<u>Statement for the Record</u> <u>Barbara A. Leaf</u> <u>Assistant Secretary of State for Near Eastern Affairs</u> <u>House Foreign Affairs Subcommittee</u> <u>Middle East, North Africa, and Central Asia</u> <u>May 23, 2024</u>

Chairman Wilson, Ranking Member Phillips, Members of the Subcommittee, thank you for inviting me to testify on the President's FY 2025 budget request for the Middle East and North Africa and our priorities in the region, which remains of vital importance to U.S. interests. While the Israel-Hamas conflict and escalation by Iran and its proxies complicate our work, the Administration is fully committed to leading the collective action necessary for a secure and stable region responsive to the needs of its people.

Diplomacy is the best means to address the issues at hand, and your support for this Request will undergird our vigorous diplomatic engagements to advance U.S. goals and interests in the Middle East and North Africa and contest strategic competitors seeking to exploit post-October 7 instability.

Ending and Mitigating Conflict

Our regional engagement is anchored by a resolute effort to reinforce our partnerships as they are tested by conflict. The Secretary has worked tirelessly, engaging regional partners to reach a ceasefire in **Gaza** that secures the release of hostages, guarantees the flow of humanitarian assistance, promotes protection for civilians, and points us toward a political process that can bring stability. We are pursuing an end to the conflict that must be built on conditions of enduring security – for Israelis, who otherwise fear a replay of October 7, and for the Palestinians of Gaza who need and deserve to rebuild their lives free from fear and insecurity. We are committed to building a broader enduring peace and security for and between Israelis and Palestinians – including through practical, timebound, and irreversible steps to establish a Palestinian state existing side-by-side with Israel.

On the humanitarian front, we are very concerned that an expanded operation in Rafah will worsen the humanitarian crisis. Rafah is the hub of all humanitarian

work and a full-scale military operation would strain the struggling humanitarian community and impede delivery. It is critical these crossings are open for humanitarian aid to enter southern Gaza. Even prior to the start of the Rafah operation, more assistance was needed inside Gaza and humanitarian actors needed to be able to reach civilians wherever they are.

President Biden's and the Secretary's direct engagement last month produced Israel's pledge to take specific, concrete steps to surge aid and address civilian harm. We continue to urge Israel to improve deconfliction and take tangible steps to allow the entry of more aid and facilitate distribution throughout Gaza. We are pushing to accelerate delivery of assistance on all fronts: by air, land, and sea. Israel has opened a northern crossing and the Ashdod port and critical crossings, including Kerem Shalom and Rafah, must remain open. The U.S. government and international partners have engaged in air drops, and we have opened a maritime humanitarian corridor, fulfilling the President's directive for the U.S. military to construct a temporary pier to facilitate the delivery of humanitarian aid directly into Gaza.

As the President and the Secretary have noted, these efforts are not enough. Deconfliction remains a major challenge for humanitarian workers and experts alike – exemplified by the more than 190 UN staff and the more than 200 aid workers who have been killed since the beginning of this conflict. We will closely monitor the speedy implementation of Israeli commitments in the immediate term. President Biden has been very clear with Israel. There are 1.4 million innocent civilians, and we want to see a plan that speaks to how Israel is going to ensure their lives are protected. Our FY 2025 Request includes crucial life-saving aid for Palestinians in Gaza, as well as millions of refugees and internally displaced persons in Lebanon, Syria, Jordan, Türkiye, and Yemen. While we support refugees around the region, we have made clear that we oppose any displacement of Palestinians from Gaza.

These efforts are no substitute for a negotiated settlement between Israelis and Palestinians. A two-state solution is the best way to ensure Israel's future as a Jewish, democratic state, living in peace alongside a viable, sovereign, and democratic Palestinian state. We are engaging the new Palestinian Authority (PA) leadership to press for credible reform. The international community, including the EU, G7, and others are working on all aspects of Gaza post-conflict planning, including security, governance, and early recovery. And, we are engaging key partners to mobilize the political support and resources needed to enable recovery.

Our unrivaled network of partnerships creates integrated defense and deterrence to counter malign actors. Israel, with the help of the United States and our allies and partners in the region and Europe, was able to defend itself from **Iran's** unprecedented missile and drone attack. To hold Iran to account for this reckless attack, the Administration spearheaded an international diplomatic response, in close coordination with our European and G7 partners. We identified and sanctioned additional individuals and entities connected to Iran's problematic and dangerous behavior, adding to the over 600 Iran-related individuals and entities the United States has sanctioned in the last three years. We also engaged heavily with our EU partners to secure the expansion of EU sanctions authorities to include Iran's drone and missile proliferation to Russia and regional proxies and partners and worked jointly with G7 and other partners to undertake joint sanctions actions. These steps are part and parcel of the broader U.S. effort to disrupt Iran's destabilizing activities and dismantle its financial and logistics networks.

