing concern about the adverse effects of state-sponsored propaganda and disinformation efforts on U.S. national security. State-sponsored propaganda and disinformation have emerged as clear national security concerns, increasing in overall size and sophistication. State-sponsored disinformation operations impact United States foreign policy objectives. Disinformation operations create a lack of confidence in foreign populations and sow seeds of doubt in the susceptible populations living in our allied and partner nations.

As stated in the Director of National Intelligence's January 2017 report, countries and entities involved in spreading disinformation during election campaigns in Western democracies will apply what they have learned "to future influence efforts worldwide, including against US allies and their election processes." It is critical that efforts to counter both extremist messaging and state-sponsored disinformation are fully supported with policy authority and funding. We appreciate the important leadership and support that Congress has provided the GEC.

*Question 8.* Where does the Department stand on carrying out this important mandate? I understand that the Center itself has been established, and your budget requests \$34.4 million for the GEC in FY 18. Have you requested any funds yet from DoD?

- If so, have these funds been received?
- If not, why not? What needs to happen first?

Answer. In addition to the GEC's base budget request, the FY 2017 NDAA authorizes the Secretary of Defense to transfer up to \$60 million to the State Department to support the GEC in FY 2017 and FY 2018, provided that the amounts otherwise made available to the GEC do not exceed \$80 million in each of those years. To date, the GEC has not received any funding from DoD or from any other sources to conduct the expanded counter state propaganda and disinformation mission. The entirety of the GEC's current FY 2017 and planned FY 2018 base budgets are re-

quired to conduct its counterterrorism mission. No additional funds were included in these base budgets for the GEC's counter state disinformation mission.

The GEC is focused on requesting the \$60 million from the Pentagon. GEC's leaders have held meetings with my senior advisors, including a recent briefing with my Deputy Chief of Staff, on the topic of this transfer of funds from DoD. My Department is currently assessing all the implications of this potential transfer of funds, with an eye toward ensuring that funding exists to support these vital efforts beyond FY 2018.

Since the enactment of the FY 2017 NDAA in December, GEC leadership and GEC's counter state disinformation office have consulted with interagency colleagues to gain a deeper understanding of current USG efforts to counter state-sponsored propaganda and disinformation. These consultations with our DOD partners include EUCOM, PACOM, CENTCOM, SOCOM, OSD/SOLIC and the Joint Staff (J39). Consultations with bureaus within the State Department have included EUR, AF, NEA, CT, and EAP. Further, the GEC continues to engage with foreign governments and various experts in civil society to help us achieve our new mission, including engagements with individuals from NGOs, donor organizations, and academia.

*Question 9.* What are the current scope and scale of the Center's operations, and what is its strategy for countering the challenges emanating from Russia, China, Iran and other nation-state practitioners of information warfare?

Answer. The GEC's efforts include building a community of interest domestically and abroad. Domestically, this effort includes collaborating across the interagency to map current counter foreign propaganda and disinformation efforts, identifying where gaps exist, synchronizing those efforts to reduce redundancy, and integrating technology and data science. The GEC plans to counter foreign state propaganda and disinformation efforts, in coordination with our NATO and civil society partners, to prevent foreign actors from dominating the information environment.

Abroad, the GEC is expanding the community of interest with its network of allies and nongovernmental partners. The GEC plans to engage in activities that include the sharing of information intended to expose propaganda and disinformation campaigns, and the local operatives who support them. This effort will support the GEC's ability to forewarn foreign audiences of disinformation, and provide an avenue to disseminate fact-based narratives that counter the propaganda and disinformation of our adversaries. GEC's proactive measures to expose propaganda and disinformation campaigns will include leveraging academics and think tanks who report on regional disinformation trends and campaigns and training journalists to identify and report on disinformation and propaganda. The GEC will support foreign partners to make their governments and communities more resilient to propaganda and disinformation.

*Question 10.* After engaging with the Russians on Syria, Ukraine, the Intermediate Nuclear Forces (INF) treaty, and other issues, what areas of common interest do you see, and what is your assessment of the likelihood of progress on these areas any time soon?

Answer. The United States is open to working with Russia where we can find areas of practical cooperation that will benefit the American people and serve our national security interests. Where we do not see eye-to-eye with Russia, the United States will continue to stand up for the interests and values of America, our allies, and our partners.

The United States remains committed to a peaceful resolution to the conflict in eastern Ukraine. We continue to support the Minsk agreements as the best path towards peace. Sanctions against Russia will remain in place until Russia fully implements its Minsk commitments. Crimea-related sanctions will remain until Russia returns control of the peninsula to Ukraine.

In Syria, the United States supports any effort that can genuinely de-escalate the violence in Syria, ensure unhindered humanitarian access, focus energies on the defeat of ISIS and other terrorists, and create the conditions for a credible political resolution of the conflict.

On arms control, Russia continues to implement and comply with the New START Treaty, but we are concerned about Russia's behavior in a number of areas, including Russia's violation of the Intermediate-Range Nuclear Forces Treaty. In the near future we plan to start a dialogue with Russia on Strategic Stability issues.

*Question 11.* The previous administration was infamously slow in rolling out a Russia strategy. Does the Trump administration have one? If not, has a process to develop one begun?

Answer. Currently, our bilateral relationship is at a low point. The President has asked me to begin a re-engagement process with Russia to see if we can first stabilize the relationship, and then identify areas of mutual interest where we can begin to rebuild some level of trust. As this process has developed, the Department of State has worked closely with National Security Staff and other U.S. agencies.

Our overall strategy is to work with Russia where we can find areas of practical cooperation that will benefit the American people, such as counterterrorism, defeating ISIS in Syria, promoting strategic stability and scientific research. I have stressed that while the United States is willing to work with Russia in areas of common concern, we will hold Russia accountable when it violates international norms. Where we do not see eye-to-eye with Russia, the United States will continue to stand up for the interests and values of America, our allies, and our partners.

Russian aggression in Ukraine remains a significant obstacle to improving U.S.-Russian relations. I made clear to Russian Foreign Minister Sergey Lavrov that as we search for common ground, Russia needs to make the first step toward ending the conflict in eastern Ukraine, including implementing a visible, verifiable and irreversible ceasefire, withdrawing heavy weaponry, and granting OSCE monitors full access. I have repeatedly emphasized, including to Russian Federation President Vladimir Putin and Foreign Minister Sergey Lavrov during my April 12 visit to Moscow that Russia must adhere to its commitments under the Minsk agreements.

On Syria, the United States supports any effort that can genuinely de-escalate the violence in Syria, ensure unhindered humanitarian access, focus energies on the defeat of ISIS and other terrorists, and create the conditions for a credible political resolution of the conflict. I have been clear with Minister Lavrov: Russia should use its influence to de-escalate the situation, sustain momentum against ISIS, and rein in the Assad regime. The continued brutality of the Assad regime, including its use of chemical weapons, presents a clear threat to regional stability and security as well as to the national security interests of the United States and our allies. We have agreed that the way to bring stability to Syria must come through diplomatic and political means.

We continue to face a number of problems with Russia on compliance with its arms control obligations. While Russia continues to implement the New START Treaty in a pragmatic manner, we are concerned about Russia's behavior in a number of areas, including Russia's violation of the INF Treaty. This is creating a lack of trust and is an impediment to improving the bilateral relationship.

*Question 12.* What are the strategic implications for the United States of its shift to bilateral negotiations?

Answer. The United States remains fully committed to strengthening its economic relationships across the Asia-Pacific region. Our overall engagement strategy does not depend on a single agreement or initiative. Our goal is to advance our economic relationships in the region through bilateral FTAs and other bilateral frameworks with countries that agree to meet the high standards we have set.

While negotiating agreements on a bilateral basis may take more time, it will provide us the greatest prospect for achieving our economic goals.

Through our bilateral engagements, including our dialogues with China and Japan, and work through regional bodies such as the Asia-Pacific Economic Cooperation (APEC) forum and the Association of Southeast Asian Nations (ASEAN), we seek to spur domestic reforms that will lead to high standards on trade and investment throughout the Asia-Pacific region. Our strategy will allow us to set regional norms that encompass high standards, ensure the best possible outcomes for U.S. competitiveness, and reflect U.S. leadership in the Asia-Pacific.

*Question 13.* Can smaller trade agreements with advanced regional economies like Japan, New Zealand, and Australia serve as a starting point for the promotion of high-quality, high-standard trade practices throughout the broader regional economy?

Answer. The United States will elevate our Asia-Pacific dialogue on trade and investment through high quality and high standard bilateral agreements. Pursuing bilateral agreements with some of our most important regional trading partners can spur a race to the top by developing high standards that reduce barriers to trade and investment and enhance market opportunities for U.S. companies. Our strategy will promote regional norms based on these high standards, which we expect will lead to economic and job growth in the United States and other countries in the region.

*Question 14.* What are the potential strategic implications for the United States of the current economic initiatives in the Asia-Pacific region in which it is not par-

ticipating, including the Asia Infrastructure Investment Bank, the One Belt, One Road Initiative, and Regional Comprehensive Economic Partnership (RCEP)?

- How should these strategic considerations affect U.S. trade and economic policy in the region?

Answer. The United States is committed to engaging broadly and deeply throughout the Asia-Pacific region. We have encouraged China and others in the region to ensure that regional initiatives promote and uphold internationally accepted best practices in infrastructure development and financing and adopt an open and inclusive approach to their overseas infrastructure projects. We are committed to improving regional connectivity and economic development and are exploring opportunities to increase U.S. firms' participation in this process.

*Question 15.* Do you think the One Belt, One Road Initiative will be able to succeed in financing considerable infrastructure development in the region?

- If that infrastructure is built, how will it alter regional and global trade flows, and what would that mean for China's soft power in the region relative to that of the United States?

Answer. We are encouraging Beijing to provide greater transparency as it develops OBOR, including information about OBOR projects' scope, location, financing, and timelines. While much about OBOR remains unclear, the initiative eventually is expected to result in many new large-scale infrastructure and other development projects in the region, and we are encouraging China to uphold internationally accepted best practices and adopt an open and inclusive approach.

*Question 16.* Do you agree that the Assad regime's actions have helped fuel the growth of ISIS?

- Can a durable peace settlement be reached with Assad still in power?
- If Assad is removed, will the United States work to maintain some of the government institutions needed to maintain stability?
- What role do you envision the Russians playing in achieving this peace settlement?
- What happens after ISIS is defeated? How should the U.S. and its coalition partners consolidate the gains their short and medium-term actions are designed to achieve?

