

**The Armenian American Community & U.S. Foreign Assistance Policy for Fiscal Year 2014
Presented by Raffi Karakashian, Legislative Affairs Director
Armenian National Committee of America (ANCA)
Testimony before the House Appropriations Subcommittee
on State, Foreign Operations, and Related Programs**

March 1, 2013

The Armenian American community requests:

- 1) At least \$5 million in development assistance for Nagorno Karabagh
- 2) 10% of U.S. assistance to the Republic of Georgia to be targeted to Samtskhe-Javakheti
- 3) At least \$50 million in economic support funds for Armenia
- 4) Equitable distribution of U.S. humanitarian assistance to Syria
- 5) Strengthening of Sec. 907 of the FREEDOM Support Act and ending military aid to Azerbaijan
- 6) Removal of barriers to U.S.-Nagorno Karabagh contacts, and
- 7) Support the reinstatement of Nagorno Karabagh in the Minsk Group peace process

1) At least \$5 million in development assistance for Nagorno Karabagh: We want to thank the Subcommittee for stipulating in its FY13 bill that “at least \$5,000,000 for humanitarian and development programs in Nagorno-Karabakh” be allocated. We were encouraged by this clear directive to USAID and urge the Subcommittee to do the same again this year. According to Nagorno Karabagh Republic estimates, the war caused over \$5 billion in damages. Nearly twenty years since the cease-fire established in 1994, Karabagh is still suffering from significant infrastructure damage, including the shortage of safe drinking water. Since declaring independence in 1991, Karabagh has built a solid democracy and a free market economy, has respected human rights, and has held five parliamentary and five presidential elections, all praised by international monitors as free and fair. Freedom House upgraded Karabagh’s democracy status as a result this year. U.S. aid to Nagorno Karabagh has funded crucial demining programs that have saved lives,

but HALO Trust, the world's largest mine clearance organization, reports that Karabagh still has one of the highest per capital mining accidents in the world, ahead of even Afghanistan.

2) 10% of U.S. Assistance to Georgia to be targeted to the Samtskhe-Javakheti region: Over the past decade, USAID and the Millennium Challenge Corporation have expanded their presence in Samtskhe-Javakheti (SJ), a historically Armenian populated region in the Republic of Georgia, in an effort to address core humanitarian and economic difficulties that face the population. Over the past year, Armenian Americans have worked with USAID to identify ways to leverage existing U.S. aid programs and explore public-private partnerships. As current projects progress and in anticipation of new opportunities, we urge that at least 10% of a robust U.S. aid package to Georgia be targeted to the Samtskhe-Javakheti region to support job-creation and poverty reduction programs. We also urge the MCC, which is now considering a second compact with Georgia, to ensure all regions, including the Samtskhe-Javakheti region, benefit from this worthwhile effort.

3) \$50 Million in Economic Support Funds for Armenia: Since Armenia's independence in 1991, U.S. aid has played a vital role in meeting humanitarian needs, fostering democratic reforms, and building self-sustaining economic growth. Armenia, a landlocked country, continues to face one of the longest blockades in modern history. For over twenty years, Armenia has faced not one, but two blockades instituted by both Turkey and Azerbaijan. Despite repeated pleas from the U.S. and the EU to end its blockade, Turkey has refused, underscoring the importance of this aid.

Armenia is committed to expanding its military ties with the United States and NATO. Armenia is part of the NATO-led ISAF in Afghanistan and recently nearly tripled its troop deployment to Afghanistan. Armenia has also granted blanket and valuable over flight rights to the U.S.,

contributed troops to the Coalition in Iraq, and sent troops to support NATO's Kosovo peacekeeping in Kosovo. Armenia also shares our free enterprise values. The Wall Street Journal-Heritage Foundation Index of Economic Freedom regularly ranks Armenia as among the top 40 freest economies in the world. This year, Armenia was ranked the 38th freest economy in the world, ahead of Belgium and France.

4) Ensure U.S. humanitarian assistance to Syria is distributed equitably: The Armenian and Christian communities in Syria have endured increasing hardship and are especially vulnerable. Community sources on the ground in Syria report and U.S. based Armenian humanitarian assistance coalitions have confirmed that the non-lethal aid generously provided by the U.S. to date has not reached the Armenian populations in Aleppo and other regions. Thousands of Syrian Armenians have sought safe-haven in Armenia, which continues, without any U.S aid, to assist with housing, education and employment help. We ask the Subcommittee to urge USAID to ensure that all vulnerable populations in Syria – including Armenians and other Christians – benefit from the life-saving humanitarian assistance. We also ask that the State Department/USAID work with Armenia to aid the growing number of Syrian nationals who have sought refuge there.