Our regional partners also play an important role ensuring regional stability and security. **Egypt** remains a critical partner for addressing the Israel-Hamas conflict and preventing regional spillover, including by playing a key role to help negotiate a release of Israeli hostages. Egypt serves as a key staging ground and entry point for humanitarian aid into Gaza, and also served as a throughput for American citizens, LPRs, their families, and others as they evacuated Gaza. Despite its own economic challenges, Egypt hosts more than 500,000 refugees from Sudan. Our request reflects Egypt's important regional role and our longstanding security partnership, including on border and maritime security and counterterrorism.

This year marks the 75th anniversary of U.S.-**Jordan** bilateral relations. Jordan has been a leader in delivering and coordinating life-saving humanitarian aid into Gaza, and we continue to work together to support Jordan as a humanitarian hub to deliver overland aid. Jordan has also played a leading role in promoting peace and security in the region, and countering terrorism, including in our efforts to defeat ISIS. In addition to supporting efforts to fight terrorism Syria, Jordan has been a key leader in countering Iran's malign role in the region and promoting a

vision for a more peace, integrated, and prosperous Middle East. Our security cooperation reaches back more than 50 years, and that cooperation remains critical to our regional security priorities in the Middle East today. At the same time, Jordan is not shying away from its ambitious political and economic reform agenda. In 2022, we signed the seven-year U.S.-Jordanian Memorandum of Understanding (MOU) on assistance. Jordan is making progress toward benchmarks on water and public sector reforms. We will be with Jordan every step along the way as they increase civic engagement, promote good governance, advance gender equality, and support political reform and participation.

Advancing Diplomatic Solutions

We are working continuously to prevent Iran and its proxies in Lebanon, Iraq, and Yemen, from expanding the crisis in Gaza. Diplomatic engagement and solutions that build resilient institutions are the only viable path toward restoring and maintaining calm.

Diplomacy can allow **Lebanese** and Israeli civilians on both sides of the Blue Line to return home. U.S. security assistance allows the Lebanese Armed Forces (LAF) to maintain joint patrols and coordinate with the UN Interim Force in Lebanon (UNIFIL) and support the implementation of UN Security Council Resolutions 1559, 1680, and 1701. Our support enables the LAF's expanded role providing stability and security for those living on both sides of the Blue Line and we were grateful for the role the LAF played in protecting our Embassy perimeter in Beirut during violent protests in October.

We have long-standing concerns about Lebanon's domestic political and economic crisis. Lebanon's political elite has the agency and indeed the responsibility for taking steps to elect a president empowered to form a government and implement reforms, including those proposed by the IMF. While difficult, reforms are the only way out of the country's economic collapse. The Lebanese people deserve better than this. The time for action is now.

Our request calibrates support for the **Tunisian** people to address the needs of the economically vulnerable and those contributing to an inclusive political future in an increasingly forbidding environment. We are rigorously reviewing U.S.

efforts and programs in Tunisia to ensure they are fit to purpose for the Tunisian people – targeting the needs of the economically vulnerable and contributing to an inclusive future. Security assistance, which has been cut by nearly half following the events of July 2021, remains focused on our vital national interests of protecting U.S. diplomatic personnel and facilities, promoting the welfare of American citizens in Tunisia, and sustaining effective counterterrorism pressure, while promoting accountability and respect for the rule of law. We remain intensively engaged with the Tunisian government at all levels in support of human rights and freedom of expression – universal rights that are explicitly guaranteed in Tunisia's own constitution. Targeted U.S. investments through Foreign Military Financing have promoted professionalism and accountability within the Tunisian Armed Forces and counter strategic competitors attempting to gain influence by exploiting Tunisia's security challenges.

Your support for the Department's plan to establish an interim diplomatic facility in **Libya** allows us to scale up our diplomacy amid an intensification of Russia's destabilizing influence. Resuming more regular diplomatic activities inside Libya will improve our ability to protect the safety and security of U.S. citizens, promote Libyan economic stability and contributions to global energy security, and support Libyan aspirations for national elections. Over two years of extensive internal planning reinforce our goal of ensuring these diplomatic operations are undertaken prudently and safely.