Answer. For over six years, the conflict in Syria has created continued violence and a political vacuum in many parts of the country where ISIS was able to take significant territory. In these past six years, Assad has not focused on defeating ISIS. On the contrary, Syria is a state sponsor of terrorism and allowed ISIS to flourish, not focusing its efforts on the terrorist group or other terrorists active in Syria such as al-Qa'ida (AQ). Too often, the Assad Regime has attacked civilians, hospitals, and schools rather than ISIS. The regime's brutality and continued assaults on the Syrian people is a key ISIS recruiting tool for Syrians and foreign fighters, and continues to provide ISIS the space to operate.

An end to the conflict must begin with a de-escalation of the violence, a defeat of ISIS and other terrorists, and ultimately a political solution. We want to see Syrian parties work together to advance the U.N.-facilitated political process, as called for in U.N. Security Council resolution 2254. We have stated on multiple occasions that we do not believe you can have a stable, peaceful Syria with Assad in charge. We do not, however, seek the complete dissolution of the Syrian state, which would likely result in further chaos, violence, and instability.

The United States has already provided more than \$900 million in non-lethal and stabilization assistance to the Syrian people since the start of the conflict. We are supporting moderate Syrians who serve as a bulwark against violent extremists who seek to exploit the vacuum in security and services, bolstering moderates' ability to play a role in Syria's future. These programs also support our highest national security priority, defeating ISIS and AQ, by stabilizing areas liberated from ISIS in order to help prevent its return. In addition, the United States has contributed more than \$6.5 billion in humanitarian assistance to Syria and its neighbors since the start of the crisis, reflecting U.S. leadership in meeting dire humanitarian needs.

The Assad regime remains in power because of Russian and Iranian support. Russia, with Iran and Turkey, began the Astana Process in December 2016. Through this process, the three countries hope to implement de-escalation areas throughout Syria in an effort to decrease violence. The United States is only an observer in this process. The goals set forth in Astana are important ones: de-escalate the violence; guarantee access for humanitarian assistance to communities in desperate need; and defeat ISIS. For these goals to be met, Russia must use the leverage they claim they have with the Assad regime. Although we welcome any actions that de-escalate

the violence in Syria, we continue to have serious concerns about the Astana process, including the involvement of Iran as a so-called “guarantor.”

As the United States and our Counter ISIS Coalition partners continue to make progress against ISIS on the battlefield, we are funding humanitarian assistance to those in need, supporting the destruction and removal of explosive remnants of war, providing stabilization assistance to resume essential services (e.g. water, electric, schools and medical facilities), jumpstarting local markets, and supporting bottom-up reconciliation efforts and the provision of psychosocial support to consolidate these military gains. Together, as a Coalition, working by, with, and through our partner forces on the ground we have liberated over 23,000 square kilometers ISIS once controlled in Syria. As a result of our efforts, and thanks to congressional support, ISIS has been unable to recapture a single inch of territory from Coalition-partnered forces. We are helping local partners hold ground against ISIS, restore services, clear schools and clinics of explosive hazards, care for displaced persons, and help families return home. This is critical to ensure the enduring defeat of ISIS and AQ and preventing the resurgence of other extremist groups. Post-ISIS stabilization assistance will seek to support local governance and civil society organizations that are civilian-led and prove themselves to be inclusive and representative of the populations they serve and create the necessary space for a political resolution to the broader conflict.

The United States will continue to support constructive efforts to de-escalate the violence in Syria and ensure humanitarian aid reaches those in need, while continuing the fight against ISIS and AQ.

*Question 17.* In your budget, the Foreign Military Financing (FMF) account would be reduced by 19 percent compared to FY 2017 enacted funding, with 95 percent of the request allocated to four countries: Israel (\$3.1 billion), Egypt (\$1.3 billion), Jordan (\$350 million), and Pakistan (\$100 million). By contrast, these countries comprised 85 percent of FMF funding in FY 2016. The remaining \$200.7 million would be for a global account to be allocated as necessary, on a grant or loan basis, to meet pressing security challenges.

What is the perceived benefit to such an account compared to the current FMF structure? On what basis would allocation decisions for the global account be made? Would Defense Department-administered train-and-equip funding -which has significantly expanded in recent years -make up the difference in FMF funds?

Answer. The global FMF fund would permit the Department to allocate funds according to current priorities during the year of appropriation. This approach permits greater flexibility, selectivity, and responsiveness than the previous structure, which required the Department to determine and publish requested bilateral allocations years before the funds would be implemented.

The Department will determine allocations during the year of appropriation based on administration priorities, available funding, and likelihood of program success.

State and DoD are working together to develop processes to synchronize security assistance planning and programming across the two agencies. At the direction of Secretary Mattis and myself, the Departments have established a new State-DoD Security Sector Assistance Steering Committee that is taking on this important task. While State and DoD assistance authorities are not identical, the Departments will work together to ensure that our respective authorities and resources advance the administration’s foreign policy and national security priorities.

*Question 18.* Under what scenarios do you anticipate FMF loans being provided in FY 2018 as opposed to grants? How might the proposed provision of loans instead of grants impact the participation of various countries, and their desire to acquire U.S.-origin equipment in general?

Answer. The Department will pursue loans with partners that the U.S. government has determined as able to fulfill their financial commitments without significant risk or are developing military capabilities that advance core U.S. foreign policy priorities.

It is not yet clear whether a transition from grants to loans will lead to a reduction or an increase in the amount of U.S. defense articles and services purchased, granted, and/or loaned around the world. Partners may have the opportunity to borrow more than they received in the past in grant assistance, allowing recipients to purchase more American-made defense equipment and services. However, not all recipients may be appropriate loan partners for the United States, due to their limited national budgets or other circumstances that could limit their ability to repay the loan. Some recipients may not be willing to accept or be able to repay a loan from the U.S. government, which must, by law, be offered at an interest rate of no less than five percent and with a term of no more than 12 years. In some circumstances,

past FMF recipients may also choose to seek loans or assistance from other international suppliers. However, these possibilities are mitigated by the fact that some of the largest recipients will continue to be funded with FMF grant funds at significant levels, and by the high quality of defense articles and services produced by the United States compared to other possible suppliers.

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RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD  
SUBMITTED TO SECRETARY TILLERSON BY SENATOR MERKLEY

*Question 1.* Do you pledge to preview any proposed redesign of the State Department with members of this committee from both parties, to solicit feedback, and to only proceed with a plan that Senator Corker and Senator Cardin collectively representing the views of the committee's broader membership can support?

Answer. The Department of State (State) takes very seriously its responsibility to consult with Congress on its plans and vision for the future of the agency.

Executive Order 13781 of March 13, 2017, calls for each agency to submit a plan, due in September, to improve the efficiency, effectiveness, and accountability of that agency. State and U.S. Agency for International Development (USAID) are working to meet this deadline and have begun to discuss goals, priorities and the strategic direction of the organizations to adapt to the changes that we will face over the next twenty years. We are looking at aligning resources, people, and our overarching mission, including restructuring State and USAID's operations, in order to deploy the talent and resources of State and USAID in the most efficient way possible. This review has no preconceived outcomes.

In the first "listening" phase of this discussion, we engaged Insigniam, a consulting firm, to conduct a survey made available to all of our State and USAID colleagues, including employed family members, locally-engaged staff, and contractors. Insigniam also held in-person listening sessions with approximately 300 individuals, including Committee staffers, to obtain their perspective on what we do and how we do it. The surveys and listening sessions, all of which occurred in early-mid May, collected information on our organizational processes and culture, including what activities to eliminate, ideas for restructuring the organization, ideas for improving organizational efficiency and effectiveness, and workforce management. Insigniam compiled the results and generated a report, which was previewed to me on May 30. From this feedback, we have been able to get a clearer overall view of our organization. We are still analyzing the feedback we have received, and intend to use the results of the report as input to efficiency improvements as part of our larger efforts called for under E.O. 13781.

Before the end of June, I will communicate with all State and USAID employees, as well as the Committee and others in Congress, about the results of the report and the plans for the second phase of this endeavor. The general intent for the second phase is to engage the State and USAID community to design how the agencies will function for the next twenty-plus years. We will seek the input of the Committee and others in Congress throughout this process. The recommendations, blueprints, and new vision that emerge from the redesign phase will be presented to OMB in September as part of the requested Agency Reform Plan, and will be fully discussed with the Committee and others in Congress before implementation begins in FY 2018.

*Question 2.* Will you commit that the United States will adhere to Article 5 of the North Atlantic Treaty and come to the mutual defense of any North Atlantic Treaty Organization ally, even if that member does not meet its two percent of GDP defense spending target?

Answer. I assure you President Trump, as well as myself and Secretary Mattis, all agree that collective defense in accordance with Article 5 is a bedrock principle of NATO and underpins the transatlantic relationship. We have all reaffirmed this publicly. I look forward to continuing to reaffirm the United States' ironclad commitment to Article 5, including at the next meeting of NATO Foreign Ministers.

An effective deterrent and a meaningful Article 5 commitment also require that Allies shoulder their fair share of the burden to strengthen our collective defense capabilities. We continue to stress to Allies the importance of meeting their commitments to move towards spending at least two percent of GDP on defense by 2024, and to invest those resources in ways that enhance our collective capabilities.

*Question 3.* What is the administration's policy on the New START Treaty? Will you advocate for an extension of the treaty beyond its current February 2021 expira-

tion date to ensure that legally binding, verifiable limits remain on Russia's nuclear arsenal?

Answer. The administration is reviewing its Russia policy, including Russia's arms control implementation and compliance. Russia is in compliance with the New START Treaty. The administration is focused on reaching the New START Treaty's central limits by February 2018 and will then assess next steps in strategic arms control.

*Question 4.* Does President Trump plan to discuss the future of New START and Russian non-compliance with the INF Treaty directly with President Putin when they meet on the margins of the G-20 meeting in July? Will you recommend to him that he do so?

Answer. The administration is reviewing its Russia policy, including Russia's arms control implementation and compliance. Even while the review is underway, we still plan to raise Russia's INF violation with Russian officials in appropriate venues to inform them that this violation impedes progress toward improving our bilateral relationship, and that Russia must take the first steps toward resolution.

On New START, the administration is focused on reaching the New START Treaty's central limits by February 2018 and will then assess next steps in strategic arms control.

*Question 5.* Do you support the United States playing an active role in negotiating a political settlement in Afghanistan, and, if so, what are the broad contours of a political agreement that would be acceptable to the administration?

