Deputy Assistant Administrator Alexander Sokolowski Written Testimony House Foreign Affairs Committee Subcommittee on Europe The Future of Nagorno-Karabakh November 15, 2023

Chairman Kean, Ranking Member Keating, distinguished members of the Subcommittee on Europe: Thank you for your invitation to speak today about USAID's efforts in the South Caucasus and for your support, particularly concerning the humanitarian situation surrounding the crisis in Nagorno-Karabakh and Armenia. I welcome the opportunity to both talk about the work in the region and listen to your perspectives.

USAID and our interagency partners have been working diligently for some time to respond to the situation in Nagorno-Karabakh. For months, humanitarian conditions in the territory steadily deteriorated due to the blockage of the Lachin Corridor, resulting in critical shortages of food, energy supplies, medical commodities, and other essential goods.

Humanitarian conditions in Nagorno-Karabakh further deteriorated after armed clashes erupted on September 19, prompting more than 100,000 people – nearly the entire population of ethnic Armenians in the territory –

to flee Nagorno-Karabakh in less than two weeks. Many of these displaced persons exhibited symptoms of sustained emotional distress and chronic illness as a result of Azerbaijan's blockage of the Lachin Corridor.

Four days after Azerbaijan's military action on September 19, USAID Administrator Samantha Power traveled to Armenia with Principal Deputy Assistant Secretary of State for Europe and Eurasian Affairs Yuri Kim to express the United States' support for Armenia and the people of Nagorno-Karabakh and oversee U.S. efforts to respond to the immediate needs of the 100,000 ethnic Armenians fleeing Nagorno-Karabakh. Administrator Power met Prime Minister Nikol Pashinyan and underscored USAID's commitment to support the Armenian government in assisting refugees and displaced persons who recently fled Nagorno-Karabakh. The Administrator traveled to Armenia's border with Azerbaijan to speak first hand to ethnic Armenians fleeing Nagorno-Karabakh and humanitarians working to support the tens of thousands of people arriving each day. While in Armenia, Administrator Power also announced the activation of a Disaster Assistance Response Team in the region to identify priority response needs and work with

humanitarian partners to provide urgently needed aid to refugees and displaced persons from Nagorno-Karabakh.

Administrator Power and acting Assistant Secretary Kim then traveled to Azerbaijan, where they met with President Ilham Aliyev to express deep U.S. concerns with Azerbaijan's military operation in Nagorno-Karabakh and to press the Azerbaijani government to allow humanitarian access to populations in need of assistance in the territory, protect Armenian religious and cultural sites in Nagorno Karabakh, and take demonstrable steps to establish conditions on the ground that would give ethnic Armenians the confidence that they can return.

On September 26, the U.S. Government provided more than \$11.5 million worth of assistance to support vulnerable populations in the South Caucasus. This assistance includes vital support from both USAID and the Department of State. Additionally, USAID has focused nearly \$6 million in funding from existing programming at USAID/Armenia to support displaced persons and refugees from Nagorno-Karabakh.

At the end of last month, our own Assistant Administrator,

Ambassador Erin McKee, traveled to the Caucasus to continue monitoring
the situation and communicate our ongoing commitment to the displaced
people of Nagorno-Karabakh. Last month, I also traveled to Armenia to meet
with those who had left Nagorno-Karabakh and with Armenian government
officials to see how we could cooperate further, as well as to assess USAID's
efforts in response to the humanitarian crisis.

USAID's longer-term development support to Armenia seeks to strengthen Armenia's economic resilience, improve public service provision, and advance democratic reforms for more responsive, accountable governance. In recent weeks, we have deployed teams to Yerevan to explore ways of helping the Armenian government respond to the influx of displaced persons and become more resilient over the longer term.

Thanks to generous support from Congress, USAID has increased our assistance to Armenia by more than 50% since FY 2018. This funding has allowed us to partner with the Government of Armenia, civil society groups, and other organizations to help Armenia strengthen civic engagement,

create economic opportunity, help diversify its energy supply, and support a more pluralistic, reliable, information environment. USAID is also helping Armenia diversify its economic linkages with Western partners and increase economic opportunities for women and youth.

Lastly, USAID is committed to promoting peace, stability, and prosperity across the South Caucasus. To that end, we've recently launched South Caucasus regional programs focusing on issues of mutual interest to all three countries in the region, specifically, rural development and natural resources management. Through these cross-border programs, USAID seeks to build partnerships and linkages that create the basis for greater shared prosperity, improved livelihoods, and peace.

Thank you again for the opportunity to discuss our priorities and efforts. I look forward to your questions.