

STATEMENT OF LILIANA AYALDE
AMBASSADOR-DESIGNATE TO PARAGUAY
BEFORE THE SENATE COMMITTEE ON FOREIGN RELATIONS
JUNE 18, 2008

Mr. Chairman. Members of the Committee.

I am honored to appear before you today as the President's nominee to be the next U.S. Ambassador to the Republic of Paraguay. I want to thank President Bush and Secretary Rice for their confidence and trust in sending my name to the Senate for your consideration. If confirmed by the Senate, I look forward to working closely with this Committee and with your colleagues in the Congress to advance our interests in Paraguay and in the region.

For most of my 27 years as a career member of the Senior Foreign Service of the United States Agency for International Development (USAID), I served in Latin America. I hope that you will find that my professional experience in the region has prepared me well for this important assignment as the Chief of Mission in Paraguay. Most recently, I served as USAID Mission Director in Colombia, where I managed one of USAID's largest programs in the world and the largest in the Western Hemisphere. We worked with vulnerable groups, victims, and those displaced by the

violence while developing viable and licit economic opportunities for those who had been forced to engage in illegal coca production, trafficking, and at risk of joining illegal armed and criminal groups. We strengthened governance and helped build the capacity to expand state presence in territories with weak institutionality or no state presence. We supported judicial reform and promoted the respect for human rights. Before Colombia, I served in Bolivia during a period of much political and social turmoil. I also served in Nicaragua, re-engaging bilateral relations after a USAID absence of 12 years. This, plus my experience in Guatemala and Bangladesh, prepared me well for defending U.S. interests in challenging environments. I have worked closely with government counterparts, civil society, private sector, and the U.S. interagency community in developing synergies and coming to agreement on common grounds as we promote the fight against poverty, drugs, and corruption.

If confirmed I will arrive in Paraguay at a historic moment. My experience in development and diplomacy will serve the United States well as we engage President-elect Lugo, supporting his efforts to promote a more just and prosperous democracy.

I would certainly draw on my experience administering our foreign assistance programs to ensure that Embassy resources are wisely used, and

that security remains a top priority. If confirmed, I will also do everything in my power to ensure the safety of Embassy staff, and of the thousands of Americans who reside in Paraguay and those who visit each year.

The United States has long had close and friendly ties to Paraguay. During the last two years of the Millennium Challenge Corporation Threshold Program, we have seen the Paraguayans implement many important reforms to improve transparency, eradicate corruption, and improve business climate and economic freedom. We look forward to continuing this process with a second Threshold Program with the incoming Lugo administration. President-elect Lugo has made fighting corruption a key part of his platform and our assistance is designed to support his efforts toward that end.

Paraguay has been a good partner on security and counter-narcotics issues. Select Paraguayan law enforcement units are effectively cooperating with us and their neighbors to stem the flow of illicit drugs, arms, pirated goods, and persons through Paraguay's territory.

Our accomplishments thus far are a prelude to what remains to be done – and I look forward, if confirmed, to the challenges ahead, to working with a Paraguayan Government committed to building a more stable and prosperous Paraguay. Promoting U.S. exports will be one of my priorities

and I am optimistic that there is much the U.S. private sector can contribute to the development of Paraguayan agricultural potential. And, Mr. Chairman, members of the Committee, if confirmed, I look forward to working with you and with your colleagues in Congress as we pursue our interests in Paraguay. I would be pleased to welcome many of you to the U.S. Embassy in Asuncion. I will be happy to answer any questions you may have. Thank you.