

STATEMENT
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HOUSE COMMITTEE ON NATURAL RESOURCES
SUBCOMMITTEE ON INDIAN AND INSULAR AFFAIRS
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Chair Hageman, Ranking Member Leger Fernandez, and Members of the Subcommittee: thank you for the opportunity today to discuss the importance of the Compacts of Free Association (Compacts) to our national security and the Biden Administration's Indo-Pacific strategy.

I am pleased to testify today alongside my colleagues from the Departments of Interior, State, and Veterans Affairs. This panel underscores the significant interagency and government-wide commitment to the Freely Associated States (FAS) and implementation of the Compacts.

Partnership with the Freely Associated States (FAS)

The United States is an Indo-Pacific country and we share a unique and special relationship with the FAS. Forged eighty years ago on the World War II Pacific campaign battlefields of Guadalcanal, Tarawa, and Peleliu, we share a history of service and sacrifice. Citizens of Palau, the Federated States of Micronesia (FSM), and the Republic of the Marshall Islands (RMI) have a long and proud history of service in all branches of the U.S. Armed Forces – often contributing higher enlistment per capita than many U.S. states. They've fought in our ranks in Vietnam, Iraq, and Afghanistan, and we will be forever grateful for their service.

Our peoples value democracy, freedom, and human rights. We share the same profound concerns over the existential threat from climate change and seek opportunities to build prosperous and healthy societies. The United States recognizes the links between the Pacific's future and our own: U.S. prosperity and security depend on the Pacific Islands region remaining free and open, and the Compacts are one way we communicate our long-term commitment to these partners.

Strategic Environment

The most comprehensive and serious challenge to U.S. national security, as identified by the Department's 2022 National Defense Strategy, is the People's Republic of China's (PRC's) coercive and increasingly aggressive effort to change the status quo of the Indo-Pacific region and the international system to align with its interests. As the National Defense Strategy states, the PRC is the pacing challenge for the Department.

The PRC also seeks to expand its influence in the FAS and is increasing its coercive activities throughout the Pacific Islands region. From illegal, unreported, and unregulated (IUU) fishing to coercion aimed at sovereign nations that have diplomatic ties with Taiwan, the PRC's provocative behavior appears focused on eroding the U.S. strategic partnership with the FAS. The Compacts are an important signal to both our partners and our competitors that the U.S. commitment to the FAS is iron-clad.

National Security Implications of the Compacts

Passing the *Compact of Free Association Amendments Act of 2024* marked one of the 118th Congress' most significant achievements to advance U.S. strategic priorities in the Indo-Pacific region – and we thank the many Members of this Committee who played a pivotal role in advocating for this legislation. Although the Department does not have a direct role in

implementation of the new agreements, we continue to work closely with our partners in the FAS to advance initiatives of mutual interest, consistent with U.S. rights under Title III of the Compacts.

The Compacts ensure that the United States – and only the United States – can maintain a military presence in the FAS. As part of these agreements, the U.S. military serves as the defense force for FSM, Palau, and RMI, which in return grant the United States assured access for our military operations, as well as sites for critical defense posture in the region. In particular, RMI hosts the Ronald Reagan Ballistic Missile Test Site at Kwajalein Atoll, and we are exploring opportunities for new cooperation with Palau and FSM, including with FSM on Yap Island. The Compacts also limit the access of third country militaries or their personnel, including would-be adversaries, from accessing FAS land, airspace, and territorial seas, securing a key area of the Indo-Pacific region.

In addition to force posture, the assured access guaranteed by the Compacts provides locations for bilateral and multilateral training and exercises. The FAS have previously hosted exercises, including KOA MOANA, COPE NORTH, PACIFIC PARTNERSHIP, and VALIANT SHIELD. These exercises support the readiness of the joint force and often provide opportunities for U.S. forces to exercise alongside allies and partners—including critical Allies like Australia and Japan—enhancing our comprehensive engagement in the FAS.

PACIFIC PARTNERSHIP is the largest multinational humanitarian assistance and disaster relief preparedness mission conducted in the Indo-Pacific region, and it has included visits to all three COFA states in the last year. The exercise involves provision of medical care, engineering and infrastructure projects, and people-to-people engagements. For example, the stop in Palau late last year included Japanese, Australian, and German forces, who completed more than 132 medical engagements, distributed more than 1,400 pairs of prescription eyeglasses, and conducted 80 surgeries aboard the USNS Mercy.

The rights afforded to the United States under the Compacts and related agreements have also facilitated other important Department exercises in the past year. For example, more than 600 U.S. service members conducted training across the Palau island chain during VALIANT SHIELD 24, which included live-fire training and the U.S. Army's first launch of a Precision Strike Missile outside of American-based testing sites. Such training and exercise programs are invaluable for ensuring the readiness and interoperability of our and our partners' Armed Forces.

It is for all these reasons that the Department of Defense once again thanks Congress for its strong bipartisan support for the Compact.

Conclusion

Madam Chair, thank you again for the opportunity today to testify about the value of the Compacts to our national security and defense interests. I look forward to your questions.