

**Testimony of  
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“Rebalance to Asia III: Protecting the Environment and Ensuring  
Food and Water Security in East Asia and the Pacific”**

Chairman Cardin, Senator Rubio, and distinguished Members of the Committee, thank you for the invitation to testify on the Administration’s efforts to protect the environment and promote food and water security in the Asia-Pacific region. Today, I hope to share with you how USAID is helping conserve water and food sources in the region through programs which promote sustainable development. I will also share details on our regional and bilateral efforts to reduce the degradation of oceans, air, and forests.

As part of the rebalance to the Asia-Pacific, a key economic and national security priority, the Administration has recognized the need to preserve the environment and protect food and water resources in the region to ensure mutual prosperity, human progress, and security. Within USAID, the Asia-Pacific region has been a focus for the environment and food security given its rich areas of biodiversity and growing populations. The Rebalance has sharpened our focus and increased our investment in support of regional institutions and initiatives such as the Association of Southeast Asian Nations (ASEAN), the Lower Mekong Initiative (LMI), and the Coral Triangle Initiative on Coral Reefs, Fisheries, and Food Security.

Home to more than half the world’s population, Asia is the fastest growing region in the world and suffers from a lack of access to clean water and air; inadequate food supplies; degradation of natural resources; and loss of biodiversity—all of which undermine sustainable development. The Asia-Pacific region already accounts for more than one-quarter of global GDP, a number that is expected to rise. Asia’s economic growth comes with an increased demand for energy and land which could, in turn, increase greenhouse gas emissions and further threaten tropical forests and marine ecosystems. Climate change and its impact on natural resources is affecting water and food supplies and intensifying environmental and resource problems that communities are already facing. More than a billion Asians are projected to suffer from its adverse effects. At the same time, natural disasters are becoming more frequent and more severe in Asia—an area of the world that already experiences over 60 percent of the world’s major natural disasters. Future environmental threats to Asia are projected to be significant, including more extreme weather and rising sea levels.

The effects of these threats are not limited to the Asia-Pacific region. Reports have shown that air pollution emanating from Asia will cause temperatures in the United States to rise as much, or even more, than all U.S. greenhouse gas emissions. By some estimates, more than 10 billion pounds of airborne pollutants from Asia, including soot, mercury, and carbon dioxide, reach the U.S. annually, which impacts the health and well-being of American citizens. Additionally, degradation of fisheries in Asian waters impact supply in American markets.

These compelling needs require U.S. assistance and support to advance our strategic interests. As the world becomes increasingly interconnected, the U.S. government, and specifically USAID, recognizes that environmental conditions and people's access to natural resources underlie efforts to achieve economic security, political stability, and peace throughout the globe. If successful climate mitigation and adaptation strategies are not adopted in the near term, hundreds of millions of people will face increasing pressure on water resources; damage to crops and housing; and exposure to extreme weather, diseases, and pests. We know that the world's poorest will be the most affected by these changes and USAID is working with our partners to mitigate these effects and protect the environment, especially in the Asia-Pacific region.

With a new emphasis on helping vulnerable communities build resilience to natural disasters, the Presidential Global Climate Change Initiative invests in developing countries to accelerate transitions to climate-resilient, low-emission economic growth. During FY2013, USAID will provide \$460.3 million for this Presidential Initiative, of which \$65.4 million is planned for the Asia-Pacific region.

As part of these efforts, USAID is implementing several programs throughout the region to combat global climate change. For our work to be relevant in the Asia-Pacific region, we are using a different business model, one that emphasizes work with local partners so that we enact solutions that are durable and sustainable. We recognize the need for robust partnerships that can have national impact by focusing on partnerships with the private sector, other donors, and host country governments that leverage significant resources for transformational impact. And we also rely on evidence-based development methods that draw from advances in science, technology, and innovation. We are implementing partnerships with American and Asian scientific and academic institutions that are relevant to these complex challenges and can build off of the latest research and technology.

Therefore, we are working in partnership with governments, civil society, and the private sector, among other stakeholders, to find alternative development pathways that lower greenhouse gas emissions and increase the resilience of communities and economies to climate change impacts. We are also working to help countries and communities prepare for and adapt to climate change and extreme weather events. Much of this work involves maintaining healthy forests, rivers, and oceans to increase resilience to climate change.

