

Statement for the Record
Barbara A. Leaf
Assistant Secretary of State for Near Eastern Affairs
House Foreign Affairs Committee
Subcommittee on the Middle East, North Africa, and Counter Terrorism
June 22, 2022

Chairman Deutch, Ranking Member Wilson, Members of the Subcommittee, thank you for inviting me to appear before you today. It is an honor to appear before this Subcommittee, and I welcome the opportunity to testify with my colleague, Andrew Plitt, Acting Assistant Administrator for the U.S. Agency for International Development's Bureau for the Middle East.

President Biden has articulated a forward-looking, sustainable strategic vision for U.S. engagement in the Middle East and North Africa (MENA), and this budget request is designed to advance that, building regional stability through prosperity, increased regional integration, and the de-escalation and resolution of longstanding conflicts. This region encompasses multiple significant U.S. national security interests, and the Administration is committed to securing those interests by strengthening relationships with our partners anchored in an affirmative agenda that focuses on solving shared problems and building shared prosperity and security.

We are making real progress. Our closest regional partners are taking important steps toward de-escalation. Our strong commercial ties with the region continue to benefit the American people as well as those of the Middle East and North Africa. Deepening historic Arab-Israeli relationships are also opening the door to a more cooperative and integrated region; these partnerships give us a wider measure of collaborative effort with which to tackle the issues that confront the region.

We remain clear-eyed about the work that needs to be done to fully realize this promise. The region is afflicted by multiple conflicts, Iran's unconstrained nuclear program and malign behavior, and challenging human rights and humanitarian conditions – including the food crises exacerbated by Russia's brutal war on Ukraine.

Effective, well-resourced U.S. diplomacy and foreign assistance is essential to making the most of these opportunities and to addressing complex challenges. From COVID-19 to the climate crisis and transition to clean energy, to empowering civil society and countering growing Russian and PRC efforts to

expand their regional influence, to de-escalating conflicts, to ensuring the enduring defeat of ISIS, the United States must build and sustain effective partnerships with regional countries and their populations. U.S. foreign assistance aims to do precisely this, and in a way that stays true to American values by addressing unmet humanitarian needs in societies facing poverty, repression, and discrimination. These challenges affect entire societies and economies while weighing particularly on vulnerable and marginalized populations, perpetuating a cycle of instability that adversely affects our shared interests.

The budget requests the resources and flexibility necessary to meet these urgent needs by working with engaged and active partners in the region. To advance these goals, the President's Budget Request includes \$7.6 billion in foreign assistance for the Bureau of Near Eastern Affairs, which is less than a one percent decrease from FY 2022 request levels and a 1.2 percent decrease from FY 2021 appropriated levels. The FY 2023 request supports three key goals: (1) maintaining key strategic partnerships and supporting allies, (2) de-escalating and, where possible, resolving conflict and civil war; and (3) strengthening and expanding relationships and advancing American values.

Maintaining key strategic partnerships and supporting allies:

The overwhelming majority of the budget request for assistance in the MENA region is intended to support enduring commitments to strategic partners and allies. It reinforces the U.S. government's ironclad commitment to Israel's security with \$3.3 billion in Foreign Military Financing (FMF), consistent with the 2016, ten-year Memorandum of Understanding (MOU) between the United States and Israel.

For Egypt, a longstanding partner and the first Arab country to make peace with Israel over four decades ago, the President's budget request includes \$1.4 billion in total aid that will contribute to Egypt's efforts to defeat ISIS in the Sinai, secure the Red Sea and Suez Canal, and disrupt flows of terrorists, weapons, and narcotics. Additionally, the request includes \$24 million for the Multinational Force and Observers mission in the Sinai. At the same time, the Administration will continue to press Egypt to make lasting improvements in human rights. In this vein, included in our request are resources for U.S. programs that support transparency in governance and respect for the rule of law, civil liberties, participatory governance, and human rights, as well as funding to accelerate inclusive and private sector-driven economic growth. The Administration is partnering with Egypt to increase its climate engagement, as reflected in its hosting of the 2022 UN Climate Change Conference, or COP27, and set an example for the

region, demonstrating the benefits of partnership with the United States and our allies to access resources and international climate finance, diversify economies, and spur clean economic growth.