5) Strengthening FREEDOM Support Act Sec. 907 & cutting military aid to Azerbaijan: Enacted in 1992, Section 907 of the FREEDOM Support Act stands as a statement of U.S. opposition to Azerbaijan's blockades and other aggressive uses of force against Armenia and Nagorno Karabagh. Since its enactment, Azerbaijan has not lifted its illegal blockades, ignored House Appropriation Committee Report language opposing destabilizing threats, and has become increasingly belligerent, which is why Congress must limit the President's waiver authority in the face of Baku's provocations. On August 31, 2012, Azerbaijani President Ilham Aliyev personally

pardoned convicted axe-murderer Ramil Safarov upon his transfer to Azerbaijan from Hungary, despite agreeing to keep him incarcerated. Immediately after his pardon, Safarov received a promotion in the Azerbaijani military, an apartment, and years of back pay for time spent in prison. The pardon was condemned around the world, including by President Obama, Members of Congress, the European Parliament, OSCE, Council of Europe, and NATO.

President Aliyev announced “our main enemies are Armenians of the world,” during a February 28, 2012, national address.¹ In a November 2012 Twitter tirade, President Aliyev stated, “Armenia is a country of no value. It is actually a colony, an outpost run from abroad . . .” Azerbaijan also continues to oppose the repeated calls by the three OSCE Minsk Group Co Chairs to remove its snipers from the border between Karabagh and Azerbaijan, although both Armenia and Nagorno Karabagh have agreed to this proposal. In light of Baku’s actions, we urge you to add the following language narrowing the President’s waiver authority and requiring the following additional certification that: *“In the last fiscal year, Azerbaijan has not taken hostile action, either through military force or incitement, including but not limited to threatening pronouncements by government officials, toward Armenia or Nagorno Karabagh, and has both stated and demonstrated its commitment to pursuing a lasting peace with Armenia and Nagorno Karabagh through solely non-violent means.”*

Azerbaijan has increased its military budget exponentially to the point that it surpasses Armenia’s entire budget. Baku plans on spending over \$3.7 billion on arms this year. At a time of severe budgetary constraints and because Azerbaijan continues to destabilize and provoke the parties in the region as outlined above, the United States should cut all military aid to Baku, while maintaining its aid to Armenia, which has shown great restraint in the face of Baku's provocations.

¹ <http://en.president.az/articles/4423>

6) Removing restrictions on contacts and communication with Nagorno Karabagh: The time has come for the lifting of outdated and counter-productive restrictions on the free exchange of ideas between U.S. officials and the democratically elected leadership of Karabagh. These restrictions limit the ability of the U.S. to promote our interests, block travel and exchanges, bar cooperation on regional issues, and even complicate oversight of aid programs. As such, we request that this report language be included: *"In the interest of promoting mutual understanding, regional cooperation, and a fair and lasting peace, the Committee directs the Department of State to remove any official or unofficial restrictions on U.S.-Nagorno Karabagh travel, visitations, discussions, meetings, contacts, consultations, exchange programs, or other governmental or civil society communication, cooperation, or interaction."*

7) Supporting the reinstatement of Nagorno Karabagh in the Minsk Group peace process:

The Nagorno Karabagh Republic was one of the three parties to the 1994 cease-fire, which ended military hostilities between Nagorno Karabagh and Azerbaijan. In its aftermath, Nagorno Karabagh participated in the OSCE Minsk Group peace process as an equal partner, along with Armenia and Azerbaijan. Since 1998, however, at Baku's insistence, Nagorno Karabagh has been excluded from the peace process. Nagorno Karabagh must be permitted to fully participate in all talks. To continue to exclude Karabagh from the negotiations, which are about the rights of Karabagh citizens, is counterproductive. We respectfully request that the following report language be included: *"In the interest of promoting a lasting and durable peace in the South Caucasus, the Nagorno Karabagh Republic must be reinstated into the OSCE Minsk Group peace process as a full negotiating partner."*

In closing, the ANCA looks forward to working with the Subcommittee to strengthen the U.S.-Armenia alliance and stability in the region.