

Ambassador-Designate to the Republic of Palau Amy Hyatt
Before the
U.S. Senate Committee on Foreign Relations
September 25, 2013

Mr. Chairman and Members of the Committee, I am honored to appear before you today as President Obama's nominee to be the next Ambassador to the Republic of Palau. I am deeply grateful for the trust and confidence that President Obama and Secretary Kerry have placed in me. Permit me to express my deep gratitude to my three children: Erin, Zach, and Emma. My family has been shaped and tested by my many years in the Foreign Service, and we have emerged stronger in our commitment to public service.

It has been an honor and privilege to serve my country for over 28 years in the Foreign Service, ten of those years in East Asia. I have served in Korea, Thailand and the Philippines, as well as in Europe, the Middle East, and Washington. I have enjoyed every one of my tours and learned much about the languages and cultures of other countries. I am deeply grateful to be an American citizen and proud to be entrusted with representing the American people overseas. If confirmed, I will faithfully represent to the people of Palau the values and ideals we Americans hold dear and steadfastly pursue our country's interests in the region.

The United States and the Republic of Palau have enjoyed a close and special relationship for over 60 years. In 1947, the United Nations assigned the United States administering authority over the Trust Territory of the Pacific Islands, which included Palau, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Commonwealth of the Northern Mariana Islands. During that period, the United States built roads, hospitals and schools and extended eligibility for U.S. federal programs in the Trust Territory. Over the years, several of the trustee islands sought changes in their political status, leading to full independence. Palau adopted its own constitution in 1981, and the governments of the United States and Palau concluded a Compact of Free Association that entered into force on October 1, 1994.

Our Compact of Free Association provides the framework for much of our bilateral relationship. Its provisions ensure the security of Palau and contribute to the security of the United States. Palau now has a new President – Tommy Remengesau Jr. – and new cabinet in place, and how we manage our relationship with Palau over the next several years will set a tone that could last decades. If

confirmed, I will work closely with this Committee and Congress to ensure U.S. interests in the region are strengthened through a mutually beneficial and cooperative relationship with Palau.

Palau's stable government is modeled on our own. Palau shares our vision on important international goals for human rights and democracy. The maturity of the democratic process in a relatively young state as Palau is a testament to the strong values of the people of the Pacific and reinforces the value of the Compact as a vehicle for their transition to greater self-sufficiency.

Our Compact with Palau, which took effect in 1994, does not have a termination date and requires a review on the 15-, 30-, and 40-year anniversaries of its effective date. The direct economic assistance provisions of the Compact, however, expired on September 30, 2009. Our two governments worked closely over 20 months of discussions and negotiations to conclude the 15-year review, which resulted in a bilateral Agreement signed by both our governments in September 2010. The Compact Review Agreement is currently undergoing Congressional review. Implementation of the Agreement is essential for the continuation of our relationship as well as for Palau's continued economic development and future self sufficiency, and I hope Congress will approve the Palau legislation soon. If confirmed, I look forward to working with you on the approval of Palau legislation.

With more than 20 U.S. government agencies conducting programs in Palau, I believe it is important to improve coordination among them to ensure our efforts are effective and implemented with transparency and accountability. If confirmed, I will work especially closely with the Department of the Interior, which administers and oversees assistance to Palau under the Compact and its related agreements. Unfortunately, the Peace Corps will close its Palau office next year. The Peace Corps will continue to support volunteers currently in Palau until they end their service in August 2014. In the future, the Peace Corps will work with the Government of Palau in placing shorter-term volunteers through the Peace Corps Response program. If confirmed, I will work with the Peace Corps and the Government of Palau to ensure the smooth transition of volunteers from longer-term to shorter term assignments.

Under the Compact, citizens of Palau may live and work in the United States. Many of Palau's young adults are serving in the U.S. military today in Afghanistan and throughout the world. Palauans serving in our armed forces have made the ultimate sacrifice to make the world a safer place for us all. Palau's Ambassador

to the United States, Hersey Kyota, has two adult children serving in the Armed Forces. He has several nephews serving in the Army and Marine Corps. The sons and daughters of other Palauan government officials and of ordinary Palauan citizens have also served honorably in U.S. military units through the decades.

The importance of our strong relationship with Palau extends beyond defense considerations. Palau is a loyal friend and ally in many other ways. Palau has a strong record for voting with the United States at the United Nations on a number of resolutions in the General Assembly. Over the years, Palau has stood by us and provided critical votes on issues vital to U.S. interests. Palau has the highest level of support for U.S. positions (over 95 percent) of any Member State, including on key issues such as Israel and support for human rights. If confirmed, I will work with the Government of Palau on these important issues. In support of our efforts to close the Guantanamo Bay Detention Camp, counterterrorism policy, in 2009, Palau temporarily resettled six ethnic Uighur detainees from Guantanamo at a time when few other countries were willing to step up. Palau has been a patient and cooperative partner with us as we work through permanent resettlement options for the remaining Uighurs. If confirmed, I will work closely with the Government of Palau on this important and sensitive issue.

The United States and Palau have engaged in law enforcement exercises over the past year and have conducted joint maritime surveillance operations . Palau is also an active participant in the Shiprider program, an effort that benefits both Palau and U.S. maritime security initiatives. In addition, on August 15, 2013, the United States and Palau concluded a new maritime law enforcement agreement that will allow our two countries to further enhance maritime cooperation. If confirmed, I will work with the Department of Defense and the Department of Homeland Security and will continue to look for opportunities to conduct further joint surveillance operations that would include the Palau Pacific Patrol Boat.

The United States enjoys close cooperation with Palau on a range of environmental issues of critical concern in the Pacific. We have been a strong partner with the Pacific Islands in our shared efforts to achieve sustainable management of Pacific fisheries resources and combat illegal, unreported and unregulated fishing (IUU) fishing. President Remengesau has stated his intention to ban all commercial fishing in Palau's EEZ. If confirmed, I will work with the President to seek his views on replacing fishing revenue with tourism revenues. Palau is also a strong supporter of combating climate change. This year through the Department of State and USAID, we will fund a climate change adviser to help Palau with its climate change initiatives. I welcome engagement with our Regional Environment hub

based in Suva as we identify and address mutual interests, both bilateral and regional, in the areas of environment and science.

Palau is a strong partner in fostering regional cooperation in the Pacific. Next year, Palau will host the 45th Pacific Island Forum (PIF), a premier inter-governmental organization that aims to enhance cooperation between the independent countries of the Pacific Ocean. If confirmed, I will work closely with the Government of Palau to highlight U.S. priorities in the Pacific and our strong support for regional security and stability at next year's PIF. I will also work with regional partners to ensure that all U.S. assistance is transparent and coordinated with the work being done by other donors in the region, including Japan and Australia.

If confirmed, I look forward to working with the Members of this Committee, other distinguished Members of Congress, and your staff members to achieve U.S. policy goals and strengthen our relationship with the Republic of Palau. I pledge to promote and protect U.S. interests and lead effectively our talented and dedicated American and Palauan staff.

Mr. Chairman, in closing, I would like to emphasize that Palau was our protectorate but is now our ally. The people of Palau are woven into the American fabric, serving with distinction and honor in our military and living and working beside us in the United States. Palau remains a dependable partner in bolstering security in the Western Pacific. As the economic center of gravity shifts to the Asia-Pacific region, the importance to US interests of a stable, increasingly prosperous, and democratic Palau in this dynamic region continues to grow.

I thank you again for the privilege of appearing before you today. I am pleased to answer your questions.