One of the cornerstones of regional peace is the Kingdom of Jordan, a key partner and leading member of the Global Coalition to Defeat ISIS. As such, the President's request includes \$1.45 billion for Jordan across multiple accounts in support of the next U.S. – Jordan MOU on bilateral foreign assistance. This new MOU is intended to take effect in FY 2023 and represents a deepening of our strategic engagement with Jordan. The Administration anticipates reaching a final understanding with Jordan and signing this fourth MOU in the near-future. Consistent with the President's budget request, the MOU will include consistent ESF and FMF annual baseline requests to support predictability, stability, and security for Jordan. ESF will support critical budget support and USAID programs to spur opportunities for women and youth and address the impacts of climate change. Additionally, ESF is intended to support targeted reforms critical to Jordan's medium and long-term economic health, including reforms necessary to meet the country's water demand, support critical public sector reforms, spur economic development and provide essential services to the population of Jordan.

De-escalating and, where possible, resolving conflict and civil war:

After more than 10 years, the Syrian conflict continues to exact a devastating toll on civilians, driving humanitarian needs in Syria to the highest they have ever been and risking hard-fought gains towards a fragile stability in areas liberated from ISIS. Devastated by drought and economic crisis, Syria remains a theater for regional and international competition and a fertile recruiting and operational ground for designated terrorist organizations, including ISIS. In northeast Syria especially, the United States has helped our partners make strides in addressing these challenges through foreign assistance. However, these gains could be lost without continued U.S. investment in community security, essential services, economic growth, and reintegration efforts.

Critical components of planned assistance will help deescalate and resolve ongoing regional conflicts. This President's request includes \$143 million for assistance in Syria to help restore normal life in areas liberated from ISIS and create a bulwark against violent extremists who seek to exploit vacuums in security and essential services. U.S. assistance supports several other key policy goals, such as promoting justice and accountability for human rights abuses and violations; expanding humanitarian access to reduce human tragedy in Syria; preserving local ceasefires to

keep overall levels of violence low; and supporting a Syrian-led, UN-facilitated, political process.

The Administration appreciates congressional support for the Caesar Syria Civilian Protection Act, which we believe is vital to limiting the ability of the Assad regime to profit from the conflict. Sanctions, including under the Caesar Act, are an important tool for holding the Assad regime accountable. U.S. assistance is also key to supporting accountability efforts. Through assistance, the United States empowers brave Syrians and civil society groups who are pursuing accountability, supporting the release of those arbitrarily detained, and advocating for information about the missing. U.S. foreign assistance has contributed to important victories for the Syrian people, including the conviction in a German court of a former Syrian regime official for war crimes. The United States must leverage all its tools to ensure the enduring defeat of ISIS and foster progress toward more stable and inclusive governance in Syria.

The U.S. partnership with Iraq is integral to the enduring defeat of ISIS. Last July, President Biden announced that the United States security relationship would transition to a role in which U.S. forces advise, assist, enable, and share intelligence with their Iraqi counterparts, and that U.S. forces would conclude combat operations by December 31, 2021. The United States has completed that transition. Moving forward, U.S. foreign assistance helps ensure the enduring defeat of ISIS; enables the return and reintegration of IDPs and Iraqi nationals remaining in northeast Syria; promotes improved Iraqi governance and respect for human rights; expands sustainable and widespread economic growth opportunities by enabling a vibrant private sector; and addresses climate change. With robust diplomatic and development engagement, the United States also helps build Iraq's long-term capacity to defend its sovereignty against malign influence, including that of Iran. The FY 2023 request includes \$304.5 million to support: better Iraqi governance; vulnerable communities recovering from ISIS; private sector development; civil society; climate change mitigation and adaptation; and the long-term development of a modern, accountable, and professional security force capable of defending Iraq, its people, and its borders while upholding the rule of law.

The request also increases assistance for Yemen, which remains one of the world's worst humanitarian catastrophes, exacerbated by a rapidly worsening economic crisis. Destabilizing actors, both internal and external to Yemen's borders, are taking advantage of this and further fueling the humanitarian crisis. The request includes \$46.1 million to support UN efforts to achieve a durable resolution to the conflict, for which sustained engagement by U.S. Special Envoy Timothy

Lenderking has helped build unprecedented international consensus and support and, since April 1, a truce that represents Yemen's best opportunity for sustained peace in seven years. The request for increased funding demonstrates the U.S. commitment to sustaining the truce and ending the war, stabilizing communities, strengthening the transparency and accountability of economic institutions, and promoting women's empowerment.

