

WRITTEN TESTIMONY
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BEFORE
THE SUBCOMMITTEE ON THE INDO-PACIFIC
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
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“RENEWED U.S. ENGAGEMENT IN THE PACIFIC:
ASSESSING THE IMPORTANCE OF THE PACIFIC ISLANDS”

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Chairwoman Kim, Ranking Member Bera, and distinguished members of the Subcommittee on the Indo-Pacific, the Office of the Assistant Secretary for Insular and International Affairs at the Department of the Interior welcomes the opportunity to join Congress today in assessing the importance of the Pacific Islands to U.S. national interests in the Indo-Pacific.

Under U.S. law and policy, the Department of the Interior (Interior Department) carries out responsibilities to islands in the Pacific which are strategically vital extensions of the American homeland, including, of course, the State of Hawai‘i, and the U.S. Territories of Guam, the Northern Mariana Islands, and American Samoa. Additionally, from 1951 to 1986 the Interior Department was also the lead federal agency with primary and comprehensive responsibility when the United States was the administering authority under a U.N. trusteeship for jurisdictions that have since become the nations of Palau, Federated States of Micronesia (FSM), and Republic of the Marshall Islands (RMI) – collectively, the Freely Associated States (FAS).

In approving a Compact of Free Association (COFA) for each of the FAS as international agreements and approving amendment of some terms of each COFA, Congress, through U.S. statute, gave the Secretary of the Interior and the Secretary of State shared responsibility relating to the implementation of each COFA. According to the U.S. Government and Accountability Office, in 2018, after over 70 years of close social, political, economic, and cultural ties under the U.N. trusteeship and free association, there were an estimated 94,000 FAS individuals living in nearly every state and territory in the United States, including about 25,000 in Hawai‘i, 6,000

in Arkansas, and 4,000 in California. To put this in perspective, 94,000 is equivalent to about half the total population of the three nations. Moreover, roughly half of the FAS population in the United States are now U.S. citizens.

These FAS communities serve in the U.S. military at a high per capita rate, and they live, work, and pay taxes throughout the United States. For the past 35 years, the COFAs have been a foreign policy, national security, and people-to-people success story. While economic development in the islands has not realized full self-sufficiency, COFA programs have sustained a stable standard of living and provide FAS partner populations the opportunity to come and go between the United States and the islands and contribute to the fabric of our country.

The Interior Department works closely with the State Department to carry out our shared responsibilities for COFA implementation based on important interagency coordination. Both our agencies coordinate closely with the National Security Council, Office of Management and Budget, the Departments of Defense, Energy, Health and Human Services, Homeland Security, Education, and other agencies with authorities and responsibilities under relevant international and domestic law, as applicable.

The Subcommittee's examination of the need for renewed Pacific-wide U.S. engagement necessitates an assessment of broad ranging U.S. commitments and interests across the entire Indo-Pacific region rather than just the Pacific islands sub-region. However, a focus on the Pacific islands sub-region is called for because the blue continent of Oceania is the hub of the Pacific where sea lanes vital to major power and global political, economic, and strategic stability pass through the territorial waters of these small island nations – or alternatively large ocean states. In addition, when taken together, the Pacific islands form a geopolitical bridge east and west from Asia to the Americas, and from Australia in the south to equatorial Micronesia and the Aleutians in the north Pacific. In that connection, I fully concur with the comments from my colleagues from the State Department regarding the significance of the long-term U.S. actions this administration is taking to invest in the region, and the importance of the Compacts as tangible proof and the practice of United States' long-term commitment to meet its responsibilities as a Pacific nation.

Under the Compacts, the United States has authority and responsibility for defense and security matters in and relating to each of the three countries, including the ability to deny access to these countries by third-country militaries, thereby securing U.S. national interests in a region as important now as any time in the last fifty years. Some would suggest that is why the People's Republic of China seeks access to islands, waters, and air space in the Pacific that the United States has in the FAS under agreed terms of COFA.

