FY 2018 U.S. ASSISTANCE REQUEST FOR THE WESTERN HEMISPHERE

TESTIMONY OF FRANCISCO L. PALMIERI ACTING ASSISTANT SECRETARY OF STATE BUREAU OF WESTERN HEMISPHERE AFFAIRS U.S. DEPARTMENT OF STATE BEFORE

THE SUBCOMMITTEE ON THE WESTERN HEMISPHERE HOUSE COMMITTEE ON FOREIGN AFFAIRS July 12, 2017

Chairman Duncan, Ranking Member Sires, and Members of the Subcommittee:

Thank you for the opportunity to testify on the Fiscal Year 2018 foreign assistance request for the Western Hemisphere.

The FY 2018 \$1.09 billion request for the Western Hemisphere prioritizes programs that directly support U.S. national security by addressing illicit pathways, while creating an environment for increased U.S. trade and investment in the hemisphere. Security and prosperity in the region benefits our interests directly, and creates opportunities for U.S. companies.

The request supports programming that disrupts transnational criminal organizations (TCOs), strengthens border security, combats corruption and impunity, and reduces the flow of irregular migration, illicit drugs, and illegal goods across our southern border. The request reflects the President's commitment to rebuild our nation's military within fiscal constraints, while working on behalf of the American people to advance our national security objectives and foreign policy goals. The request for the Western Hemisphere includes six primary components:

In Central America, the request includes \$460 million to address the economic, security, and governance drivers of irregular migration and drug trafficking to the United States. The June 15-16 Conference on Prosperity and Security in Central America, which the U.S. government cohosted with the Government of Mexico, was attended by Vice President Pence, Secretaries Tillerson, Kelly, and Mnuchin, senior-level Central American government officials, representatives from other partner countries, and leaders from the private sector and international financial institutions. Participants discussed investment promotion, sustainable growth, opportunities for U.S. firms, and cooperation to combat organized crime, promote security, and advance the rule of law. The conference also affirmed U.S. support for the Plan of the Alliance for Prosperity, the reform initiative of the Northern Triangle countries of El Salvador, Guatemala, and Honduras.

Security cooperation with Mexico under the Merida Initiative combats TCOs, narcotics, and other illicit trafficking, overcomes shared migration challenges, improves border controls, and strengthens Mexico's capacity to end impunity. The FY 2018 request for the Merida Initiative is \$85 million. The request supports Mexico's efforts to combat illicit poppy cultivation, heroin production, and fentanyl trafficking; advance the rule of law; protect human

rights; and reduce violence that poses a risk to the United States, consistent with the U.S.-Mexico Strategic Dialogue on Disrupting TCOs hosted by Secretary Tillerson in May.

For Colombia, the request includes \$251.4 million for assistance focusing on reducing the production and trafficking of cocaine to the United States, while helping to secure a just and lasting peace, thereby strengthening a strategic security partner. The President reaffirmed the U.S. partnership with Colombia during President Santos' visit to Washington in May.

The \$157.5 million request for Haiti promotes good governance; fights poverty; advances economic growth initiatives, improves food security and nutrition; supports transparent and accountable government institutions; provides critical support to the Haitian National Police; and supports assistance to reduce the prevalence of HIV/AIDS.

For Peru, the \$49.7 million request supports efforts to combat the illicit drug trade and TCOs through tightly paired eradication and alternative development. The request also supports anti-money laundering and asset-forfeiture; counternarcotics and justice sector efforts; customs and port security; and includes private sector-led alternative development programs.

In the Caribbean, the \$36.2 million Caribbean Basin Security Initiative request addresses crime, violence, and illicit pathways threatening the United States by focusing on maritime border controls, illicit trafficking, and the root causes of transnational crime. Programs included in the request will increase public safety and security; strengthen law enforcement; improve justice institutions; and support anti-corruption and alternatives for at-risk youth.

I look forward to your questions.