Chairman Wilson, Ranking Member Manning, Members of the Subcommittee, thank you for the opportunity to testify on the development of the historic Abraham Accords peace agreements, and the ways in which the United States can help ensure they reach their true transformative potential.

The Abraham Accords constitute the beginning of a transformation of a region that will continue to be a vital battleground astride the security and economic interests of world powers. American leadership was a necessary but alone insufficient condition to the emergence of this agreement. American leadership will remain essential to its growth and evolution.

The alignment of our regional partners and allies in both economic and security domains will ensure that the agreement endures. It will also incentivize others to join us in pooling critical capacities to advance and defend mutual interests. This transformation serves to constrain the malign influence of Iran and Russia, and predatory practices of China. If we fail to take advantage of the favorable shift in the region's security and economic architecture, such countries will continue to manufacture and exploit fissures among the U.S. and its regional partners.

On the other hand, appropriate support will enable the Abraham Accords to advance and secure America's interests with the use of significantly fewer resources, and with more capable partners integrated as never before.

The Abraham Accords Peace Institute, where I serve as President and Executive Director, is a non-partisan, non-profit U.S. organization dedicated to supporting the implementation and expansion of the Accords. We are the primary platform for disseminating Accords' progress, including through our monthly and annual reports, and we work with a broad range of actors abroad, as appropriate, to develop new opportunities in the fields of trade, investment, tourism, and people-to-people cooperation.

To give just a brief sense of the impact of the Accords to date- In 2022, trade between Israel and its regional peace partners reached \$3.47 Billion, up from \$1.905 Billion in 2021 and \$593 Million in 2019.

470,700 Israelis visited Abraham Accords countries in 2022, up from 39,300 in 2019. 17 new flight routes have been launched. Israeli companies have established fintech R&D centers in Abu Dhabi, experimental agricultural plots in Morocco, and have enhanced the water system in Bahrain. Israeli, Moroccan and Emirati entities are now exploring, with Sudanese partners and the World Food Programme, the possibility of carrying out a large-scale agricultural project in Sudan, which can help not only address food insecurity, but empower Sudan to become, once again, a global food exporter. Cooperation has flourished in a wide range of additional fields, from green hydrogen, drones and startup acceleration, to cardiology, youth leadership, and inter-religious dialogue.

Indeed, just this past month, we saw the opening of the Abrahamic Family House in Abu Dhabi, a complex containing three magnificent houses of prayer- a synagogue, church and mosqueside by side, symbolizing the spirit of tolerance and mutual respect at the heart of the Abraham Accords.

There are of course areas where potential remains unrealized. We have seen relatively few incoming tourists from Abraham Accords countries to Israel, there are indications of a drop in public sentiment towards the Accords, and several bilateral government-to-government initiatives are progressing more slowly than we would have hoped. The Abraham Accords Peace Institute is working with numerous stakeholders and experts to identify solutions to these challenges.

However, while the deepening of bilateral relations is important, the true potential of the Accords lies in strategic multilateral cooperation among Accords member countries, and between Accords countries, the U.S., and our European and Asian allies. Such cooperation would leverage the unique capabilities, advantages and needs of each of our partners.

The U.S. can encourage and advance the historic agreements in myriad ways.

The first way would be for the U.S. to support and facilitate the establishment of an Abraham Accords Free Trade Area, that would ensure progress toward its members' aspirations, preserve the integrity and stability of global markets, provide a tangible alternative to China's Belt and Road Initiative, and fuel growth by leveraging the matrix of free trade agreements already in place between the U.S. and Accords members, and between the Accords members themselves.

According to a <u>RAND analysis</u>, the benefits of a multi-lateral FTA encompassing current signatories, could create more than 150,000 new jobs and new economic activity exceeding \$75 billion. A multi-lateral FTA among an expanded number of potential Accords signatories could create as many as 4 million new jobs and \$1 trillion in new economic activity.

A second avenue would be for the United States to ensure that resources dedicated to regional peace encompass areas and initiatives that support the Accords. In addition, the U.S. could work with Accords' members to reestablish the Abraham Fund, which could provide the financial and technical support necessary to reduce poverty, expand infrastructure, and help improve health and education, thereby reinforcing the Accords.

A third way would be to connect Accords members and other partners through the establishment of a new overland trade route from the Mediterranean to the Gulf. Such a route could revolutionize East-West trade by significantly decreasing transit times, costs, and risks, as compared to alternative sea and land routes. It would strengthen the resilience of global supply chains, while creating new jobs and investments in Israel, the Palestinian Authority, Jordan, the GCC and beyond, thereby contributing to regional prosperity and stability.

Establishing such a route would require both infrastructure development (e.g. border crossings, roads, transport facilities, train tracks), and overcoming geopolitical obstacles. The United States could play an important role in advancing such an initiative, including through public-private partnerships.

Number four would be to support and resource a new enduring regional security architecture in the Middle East, built on the Abraham Accords foundation, while accelerating projected security assistance to Accords member countries. Only by making our partners and allies more capable will we mitigate the spectrum of risks to our vital national interests and the global economy, and reduce the requirement for U.S. presence.

A fifth way would be to leverage the Abraham Accords to offset the loss of European energy following Russia's invasion of Ukraine, and to strategically realign our partners and allies by breaking the dependency upon adversary resources. This could include both increasing the capacity to export Mediterranean natural gas to Europe through joint ventures to develop the necessary infrastructure, and the eventual production and transport of renewable energies in the Middle East for use in other parts of the world.

Without U.S. leadership, the historic agreements would not have been concluded; absent sustained investment they will fail to achieve their potential. Such a setback would constrain the region's economic recovery from the pandemic, erode support for counterterrorism cooperation, open a door to malign influence by Russia and China, compromise regional stability, disrupt global markets, discourage essential cooperation, and provide an opportunity for a resurgence of ISIS and al Qa'ida.

But if we seize the opportunity that these historic agreements offer, the inverse holds. We could build upon the Accords to enhance regional stability, security, and trade. We could also seize the opportunity for a U.S.-led regional security architecture built to safeguard an economic foundation that can endure, while reducing our costs and constraining our adversaries.

Active U.S. involvement will also be a critical component for expanding the Accords, whether in the GCC, or among African and Asian Muslim countries which do not currently have ties with Israel.

In 2023, the Abraham Accords will continue to make previously unimaginable cooperation a reality. With active U.S. involvement and investment, the Accords can contribute greatly to U.S. interests in the region, while shaping a more peaceful, prosperous, and sustainable future for the Middle East.

The Accords constitute the beginning of a transformation within the region, but they must not be considered the culmination of the opportunity. These new relationships require American leadership to ensure growth and evolution. The Accords bring to fruition a critical advancement of America's interests, by reducing the burden on our resources, and integrating capable partners in new ways. Informed by the lessons learned in previous efforts to integrate the region, guided by the progress it has made in recent decades, and driven by the aspirations of its people, the historic agreements provide an unprecedented opportunity to preserve the integrity of global markets, and constrain China's predatory trade practices.

The Abraham Accords, and the Institute which bears its name, hold the potential to serve as the foundation for a peace process in the Middle East by demonstrating the tangible benefits of interpersonal ties, trade, commerce, and cooperation. This new effort will help seize this historic opportunity to unleash the Middle East's potential, keep America safe, and enable the region to turn the page on a generation of conflict and instability.