Written Testimony of Emilia A. Puma Acting Deputy Assistant Secretary for South and Central Asian Affairs Before the House Foreign Affairs Subcommittee for Europe, Eurasia, and Emerging Threats Thursday, September 27, 2018

Chairman Rohrabacher, Ranking Member Meeks, and members of the subcommittee – thank you for inviting me to appear before the House Foreign Affairs Subcommittee for Europe, Eurasia, and Emerging Threats to discuss the Administration's FY 2019 Budget Request for Central Asia and our regional efforts. Today, my testimony will cover our requests for Kazakhstan, Uzbekistan, Tajikistan, the Kyrgyz Republic, Turkmenistan, and our regional efforts in Central Asia.

I want to begin by extending my heartfelt sympathies to the families of the two American citizens killed in Danghara, Tajikistan in a senseless act of terrorism last July. We stand with the families of the victims and are working closely with Tajik authorities in the ongoing investigation. Both victims were brave individuals who represented the best of America to this critical part of the world.

Central Asia – Reforms and Openings

The Administration's South Asia Strategy leverages Afghanistan's shared history and economic, political, and cultural connections with the five countries of Central Asia. The Administration recognizes the critical role these countries play in the world economy and political system, as well as their historical role as an essential part of the Silk Road that connected Western and Eastern markets through overland trade. Neighboring Russia, China, Iran, and Afghanistan, these five proud nations have sought to maintain their sovereignty by navigating a quickly changing political landscape.

I was privileged to witness the culture and traditions of these countries in September when I represented the United States at the biannual World Nomad Games in the Kyrgyz Republic. Americans, including cowboys, archers, and Peace Corps volunteers competed in traditional nomadic sports such as falconry, wrestling, and sports on horseback. Our delegation, team, and cultural performers were warmly welcomed by the peoples of Central Asia, who were eager to learn more about American culture. Such interactions help dispel stereotypes and misinformation, and provide an opportunity to demonstrate our respect for the cultures of the region. Our attendance reinforced U.S. commitment to the region;

and our Kyrgyz hosts expressed their deep appreciation and viewed our visit as an important step towards improving bilateral relations. The greatest assets of U.S. diplomacy in the region are our presence, access, and the promise of America itself.

I also witnessed the generosity and leadership of Central Asians when I attended the Afghan Women's Empowerment Forum in Kazakhstan, where Advisor to the President Ivanka Trump lent her support through a well-received video statement. This oil-rich Caspian state has long been a regional and global leader, in no small part because of its decision to renounce its legacy nuclear weapons at independence and become a model in nonproliferation. Today, Kazakhstan is using its wealth and influence to support our South Asia Strategy in Afghanistan, helping train Afghan security forces and empower Afghan women. I was impressed by the joint project of the European Union, Kazakhstan, and Uzbekistan to provide vocational training and education to Afghan women, as well as Kazakhstan's commitment to expanding its scholarship program for Afghan women.

Central Asia is experiencing a period of profound transformation. Depressed petroleum prices have strained hydrocarbon based economies, increasing the demand to diversify those economies toward other sectors. Our assistance request continues to help these countries pursue diversified and sustainable economic growth. Similarly, we continue to dedicate assistance resources to building the region's hydropower potential, with the aim of linking surplus hydropower resources in Tajikistan and the Kyrgyz Republic with the energy-hungry markets of Afghanistan and Pakistan. We will continue to support the liberalization of these countries' economies and high-standards of infrastructure driven by free market demand.

Political transitions are also underway. We are encouraged by the bold reforms championed by Uzbekistan's President Mirziyoyev, including in the areas of economic development, rule of law, and human rights. Through his leadership, Uzbekistan is pursuing a "Neighbors First" strategy, seeking to put to an end to decades-old border disputes. He has taken on a constructive leadership role in the region, meeting with neighboring heads of state regularly and signing historic accords, including on sharing water resources and clearing minefields. We appreciate Uzbekistan's desire to support Afghan-led and owned negotiations to bring the war to a close, and we continue to explore ways to work with Uzbekistan to help achieve those goals.

The United States continues support of the "C5+1" regional diplomatic platform that brings together the United States and the five states of Central Asia. This platform catalyzes economic, environmental and security cooperation through assistance and engagement. The underlying goal of the C5+1 is to help Central Asian states maintain sovereignty and to improve cooperation with each other to help resist economic and political pressures from Russia. The C5+1 framework also encourages expanding economic, energy and security linkages, to help secure and stabilize Central Asia's borders, and stem the trafficking of illicit goods, including narcotics. We continue to support Central Asia's efforts to control its borders and defend its security.

FY 2019 Budget Request

For FY 2019, the Department requests \$66.3 million for Central Asia. This is a \$9.8 million reduction (12.9 percent) from our FY 2018 request.

- This includes \$15.5 million for Tajikistan, the country in greatest need of development assistance, which borders both Afghanistan and China. Assistance increases stability and economic growth in Tajikistan, supports food security, and combats the spread of multi-drug resistant tuberculosis.
- This includes \$10.6 million for Uzbekistan to support President Mirziyoyev's reform agenda, including justice sector reforms, diversification in agriculture, sustainable employment, and economic reforms that promote the private sector and attract trade and foreign direct investment. Assistance will also strengthen forensics capabilities and combat transnational crime, including trafficking in persons and narcotics.
- For the Kyrgyz Republic, the Administration requests \$10.5 million to enhance the competitiveness of small enterprises, to accelerate business growth and create jobs. Assistance will also promote stability, regional security, civil society, human rights, and the rule of law.
- For Kazakhstan and Turkmenistan, the Administration requests \$1.7 million and \$0.4 million respectively, to support their export controls and related border security, as well as military-to-military training.
- Finally, the Administration requests a total of \$27.5 million in regional funding for Central Asia including:
 - \$6.8 million to support C5+1 regional cooperation efforts in economic connectivity, energy, and democracy and governance;
 - \$9.8 million to fund cross-border programs that leverage donor support for stability and security, counter violent extremism, and combat transnational crime;

- o \$4.5 million to address the spread of HIV/AIDS and protect against infectious diseases; and
- o \$6.5 million to support the Organization for Security and Cooperation in Europe's efforts to promote democracy and human rights, protect minorities, and advance media freedom.

Looking Forward

Central Asia is an important element of our South Asia Strategy and our efforts to create a peaceful, stable, and prosperous Afghanistan integrated economically in the region. But Central Asia itself is a welcoming, culturally rich land of enormous economic potential. We welcome the Subcommittee's review of our FY 2019 budget request, and look forward to working together to support this vitally important region.