Answer. A negotiated peace accord with the Taliban is critical to ending the conflict and ensuring the long-term preservation of our national security interests. We have signaled to the Afghan government and our NATO allies our priority to launch a peace process, and we regularly engage Afghanistan's neighbors to press the Taliban to come to the negotiating table.

The broad outlines of an acceptable agreement to end the conflict would require the Taliban to cease violence, break all ties to international terrorists, and accept the Afghan Constitution, including its protections for women and minorities. These end-conditions are necessary to ensure the gains achieved over the last 15 years are protected.

*Question 6.* What steps are you taking to press Russia to adhere to the Minsk agreements, and how would you categorize your progress to date? Is the administration planning to increase or relax sanctions against Russia to encourage its adherence to the agreements?

Answer. The United States remains committed to the Minsk agreements, but we are not satisfied with the progress of their implementation. We have called on Russia to use its influence over the so-called separatists to accept the International Committee of the Red Cross proposal to protect critical infrastructure and implement measures to ease the impact of the fighting on the local population.

Russia-led separatists have continued to obstruct the operation of the SMM. The SMM is a vital component to implementation of the Minsk agreements. Parties that threaten it—or refuse to stop the threats against it—are signaling their contempt for the peace process for eastern Ukraine. We have called on Russia to compel the separatists that they lead, train, and fight alongside to end their campaign of harassment aimed at the SMM immediately and stop the harassment of SMM monitors, and to allow SMM operations to continue unimpeded.

The United States remains deeply disturbed by the escalating violence in eastern Ukraine, and continues to fully support Ukraine's sovereignty, independence, and territorial integrity within its internationally-recognized borders. Ukraine-related sanctions on Russia will remain in place until Moscow reverses the actions that triggered them, and we will keep them in place until Moscow fully honors its commitments to resolve the crisis in Ukraine.

*Question 7.* Former Secretaries of State Powell, Rice, Clinton, and Kerry all met with civil society groups during visits to Russia. You declined to meet with any civil society representatives during your first visit there. Why did you choose to forgo meeting with civil society groups on your trip, and what steps do you plan to take to ensure that our bilateral relationship with Russia adheres to U.S. values?

Answer. I believe that the Department of State's mission is at all times guided by our longstanding American values of freedom, democracy, individual liberty, and human dignity.

While I was not able to meet with civil society groups on this first trip, Department officials at all levels, including officials at the United States Embassy in Moscow, Russia, regularly meet with civil society groups. We believe that the Russian

people, like people everywhere, deserve a government that supports an open marketplace of ideas, transparent and accountable governance, equal treatment under the law, and the ability to exercise their rights without fear of retribution. Although the space for civil society and free media in Russia has become increasingly restricted, Russian organizations and individuals continue to express a desire to engage with the United States. As long as this continues to be the case, the United States will support opportunities for direct interactions between Russians and Americans, including through peer-to-peer, educational, cultural, and other regional programs that provide exchanges of best practices and ideas on themes of mutual interest.

*Question 8.* Did you raise Russia's interference in the 2016 presidential election cycle during your May 2017 meeting with Russian Foreign Minister Sergei Lavrov? Have you or any other State Department officials addressed this issue in meetings with Russian counterparts?

Answer. While I do not want to get into specifics of my diplomatic conversations, I assure you that the Russian government is well aware of our concerns over its cyber activities directed against the United States and more globally. The Department has repeatedly raised its concerns with the Russian government. The U.S. government will take action to protect our interests and to harden our defenses against malicious cyber activity. The Department also continues to maintain established means and modes of communication to ensure that the United States and Russia do not misunderstand one another.

*Question 9.* President Trump has indicated a willingness to "renegotiate" the Paris Agreement following the U.S. withdrawal. Given that the United States designs its own commitments under the Paris agreement and could have changed them rather than withdraw, what would be the administration's objective in renegotiating the Paris Agreement? What, if anything, is being done by the State Department to secure a new agreement?

Answer. As the President indicated, we will begin negotiations to re-enter either the Paris Agreement or an entirely new deal. We will engage with partners and stakeholders to identify a path forward. It is important to note that the President is not walking away from engaging on the issue of climate change. The administration will work to ensure that America remains the world's leader on environmental issues, but in a way that is fair and where the burdens and responsibilities are equally shared among the nations around the world.

*Question 10.* While I would have disagreed with this policy, the administration could have reduced U.S. commitments while remaining in the Paris Agreement. What specific provisions of the Paris Agreement—apart from the U.S. pledge, which could have been altered—did the President object to that prompted the decision to withdraw?

Answer. The President has made clear that he does not want to commit the United States to a set of actions, policies and measures that produce burdens specific to the United States that other countries do not face. He expressed concerns that implementing the U.S. pledge would have resulted in job losses in the United States, while other countries, especially economic competitors, were not taking on similarly rigorous targets. In addition, the President expressed concern that prior financial pledges to developing countries were not in the best interest of American taxpayers, and that major emerging economies were not taking on commensurate commitments. With that being said, the President is intent on staying engaged on the issue of climate change and interested in finding a way to reenter the Paris Agreement on terms that are more fair to the American worker and American consumers.

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RESPONSES TO ADDITIONAL QUESTIONS FOR THE RECORD  
SUBMITTED TO SECRETARY TILLERSON BY SENATOR BOOKER

*Democracy and Governance*

*Question 1.* According to Freedom House, freedom in the world has been in decline over the last decade. Meanwhile, the Fiscal Year 2018 budget proposes a 50 percent cut in spending for Democracy, Rights, and Governance (DRG) programming from Fiscal Year 2010. There has long been a bipartisan consensus in the United States that democracies are more adaptable to change, more resilient, and therefore more stable.

- Do you believe that helping countries strengthen democratic institutions and the rule of law should remain a primary U.S. objective?
- In light of Russia's efforts to undermine Western Democracies and the threats to rule of law in many African countries such as DRC, in which an American, Michael Sharpe was killed investigating reports of state-backed atrocities, do you believe that deep cuts to DRG programming undermines our own security interests?

Answer. Supporting countries in strengthening democracy, human rights, and governance (DRG) is critical for defending national security, fostering economic opportunities for the American people, asserting U.S. leadership and influence, and ensuring effectiveness and accountability to the American taxpayer. As has been the case for many years, Democracy, Human Rights and Governance (DRG) programs implemented by both USAID and the State Department seek to build the accountability, transparency, and responsiveness of democratic governing institutions; foster respect for human rights and the rule of law; fight corruption; promote citizen participation and engagement in governance and rule of law; and strengthen civil society organizations and independent media.

Some of our most pressing national security threats at their core stem from other countries' poor governance and from the absence of the rule of law, including weak or nonexistent democratic institutions, a lack of accountability, corruption, low citizen engagement, and human rights abuses. DRG investments are critical to addressing the societal conditions that lead to violent extremism, radicalization, migration, instability, and organized crime. In FY 2018, DRG programs will be targeted to promote effective, accountable and democratic institutions and a vibrant civil society, which creates the conditions for long-term security. Furthermore, DRG programs will strengthen the rule of law, diminish corruption, and encourage government transparency.

#### *Long Term U.S. Investment*

*Question 2.* I understand that USAID Missions are—in some cases—holding back funding for long-term development programs because they do not want to start programs they worry they will have to cut in FY 2018 or beyond. I am extremely concerned by this as long-term development programs are essential for addressing the drivers of violence, poverty, and insecurity around the world. If programs continue on cost-extensions or are switched to short-term, year-long programs, they will not be as efficient or effective.

- How does your budget support effective programming that must take more than a year or two to work and have impact?

Answer. USAID implements multi-year programming subject to the availability of funds. While USAID programs are funded by single fiscal year through the annual appropriations process, USAID's operational model requires multi-year planning designed to achieve longer term development objectives in a given country or region based on the best available evidence and analysis. In response to lessons learned, changes in partner country context, or the availability of resources, USAID can adapt its programming in order to continue to achieve effective and sustainable results and advance U.S. foreign policy.

#### *Nigeria*

*Question 3.* Senator Paul and I sent you a letter last week expressing concern about the reported sale of Super Tucano aircraft to Nigeria. The Nigerian Air Force mistakenly bombed an IDP camp in Rann in January, killing as many as 200 people. There has been no report to the public about what went wrong. The Nigerian Army is accused of massacring 300 people and burying them in a mass grave in December of 2015.

No one has been held accountable to date. In mid-2015, Amnesty International released a report alleging that the deaths of 8000 civilians are attributable to the Nigerian military in northeast Nigeria, and that specific commanders had knowledge of torture, extra-judicial killings and arbitrary detentions in overcrowded facilities.

In your response to questions for the record for your confirmation hearing, you said that "assistance on the improvement on human rights is something that must be considered on a case by case basis."

- Have you reviewed the case of Nigeria?
- Why are we moving ahead with the sale of Super Tucanos without getting assurances that the Nigerian government will share with us the findings of the investigation into the Rann bombing and insisting on accountability for the Zaria massacre?

Answer. In the State Department's conversations with the Nigerian government at all levels, we regularly underscore that human rights abuses and impunity for those violations tarnish Nigeria's international reputation, undermine its ability to establish trusting relationships with its citizenry, and impede our ability to serve as a partner in Nigeria's efforts to defeat Boko Haram and the Islamic State of West Africa. I will continue to urge the Government of Nigeria to undertake timely and credible investigations into all allegations of human rights abuses, pursue broader and more transparent efforts to end impunity, and hold individuals found guilty of wrongdoing to account.

Nigeria is a critical partner in the fight against terrorism in Africa. As President Trump told President Buhari in their February phone call, we support Nigeria's interest in purchasing a close support aircraft capability from the United States to counter the regional threat of the Islamic State of West Africa and to defeat Boko Haram. This is part of our efforts to help professionalize the Nigerian security forces. The ultimate goal of U.S.-Nigeria security cooperation is to support the transformation of the Nigerian military into an operationally capable and professional organization that upholds international human rights standards and the Law of Armed Conflict in its operations and holds any violators to account.

The bombing of Rann was a terrible tragedy. The strike appears to be the result of human error. When the incident occurred, the Nigerian military immediately assumed responsibility for the tragedy. The air force also promptly established a six-person panel to investigate the incident. This and other investigations are ongoing. The Nigerian air force has also initiated a number of corrective actions to prevent future such mistakes, including closer coordination with humanitarian organizations active in the region. We support Nigeria's desire to acquire aircraft designed for more precise air-to-ground strikes, enabling pilots to positively identify targets prior to the release of weapons. Since this incident, the U.S. government has secured funding for air-to-ground integration training with the Nigerian military.

