

FY 2017 U.S. ASSISTANCE REQUEST FOR THE WESTERN HEMISPHERE

TESTIMONY OF
FRANCISCO L. PALMIERI
PRINCIPAL DEPUTY ASSISTANT SECRETARY OF STATE
BUREAU OF WESTERN HEMISPHERE AFFAIRS
U.S. DEPARTMENT OF STATE
BEFORE
SUBCOMMITTEE ON WESTERN HEMISPHERE TRANSNATIONAL
CRIME, CIVILIAN SECURITY, DEMOCRACY, HUMAN RIGHTS, AND
GLOBAL WOMEN'S ISSUES
SENATE FOREIGN RELATIONS COMMITTEE
APRIL 26, 2016

Chairman Rubio, Ranking Member Boxer, and Members of the Subcommittee:

Thank you for the opportunity to testify on the Fiscal Year 2017 foreign assistance request for the Western Hemisphere.

The Administration's approach to the region advances partnerships, seeks to strengthen democracy and human rights, improves security and strengthens the rule of law, and promotes prosperity and inclusive growth for all citizens. U.S. assistance is a critical tool that supports these goals.

In our requests for Central America and Mexico, we seek to address the underlying conditions driving migration from Central America through Mexico and toward the United States. The request includes increases to support Colombia's implementation of an expected peace agreement marking the end the hemisphere's longest running conflict. The request maintains support for key U.S. partnerships with Peru, Haiti, and the Caribbean. The request also supports essential democracy and human rights efforts in Cuba and Venezuela.

The Fiscal Year 2017 request of \$1.7 billion includes \$750 million for the U.S. Strategy for Engagement in Central America (the Strategy) and \$391 million for the Department and USAID for Colombia. Our request targets challenges and opportunities that impact U.S. interests. Flexibility in our assistance allows us to achieve the best return on investment for the United States. We urge the U.S. Congress to fully fund the request for the Western Hemisphere.

The Department and USAID's FY 2017 \$750 million request is part of the Administration's \$1 billion interagency request in support of the Strategy. Central America continues to have high levels of poverty, weak institutions, and heightened levels of insecurity, all of which have direct implications for the United States.

The FY 2017 foreign assistance request for the Strategy continues support for prosperity, governance, and security, particularly for Central America's Northern Triangle, in recognition of the acute challenges those countries face. El Salvador faces a skyrocketing homicide rate; Guatemala's new government is seeking to capitalize on the anti-corruption momentum that led to reform after historic elections; and Honduras is taking the first steps to implement its anti-impunity mechanism – the OAS-sponsored Mission Against Corruption and Impunity in Honduras. Addressing these challenges and achieving lasting change will require sustained commitment from the United States, the governments of Central America, and the international donor community. U.S. assistance through the Strategy complements the investments Northern Triangle governments are making through their own development plan, the Alliance for Prosperity. They plan to spend \$2.6 billion this year on the plan.

The Strategy request also includes \$305.3 million for the Central America Regional Security Initiative (CARSI) to fund models proven to improve security and prevent crime and violence. The balance of the Strategy request includes support to expand programming to improve economic prosperity and governance.

During the visit of President Santos, President Obama announced a new framework for bilateral cooperation in the event of a peace accord: Peace Colombia. Peace Colombia will focus U.S. assistance under three pillars: consolidating and expanding progress on security and counternarcotics while supporting disarmament, demobilization and reintegration; expanding state presence and institutions to strengthen the rule of law and rural economies, especially in former conflict areas; and promoting justice and other essential services for conflict victims. The \$391.3 million bilateral request will support Colombia's implementation of a peace agreement and counter-narcotics. While negotiations continue, including on the mechanism for final approval of a peace accord, Colombia has taken significant and important steps toward achieving a just and sustainable peace that ends its decades-long conflict with the FARC. The Government of Colombia has built capacity to provide security and services for its people, but continued U.S. support will be vital to Colombia's success as it seeks to implement a peace accord. In particular, rapid progress to extend civilian

security and prosperity into more municipalities during the critical early post-accord phase will be key.

U.S. assistance to the government and people of Colombia will help bring meaningful justice to victims; extend the rule of law and improve government services; promote economic development in former conflict areas; and maintain security gains. The request will continue expansion of technical assistance to additional municipalities, further strengthen justice and security institutions at the national level, significantly expand demining efforts, including civilian-military coordination and address the counternarcotics threat. Strengthening respect for the human rights of all citizens in Colombia is a goal both our countries share.

Our partnership with Mexico remains an important priority for the United States and includes a range of issues that benefit both countries, including trade and investment, energy and climate cooperation, and security. The Merida Initiative continues to provide the framework for our bilateral security cooperation at both federal and state levels. The \$117.1 million Merida request emphasizes technical assistance, capacity building, and expands support to additional Mexican states, consistent with Mexican government priorities, including its transition to an adversarial justice system and its southern border strategy. The United States and Mexico continue to jointly identify projects of mutual interest that further our shared security priorities.

The FY 2017 request also includes democracy assistance for Cuba and Venezuela, where the United States will continue to provide assistance to advance universal human rights and support vibrant civil society. The request for Cuba continues direct support for civil society. Promotion of democratic principles and human rights remains at the core of U.S. assistance to Cuba. Assistance for Venezuela supports human rights and a diverse civil society.

The \$218 million request for Haiti continues investments in infrastructure, agriculture, economic growth, basic education, health, expanded governance and democracy activities, and security. Haiti is suffering from a destabilized economy, rising food insecurity, drought, and public health threats, among other issues. A sustained U.S. commitment is essential to build on the past gains of U.S. efforts in Haiti and to build the Government of Haiti's capacity to respond to citizens' needs for services, promote economic opportunity, and advance the rule of law and security.

Improving security and development in the Caribbean directly benefits U.S. interests. The FY 2017 request includes \$48.4 million for the Caribbean Basin Security Initiative (CBSI) to complement Caribbean efforts to reduce crime and violence, strengthen the rule of law, and address the factors that put youth and marginalized communities at-risk of insecurity. The request focuses on training and professionalization within the police, security services, and rule of law institutions, and builds on prior year investments. CBSI emphasizes regional cooperation with our Caribbean partners, and seeks to increase the capacity of Caribbean countries to more effectively work together to define and meet current and emerging regional security challenges.

The \$81.1 million bilateral request for Peru supports continued counter-narcotics and alternative development cooperation in strong partnership with the Peruvian government. Peru remains one of the world's largest cocaine producers and the largest source of counterfeit U.S. currency. U.S. counter-narcotics assistance complements investments made by the government of Peru. The United States anticipates continuing this cooperation with the next president of Peru, whomever Peruvian voters choose.

We also continue to maintain and expand important cooperation with other countries of the hemisphere, such as Paraguay, Argentina, Chile, and Brazil. While bilateral assistance levels to these countries may be small, our partnership with these nations is an important tool to advancing our shared priorities in the hemisphere, of prosperity, democracy and human rights, and security for all.

I look forward to your questions.