USAID's programs include working with countries and the private sector on low emission development strategies; reducing emissions from deforestation and degradation; understanding the impacts of climate change on agriculture and marine fisheries; protecting biodiversity, including wildlife, through the LMI and ASEAN regional institutions; bilateral programs in countries like Indonesia and the Philippines; and the Tropical Forest Alliance 2020, a public-private partnership working to reduce global deforestation associated with key global commodities.

I would like to take a moment to describe some of these programs in further detail.

## **Enhancing Capacity for Low Emission Development**

First, I'll talk about our efforts to promote climate-resilient, low-emission development in the Asia-Pacific region. In 2010, the U.S. Government launched the Enhancing Capacity for Low Emission Development Strategies (EC-LEDS) program. A Low Emission Development Strategy (LEDS), broadly defined, is a country's planning and implementation framework that achieves economic and social development objectives while reducing greenhouse gas emissions. We are now partnering with 20 countries to help governments and institutions plan for climate-resilient, low-emission development. In East Asia, partner countries include Indonesia, Philippines, Thailand, Vietnam, and most recently Cambodia, which signed on in June 2013. The EC-LEDS program is managed by USAID and the U.S. Department of State, drawing upon experts from the U.S. Government's Environmental Protection Agency and Departments of Agriculture, Energy, and Treasury. Our partnership with the State Department helps enhance key diplomatic relationships with partner countries as we work to achieve an effective global approach for reducing greenhouse gas emissions to levels that protect the climate for our children and future generations.

Our regional mission in Bangkok is advancing countries' ability to reduce greenhouse gas emissions through the Low Emissions Asian Development (LEAD) program. LEAD supports regional-level training, technical assistance, knowledge-sharing, and partnership platforms to advance the U.S. Government's international initiatives on LEDS. Among its initial achievements, the LEAD program has successfully organized and launched the LEDS partnership, a new flagship platform for several hundred government and non-government practitioners in Asia to engage in peer-learning, hands-on training, and knowledge-sharing on a range of topics related to LEDS and green growth.

## **Reduced Emissions from Deforestation and Degradation**

We are also working to reduce deforestation to avoid carbon dioxide emissions while actively conserving remaining stands of natural forests. Our activities target countries that are large-scale emitters from deforestation, such as Indonesia; those with large existing stands of forests, such as Cambodia; and those with the potential to reduce carbon emissions through reforestation, such as the Philippines.

Indonesia is a major emitter of greenhouse gases because of widespread forest clearance and burning of areas on peat soils for plantation establishment. Just recently, Malaysia and Singapore were affected by hazardous levels of air pollution from the illegal burning of forests and peat lands in Indonesia. USAID is working to avoid such emissions. The USAID Indonesia Forestry and Climate Support program is an integrated climate change, sustainable forest management, and low carbon emissions development activity that is implemented collaboratively by the Governments of Indonesia and the United States. It builds on 20 years of joint forest management efforts between the two governments, and supports key climate change initiatives of the Indonesian Government including its pledge to reduce emissions by 41 percent. The project also supports sustainable development of local economies by engaging the private sector. Targeted results include a 6 million ton reduction in carbon dioxide emissions; improved management of 3 million hectares of forest, including 1.7 million hectares in priority orangutan

habitat; and plans in 12 districts that incorporate Strategic Environmental Assessment recommendations for forest and peat land conservation to reduce greenhouse gas emissions.

Regionally, we are focusing on reduced emissions from deforestation and forest degradation through a program called Lowering Emissions in Asia's Forests. This program is a regional technical assistance program helping developing countries in the Lower Mekong to reduce emissions from deforestation and forest degradation. Target countries include the countries of the Lower Mekong River region (Cambodia, Laos, Thailand, and Vietnam) as well as Malaysia and Papua New Guinea, with potential for sharing best practices with other countries across Asia. The regional program is working towards improving the management of over 1 million hectares of forests, reducing an estimated 15 million carbon dioxide-equivalent tons of emissions, and supporting 25 institutions to address climate change issues. The Lowering Emissions in Asia's Forests program is also working to integrate gender considerations throughout the program to empower 20 women leaders and to strengthen the role of women in eight organizations across the region.