*Question 4.* administration's Africa Policy: South Sudan, as you know is experiencing a famine, DRC is facing a political crisis that has thrown the country into turmoil, Mali and Central African Republic continue to experience conflict and violence. Meanwhile, there has not been a nomination for an Assistant Secretary for Africa, there is no Senior Director for Africa at the NSC, and despite a bipartisan call for a Special Envoy for Sudan and South Sudan, none has been appointed. What do we see are major cuts to our programs in Africa at the same time that Ambassador Haley promises deep cuts to peacekeeping operations on the continent.

- Can you explain to this committee this administration's plan or strategy for Africa?
- Can you provide this committee with a commitment for the appointment of a special envoy for Sudan and South Sudan and an Assistant Secretary for Africa?

Answer. The Department's strategy for sub-Saharan Africa focuses on four key priorities for the region: advancing peace and security; spurring economic growth, trade, and investment; strengthening democratic institutions; and promoting opportunity and development.

We seek to advance peace and security in the region by: countering transnational threats, like terrorism and transnational crime; addressing economic and political drivers of violent conflict; preventing, mitigating, and resolving armed conflict; and advancing regional security cooperation and security sector reform.

Our strategy also promotes the implementation of legal, regulatory, and institutional reforms that spur and sustain growth, trade, and investment as a way to encourage development of local capacity. We support deeper economic integration across Africa to enable greater levels of trade, provide a further boost to diversification and sustainable growth, and create broader and more diverse markets.

We also recognize the foundational importance of democracy, human rights, and governance to Africa's future and U.S. foreign policy objectives on the continent and seek to strengthen democratic institutions. Working in partnership with African governments and civil society, we aim to help strengthen governance institutions, protect the democratic and development gains, and prevent democratic backsliding.

Finally, we seek to accelerate development in sub-Saharan Africa by reducing poverty and addressing constraints to growth. Without the proper investments in African institutions, grievances about service delivery, corruption, poor health outcomes, a lack of economic and educational opportunities, and food insecurity will only increase forced migration and regional instability.

With the recent confirmation of the Deputy Secretary, and an ongoing Department-wide organizational assessment, we are evaluating various roles, including special envoys.

*Food Security/Famine*

*Question 5.* Famine has been declared in parts of South Sudan, and another three countries—Yemen, Somalia, and northeastern Nigeria—are currently facing the threat of famine, leaving 20 million people at risk from starvation and disease. These countries are also some of the most unstable in the world, and harbor terrorist groups like ISIS, Al Shabaab, and Boko Haram.

Since food insecurity is one of the main drivers of instability, the national security implications of this famine for the United States are real and urgent. However, the administration's FY 18 request proposes to cut overall funding for humanitarian assistance by \$4.2 billion (44 percent).

- Do you agree with the premise that there is a link between humanitarian crises and national security threats?

Over the past three months, we have seen testimony on Capitol Hill from the Commanders of CENTCOM, AFRICOM, PACOM, SOUTHCOM, EUCOM, and SOCOM, the Chairman of the Joint Chiefs of Staff, and the Secretary of Defense calling the State Department and USAID “indescribably critical” and expressing “unqualified support” for sufficiently resourcing our diplomats and development experts.

- Do you agree with these military leaders that the State Department plays a critical role in the whole-of-government approach to national security?
- Did you speak with Secretary Mattis and other military leaders when creating this budget?

Answer. Many of the most exigent global threats to U.S. national security today emanate from conflict-affected and fragile states with poor governance, the absence of the rule of law, corruption, weak or nonexistent democratic institutions, and human rights abuses. Indeed, crises in these countries have sparked historic levels of displaced people around the world, which have required increasing amounts of U.S. and other international humanitarian resources to respond. These crises also create enabling environments for ISIS and other transnational terrorist groups to operate.

The United States is committed to doing our fair share to respond to humanitarian crises. With our FY 2018 budget request, we will remain a leading contributor of humanitarian assistance. We are also asking our international partners to step up their efforts and contribute more. We continue to respond robustly to the famine or threat of famine in South Sudan, Somalia, Yemen and Nigeria, providing nearly \$1.2 billion in FY 2017 to date for these crises. At the same time, I believe we must focus on addressing the fundamental conditions that give rise to these crises and work to prevent new ones from emerging. This requires aggressive diplomacy and targeted assistance to resolve conflicts, promote good governance, and promote stabilization. Our budget request in FY 2018 includes dedicated resources to support conflict mitigation, stabilization, and human rights and governance programming in Afghanistan, Iraq, Nigeria, Somalia, Syria, Yemen, and elsewhere. That said, as I stressed in my opening remarks, I believe it is our people first and foremost—not the level of resources—that will determine our ability to meet these important goals.

The Department of State and USAID have indispensable roles to play in a whole-of-government effort to address these challenges, including working with the Department of Defense (DoD). We partner closely with DoD in Washington on strategy and policy. In the field, our partnership with DoD is essential to ensure that bilateral partners help share the burden to address today's national security threats. In conflict environments, State Department and USAID also work closely with Department of Defense to bring complementary civilian tools to bear to address critical violent extremist threats and stabilization challenges. Alongside the National Security Council, we are reviewing how we can enhance our collective efforts and collaboration to address fragile states and promote stabilization. In addition, Secretary Mattis and I have committed our departments to work more closely together on security sector assistance (SSA) efforts. We have established a new State-DoD SSA Steering Committee that is working to review how we can optimize our respective resources and authorities to advance an “America First” foreign policy that prioritizes U.S. national security and maximizes the value of U.S. taxpayer dollars. Improvements in how we provide SSA will enable our partners to provide greater security and stability, which in turn reduces one of the key drivers of the current humanitarian crises.

*Bipartisan Support for 150 Budget*

*Question 6.* Nine former U.S. Ambassadors to the United Nations—a bipartisan mix of Republican and Democrats—recently sent a letter to Congressional leaders

urging full funding for the organization, deeming the UN an “indispensable instrument,” and making clear how counterproductive slashing contributions would be.

They said that, “Withholding or slashing funding for the U.N. alienates allies whose support is critical to our reform priorities, undermines essential U.N. activities that promote core American interests and values, and costs us more over the long term. It also cedes the agenda to countries that can be hostile to our interests and more than willing to see the U.S. give up its seat at the table.”

Have you had any conversations with former U.S. leaders and or former U.S. Ambassadors to the U.N. like John Negroponte or Tom Pickering or former Secretary of State Albright about their experiences and why they deem it an institution worth supporting?

Answer. I welcome every opportunity to hear from the many experienced diplomats and senior leaders that have shaped American foreign policy over the years. I share the opinion of many from whom I have heard that the United Nations must be an important element of U.S. global leadership. As you know, the President has made clear his belief that the United Nations has enormous potential, but to realize that potential, reform must be prioritized.

In addition to seeking reforms to improve U.N. efficiency, effectiveness, and accountability, the administration strongly believes that a more equitable burden-sharing among U.N. member states is warranted. The proposed budget reflects that thinking, while charting a course for continued U.S. leadership at the United Nations.

#### *Education and Cultural Affairs*

*Question 7.* I believe educational and cultural exchange programs fully align with the Department’s stated policy priorities of supporting U.S. national security and strengthening our economy.

There is strong bipartisan consensus in Congress that exchange programs are a critical diplomacy tool. They create important relationships between Americans and leaders around the world who gain a profound understanding of the U.S. and our values. In fact, 1 in 3 world leaders today are exchange alumni. Exchange programs also directly benefit the U.S. economy: almost all of the appropriated exchanges funds are spent in the United States or on Americans. Exchange visitors coming to the U.S. also contribute significantly to the local economies of all 50 states.

Yet the administration’s budget proposes a 55 percent funding cut for these programs. I am convinced that such cuts would greatly harm our nation’s diplomacy efforts. As your esteemed colleague, Defense Secretary James Mattis, has suggested, the way to reduce the possibility of war is to increase people-to-people diplomacy. This is at the heart of cultural and educational exchange.

- Can you share with us the Department’s views about funding these programs and the need to ensure a comprehensive mix of federally and privately funded exchanges?

Answer. The State Department recognizes the important contribution of exchange programs to advancing our foreign policy priorities. All of ECA’s exchange programs engage in strategic public-private collaboration that leverages the expertise, networks, and resources of the Department with those of partner governments, the private sector, NGOs, and academic institutions to increase ECA’s effectiveness in advancing U.S. foreign policy goals. Partnerships bring new resources—human, in-kind, financial—to address challenges or fill gaps best met through long-term and sustainable cooperation between the public and private sectors.

Through these partnerships, ECA expands global opportunities for American citizens and organizations, engages a domestic American audience in the work of diplomacy, and showcases American leadership. At the same time, ECA oversees a broad array of private sector (J-1) exchanges that bring researchers, medical doctors, and others to the United States at their own expense. These private exchanges have positive impact on American workplaces and in our economy, while helping to build foreigners’ positive views of the United States. In 2016, ECA’s Private Sector Programs welcomed more than 300,000 new exchange visitors in thirteen categories to the United States from more than 200 countries and territories. These private sector programs are self-sufficient and do not draw from appropriated funds.

**Additional Material Submitted for the Record**

LETTER TO SENATOR CARDIN FROM RONALD J. DANIELS,  
PRESIDENT, JOHNS HOPKINS UNIVERSITY



June 12, 2017

The Honorable Benjamin L. Cardin  
509 Hart Senate Office Building  
Washington, DC 20510

Dear Senator Cardin,

Thank you for your strong and consistent support of Johns Hopkins University, and for our extraordinary partnership on the issues that matter most to our institution, from health care and higher education, to research funding and essential efforts to strengthen our city and state. We are most recently very appreciative of your work to ensure that the Fiscal Year 2017 omnibus appropriations will enable academic research institutions in Maryland and across the country to continue our intensive work in teaching, research, and service.

As you can imagine, we at Johns Hopkins are profoundly concerned about the President's proposed FY18 budget, which would deeply cut federally sponsored research in a number of important areas, and which we fear may reflect a troubling disregard for the longstanding and highly successful partnership between the federal government and U.S. academic research institutions.

Johns Hopkins University and Johns Hopkins Medicine will soon send to the Maryland congressional delegation a comprehensive assessment of the impacts of the pending budget proposal. Today, in advance of next week's Senate hearing on the U.S. State Department budget, I also wanted to highlight one area that is especially alarming for Johns Hopkins and our global health mission – the proposed 30% cut in funding to the U.S. State Department and U.S. Agency for International Development (USAID).