Amid the ongoing political impasse in Libya, political and security leaders from all regions support the principle of safeguarding the country's sovereignty and recognize the importance of practical steps to prevent Libya's further enmeshment in regional conflict. Libya's funding under the Global Fragility Act and our \$19.25 million bilateral assistance request supports Libya's eventual transition to a democratic, stable, and unified state as well as stability in Libya's long-marginalized south where malign actors take advantage of fragile local governance systems.

Security and Stability

We seek a durable resolution to the conflict in **Yemen** secured through an inclusive peace process under UN auspices. Houthi attacks in the Red Sea and surrounding waterways, enabled by Iran's technical and materiel support,

threaten the regional and global economy and undermine prospects for peace. Intensive regional and multilateral diplomacy with **Saudi Arabia**, **Oman**, **the UAE**, and other partners can de-escalate conflict. Simultaneously, we work in coalition with dozens of countries, including **Bahrain**, to defend the freedom of navigation in the Red Sea and surrounding waters. Reckless Houthi attacks cause delivery delays and price increases for badly needed food and medicine for populations across the Middle East, including in Yemen itself. The \$41.6 million Yemen request advances our twin priorities of lasting peace in Yemen and stability and economic security for the Yemeni people.

Our commitment to greater regional stability includes the enduring defeat of ISIS. Despite the great successes of the Global Coalition, ISIS continues to pose a real threat in **Syria**, **Iraq**, and the wider region. Last year, the Coalition's Stabilization Working Group raised \$599 million for stabilization in areas liberated from ISIS in Iraq and Syria. With the funds raised from partners and continued support of Congress, the Administration will continue crucial stabilization activities, including to address challenges emanating from al-Hol and Roj camps. The FY25 Request of \$118.5 million in ESF for Syria – particularly efforts related to al-Hol – ensures ISIS cannot leverage instability in Syria or recruit vulnerable populations to reconstitute and threaten the United States.

A more integrated Middle East and North Africa – in economic, security and diplomatic terms – would benefit everyone in the region. Whether that is connecting Iraq to the Gulf's energy grid to bolster its sovereignty and independence of action, or promoting better trade connectivity within North Africa, the Department is committed to supporting our partners working together to address shared challenges. Through our Iran assistance program, we maintain active and unprecedented support for Internet freedom in Iran as a central pillar of our efforts to support human rights in Iran. During the height of the protests in 2022 and 2023, as many as one in three Iranians used U.S.-supported anticensorship and digital security tools, such as VPNs, to stay connected. Millions in Iran continue to use U.S.-supported tools every day.

Our goal is a stable and sovereign **Iraq** integrated regionally and with the global economic system. U.S. support to strengthen Iraq's security, provide economic opportunities for its people, and support Iraq's energy independence all bolster Iraq's sovereignty and counter Iranian influence.

We work with Iraq on financial reforms, strengthening its democracy, respect for human rights, and rule of law, and improving services for the Iraqi people. Our investments are tailored to ensure Iraq is an inclusive state for all the country's religious and ethnic minorities, including those who suffered at the hands of ISIS.

The United States remains the largest provider of humanitarian and development assistance to Iraq. Our work with Iraq to diversify and grow its economy helps the Sudani government deliver better opportunities for the Iraqi people.

Morocco remains a critical partner on security, stability, and regional integration. The FY25 request maintains and deepens our partnership with Morocco through bilateral assistance supporting shared priorities in education, health, and climate, as well as an additional \$11 million to support Morocco's earthquake reconstruction plan.

Our strong relationship with **Algeria** is crucial to producing significant contributions to European energy security and regional stability. In the UN Security Council, we work together on the toughest global challenges, including the crisis in Gaza and urgent need to end the fighting in Sudan. Our programs in Algeria support our growing collaboration by focusing on climate objectives, economic diversification, and good governance.

Successful regional integration also demands the inclusion of women. The region loses hundreds of millions of dollars every year due to the gender gap in labor force participation. Through the Middle East Partnership Initiative (MEPI), we invest in women's economic inclusion through regional programs that empower women in the workforce, enhance economic growth, and develop future leaders through training, scholarships, and fellowships. These programs focus on entrepreneurship in emerging markets such as cybersecurity and digital economies. Women across the Middle East and North Africa are highly educated, and we encourage our partners to energize this largely untapped labor market.

While events over the last year have dramatically changed the Middle East and North Africa, our commitment to the region remains steadfast. We will continue to build sustainable and integrated partnerships and develop shared solutions to the region's most pressing challenges in search of the better future that we and our partners seek.

Thank you for the opportunity to testify on the President's FY 2025 Budget Request. I want to close by thanking this Subcommittee for your continued support for our efforts in the region. I look forward to answering your questions.