

**Statement by Assistant Secretary James C. O'Brien  
Senate Foreign Relations Committee  
Hearing on U.S. Black Sea Strategy  
October 25, 2023**

Senator Shaheen, Ranking Member Ricketts, distinguished members of the Committee:

Thank you for the invitation to speak with you today about the Administration's approach to the Black Sea region. I appreciate your leadership and engagement on this issue.

The United States has long recognized the geostrategic importance of the Black Sea region. Not only does the Black Sea border three NATO Allies and several NATO partners, but it is also a vital corridor for the movement of goods – including Ukrainian grain and other products bound for world markets – and hosts significant untapped energy resources. The United States Government Black Sea Strategy, which the Department of State submitted to Congress in June, reflects our vision for the region and outlines our commitment to work with our allies and partners to increase cooperation. Our goal is a Black Sea region that is secure, prosperous, interconnected, and free from threats to territorial integrity and from economic coercion.

Our strategy identifies five main areas where the United States can pursue that vision. First, we are committed to increasing our political and diplomatic engagement with the region – both bilaterally and in multilateral fora. To cite some recent examples, in September, I traveled to Romania to advance our efforts to ensure Ukrainian grain can continue to reach world markets. Secretary Blinken recently met in Washington with his Bulgarian counterpart to reaffirm our strong partnership. Special Presidential Envoy Kerry traveled to Bucharest in September for the Three Seas Initiative Ministerial meeting, where he met with PM Ciolacu of Romania. We will continue these engagements on a regular basis to demonstrate that the United States stands with our Black Sea partners.

Second, we are strengthening our regional security cooperation by supporting a strong NATO presence in the region, investing in joint training and exercises, and ensuring our security assistance supports the region's defense modernization needs. We are also committed to defending freedom of navigation in the Black Sea. NATO has already shown great commitment to defending the territorial integrity of its members in the region by establishing four new multinational battlegroups in Bulgaria, Hungary, Romania, and Slovakia. The United States has provided FMF to Romania and Bulgaria in the last two fiscal years, established a new Brigade Combat Team in Romania, and more than tripled the number of U.S. troops there. We will continue to support a robust, visible NATO forward presence

in the Black Sea region. All of this is in keeping with NATO's Strategic Concept updated at its Madrid Summit, in which it declared the Black Sea region's strategic importance for the Alliance.

Russia demonstrated with its brutal war against Ukraine that it is the single greatest threat to a peaceful and secure Black Sea region. Not satisfied with unilaterally abandoning the Black Sea Grain Initiative – an effort designed to bring grain to some of the world's most food insecure nations – Russia has subsequently launched drone and missile attacks on Ukraine's maritime infrastructure, ports, and grain storage facilities. Russia has also threatened to target commercial vessels in the Black Sea. Russia's actions in the Black Sea are central to its efforts to destroy Ukraine's economy, displace Ukrainian grain with Russian exports, and otherwise terrorize the Ukrainian people. Russia's actions not only threaten Ukraine but impinge on the security of all littoral states, and on freedom of navigation in the Black Sea. However, we see the strategic momentum in the Black Sea beginning to shift in Ukraine's favor. We are working with Kyiv, as well as allies and partners, to capitalize on this opportunity by opening vital trade and shipping routes to thwart Putin's efforts to destroy Ukraine's economy.

Third, we are supporting efforts to enhance regional economic cooperation to build resilience to Russian and PRC malign influence and promote a level playing field for business. This includes efforts to support strategic

infrastructure investments, strengthen investment screening, and advocate for transparency in public procurement. We were proud to announce DFC's \$300 million investment in the Three Seas Initiative Investment Fund in September, which will help build strategic infrastructure, and we are committed to coordinating with the EU, Romania, Moldova, and Ukraine to expand grain transit and ensure it reaches global markets. We will continue to rely on strong coordination with European partners, regional institutions like the Three Seas Initiative, and the private sector to achieve these goals.

Fourth, we are promoting energy security and clean energy in the Black Sea region. Russia's war has made plain to all the importance of energy security, which requires diversification of sources, routes, and types of energy. We will increase our efforts to help diversify the region's suppliers, increase regional interconnections, and expand clean energy solutions like solar, wind, and conventional and small modular nuclear reactors in partnership with international financial institutions and the private sector. Next month, we will announce (?) Project Phoenix to increase the region's energy security. EXIM has announced more than \$57 million to support feasibility studies for the expansion of Romania's existing nuclear power plant – a project that supports an estimated 200 new jobs in Texas and Illinois – and earlier this year, DFC and EXIM signed letters of interest totaling \$4 billion to deploy a small modular reactor project in Romania. The supplemental funds requested last week will enable us to further this goal by helping Ukraine

modernize its energy infrastructure and connect to Europe as quickly as possible.

Fifth, we are working to foster democratic resilience, with a focus on combating corruption and countering disinformation. We are leveraging foreign assistance and raising the veil on the Kremlin's destabilizing efforts, including through the State Department's Global Engagement Center, to support freedom of the press, investigative journalism, and media literacy. We also use existing accountability tools to target corruption and its corrosive effects on democratic governments.

Just last month, I was in Constanta, Romania's largest port city on the Black Sea coast. I was there alongside Romanian, Ukrainian, Moldovan, and European Union officials for technical meetings to reaffirm our commitment to accelerating Ukrainian grain exports. This was my second visit to Romania this year to discuss Black Sea grain exports, and I have been continually impressed by our partners' commitment to working together to find practical solutions to support Ukraine. This collaboration with our European partners in Constanta illustrates the region's resilience as well as what we can achieve through collective action. Our Black Sea strategy seeks to expand and build upon these opportunities for deepened regional cooperation.

I'll close with a brief comment on the Black Sea and Ukraine's economy. President Zelensky has said the Ukrainian people will see a future if they see recovery. The Ukrainians are prioritizing efforts to expand revenue in the near-term, and opening the Black Sea ports is critical to this project. I was in Kyiv last week and can report that progress is underway. Ukraine recently established a humanitarian corridor that facilitates grain and steel shipments from its Black Sea ports. The route could be expanded with improved safety and insurance, and the supplemental funds requested by the Administration last week are essential to us helping Ukraine strengthen its Black Sea export infrastructure. Opening Ukraine's Black Sea routes can help unlock its broader economy and would advance our broader Black Sea Strategy.

Thank you again for the opportunity to speak with you today. I look forward to your questions.