Generations of doctors, nurses, and scientists from Johns Hopkins and other research institutions have worked on every continent to advance global health – curing illness, improving lives, and fighting pandemic disease. At Johns Hopkins alone, the proposed cuts could amount to an \$88.6 million annual reduction in global health initiatives. The impact of such drastic cuts would be most acute in the work of Jhpiego, our affiliated non-profit health organization that supports women and children in more than 150 countries; and in the work of the Center for Communication Programs at the Bloomberg School of Public Health, which helps resource-strapped communities around the world to address health challenges and crises, from interventions to stem the spread of Ebola, to the use of insecticidal bed nets to prevent malaria.

The Honorable Benjamin L. Cardin  
June 12, 2017  
Page 2

Our work in global health – which surpasses that of all other U.S. universities – is core to who we are and what we do at Johns Hopkins. About 15% of federal funding at the Bloomberg School of Public Health, and 75% of federal funding at Jhpiego, is awarded to us on a competitive basis from USAID. If this global health funding is reduced significantly, we unfortunately would have no choice but to shut down global health programs at home and abroad. These closures would end life-saving services, research and training programs, and they would affect longstanding international collaborations, which could not easily be reestablished in the current global climate. These proposed cuts also would be devastating to the work of other Maryland and U.S.-based non-governmental organizations, who are our colleagues and partners in improving health around the world.

Senator Cardin, we believe our nation can be proud of its investment in Johns Hopkins' impactful and life-saving work abroad. Within weeks of the declaration of Zika as a global emergency, experts from the Bloomberg School of Public Health were on the ground in Central America, developing and implementing strategies to stop its spread; in Bangladesh, our community-based health training program has led to a 34% reduction in neonatal mortality; and in Liberia, we are working to train health care workers to become experts in critical skills for the prevention and control of infection, including future epidemics, like Ebola.

Equally important, Johns Hopkins' global health initiatives have not only saved lives and strengthened health care systems around the world, they also have made America safer and healthier here at home – by supporting the development and stability of once-fragile nations; by stopping and slowing the spread of disease and pandemics that threaten Americans; and by advancing research and interventions that we in turn deploy in the United States. As a case in point, immunization strategies developed in Africa have increased child immunization rates in Baltimore from 62% to 96%.

As the Ranking Democratic Member of the Senate Foreign Relations Committee, you have been a dedicated leader in global health policy, and we hope you will join us once again in championing this cause. We would ask you to urge your Senate colleagues to fund global health at FY17 levels through FY18, and to consider holding a hearing on global health, where experts from Johns Hopkins would be pleased to offer testimony on the human and national impact of these proposed cuts. We also would be happy to serve as a resource to you and your colleagues as you prepare for upcoming hearings on the nomination of the new director of the USAID and the State Department budget.

Again, thank you for your abiding support of Johns Hopkins University, and for continuing to advance our national interests in global health. I would welcome the opportunity to talk with you more about this critical issue, or to bring to Washington some of our dedicated faculty and researchers who are on the front lines of the fight for global health.

Very sincerely,



Ronald J. Daniels  
President

## MATERIAL SUBMITTED FOR THE RECORD BY CARE USA



**Testimony of CARE USA**  
**Submitted to the Senate Committee on Foreign Relations**  
**Hearing on**  
**“Review of the FY 2018 State Department Budget Request”**  
**June 13, 2017**

CARE USA thanks the Committee for the opportunity to submit testimony on the Administration’s fiscal year 2018 (FY18) budget proposal. With more than 71 years of experience in providing emergency humanitarian assistance and long-term development assistance in over 94 countries around the world, CARE has serious concerns that the Administration budget proposal would inflict long term damage on our national security and global development needs. This budget will jeopardize millions of lives, and reverse decades of efforts to bring sustainable development, opportunity, health and dignity to people around the world. In short, this proposed budget would inflict human and political costs that far outweigh any potential budget savings.

In many countries around the world, the relief, hope and skills brought by U.S. humanitarian and development programs are often the only direct knowledge people have of the United States. These programs create a more stable world by providing assistance, opportunity and tangible improvement to people’s lives. Stepping back from this leadership role would not just impact the lives of millions, it would mark the end of the American era – the point where the United States decisively turned its back on those most vulnerable, allowing the exploitation of human needs to go unchecked.

While the U.S. faces its own economic challenges, shifting less than 1% of the federal budget from these programs will not solve America’s deficit concerns. Instead, such cuts would take away from core national security investments and preventative interventions in order to seek political gain at the expense of the world’s most vulnerable people.

Therefore, CARE urges this Committee to use its constitutional authority to protect the International Affairs account, oppose any disproportionate cuts to international humanitarian and development programs, fully exercise its oversight authorities, and preserve critical expertise within the U.S. Government.

**Our Current Challenges**

Our global political system is currently facing the largest humanitarian needs we have known in modern human history, with 65 million people living in displacement, and over 30

million facing deadly famine conditions. Unfortunately, these numbers continue to grow every day. Conflict, extreme weather, pandemics, and natural disasters continue to impact millions.

Despite these growing challenges, and political suggestions to the contrary, U.S. foreign assistance programs are working:

- In many areas where the U.S. Agency for International Development (USAID) is implementing agricultural development and food security programming, extreme poverty has dropped between 7 and 36 percent, child stunting has dropped between 6 and 40 percent, and more than 10 million smallholder farmers are now able to apply new technologies and management practices.<sup>1</sup>
- Partners currently supported by OPIC are sustaining livelihoods for nearly 1 million smallholder farmers, allowing them to grow themselves out of poverty and creating future markets for trade.<sup>2</sup>
- In 10 years, U.S. malaria programming has saved 6 million lives, many of them children.<sup>3</sup> Over the last eight years, 4.6 million children have been saved from dying of preventable diseases because of U.S. assistance.<sup>4</sup>
- In FY2016, U.S. investments in family planning and reproductive health provided 26 million women and couples with the tools they need to time and plan their pregnancies, prevented 8 million unintended pregnancies, and averted 3.3 million abortions.<sup>5</sup>

Globally, recent estimates show that 10.7 percent of the world's population lives on less than US \$1.90 a day, down from 12.4 percent in 2012 and 35 percent in 1990.<sup>6</sup> This progress shows that the fight against global poverty is winnable if there is sufficient political will.

While many, including some within the current Administration, continue to promote a disingenuous narrative that U.S. foreign aid is inefficient, ineffective, and of inferior quality, the evidence points towards U.S. development programs as a leading standard in the international community. In particular, USAID has led the way towards more nimble, efficient, transparent, and effective systems of addressing global poverty and its challenges. Recent changes within USAID have resulted in huge gains towards evidence-based approaches that seek to distill best practices and achieve sustainable, independent development.<sup>7</sup> In addition, a recent 2017 GAO study found

<sup>1</sup> Investing in our Shared Future: How a Confident and Capable USAID is Building on a Proud Legacy of U.S. Development Leadership (USAID Exit Memo, Gayle Smith, January 2017)

<sup>2</sup> Exit Memo: Overseas Private Investment Corporation (Elizabeth Littlefield, January 5, 2017)

<sup>3</sup> Investing in our Shared Future: How a Confident and Capable USAID is Building on a Proud Legacy of U.S. Development Leadership (USAID Exit Memo, Gayle Smith, January 2017)

<sup>4</sup> 5000<sup>th</sup> Baby Born at UNFPA-Supported Clinic for Refugees in Jordan, March 8, 2016.

<sup>5</sup> Just the Numbers: The Impact of U.S. International Family Planning Assistance, 2016. Guttmacher Institute, May 2016.

<sup>6</sup> World Bank, updated October 2016. <http://www.worldbank.org/en/topic/poverty/overview>

<sup>7</sup> For example, 1,425 evaluations completed by USAID since 2011, and of those completed between 2011 and 2014, 71% were used to support and/or modify a project or activity. Investing in our Shared Future: How a Confident and Capable USAID is Building on a Proud Legacy of U.S. Development Leadership (USAID Exit Memo, Gayle Smith, January 2017).

that USAID and the MCC's evaluations far exceeded the quality of those conducted by other foreign assistance agencies.<sup>8</sup>

After all, the role of U.S. assistance is to help communities become self-reliant and self-sustaining, create the conditions where assistance is no longer needed. CARE has long supported this philosophy and we have worked ourselves out of a job in some locations by building the capacity of local organizations and governments to continue programs and address their own needs.

Make no mistake, the challenges the world faces today are immense, and the level of human need in the world is reaching record proportions. Now is the time for the U.S. to lead in the fight against poverty and conflict, not rescind its role or retreat into complacency.

#### **A Proposal for a Darker Future**

Despite the dire realities that face millions around the world, threatening global stability and our own national security, the Administration's FY18 budget proposal calls for an end of U.S. leadership abroad through the dismantling of life-saving international development and humanitarian programs. The proposed budget does not support a sustainable future and ignores known threats - brewing conflicts, potential crises, and possible disasters or pandemics. Instead, the Administration's proposal actually adds fuel to current global fires, leaving us with a darker future. CARE, along with a number of other implementing and advocacy organizations, have estimated the impacts of these proposed cuts by account. The aggregate human cost of these proposed cuts is staggering.

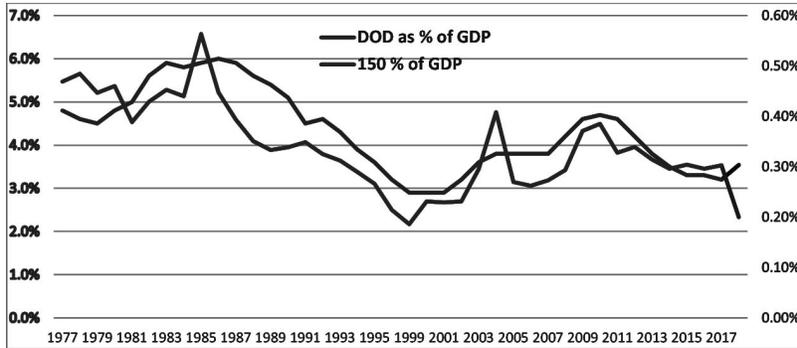
If accepted, the Administration's proposed cuts to this critical one percent of the budget would be historic, making us less safe, not more. This budget marks a dramatic departure in budgeting processes which unifies spending on defense and development. Since 1977, increased funding to the Department of Defense has generally been complemented by increased support for the International Affairs account (figure 1).<sup>9</sup> Past administrations, Republican and Democratic alike, have understood that development and diplomacy are critical parts of our national security strategy. This budget proposal counters our national security goals by threatening our country's ability to safeguard against the desperation and instability often caused by extreme poverty and suffering.