It is in this context that mutually agreed amendments to the Compacts and related agreements should reflect and be understood as a demonstration of the U.S. commitment to strengthen, enhance, and improve our relationships with our three COFA partners, and as just one important part of the larger renewal of engagement with the Pacific Island nations aligned in

the Pacific Islands Forum. That tenet was expressed clearly by the United States and our Pacific Island Forum partners in the U.S. Pacific Islands Summit Declaration from September 29, 2022, placing the highest priority on the successful completion of the negotiations relating to the Compacts of Free Association with our three COFA partners – “one of the cornerstones of U.S.-Pacific cooperation for nearly four decades” – and recognizing that “new resources must be part of any successful negotiation.”

As the Deputy Assistant Secretary for Insular and International Affairs, I have been a member of the Administration’s Compact of Free Association negotiating team since 2021. As you know, Joseph Y. Yun was appointed the Special Presidential Envoy for Compact Negotiations in 2022, and Carmen G. Cantor was confirmed as the Assistant Secretary for Insular and International Affairs later in 2022. Since then, those of us on the U.S. interagency COFA negotiating team have supported Special Presidential Envoy Yun and Assistant Secretary Cantor in marathon joint and separate initiatives working on COFA negotiations with the governments of Palau, the FSM, and the RMI, in our respective capitols in Washington, Koror, Pohnpei, and Majuro.

The substantial progress made since 2022, based on Special Presidential Envoy Yun’s leadership focusing on pursuit of agreements with each of the FAS that both parties are happy to sign, culminated in the milestone event in which MOU’s confirming the understandings and intentions of the parties were signed with Palau and RMI in January, and with FSM in February of 2023. We are making every effort to complete negotiations as quickly as possible and in line with goals set by the Administration. The Administration will submit proposed implementing legislation to Congress upon the conclusion of negotiations, which will include a proposal for mandatory appropriations to fund the costs of the new Compact assistance for the expected 20-year period.

With those pending actions in mind, I’d like to close by highlighting for this Committee some of the most important reasons that warrant swift action on the soon-to-be-agreed agreements relating to the Compacts. As we meet today, it is clear the shared interests of our friends and allies in the Pacific, not to mention our own homelands of Hawai’i, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands are under pressure as never before since WWII. Official filings and reports by the United States and COFA partner authorities assert that bullying and surreptitious political influence tactics are being used in the Pacific – disrupting the ability of free people to promote democracy, equality, economic opportunity, and security.

Some may believe the United States is expending too many resources to secure renewed engagement through Compact negotiations, and others will counter that the United States cannot afford to abandon our investment in these special relationships. As but one example of the importance of these relationships, officials from the Department of Defense have consistently stated before Congress these Compacts are essential for maintaining combat credible presence and represent the United States Indo-Pacific Command’s highest diplomatic priority. Given their needs, some in the FAS still argue that the United States is failing to provide enough economic

assistance. If that is based on good faith beliefs, then that is why we have Congress to decide the value of those issues for the American people, just as the FAS have their legislative bodies to address those issues for themselves.

Thus, we seek early agreement with our friends of nearly 75 years, on a package that reverses any misperception of potential disengagement. Special Presidential Envoy Yun and his fellow COFA Chief Negotiators on behalf of our COFA partners have put together a request for future COFA assistance for each island nation that increases U.S. assistance to a reasonable and prudent amount. That includes assistance for education and health, infrastructure, and the continuation of federal programs and services including the United States Postal Service, Federal Aviation Administration, United States Weather Service, and Federal Deposit Insurance Corporation. These are among the overall assistance that preexist the Compacts and date back nearly 75 years.

It also includes ways and means to meet another commitment in the U.S. Pacific Islands Summit Declaration:

World War II ended nearly 80 years ago, but its scars remain in the Pacific. We, too, acknowledge the nuclear legacy of the Cold War. The United States remains committed to addressing the Republic of the Marshall Islands' ongoing environmental, public health concerns, and other welfare concerns.

The COFA packages will be debated in the United States Congress and national legislatures of our COFA partners. Now is the time to send a clear signal across the Pacific. When the parties sign agreements relating to the Compacts that are a cornerstone of United States national interest in the Pacific, let us introduce the legislation to approve those agreements. Let us productively debate any issues in the most celebrated of deliberative bodies of our time. And finally, let us conclude our work with Congress and for the American people to secure a bipartisan success that lays to rest how committed the United States is to the Pacific and to remaining the preferred partner for our friends and cousins in the Pacific Islands.