### **Tropical Forest Alliance 2020**

Global challenges like reducing emissions from deforestation necessitate global responses. Such responses require participation from all sectors: public, private, and civil society. The Tropical Forest Alliance 2020, called TFA 2020 for short, is an example of a public-private partnership to reduce the tropical deforestation and greenhouse gas emissions associated with key global commodities, such as soy, beef, palm oil, and pulp and paper. It is a whole of U.S. Government effort, with USAID as lead, working closely with the State Department and other departments and agencies. The significance of this alliance is its ability to achieve scale in reducing deforestation and associated greenhouse gas emissions. It will work directly with governments in buying and producing countries, as well as the producers and buyers of these commodities, to end the cutting of tropical forests for commodity production. In June 2013, TFA 2020 held its first workshop in Indonesia on palm oil and pulp and paper. This workshop was an unprecedented opportunity as it brought together for the first time private sector and civil society groups, often at odds with each other, to discuss constructively the challenge of tropical deforestation and how to address it. During this workshop, strong private sector commitments were made to stop deforestation, and the Government of Indonesia committed to protecting the rights of indigenous people dependent on tropical forests.

### **Food Security**

USAID efforts are also focused on strengthening food security by improving the agricultural production of small-scale farmers. For example, the Cambodia HARVEST program supports Cambodia's Millennium Development Goal targets, including reducing extreme poverty and hunger; ensuring environmental sustainability; enhancing agricultural production; improving harvest yields and distribution; increasing access to food; and improving resource management and resilience. HARVEST—which stands for Helping Address Rural Vulnerabilities and Ecosystem Stability—integrates two Presidential Initiatives: Feed the Future and Global Climate Change. In Cambodia's Pursat Province, the program helped poor women by providing business opportunities, promoting the use of sustainable products and offering environmentally friendly

alternatives to traditional income-generating activities such as logging and charcoal making. This effort helps communities protect their forest resources through a variety of activities, including tree nurseries, wood lots, and agroforestry, while providing a source of income for villagers. For example, the project helped the Ou Baktra Community Forest by planting 2,000 seedlings in an effort to restore partially degraded forest areas.

## **Regional Cooperation on Environment, Water and Food Security**

As environment, water, and food security issues extend beyond bilateral boundaries, it is also crucial to foster regional cooperation through existing institutions such as ASEAN, the Coral Triangle Initiative, the Mekong River Commission, and LMI. Through these regional bodies, we can facilitate knowledge sharing among countries and improve the management of national and transboundary natural resources such as water, forests, and fisheries.

USAID has capitalized on the LMI as a framework to foster common interests between Cambodia, Laos, Thailand, Vietnam, and Burma with the goal of enhancing cooperation in areas such as the environment, education, infrastructure development, and agriculture and food security. As part of the LMI, USAID supports several climate change and environment programs. For example, the Mekong Adaptation and Resilience to Climate Change project focuses on identifying the environmental, economic, and social effects of climate change in the Lower Mekong River basin, which sustains the lives of over 70 million people. The project also assists highly vulnerable populations in ecologically sensitive areas to increase their ability to adapt their livelihoods to climate change impacts on water resources, agricultural systems, biodiversity, and ecosystems.

Through Feed the Future, USAID has been working to strengthen and institutionalize ASEAN public-private sector engagement on food security by engaging in public-private dialogues at both the working group and minister-levels. The December 2012 ASEAN Public-Private Dialogue on Sustainable Fisheries and Aquaculture, a collaboration of ASEAN's public and private sectors, established a taskforce for sustainable fisheries and aquaculture and formalized operational guidelines to focus on accelerating sustainable and responsible aquaculture practices. As a result, an ASEAN good aquaculture practices, standards, and certification scheme is being developed to improve the social and economic situation of small-scale farmers and boost the supply of sustainable, responsible, and traceable farmed aquaculture products. By increasing the availability of a key protein source, safeguarding rural livelihoods, expanding incomes, and reducing environmental vulnerability in the region the long-term impact of such activities will be enhanced food security.

USAID is also committed to preserving the oceans in the Asia-Pacific region through initiatives like the Coral Triangle Initiative, a unique example of countries joining forces to develop and implement regional solutions for regional problems. The Coral Triangle marine area in the Western Pacific Ocean is the world's most biodiverse marine ecosystem, providing economic and food security benefits to over 360 million people in the Coral Triangle region and many more around the world.