The Administration continues to press for the advancement of meaningful progress towards a two-state solution by investing in the Palestinian people, promoting coexistence, and building on the success of the Abraham Accords. The Accords and further normalization efforts open a promising new chapter in the effort to integrate Israel into the region and build lasting peace and prosperity.

U.S. support for Israel's cooperation with its neighbors along with U.S. support for the Palestinian people promotes the goal of a negotiated two-state solution in which Israel lives in peace and security alongside a viable Palestinian state. The Administration will continue working closely with Israel, renewing ties with the Palestinians, and engaging with the international community to promote concrete progress and change to advance equal measures of freedom, security, and prosperity for Israelis and Palestinians alike.

To this end, the FY 2023 request includes \$219 million for Palestinians in the West Bank and Gaza to support programs that will improve the lives of millions and contribute to regional stability. It also provides immediate humanitarian relief and advances development across sectors such as health, infrastructure, economic growth, and civil society, all provided consistent with U.S. law.

The FY 2023 request also includes funding for programs that build Arab-Israeli partnerships through regional initiatives. The FY 2023 request, like the FY 2022 request, seeks \$50 million in support for the Nita M. Lowey Middle East Partnership for Peace Act of 2020 (MEPPA). The Administration appreciates Congress' work to establish MEPPA and for the opportunities it creates to build a lasting peace. The President's request includes \$5.5 million for the Middle East Regional Cooperation (MERC) and Middle East Multilateral (MEM) programs to fund research, development, and technical cooperation between Israel and its Arab neighbors. MERC programs include joint Arab-Israeli applied research projects, while MEM programming supports the Middle East Desalination Research Center, an organization that brings together Israel and Arab neighbors to discuss shared water concerns and sustainable joint goals for the environment.

Strengthening and expanding relationships and advancing American values:

The global climate crisis and the effects of COVID-19 are sharpening the challenges of economic stagnation, democratic backsliding, and political instability. The MENA region is experiencing some of the worst impacts of climate change – extreme temperatures, water scarcity, and food insecurity. This drives instability, conflict over resources, and migration that further intensifies regional fragility and economic insecurity, all of which are compounded by COVID-19 and the Russian war on Ukraine.

Given the urgency this Administration and U.S. allies attach to the climate crisis, the Department developed a Climate Engagement Strategy for MENA region, with ambitious goals leading up to November's COP27 in Egypt, to be followed by COP28 in 2023 hosted by the United Arab Emirates. These back-to-back UN Climate conferences in the Middle East and North Africa present a window of opportunity for this Administration to engage in a new way, jumpstart climate ambition and meaningful action, empower women and youth in the process, and encourage climate adaptation and resilience along with economic diversification.

The states that will be best equipped to meet the challenges of our changing world – like COVID-19 and climate change – will be those with resilient, inclusive governments that treat civil society as a partner rather than an enemy and respect the human rights and fundamental freedoms of their people, such as freedom of expression including for members of the press. U.S. assistance will work to partner with governments across the region to address democratic backsliding, combat corruption, and help develop more inclusive, accountable, responsive, and representative political institutions. For this work to be successful, the United States will support civil society groups that advocate on behalf of the public and hold governments accountable to their commitments.

The Administration seeks to leverage U.S. assistance to facilitate new opportunities for the region's population, develop new markets for expanded trade and investment, and promote greater equity through accountable governance and economic growth. Gender diversity in the public and private sectors is key to this effort and will have positive economic spillover effects. Inclusive growth as catalyzed by U.S. investment in these demographic groups is essential to effectively recover from COVID-19 given the disproportionate impact on marginalized and vulnerable populations across the region, including women and girls and members of religious and ethnic minorities, who face heightened risks of gender-based violence and greater job losses.

