

Statement of Marc Ostfield
Nominee to be U.S. Ambassador to Paraguay
Senate Foreign Relations Committee
August 5, 2021

It is an honor to appear before you today as the President's nominee to serve as the U.S. Ambassador to the Republic of Paraguay. I am grateful for the trust and confidence President Biden and Secretary Blinken have placed in me.

I appear before you today with the support of my husband of 32 years, Michael, who has encouraged me throughout my career of public service.

Over the course of a career spanning 35 years, my work has always been about making the world a healthier, safer, more just, and more equitable place. I spent 15 years on the front lines of HIV/AIDS prevention, developing global health campaigns in Latin America and worldwide. For the past almost 20 years, I've been honored to serve in the Department of State – creating initiatives to combat bioterrorism; shaping policy on issues ranging from human rights to human trafficking to anti-corruption and the environment; leading the Foreign Service Institute in delivering essential training for the U.S. diplomatic workforce; and supporting that workforce to address conflict as Ombudsman. My experience as a professional has demonstrated the power of diverse teams that reflect the country we serve, and the ability to build coalitions in the most challenging environments. My experience as a volunteer firefighter has reinforced the importance of mutual aid, and the ability to make decisions in high pressure situations. If confirmed, I will draw upon this experience to advance U.S. foreign policy goals in Paraguay by working to strengthen governance, increase security, and promote U.S. business interests.

Mr. Chairman, Paraguay has proven to be a reliable partner and ardent defender of democracy in the Western Hemisphere, voting consistently in multilateral fora to call for an end to undemocratic practices in Venezuela and Nicaragua, and supporting Cuban citizens' right to freedom of expression and peaceful protest. Paraguay's steadfast support for Taiwan is another indicator of its commitment to democracy.

Like all democracies, Paraguay's has its challenges – particularly the need for stronger rule of law and democratic governance. Transparency International's 2020 Corruption Perceptions Index ranks Paraguay 137 out of 180 countries, near the bottom for Latin America. In order to deliver prosperity for all its citizens and

foster greater economic opportunities with the United States, Paraguay must continue its efforts to root out corruption and impunity, increase transparency, and repair judicial integrity. The United States is supporting these goals with \$44 million in USAID funding over five years. If confirmed, I will prioritize anti-corruption and leverage tools such as Section 7031(c) of the 2019 Appropriations Act, which Secretaries Blinken and Pompeo have used to designate corrupt Paraguayan officials.

The global pandemic created outsized risks for Paraguay which has endured one of the world's deadliest COVID-19 surges, with the world's highest daily, per-capita death rate in June 2021. The United States proudly donated two million vaccine doses to Paraguay, which promptly began an effective mass vaccination campaign. Additional U.S. support this year will bring U.S. funding for non-vaccine assistance – including technical assistance, medicines, respirators, oxygen, and field hospitals – to over \$9 million since the start of the pandemic.

Paraguay's long-standing bond with like-minded democratic partner Taiwan has made it a target of pressure tactics by the People's Republic of China to push Paraguay into switching diplomatic relations to Beijing, including through *quid pro quo* vaccine diplomacy. If confirmed, I will work to support Paraguay's economic and political sovereignty and its commitment to Taiwan.

U.S. security goals center on helping Paraguay counter illicit networks, which threaten the safety of U.S. citizens and the region. Paraguay's Tri-Border Area (TBA) with Argentina and Brazil is one of the principal routes for multi-billion-dollar money laundering, counterfeiting, drug trafficking, trafficking in persons, and other smuggling operations. Some TBA criminal organizations have known or suspected links to terrorist organizations. To address these threats, U.S. programs build Paraguayan capacity to combat money laundering, financing of terrorism, and criminal gangs – along with programs to strengthen judicial and prosecutorial capacity. U.S. military assistance to Paraguay correspondingly strengthens cooperative crisis response capabilities. If confirmed, I will prioritize helping the TBA countries reinvigorate the Regional Security Mechanism, which coordinates efforts to enhance border security, dismantle transnational criminal organizations, and prevent money laundering and the financing of terrorism.

The United States is Paraguay's number one investor, and the Department of Commerce reports that U.S. exports to Paraguay support an estimated 7,000 American jobs. To protect and expand U.S. business opportunities in Paraguay, I

will continue to ensure our Embassy engages Paraguayan authorities on investment disputes, procurement tenders, and Intellectual Property Rights.

Mr. Chairman, Ranking Member, and Members of the Committee, if confirmed, I will consult with this committee as we work for the safety, freedom, and prosperity of the U.S. and Paraguayan people. Thank you for the opportunity to appear before you today. I look forward to your questions.