

**U.S. ENGAGEMENT IN CENTRAL ASIA
HOUSE FOREIGN AFFAIRS SUBCOMMITTEE ON
ASIA, PACIFIC, CENTRAL ASIA, AND NONPROLIFERATION
TESTIMONY OF ASSISTANT SECRETARY DONALD LU
September 14, 2022**

Chairman Bera and Ranking Member Chabot,

This is a defining moment for the people of Central Asia. Russia's war of aggression in Ukraine has created concerns about sovereignty and territorial integrity in this neighboring region. Rising energy prices and food prices have plunged millions into poverty and uncertainty. Unfair PRC loan payments are about to come due and these countries do not have the capacity to repay this crushing debt.

As a result, the United States and likeminded countries have an opportunity to demonstrate that we are reliable partners. That we offer an alternative to Russian bullying and Chinese debt.

Our top priority is to support the sovereignty, territorial integrity, and independence of Central Asian states. Russia has made territorial claims in Central Asia and has said that it would take action if it felt that the rights of ethnic Russians were threatened. This sounds hauntingly similar to the pretexts used for Russian aggression against Ukraine and its actions against Georgia and Moldova.

Millions of Central Asian migrant workers live in Russia. Central Asia's main trade routes to overseas markets run through Russia. And Russia is not afraid to use its leverage over these countries. Recently, Russia forced a terminal of the CPC oil pipeline to suspend operations – depriving the Kazakh people of hundreds of millions of dollars in revenues. The objective was clear — to pressure and to punish the Kazakh people for not supporting Putin's illegal and unprovoked war in Ukraine.

Despite considerable pressure from Moscow, the countries of Central Asia have refused to send troops to support Russia's war. Leaders in both Kazakhstan and Uzbekistan have made repeated public statements supporting Ukrainian sovereignty. Central Asian leaders have consistently said they will not recognize the so-called peoples' republics of Luhansk and Donetsk.

Second, we are focused on countering the PRC in the region.

When I served as ambassador in Kyrgyzstan, I witnessed local resentment of the PRC's presence, which was often seen as exploitative, corrupt, and non-transparent. There exists a genuine fear that the PRC's Belt and Road Initiative loans are creating unsustainable debt. There is a fear that Chinese workers are displacing jobs for Central Asian workers. And there is a fear that the PRC's ambitions are not contained to commercial domination. Fighting corrupt PRC business deals is sensitive and dangerous work. Our Embassy in Kyrgyzstan has spent years working to shine a light on PRC organized crime activity, in league with former Kyrgyz corrupt officials, that robs the people of Central Asia of billions of dollars in customs revenue each year.

Third, we are supporting economic stabilization as the region recovers from COVID-19 and faces the economic consequences of Russia's war in Ukraine. As Russia and the PRC restrict trade with the region, we are working to support finding alternative trade routes through the Caspian Sea. We are cooperating with leaders in the region to ensure our sanctions targeting Russia do not further isolate Central Asia. Through our proposed Economic Resilience Initiative, we will boost trade, secure corridors for the export of energy, and train returned migrant workers.

The State Department also supports terminating the applicability of the Jackson-Vanik Amendment for Kazakhstan, Uzbekistan and Tajikistan and the establishment of permanent normal trade relations.

Fourth, we are working with our Central Asian partners on counterterrorism and security. ISIS-K has fired rockets into Tajikistan and Uzbekistan from Afghanistan. We are committed to assisting partners in the region who are under threat from terrorist groups operating in Afghanistan. We have increased our support of border security and counterterrorism capacity-building programming throughout the region.

Finally, we are supporting human rights and democracy. We are clear-eyed about serious human rights concerns in the region. Four of the five Central Asian countries have seen violent unrest in the past two years, and repression of individuals for their religion, gender, political activities, or sexual orientation is widespread. We engage often with authorities to address these concerns and are seeing some incremental progress. In the past year, for example, the International Labor Organization announced the elimination of systemic forced labor in Uzbekistan's cotton harvest.

We are also increasing our engagement with the region to demonstrate that we are a reliable partner and an alternative to Russia and the PRC. I visited Central Asia in December and May with interagency delegations to engage directly with senior leaders. CENTCOM Commander General Kurilla's recent visit to the region reinforced positive momentum in our bilateral security cooperation. We have had three visits by Members of Congress to Central Asia in the past year. Secretary Blinken will be meeting with his counterparts from the region in the C5+1 format later this month.

We look forward to working with Congress to strengthen ties and advance U.S. interests in this high-stakes region.

Thank you.