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<sup>8</sup> *Agencies Can Improve the Quality and Dissemination of Program Evaluations*, GAO-17-316: Published: Mar 3, 2017. Publicly Released: Mar 3, 2017.

<sup>9</sup> Data obtained through the Office of Management and Budget's historic tables.

**Figure 1: Defense and International Affairs (150 Account) Spending (% of GDP)**  
(in 2016 dollars)



The Administration’s FY18 budget proposal includes ending effective development programs in numerous countries, eliminating the Development Assistance (DA) account, and significantly reducing life-saving humanitarian assistance – including ending the leading U.S. international food aid program, Title II Food for Peace, which helps protect and grow food security around the world. The Administration specifically proposes a 43 percent cut to International Disaster Assistance (IDA), which saves lives by providing emergency food, water and sanitation in South Sudan, Yemen, Nigeria, and Somalia, where famine is growing, and to displaced persons and refugees everywhere. In addition, the Administration demands that the IDA account become the sole provider of emergency food assistance, without providing any additional funding to offset those impacted by the elimination of Title II Food for Peace programing or lessen the impacts of remaining IDA funds having to also meet non-food needs.

Ending the Development Assistance account, and merging such activities with reduced funding from the Economic Support Fund (ESF), will result in a dangerous reprioritization away from long-term development in favor of short term political gains. The Administration’s budget proposal seeks to uproot current strategies that are in mid-progress and stop proven programs that have improved economic conditions around the world. For example, across the 19 current Feed the Future focus countries, the Administration’s budget proposal would eliminate all agricultural development activities in 8 countries, and would drastically reduce funding for an additional 9 countries.<sup>10</sup> Abandoning the successful work done in these countries would dismantle progress,

<sup>10</sup> Feed the Future countries slated for elimination of agricultural development assistance include: Liberia, Malawi, Mozambique, Rwanda, Senegal, Zambia, Cambodia, and Tajikistan. Feed the Future countries slated for significant

disregard existing U.S. Government strategies, and jeopardize programs authorized under the recently passed Global Food Security Act (P.L. 114-195).

In addition, the proposed cuts to global health programming would have a severe impact on women around the world – setting back their access to health care, their ability to feed their families, confront and shift the social norms that contribute to gender-based violence, and access opportunities and economic engagement.

### **Implications for Women and Girls**

CARE puts women and girls at the heart of development and humanitarian efforts because our decades-long experience in the field has demonstrated that this investment brings about meaningful, sustainable impact. Similarly, U.S. investments in supporting women and girls bring high returns for economic growth, well-being, and democratic governance, which maximize the benefits gained from the investment of United States' taxpayer dollars. If women were able to participate in the economy equally, it would yield a 26 percent increase in global GDP, or \$28 trillion in 2025.<sup>11</sup>

Most of the world's women have the role of ensuring that families are fed, often through farming and/or food purchase supported by livelihood activities. By supporting women entrepreneurs, small business owners, and farmers to become more self-reliant, we create a cascading effect beyond the women themselves, helping them lift their families and their communities out of poverty. U.S. assistance opens up opportunities for women and girls to access the education, skills, and economic empowerment they need to be catalysts for broader economic growth in their countries. Healthier economies abroad means stronger economic trade partners for Americans, benefiting us all.

Women and girls also comprise the majority of those displaced by conflict and natural disasters and, in this context, they are highly vulnerable to violence, exploitation, and poor health including malnourishment and reproductive health issues such as maternal death. U.S. Government assistance supports women and girls in emergencies, saves lives and, by being gender smart, can ensure efficient use of much-needed humanitarian aid. In order to be productive members of their communities and economies, however, women must be healthy and safe from violence.

U.S. assistance in preventing violence against women – which affects an estimated 35 percent of women worldwide – has a life-changing impact on the women and girls it serves.<sup>12</sup>

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cuts include: Ethiopia (-24%), Ghana (60%), Kenya (-39%), Mali (-9%), Tanzania (-82%), Uganda (-72%), Bangladesh (-34%), Nepal (-37%), and Guatemala (-29%). As presented in the proposed FY18 budget tables for Operating Unit, Account, Objective, and Program Area. *FY 2018 Congressional Budget Justification - Department of State, Foreign Operations, and Related Programs*.

<sup>11</sup>McKinsey & Company. *The Power of Parity: How Advancing Women's Equality can add \$12 Trillion to Global Growth: Executive Summary*. September 2015. Page ii.

<sup>12</sup>World Health Organization. *Global and regional estimates of violence against women: prevalence and health effects of intimate partner violence and non-partner sexual violence*. 2013. Geneva, Switzerland.

The foreign aid the U.S. invests in these efforts, supplemented by diplomatic engagement through our embassies and missions abroad, ensures that creating safer, healthier communities is a shared priority for the U.S. and partner countries.

The Administration's budget proposal cuts funding for programs with a gender component by 55% when comparing Fiscal Year 2016 to the proposed levels for FY18. While these funds at times overlap with other sector funds, making it more challenging to assess the impact, it is possible to extrapolate that potentially millions of girls would not go to school, more girls would be put at risk for child marriage, and – because women and girls are often the last to eat – more girls would go hungry, placing them at increased risk for stunting, health threats, and decreased productivity.

The Administration proposes to eliminate all funding for bilateral international family planning and reproductive health programs. Coupled with the recent decision by the Administration to halt all funding for the United Nations Population Fund (UNFPA), such cuts would have significant impacts on maternal and child health. Access to voluntary family planning services represents the single most effective intervention in preventing maternal and child deaths, and by eliminating these programs, the proposed budget is endangering the lives and health of millions of women, infants, couples, and families around the world. There are currently 230 million women around the world who would like to plan their pregnancies but are unable to do so. By meeting this unmet need for contraceptive services, maternal deaths would be reduced by over 30 percent and we could avert 1.4 million under-5 deaths every year.<sup>13</sup>

The impacts of the decision to halt funding to UNFPA are already being felt. In 2016, UNFPA received \$69 million in funding from the U.S. Government, which supported their work in humanitarian crises, including the Syrian refugee response at the Zataari camp in Jordan. Through the work of UNFPA, more than 7,000 babies have been delivered in this camp without a single maternal death. The loss of this funding is a matter of life or death for families in the camp, with services for nearly 50,000 people at risk due to this funding decision.<sup>14</sup>

By eliminating funding for international family planning and reproductive health programs and stopping all funding the UNFPA, the Administration's budget would result in 15,000 maternal deaths and 8 million more unintended pregnancies.<sup>15</sup> The decision to re-impose and expand the so-called "Mexico City Policy" only magnifies these potential impacts by placing further onerous and unnecessary restrictions on countless local NGOs working to meet the health needs of women, girls, and families. This decision further imperils work to end preventable maternal and child death.

CARE's global work shows that when U.S. policy restricts access to global health services, vulnerable women and children suffer the most. We have the ability to drastically change that reality, and it is in the United States' best interest to do so.

<sup>13</sup> *Adding it Up: The Costs and Benefits of Investing in Reproductive Health, 2014*, Guttmacher Institute, December 2014.

<sup>14</sup> *5000<sup>th</sup> Baby Born at UNFPA-Supported Clinic for Refugees in Jordan*, March 8, 2016.

<sup>15</sup> *Just the Numbers: The Impact of U.S. International Family Planning Assistance, 2017*. Guttmacher Institute, May 2017

### **A Retreat from Emergencies**

A record 128.6 million people are in need of life-saving humanitarian assistance across the Middle East, Africa, Asia, and even parts of Europe. There are countries such as Afghanistan, Somalia, and the Democratic Republic of the Congo where the prolonged humanitarian response has stretched on for decades, while new conflicts continue to proliferate, such as those in Syria, Yemen, South Sudan and Nigeria. Current famine conditions across Nigeria, Somalia, South Sudan and Yemen mean that up to 1.4 million children are at immediate risk of death without continued engagement by the international community. Yet, the appeals for assistance to citizens in these countries remains grossly underfunded, on average only funded at 35% of the annual appeal.<sup>16</sup> Each day without a humanitarian response at scale increases the likelihood of widespread starvation, destabilization, and mass displacement.

In Yemen, an outbreak of cholera has infected more than 100,000 people. Due to the ongoing conflict, the health system and civil infrastructure, including water and sanitation facilities, have been seriously compromised with 14.5 million people lacking access to safe drinking water or sanitation, and 14.8 million lacking adequate health care.<sup>17</sup> Uganda receives an average of 2,000 refugees each day, with a total of nearly one million refugees from South Sudan alone since 2014.<sup>18</sup> In Nigeria, only 28 percent of the funding needs have been met to date, forcing humanitarian groups to scale back emergency plans – cutting food to 400,000 people in areas affected by Boko Haram.<sup>19</sup>

In the FY2017 omnibus bill, Congress answered the call of this unprecedented need by providing generous funding for humanitarian assistance, continuing the United States' traditional role as a global leader and exemplifying American values, such as compassion and service to those in need. CARE is grateful for Congressional leadership while the world faces these unprecedented humanitarian needs.

Despite the current levels of need, the Administration's proposed budget looks to cut overall humanitarian assistance by 45% at a time when needs are burgeoning.<sup>20</sup> The International Disaster Assistance (IDA) account, which funds USAID's Office of Foreign Disaster Assistance (OFDA), provides lifesaving assistance to tens of millions of desperate people a year whose lives have been torn apart by conflicts and natural disasters. The Administration's FY18 budget proposes a 40% cut to OFDA's non-food humanitarian responses, which include medicine, clean water and sanitation, and shelter, etc.<sup>21</sup>

<sup>16</sup> OCHA. Financial Tracking Service.

<sup>17</sup> UNICEF. *27 Million People Lack Safe Water in Countries Facing or at Risk of Famine*. New York, United States. 2017.

<sup>18</sup> UNHCR. *2017 South Sudan Regional Revised Refugee Response Plan*. Geneva, Switzerland. May 2017.

<sup>19</sup> Cropley, Ed. "Fund Shortage Forces UN to Cut Emergency Food Aid for 400,000 in Nigeria". Reuters. June 2017.

<sup>20</sup> Calculated in comparison to total FY2017 funding. For the purposes of this calculation, overall humanitarian assistance is comprised of the following accounts: International Disaster Assistance, Migration and Refugee Assistance, Emergency Migration and Refugee Assistance, and Title II Food for Peace.

<sup>21</sup> In comparison to FY2016 funding levels.

