

Statement for the Record
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Subcommittee on the Middle East and North Africa
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Chairman Ros-Lehtinen, Ranking Member Deutch, Members of the Subcommittee, thank you for inviting us to appear before you today to discuss the President's Fiscal Year 2018 budget request. I welcome the opportunity to testify with my colleague, Maria Longi, Acting Assistant Administrator for the U.S. Agency for International Development's Bureau for the Middle East.

This hearing is taking place at a time when the Middle East and North Africa region continues to be plagued by instability, conflict, lack of civilian and democratic institutions, and economic stagnation. As Members of this Subcommittee are all too aware, the conflict in Syria continues in its seventh year, with more than 400,000 casualties and nearly 12 million people displaced, roughly half of whom have been forced to flee into neighboring countries and beyond. Even with the recent victory in Mosul, Iraq continues to be at the forefront of fighting a war against the Islamic State of Iraq and Syria (ISIS) and Yemen is facing widespread instability and a deepening humanitarian crisis. Iran's de-stabilizing influence in the region continues to grow, threatening security and stability of the region, in particular, against our allies in the Gulf. Given these challenges in the region and to U.S. national security, our foreign assistance funding in the President's FY 2018 budget request reflects the Administration's sharp focus on defeating ISIS, deepening strategic partnerships in the region to advance their efforts to counter terrorist threats and other destabilizing influences in the region, targeting support for Israeli-Palestinian peace efforts, and providing economic growth and opportunity to citizens in the region in order to promote longer term stability.

As Secretary Tillerson stated during his recent testimony, "the 21st century has already presented many evolving challenges to U.S. national security and economic prosperity. We must develop proactive responses to protect and advance the interests of the American people." The result of these conflicts across the region has a direct impact on U.S. national security and our economic prosperity. It also provides an

opportunity for the United States to support those elements across the region that share the American vision for stability and security, while protecting U.S. long-term national security interests and maximizing our limited resources. Each issue presents its own unique set of trials and requires a different set of tools.

We are grateful for your continued support for the State Department and USAID, which will be necessary for us to meet these challenges. To this end, the President's FY 2018 budget request includes \$6.6 billion in foreign assistance for the Bureau of Near Eastern Affairs across economic and security assistance accounts. This budget request concentrates resources to support efforts that advance U.S. leadership in the region, to protect the American homeland and maintain accountability to the U.S. taxpayer. The importance of U.S. efforts in the Middle East and North Africa is reflected in the fact that the Budget maintains robust assistance levels in the region even while reducing top-lines significantly.

As President Trump has highlighted on numerous occasions, our priority in the region is to defeat ISIS. This FY 2018 budget provides a sustained and continued commitment from the United States to support partners that share our common interests and vision to ensure the lasting defeat of ISIS and other terrorists. With Congress' continued support, including through funding provided in the FY 2017 Security Assistance Appropriations Act, the FY 2018 budget request includes the foreign assistance resources needed to support the Administration's strategy to defeat ISIS through FY 2018: \$539.4 million supports efforts to defeat the ISIS core in Iraq and Syria; \$66.0 million to counter ISIS branches in Yemen and Libya; and nearly \$1.2 billion to support stability and security in Jordan, Tunisia, and Lebanon, that have been so dramatically impacted by the conflicts. This funding ensures that, as the U.S.-led Coalition effort to defeat ISIS intensifies in the region, the United States has the resources necessary to support key partners through civilian-led efforts to stabilize and secure areas liberated from ISIS and other violent extremist control.

In Iraq, ISIS is on the brink of defeat as a result of the Government of Iraq and U.S.-led Coalition efforts. The FY 2018 request of \$347.9 million will enable timely and critical support that consolidates these military gains across Iraq and ensures the enduring defeat of ISIS. For example, the hard-fought Iraqi victory in Mosul left large parts of the city in ruins; stabilizing the city to allow residents to return to their lives will require significant financial resources. The United States will continue its partnership with the Iraqi government including through foreign assistance that complements the Coalition's military campaign with stabilization and recovery efforts. Enabling long-term stability requires sustained support from

the United States. To this end, our assistance bolsters the Iraqi government's efforts to advance economic reform, expand governance, and promote broad reconciliation. For example, U.S. funding has provided the Iraqi government with essential fiscal space through a sovereign loan guarantee to help avert economic instability as it expends its stretched resources to defeat ISIS. The American people have provided a life-line to the most vulnerable, including women, children, and members of religious minorities who have been forced to flee the conflict zones and the brutality of ISIS. The United States is also working to facilitate the safe and voluntary return of students and communities to their lives in Ninewa through efforts to support the removal of explosive remnants of war (ERW), including at sites such as Mosul University.

In Syria, U.S. assistance totaling \$191.5 million will continue to promote stability and support programs that counter the influence of violent extremists, including in areas liberated from ISIS. Assistance continues to support local councils and civil society groups in Syria risking their lives to stabilize areas and to provide essential services, such as access to clean water, to Syrians returning to rebuild their homes in areas liberated from ISIS control. Specifically, in Raqqa, the United States is planning for removal of ERWs and quick-impact projects to restore essential services to help cement the military gains made against ISIS and enable people to return home once they are ready to do so, complementing the continued provision of humanitarian assistance. The Administration is also requesting \$103.8 million to expand our investment in Lebanon's stability as it grapples with multiple challenges, including the threat of ISIS on its border and over a million refugees fleeing from the regional conflicts.

