## Statement of Marc Wall Ambassador-Designate to the Republic of Chad Senate Committee on Foreign Relations April 7, 2004

It is a privilege to appear before you today. I am honored by President Bush's nomination to serve as our Ambassador to the Republic of Chad at such a unique moment in that country's history. If confirmed, I look forward to working with you and other Members of Congress on how best I can represent the interests and values of the American people overseas.

Chad is an immense country at the crossroads of Africa. For centuries, the peoples and cultures of Sub-Saharan Africa and the Arab Middle East have intermingled there. The melding of diverse traditions has afforded Chad a rich and unique culture, but has unfortunately also been accompanied by a long history of conflicts in a turbulent region. Since independence from France in 1960, Chad has been plagued by civil war and periodic struggles with Libya, its neighbor to the North. Though Chad itself is now largely at peace, Chad finds itself affected by its neighbor's conflict, providing shelter in its east to more than 100,000 refugees who have fled the ongoing conflict in Sudan's Darfur region.

While the potential consequences of this humanitarian disaster cannot be overstated, there are also some positive beacons for Chad. Late last year, a consortium led by Exxon Mobil began pumping oil to market through the 650-mile Chad-Cameroon pipeline, prompting hopes for a brighter economic future. Though most of its eight million people remain desperately poor, this year Africa's newest oil producer is expected to achieve the fastest rate of economic growth of any country in the world.

Chad is a long way from the United States, but the challenges and opportunities it faces intersect American interests in significant ways. For our mutual benefit our countries need to work together to fight terrorism, promote economic and social development, and encourage democratic, transparent governance.

The urgent requirement now is providing aid to the refugees along Chad's remote eastern border. So far the United States has provided \$5.7 million to the United Nations High Commissioner for Refugees in response to the emergency appeal. In addition we have contributed nearly \$6.8 million in cash and food commodities to the World Food Program, and \$3.3 million to international aid organizations assisting Sudanese refugees in Chad. The Government of Chad has been helpful in facilitating humanitarian aid, but armed elements continue to move back —and forth across the border, posing serious protection concerns for the refugees. As we speak, the United States is working extremely closely with the Government of Chad in facilitating talks aimed at negotiating a humanitarian ceasefire to the conflict in western Sudan. Ongoing cooperation in this arena will be critical in the coming year.

Beyond the task of addressing the needs of the refugees from Sudan, Chad faces several fundamental challenges of its own:

First, the challenge of fighting terrorism and securing its borders. Chad has proved to be a valuable partner in the global war on terrorism. It scored an impressive victory last month when its troops eliminated a unit of the Salafist Group for Preaching and Combat, a terrorist group from Algeria. Still, with long stretches of open borders, it is vulnerable to smugglers, traffickers, and terrorist bands. Recognizing this threat, the USG made Chad part of the Pan Sahel Initiative, which provides training and equipment to the four nations of Mauritania, Mali, Chad and Niger. Training under PSI commenced in January 2004, when a Chadian unit was brought to the USG sponsored ECOWAS depot in Freetown, Sierra Leone, for training on vehicles and communications equipment. The training and equipment provided to the Chadian army under PSI will help counter terrorist operations, border incursions, and the trafficking of people, drugs and other illicit materials. I look forward to continuing our partnership to enhance Chad's ability to collect and share information about threats to their borders.

Second, the challenge of overcoming chronic poverty and disease. Chad is among the poorest countries in the world. The vast majority of its approximately eight million people live on less than one dollar a day. The HIV/AIDS infection rate is estimated to be 5%. There is no USAID Mission in Chad but the embassy has put limited resources to good use, helping with food production, education, and reforestation. In December, the Embassy welcomed a team of twenty Peace Corps volunteers back into Chad after a sixyear absence, and we anticipate the arrival of another new class this fall. These enthusiastic volunteers have been warmly received and are active throughout the country teaching English language classes, and sharing American ideals. There is much we have done, but much more the United States can do to assist Chad in meeting the needs of its people.

Chad is eligible to receive benefits under AGOA, but has barely tapped the potential that program offers to expand trade with the United States. If confirmed, I plan to encourage Chadians to take advantage of this unique opportunity to expand trade with the United States. But perhaps Chad's best hope for growing out of poverty is through the transparent and accountable use of its new oil revenues. Tens of millions of dollars will soon flow into the state's treasury each year from earnings on the pipeline project. As the experience of Africa's other oil producers so depressingly demonstrates, there is certainly no guarantee the oil revenue will be a windfall for the Chadian people. However, at least the framework is in place to ensure that Chad's people benefit. The revenue management law stipulates that 80 percent of oil revenues will be devoted to expenditures in five priority sectors -- education, health, rural development, infrastructure and other social needs. An oversight board with representatives of government, labor, farmers, private business, and others from civil society was created to 'verify", "authorize" and "oversee" expenditure of oil revenues. Its ultimate effectiveness will depend on careful monitoring and full implementation by the Government of Chad. The oil revenue management system in Chad has been touted as a model for other natural resource producers in Africa, but the onus is on Chad to demonstrate that the model can work in practice.

Finally, the challenge of promoting democracy and good governance. Chad has practically no history of peaceful and democratic political change. Every leader since independence has come to power through force, and even the most recent human rights report does not make for pleasant reading. There has, however, been some progress in recent years. The last decade has been the most peaceful in Chad's modern history, and signals a unique opportunity for Chad to lead the region in strengthening democracy and respect for human rights. President Deby's second term will expire in 2006, and a debate has begun on whether the constitution should be amended to permit him to seek a third term. While the decision must ultimately be made by the citizens of Chad, we believe that such a profound decision should not be undertaken in haste. It must be debated in a transparent and democratic manner, with an eye to the future, to the ideals and principles of democracy, and with profound consideration of the well being of all Chadians.

There is much I hope to accomplish in Chad if you decide to confirm my nomination as ambassador. First and foremost, I would commit myself to doing everything possible to assure the continuing safety and welfare of the American community. I would like to redouble our efforts in promoting human rights and the rule of law, fighting disease and protecting natural resources, and in encouraging trade and investment. Through these efforts I hope to help Chad's own people to be more secure, more prosperous, and more democratic.