In January 2013, with support from USAID, senior officials from the six Coral Triangle countries took a concrete step to support the sustainability of marine resources by signing a resolution to address the negative impacts of an estimated \$1 billion per year live reef food fish trade in the Southeast Asia and Coral Triangle regions. In Indonesia, USAID programs in support of the Coral Triangle Initiative continue to focus on building the technical expertise and management of the Ministry of Marine Affairs and Fisheries. Our goal is to optimize the intersection of conservation, sustainability, and profit so that Indonesia's vast marine wealth contributes to long-term national development while adapting to climate change. For example, USAID has worked with the Indonesian Government and its people to improve the management of over 10 million hectares of coastal zones and marine protected areas. In addition, the program has trained over 1,700 individuals in natural resources management, biodiversity conservation, and climate change resilience.

### **Biodiversity and Wildlife Trafficking**

We are also fighting the trafficking of wildlife—the third largest area of illegal trade after arms and drugs and often a source of financing for organized crime and terrorist organizations. Wildlife trafficking activities also directly harm the environment, by exploiting natural resources and endangering threatened species and ecosystems. Asia's Regional Response to Endangered Species Trafficking (ARREST) is USAID's flagship five-year, \$8 million biodiversity anti-wildlife trafficking program. ARREST is implemented by Freeland Foundation, a Bangkok-based NGO, together with local partners in the 10 ASEAN countries and U.S. Government agencies such as the U.S. Fish and Wildlife Service, State Department, and U.S. Forest Service. ARREST's holistic approach works to strengthen law enforcement capacity, reduce consumer demand, and promote regional information sharing and cooperation across Asia. ARREST continues to build on the ASEAN-Wildlife Enforcement Network. Successes to date include increasing arrests and seizures of illegal wildlife trafficking by eleven-fold since 2005; training more than 3,000 government officials in law enforcement techniques; strengthening regional cooperation through a functioning and self-sustainable secretariat; and raising the awareness of more than 100 million individuals about endangered species that are threatened by consumer demand. We also partner with international law enforcement organizations such as INTERPOL's Project PREDATOR to combat the illegal trade in tigers and snow leopards.

### **Water Supply and Sanitation**

And finally, the USAID Indonesia Urban Water, Sanitation, and Hygiene project is supporting the Government of Indonesia in its efforts to achieve Indonesia's Millennium Development Goal targets for safe water and sanitation. The \$33.7 million, five-year effort, which began in 2011 and is part of the U.S.-Indonesia Comprehensive Partnership, works in more than 50 municipalities across the archipelago to help provide access to safe water for up to 2 million people in urban areas and access to improved sanitation for up to 200,000 people. The project has been active in 34 urban areas and in the coming year will expand to 20 additional cities. To date almost 250,000 people have obtained access to a safe water supply, an estimated 13,730 individuals now have access to improved sanitation and, in areas surveyed, the per-unit cost of water paid by the urban poor has decreased by an estimated 32 percent.

Our work has also improved water access for nearly 800,000 people in the Philippines and resulted in the financing of projects that will potentially improve water access for 1.8 million more people by mobilizing \$42 million worth of loans from private banks to fund seven utility-scale projects; training local government units and water districts on project design resulting in the implementation of 164 municipal projects; and strengthening public-private sector partnerships which have implemented 36 village-level water projects.

## **Conclusion**

I would like to close by emphasizing the interconnectedness of the world particularly in the context of climate change. This is clearly the case with greenhouse gas emissions, but also where global commodity markets and unsustainable resource management drive deforestation and degradation of transboundary water resources. The world is moving from an era of simple solutions to one in which we must address more complex global challenges like climate change in order to ensure a healthier, safer, and more prosperous future for both the people of Asia and the United States.

As such, USAID will continue to emphasize alliances among countries, through efforts like the Coral Triangle Initiative and public-private sector alliances like the Tropical Forest Alliance 2020, and to help build strong democratic processes across the Asia-Pacific region, for open dialogue and problem solving in relation to the environment and climate change. Thank you for your time, and I look forward to answering your questions.