\$106 million in funding included in the request reflects Tunisia's status as a key regional security partner critical to the advancement of internal and regional stability and counterterrorism cooperation. At the same time, the Administration remains alarmed at continued steps that have undermined independent democratic institutions in Tunisia. The request balances the concerning reality on the ground while maintaining direct support for the Tunisian people. U.S. assistance will support Tunisia's return to a democratic path through our continued investment in a healthy and independent civil society and support for economic stability. The Administration seeks to maintain sufficient funding to support the political reform process should it prove credible; restore broader engagement with the government if it returns to democratic governance; and advance U.S. strategic interests where appropriate. This request reflects a focus on programs that strengthen civil society, government accountability, inclusive economic growth, and access to higher education.

Lebanon's acute economic crisis and implications for the stability of the Lebanese state and its neighborhood remain a top focus. As the Administration continues to press the Lebanese leadership to implement critical reforms, we are also supporting key institutions and providing aid to the most vulnerable households. Assistance to the Lebanese Armed Forces and Internal Security Forces is critical to supporting their efforts to protect the borders, maintain internal security, and counter malign Iranian influence. The FY 2023 request of \$282.5 million targets priorities such as increasing employment in key sectors, strengthening the delivery of public services, and leveraging existing investments. U.S. support for the Lebanese people and key partners is essential to address economic shocks and challenges, the lasting effects of the Port of Beirut blast, and second-order impacts of COVID-19.

The request also includes \$44.5 million to support Libya's transition to a democratic, stable, and unified state. This assistance is focused on increasing the capacity of Libya's election bodies to manage and conduct the electoral process effectively and transparently. The United States will continue to support voter education and encourage civil society to take an active role in advocacy, the political process and public decision-making. This assistance will strengthen the capabilities of unified governance and strengthen institutions to help foster inclusive economic growth and the rule of law.

In Morocco, the U.S. partnership spans from security cooperation to addressing economic challenges. The FY 2023 request provides funding to continue promoting core American values through expanding partnerships with civil society

and criminal justice institutions and advancing equitable access to economic growth – including for women, youth, and marginalized populations. The request also supports Morocco’s role as a regional leader in development and security cooperation across the African continent. The FY 2023 request includes \$34.8 million to support a capable and willing partner across the spectrum of U.S. national security and economic priorities.

U.S. foreign assistance to Algeria will promote regional security, advance economic reform efforts, and strengthen civil society. It will also help counter growing Russian and PRC efforts to expand their influence in Algeria. The FY 2023 request includes \$3 million to deepen U.S. engagement in economic and governance initiatives in Algeria.

The Administration’s commitment to fostering democratic organizations, advancing human rights and fundamental freedoms and strengthening the rule of law spans across the region from Morocco to Iran. The FY 2023 request supports key regional programs through the U.S.-Middle East Partnership Initiative (MEPI) and the Near East Regional Democracy (NERD) program. The \$55 million NERD request supports U.S. efforts to foster a vibrant civil society, increase the free flow of information, and promote the exercise of human rights. The FY 2023 request also includes \$27.2 million for MEPI to advance cross-cutting foreign policy priorities through regional and local initiatives, including partnerships with American-style Universities to develop future national, civic, and business leaders’ education. MEPI programming also strives to advance women’s empowerment, address the climate crisis, bolster diversity, equity, inclusion, and accessibility and foster a fair and transparent environment for local business and international investment. Working with key local stakeholders, MEPI programming increases participatory governance, creates greater opportunities for youth, women, and marginalized communities, and advances economic opportunities that benefit people in the United States and the region.

As this Subcommittee knows well, this region presents tremendous opportunities, as the United States builds new relationships that open the potential for greater stability, prosperity, and partnership. The United States must remain attuned to the series of economic and security shocks buffeting the region, made worse by festering rivalries and proxy conflicts. Against this backdrop of fragile states and transnational threats, the United States must be poised to advance an affirmative but pragmatic agenda to address the emerging opportunities to enhance our national security by supporting our long-standing partnerships and fostering regional stability and prosperity. Recent events in Tunisia and Yemen underscore

the need for Congress to provide the Administration with flexibility so that we may address the full range of priorities in the region and be prepared to address both challenges and opportunities as they emerge.

Chairman Deutch, Ranking Member Wilson, I want to thank the Subcommittee for your support as we continue to advance U.S. interests in the Middle East and North Africa.

I look forward to responding to your questions.