If enacted, USAID would not have the resources to provide assistance to tens of millions of vulnerable men, women and children in urgent need.<sup>22</sup> In addition, the Administration's proposal to eliminate Title II Food for Peace and only provide \$1.5 billion for the Emergency Food Security Program (EFSP) within the International Disaster Assistance Account would result in an estimated 22.6 million people in crises losing access to lifesaving food assistance.<sup>23</sup>

**An Alternative Path: Ensuring U.S. Leadership and Saving Lives**

The U.S. currently leads globally by saving lives and by putting people on a path toward self-reliance around the world. This is a role that cannot be taken for granted. Recent gains in and efforts to continue to improve the effectiveness, accountability and transparency of U.S. foreign assistance means that the power to address poverty is within our grasp and that assistance can get to those that need it most.

Critical to this continued leadership is the continued funding and support for the expertise of the U.S. Government and, particularly, USAID. USAID plays a valuable and indispensable role in our own national security, and their specific skills are critical in delivering effective development and humanitarian programs that save lives. The breadth of the State Department's reach in fostering strong relationships and goodwill with partners worldwide through diplomacy and engagement is well-known. This work is complemented by the comprehensive work of the USAID. The Agency's technical expertise in development and program design, as well as its reach into the most remote corners of our globe, make its impact and capabilities for poverty eradication unparalleled by other U.S. agencies.

The partnerships USAID attracts, through bilateral engagement with the private sector, foreign governments, and local organizations and implementers, allows the U.S. to respond both comprehensively and insightfully to the challenges of poverty-reduction. The Administration's budget would decimate this critical hub of expertise and jeopardize the gains the U.S. Government has made in discovering and achieving best practices for development. CARE fully supports efforts to make U.S. foreign assistance more effective and efficient. However, such efforts must be driven by policy and best practices, and not by budget cuts.

U.S. foreign assistance truly serves as a beacon of hope in people's darkest time by providing life-saving relief. By addressing underlying factors and building the capacity of communities, foreign assistance provides those most vulnerable with options that poverty prevents. In times like these, the United States does not retreat – the United States *leads*. CARE calls on the members of this Committee to preserve American leadership in global development and humanitarian assistance and consider the impacts of human costs that the Administration's proposed budget would bring to communities around the world.

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<sup>22</sup> In FY 2016, the IDA appropriation was \$2.8 billion, of which approximately 40% (\$1.12 billion) was provided through Food for Peace for emergency food and 60% (\$1.68 billion) was provided for non-food assistance such as emergency kits, tents, medicine, etc. through OFDA. The FY 2018 request for non-food items is \$1 billion, a \$680 million (40%) reduction from the FY 2016 level.

<sup>23</sup> See addendum.

### Real World Impacts of Cutting Poverty-Focused and Humanitarian Foreign Assistance

With the release of the FY 2018 Congressional Budget Justification, leading NGOs, including Bread for the World, Catholic Relief Services, CARE USA, the International Rescue Committee, Interaction, Mercy Corps, ONE Campaign, Oxfam, PATH, Save the Children, and World Vision have analyzed the budget request and estimated the impact of the proposed cuts.

The numbers below reflect the estimated impacts of the Administration's proposed budget would have, in terms of human lives, on vulnerable men, women and children around the world.<sup>1</sup> We strongly urge Congress to reject the President's foreign affairs budget request and maintain current funding of \$60 billion for the International Affairs budget.

#### Agricultural Development and Nutrition:

- In fiscal year 2016, over 10.5 million farmers were reached with improved technologies, management practices, and increased market access. A funding cut of 50% could translate to approximately **5.25 million farmers being cut from or losing access to programs** that help them grow their way out of poverty and decrease dependency.<sup>2</sup>
- In fiscal year 2015, 18 million children were reached with nutritional interventions and treatments that reduce stunting. A funding cut of 50% could result in **approximately 9 million children losing access to nutrition interventions and treatments, leaving them vulnerable to stunting with as much as a 22% reduction in their lifetime earning capacity.**<sup>3</sup>
- Countries targeted for complete elimination of agricultural funding include critical strategic focus countries such as Liberia, Cambodia, Malawi, Mozambique, Rwanda, Senegal, and Zambia. If acted upon, **this cut could result in as many as 3.4 million children across Cambodia, Malawi, Mozambique, and Zambia alone under the age of 5 not receiving critical nutritional assistance**<sup>4</sup>
  - In Cambodia, the prevalence of stunting among young children dropped by more than 23% in Feed the Future target regions from 44% in 2011 to 33.7% in 2014.<sup>5</sup>
  - In Malawi, the prevalence of stunting has declined by 14%, from 49.2% in 2010 to 42.3% in 2015.<sup>6</sup>

<sup>1</sup> This estimate is divided by account and there is likely some level of beneficiary overlap between some of the accounts depending on geographic location. For example, displaced beneficiaries are likely to receive both food and non-food assistance. However, meeting urgent human needs and delivering sustainable development are integrative processes. As one service is reduced, overall impacts are effected not matter the level of

<sup>2</sup> The impact of reduced agricultural development funding was calculated by using the current level of funding and beneficiaries reach for the identified fiscal year for such activities. From this, the cost per beneficiary (CPB) was determined based on the number of farmers reached within the corresponding fiscal year. This CPB was used to project the impacts of funding cuts.

<sup>3</sup> The impact of reduced nutritional funding was calculated by using the most recently available data for the number of children reached and then determining the corresponding reduction based on percentage cuts cited above. Data in the impacts of stunting on lifetime earning potential: Lake, *Investing in Nutrition Security Is Key to Sustainable Development*; and Branca and Ferrari, *Impact of Micronutrient Deficiencies on Growth*.

<sup>4</sup> The impact is based upon FY2015 Feed the Future results.

<sup>5</sup> <https://feedthefuture.gov/country/cambodia>

<sup>6</sup> <https://feedthefuture.gov/country/malawi>

**Emergency International Food Assistance Programs:**

- In fiscal year 2016, approximately 56.5 million people were reached with emergency food aid through the Emergency Food Security Program (EFSP) and through emergency Title II/Food for Peace programming. **Under the Administration's proposal to eliminate Title II Food Aid and only provide \$1.5 billion for the EFSP, 22.6 million people in crises could lose access to lifesaving food assistance.**<sup>7</sup>

**Title II/Food for Peace Non-Emergency Programs:**

- In 2015, Food for Peace non-emergency programs helped nearly 8 million food-insecure people improve their ability to feed their families, grow more nutritious food and improve their and their communities' resilience. Non-emergency programs are critical components of the US government's toolkit to fight hunger and end the vicious cycle of hunger and humanitarian crises. **The FY 2018 request would end food security programming, which presently helps almost 8 million people become food secure** and halt smart investments in building communities' self-sufficiency, likely resulting in greater humanitarian needs in the future.<sup>8</sup>

**McGovern-Dole School Feeding Program:**

- In 2015, the McGovern-Dole program benefited an estimated 2.9 million children in nine countries through school feeding in improve literacy rates and nutrition for primary school children, mothers, infants, and preschool children. Funding for the McGovern-Dole School Feeding Program is eliminated in the FY18 request, which would **result in 2.9 million children being cut off from nutrition, education, and hygiene programs.**<sup>9</sup>

**Water and Sanitation:**

- The proposed cut of 45.6% to US assistance to water and sanitation programs could result in approximately **2.2 million people not gaining access to safe** and sustainable water sources, and/or sanitation services that prevent the spread of disease.<sup>10</sup>
- In 2015, over two thousand communities were certified as open defecation free, and a 45.6% cut to water and sanitation programs **could result in over 900 communities not receiving this certification which**

<sup>7</sup> The overall impacts of reduce funding to emergency food aid (as comprised by Title II Emergency programs and the Emergency Food Security Program) is the sum of the estimated impacts for the contributing accounts as calculated below.

<sup>8</sup> The impacts of reduced funding for emergency title II food aid was calculated using the most recently available beneficiary data from USAID for FY2016 and the data presented at the December 2016 Food Aid Consultative Group (FACG) meeting, convened by the U.S. Department of Agriculture and the U.S. Agency for International Development. Funding levels for Title II non-emergency programs were determined by excluding the complimentary transfer of funding from the Community Development Fund, with this total then subtracted from overall Title II levels in order to isolate Title II emergency funding. This funding and beneficiary data was then used to calculate the average cost per beneficiary for the basis of these impact calculations. For non-emergency Title II, beneficiary reach numbers were pulled from the *Fiscal Year 2015 U.S. International Food Assistance Report* (available at: [http://pdf.usaid.gov/pdf\\_docs/PA00MHDH.pdf](http://pdf.usaid.gov/pdf_docs/PA00MHDH.pdf))

<sup>9</sup> Beneficiary reach numbers were pulled from the *Fiscal Year 2015 U.S. International Food Assistance Report* (available at: [http://pdf.usaid.gov/pdf\\_docs/PA00MHDH.pdf](http://pdf.usaid.gov/pdf_docs/PA00MHDH.pdf))

<sup>10</sup> The impact of reduced funding for WASH programming was calculated by dividing current appropriations (FY 2016/FY 2017 CR) and dividing by the cost per beneficiary of \$100. The estimate of \$100 average per capita cost for water and sanitation is based on field data collected from WASH Cost-IRC International Water and Sanitation Centre, WASH Advocates, Millennium Water Alliance, CARE, WaterAid America, Water.org, Wine to Water, Water For People, World Vision, Plan USA, Catholic Relief Services, USAID, The World Bank, The Bill and Melinda Gates Foundation, and other organizations, reflecting major variations in geography, hydrology, climate, and accessibility that affect program design and delivery in target populations.

could stymie disease prevention in those communities.<sup>11</sup>

#### Education:

- Developing countries look to the United States for support and guidance to achieve economic prosperity, social stability and political freedom through education. Since the implementation of USAID's Education Strategy (2011-2015), Congress has allocated an average of \$822 million a year, enabling USAID to reach approximately 41.6 million learners in over 45 countries, train 450,000 teachers annually, distribute 146 million textbooks, and repair 11,000 classrooms.<sup>12</sup> A single USAID-sponsored program in Egypt increased students' oral reading fluency by 82% and benefitted 4.2 million children in grades 1-3.<sup>13</sup> In Kenya, a similar program more than tripled the percentage of students able to read with fluency in English (from 12% to 47%).<sup>14</sup> President Trump's FY18 budget request calling for a 53% cut to basic education programming would jeopardize decades of progress, development and monies invested by the United States.
- The Administration's request proposes reducing funding for basic education by 53%, **including the complete elimination of funding for the following countries for basic education: Djibouti, Liberia, Malawi, Mozambique, Rwanda, South Africa, Zambia, Burma, Cambodia, Laos, Ukraine, Tajikistan, Dominican Republic, Nicaragua, Peru, Barbados and Eastern Caribbean.**<sup>15</sup>