In Libya, U.S. funding helps Libyans in their efforts to build a unified government capable of defeating ISIS and other terrorist groups, restore the stability of Libya's economy, and address humanitarian needs. The Libyan people face a decisive moment in their country's political transition, six years after the uprising that toppled the repressive Qadhafi regime. The Libyan Government of National Accord (GNA) and its aligned forces, with support from U.S. airstrikes, expelled ISIS from Sirte, its largest stronghold outside of Iraq and Syria. Unfortunately, Libya's internal political divisions and tensions on the ground threaten to undo this progress. U.S. assistance is critical to denying ISIS safe haven, preventing the return of terrorists to areas cleared of ISIS and other terrorist threats, and creating conditions for displaced people to return to their homes. Of the half million people displaced internally beginning in mid-2014, the International Organization for Migration has already registered 250,000 returnees as of June 2017, marking the first time that returns exceed internally displaced persons. The FY 2018 request of

\$31 million will enable the United States to help Libyans prevent ISIS from reasserting itself in Libya and promote the broader stability necessary for long-term counterterrorism success.

In Yemen, we are facing a humanitarian crisis due to conflict, exacerbated by terrorist threats and malign Iranian influences in the region. Yemen is grappling with a prolonged period of instability and uncertainty and the country is at risk of famine in addition to facing the world's largest cholera outbreak. The ongoing conflict has hastened economic deterioration, stretched provision of basic services, and enabled the expansion of terrorist groups. Nearly 21 million Yemenis, 75 percent of the population, require humanitarian assistance and at least 2 million people are displaced as a result of the conflict between the Saudi-led coalition and the Yemeni government, on one side, against the Iranian-backed Houthi forces, on the other side. Funding in the FY 2018 request will advance the United States' ability to support international efforts to bolster early stabilization activities, the resumption of economic and commercial activities, and the provision of basic services. The United States and our partners will continue to press for a comprehensive political settlement to end the conflict.

The FY 2018 budget request continues our commitment to provide extraordinary support for Jordan. By again providing \$1.0 billion in foreign assistance, even amidst significant topline reductions, the United States will continue its strong and enduring partnership with the Government of Jordan to achieve critical U.S. national security priorities, including contributing as a key Coalition member to defeat ISIS and promoting efforts to forge a lasting peace between Israelis and Palestinians. The FY 2018 budget request will enable the United States to support stability and provide robust economic support, provide essential services to the Jordanian people, and strengthen Jordan's as they maintain security and engage in the campaign to defeat ISIS.

In Egypt, our foreign assistance request includes \$1.3 billion in Foreign Military Financing (FMF), supporting the Egyptian Armed Forces' efforts to promote stability in the Sinai, secure its borders, and counter terrorism, including the threat of ISIS. This partnership, and Egypt's efforts to defeat terrorism, strengthen American national security. The United States will also continue funding priorities that advance the prosperity and security of the Egyptian people, for example partnering with Egypt to further develop its health system and private sector.

With FY 2018 funding, the United States will also continue to support efforts that advance Israeli-Palestinian peace. This budget maintains our unwavering

commitment to Israel's security and prosperity with \$3.1 billion in FMF, consistent with the current Memorandum of Understanding. The FY 2018 request also seeks \$251.0 million in development and security assistance funding for programs in the West Bank and Gaza. These programs are critical to supporting the Palestinian people in realizing their economic and social potential thereby creating the conditions necessary to restart negotiations and achieve a solution to the Israeli-Palestinian conflict. These investments in basic services for the Palestinian people further the Administration's vision to enable the growth of the Palestinian economy and improve quality of life for the Palestinians, which will also strengthen Israel's security.

The Administration is requesting \$16.0 million to support the U.S. partnership with Morocco and address shared development and security challenges in the region and \$54.6 million to bolster Tunisia's security sector and civil society as the Government undertakes economic and political reform. The Administration's budget request also includes funding to support the development of, and provide tools to, civil society, youth, and business leaders across the region, spanning from Morocco to Iran, who ultimately seek security, stability, and prosperity.

Our efforts to advance U.S. national security cannot focus solely on the immediate operational defeat of violent extremist organizations. The United States must also support long-term stability and prosperity in the region to prevent the re-emergence of groups like ISIS. This requires strong engagement to degrade de-stabilizing threats in the region. U.S. assistance counters Iran's de-stabilizing influence, supports broad-based economic growth, deepens security engagement and cooperation efforts across the region, and advances partnership with the region's citizens. Our capacity to react quickly in changing environments like the evolving conditions in the Middle East and North Africa will require your continued support.

I have seen significant successes and benefits of U.S. assistance both in the region and here at home. Assistance programs create local jobs as well as opportunities for U.S. companies through improved investment climates and support the creation of transparent, predictable regulations and procedures. Assistance in Lebanon pays dividends for U.S. national security, whether it's through our strong, successful partnership with the Lebanese Armed Forces or investments in Lebanon's economic and development needs to counter threats to stability from the impact of the Syrian conflict and from violent extremist organizations such as Hizballah. In Tunisia, the United States is maintaining our strong partnership with a government that has bolstered democratic institutions while implementing

economic reforms. Our assistance, with support from Coalition partners, has also helped enable the return of nearly 1.9 million displaced persons to their homes in Iraq.

Chairman Ros-Lehtinen, Ranking Member Deutch, the President's FY 2018 request supports our highest national security priorities in the region and promotes investments to further our regional interests. I want to thank this Subcommittee for your strong and continued support for the State Department and USAID and look forward to answering your questions.