



Chairwoman Barbara Lee
Subcommittee on Department of State, Foreign Operations, and Related Programs
Hearing: Department of the Treasury International Programs FY22 Budget Request
June 10, 2021

As Prepared

Thank you all for being here this afternoon as we discuss the Department of the Treasury's fiscal year 2022 budget request for international programs. The Department of the Treasury has a unique role in coordinating and facilitating our multilateral partnerships. As we tackle complex challenges, we need to work with our allies and partners in a manner that treats our partners as partners and demonstrates a willingness to listen.

Our contributions to multilateral institutions are signs of our commitment to support global partnerships in order to reduce poverty and build shared prosperity in developing countries. And this shared prosperity is for all peoples—for the most vulnerable, for women and children, for those who identify as LGBTQ+, for indigenous people, and others who are marginalized and discriminated against. Our commitments to resolve some of the world's most challenging problems cannot be accomplished if we don't uphold fundamental principles of racial equity and inclusion within the very institutions we participate in.

By acknowledging and respecting our differences and valuing that diversity, we can foster understanding, spur innovation, and promote accountability. Madam Secretary, I will continue elevating this issue and look forward to working with you on this.

The pandemic has devastated economies, and the World Bank estimates that an additional 88 million to 115 million people will be pushed into extreme poverty. The scale of need is vast, and we must demonstrate our commitment to these people and countries. Otherwise, the lack of U.S. leadership opens the door for malign influences from Russia and China that undermine the systems of governance and entice governments to accept deals that plunge countries into debt and further poverty. I welcome your insights on how best to coordinate with our multilateral partners to mitigate the humanitarian and economic impacts stemming from the pandemic.

The fiscal year 2022 budget includes \$2.5 billion to help address the climate crisis, including a \$1.25 billion contribution for the Green Climate Fund. This is a step forward in re-establishing U.S. leadership and commitment to combatting an existential crisis that ignites the root drivers of hunger, strife, and instability and that undermine the objectives of the very programs we fund to



protect people and promote prosperity. It demands attention now, and I support the Administration's urgent call to action.

This year's budget also addresses the looming problem of unmet commitments to international financial institutions, totaling over \$2 billion. Some of these arrears date back to the 1990s, and we should no longer ignore paying down these obligations. I support this Administration's recognition that this is a key priority. How can we be viewed as a credible partner while continuing to shirk our full financial responsibility.

Finally, the Treasury Department's Office of Technical Assistance is an example of how a modest appropriation used effectively can make out-sized impacts. I look forward to learning more about how the Office works with ministries of finance and central banks in developing countries to strengthen accountability and transparency by improving the management of public finances and safeguarding financial sectors.

Madam Secretary, the Treasury Department's international programs are important tools that complement the programs and activities of the State Department and USAID. As such, it is important that we use our influence and leadership to build partnerships and coalitions that collectively seek effective, long-lasting solutions.

We have many issues to discuss today, and I look forward to your statement and engagement with our subcommittee.