#### International Disaster Assistance:

- The International Disaster Assistance (IDA) account, which funds USAID's Office of Foreign Disaster Assistance (OFDA), provides lifesaving assistance to tens of millions of desperate people a year whose lives have been torn apart by conflicts and natural disasters. Cuts to the US humanitarian assistance accounts are extremely irresponsible at a time when we have the highest number of displaced people since World War II. Over 65 million people - or roughly a population the size of France - have had to flee their homes. With famine declared in South Sudan, and Somalia, Yemen and Nigeria on the brink of famine, 20 million people are currently at risk of dying due to starvation in the next six months in these four countries. Yet, the FY 2018 request only includes \$1 billion for OFDA's non-food humanitarian responses (medicine, clean water and sanitation, and shelter, etc), which is 40% below FY 2016 levels. If these levels were enacted, USAID would not have the resources to provide assistance **to tens of millions of vulnerable men, women and children**, as compared to FY 2016.<sup>16</sup>

<sup>11</sup> The number of communities impacted was estimated by applying the percentage of cuts to the actual results for the indicator "Number of communities certified as "open defecation free" (ODF) as a result of USG assistance" ForeignAssistance.gov. Special Data Sets Performance and Results 2015 Actual Results. <http://beta.foreignassistance.gov/>. See WHO's "How Much it Would Cost to Act" for more information: [www.who.int/water\\_sanitation\\_health/watandmacr3.pdf](http://www.who.int/water_sanitation_health/watandmacr3.pdf)

<sup>12</sup> Data pulled from USAID's website (<https://www.usaid.gov/education>) and USAID's 2011-2015 Progress Report, accessible here: [https://www.usaid.gov/sites/default/files/documents/1865/2011-2015\\_ProgressReport\\_r13\\_Final\\_WEB.pdf](https://www.usaid.gov/sites/default/files/documents/1865/2011-2015_ProgressReport_r13_Final_WEB.pdf).

<sup>13</sup> RTI International. *Girls' Improved Learning Outcomes: Final report*. Cairo, Egypt: USAID and RTI International, 2014. Accessed June 12, 2017. [http://pdf.usaid.gov/pdf\\_docs/PADOJTB3.pdf](http://pdf.usaid.gov/pdf_docs/PADOJTB3.pdf)

<sup>14</sup> Bulat, Jennae. *Why Education? Why Early Grade Reading?* Chapel Hill, NC: RTI International and USAID. 2015. Accessed June 12, 2017. <http://www.rti.org/sites/default/files/brochures/egraresultsflyer.pdf>

<sup>15</sup> The FY 2018 Congressional Budget Justification severely cuts or eliminates funding for Development Assistance or ESF in these countries which eliminates the source of funding for implementing basic education programming.

<sup>16</sup> In FY 2016, the IDA appropriation was \$2.8 billion, of which approximately 40% (\$1.12 billion) was provided through Food For Peace for emergency food and 60% (\$1.68 billion) was provided for non-food assistance such as emergency kits, tents, medicine etc through OFDA. The FY 2018 request for non-food items is \$1 billion, a \$680 million (40%) reduction from the FY 2016 level.

- IDA provides both food and non-food humanitarian responses, and the FY 2018 requested budget proposes cutting the whole account by 44% below FY 2017 levels. If this cut was enacted across countries in crisis, the impact would be devastating. USAID could lose the resources needed to reach the number of people they are targeting by 44%, which could result in estimated impacts of:<sup>17</sup>
  - 945,000 fewer South Sudanese reached with humanitarian assistance;
  - 3,285,000 fewer Yemenis reached with humanitarian assistance;
  - 1,800,000 fewer Syrians reached with humanitarian assistance;
  - 642,000 fewer Nigerians reached with humanitarian assistance; and
  - 1,276,000 fewer Somalis reached with humanitarian assistance.

#### Migration and Refugee Assistance:

- The Migration and Refugee Assistance (MRA) account, provided through the State Department's Bureau of Population, Refugee and Migration (PRM), provides lifesaving assistance to refugees who have fled their homes, in most cases because of violent conflicts like the civil war in Syria. **The proposed cut of 18% to the MRA could result in over 3.5 million refugees and Internally Displaced Persons (IDPs) not receiving assistance globally, including about 1 million in the Middle East and 1.1 million in Africa.** Cutting off assistance to immediate life-saving health care, water/sanitation services, shelter assistance, gender-based violence treatment and psychosocial support at a time of multiple famines and raging conflict around the world would likely lead to increased levels of refugees and IDPs and greater instability globally.<sup>18</sup>

#### The Global Fund to Fight AIDS, TB, and Malaria:

- The Administration's budget request decreases funding to the Global Fund by 17%. The Global Fund calculates that this cut could translate to:<sup>19</sup>
  - 299,250 fewer lives saved through Global Fund-supported programs;
  - Loss of potential to prevent 4.28 million new HIV, tuberculosis (TB) and malaria infections;
  - 240,750 fewer people put on antiretroviral therapy;
  - 69,750 fewer women on treatment to prevent passing HIV to their babies;
  - 344,250 fewer people on TB treatment and care;
  - 9,675 fewer people on treatment for multidrug-resistant TB;
  - Nearly 14 million fewer mosquito nets distributed to protect children and families from malaria;

<sup>17</sup> Cuts were determined by dividing the current number of targeted beneficiaries by 44%, the proposed cut by the President to the IDA account. USAID targeted number of beneficiaries are found here: [http://reliefweb.int/sites/reliefweb.int/files/resources/Four\\_Famine\\_Two\\_Page\\_Infographic\\_5242017.pdf](http://reliefweb.int/sites/reliefweb.int/files/resources/Four_Famine_Two_Page_Infographic_5242017.pdf) and <https://www.usaid.gov/crisis/syria/fy17/fs05>. It is important to note that the cost of responding to humanitarian crises varies extensively across countries and can change dramatically year to year depending on the type and length of crises OFDA responds to and that these are estimated cuts.

<sup>18</sup> In UNHCR's 2016 Global Focus Report, it is estimated that UNHCR assisted almost 50 million refugees and IDPs globally, including 14 million in the Middle East and almost 16.5 million in Africa. As the U.S. contribution to UNHCR's FY16 budget was 39.8%, it is estimated that U.S. assistance contributed to supporting about 19 million refugees and IDPs globally, including 5.6 million in the Middle East and 6.6 million in Africa. An 18% cut to these levels would result in reduced assistance to about 3.5 million refugees and IDPs globally, including 1 million in the Middle East and 1.1 million in Africa. The actual number of refugees and IDPs that would not receive services if PRM's budget were cut by 18% would likely be higher given that MRA funding is also provided directly to ICRC, IOM and individual NGOs to carry out work in the same region, in addition to the UNHCR contribution.

<sup>19</sup> These numbers estimate the impacts of a \$225 million dollar cut to Global Fund programs, as identified by the Friends of the Global Fight. [http://www.theglobalfight.org/wp-content/uploads/2017/05/TheGlobalfight\\_Infographic3\\_052317\\_cuts.pdf](http://www.theglobalfight.org/wp-content/uploads/2017/05/TheGlobalfight_Infographic3_052317_cuts.pdf)  
Analysis prepared on 6/12/2017.

- 2.7 million fewer households receiving indoor residual spraying to protect children and families from malaria; and,
- A lost opportunity to spur \$4.95 billion in long-term economic gains.

**President's Emergency Plan for AIDS Relief:**

- Using amFAR calculations, an 11% cut to the President's Emergency Plan for AIDS Relief, the bilateral HIV/AIDS program, **could mean that more than 491,000 people experience interruptions to treatment; could mean more than 152,000 children are orphaned; and could result in more than 77,000 AIDS-related deaths.**<sup>20</sup>

**Global Health Programs - Malaria:**

- In 2016, more than 30 million bed nets were distributed to prevent the transmission of malaria. With a 10% cut to funding for the President's Malaria Initiative, **over 20 million bed nets could not be distributed in the future. Two people typically sleep under a net, meaning an additional 40.5 million people could be at risk because of this cut,** drastically undermining more than 15 years of investment, work, and progress to reducing the threat of malaria globally.<sup>21</sup>

**Global Health Security:**

- The U.S. Army estimates that if a severe infectious disease pandemic were to occur today, the number of U.S. fatalities could be almost twice as great as the total number of battlefield fatalities—over 1 million as of September 2016—**from all of America's wars since the American Revolution** in 1776.<sup>22</sup> Preventing these pandemics is therefore in the U.S.' best interest, yet the Administration proposed cutting \$72.5 million in base funding for global health security programming within USAID, instead replacing it with \$72.5 million in unspent Ebola funds. The proposal also did not include \$70 million Congress provided in FY17 for an Emergency Reserve Fund, and although not in the 150 International Affairs Budget, the Centers for Disease Control and Prevention's base health security funding was cut by 14%. Taken together, these changes will ultimately make Americans less safe and secure, increasing the likelihood that a pandemic will spread silently and globally before it can be detected and stopped.

**Gender Programs:**

- Funding for programs with a gender component was cut by 55% from 2016 to 2018. While these funds at times overlap with other sector funds, making it more challenging to assess the impact, it is possible **these cuts could mean that 1.78 million fewer girls would receive an education, or that 1.25 million fewer women would receive anti-corruption training, or 710 thousand fewer women would receive social assistance support.**<sup>23</sup>

<sup>20</sup> Estimated using data and modeling compiled by amFAR:

[http://www.amfar.org/uploadedFiles/amfarorg/Articles/On\\_The\\_Hill/2017/amfar\\_infographic14\\_042617.pdf](http://www.amfar.org/uploadedFiles/amfarorg/Articles/On_The_Hill/2017/amfar_infographic14_042617.pdf)

<sup>21</sup> The fully-loaded cost of a bed net is approximately \$4. A cut of \$81 million (or 10%) to the Presidential Malaria Initiative could result in over 20 million less bed nets the USG could purchase and distribute. Further information found here: <https://www.pmi.gov/docs/default-source/default-document-library/pmi-reports/2017-pmi-eleventh-annual-report.pdf>

<sup>22</sup> <http://www.gao.gov/assets/690/682707.pdf>

<sup>23</sup> Estimated by applying 55% cuts to gender disaggregated results data. ForeignAssistance.gov. Special Data Sets Performance and Results 2015 Actual Results. <http://beta.foreignassistance.gov/>.

