

**NOMINATIONS OF THE 112TH
CONGRESS—SECOND SESSION**

HEARINGS

BEFORE THE

**COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE**

ONE HUNDRED TWELFTH CONGRESS

SECOND SESSION

—
FEBRUARY 7 THROUGH NOVEMBER 28, 2012
—

Printed for the use of the Committee on Foreign Relations



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COMMITTEE ON FOREIGN RELATIONS
112TH CONGRESS—SECOND SESSION

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NOMINATION OF NANCY J. POWELL

TUESDAY, FEBRUARY 7, 2012 (p.m.)

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

Hon. Nancy J. Powell, of Iowa, to be Ambassador to India

The committee met, pursuant to notice, at 2:33 p.m., in room SD-419, Dirksen Senate Office Building, Hon. John F. Kerry (chairman of the committee) presiding.

Present: Senators Kerry, Menendez, Webb, Udall, and Lugar.

OPENING STATEMENT OF HON. JOHN F. KERRY, U.S. SENATOR FROM MASSACHUSETTS

The CHAIRMAN. The hearing will come to order.

It is my great, great pleasure, together with Senator Lugar, to welcome Nancy J. Powell, who has been nominated to be Ambassador to India.

And before we start talking about India, I want to say a few words, if I can, at the top of this hearing about Egypt. Egypt is much on the minds of all of my colleagues right now, and the recent events in Egypt are particularly alarming.

The attacks against civil society in Egypt, including American organizations like NDI, IRI, the International Center for Journalists, and Freedom House, are particularly disturbing. Yesterday's prosecutions are, frankly, a slap in the face to Americans who have supported Egypt for decades and to Egyptian individuals and NGOs who have put their futures on the line for a more democratic Egypt.

Right now, it appears some people are engaging in a very dangerous game that risks damaging both Egypt's democratic prospects and the United States-Egyptian bilateral relationship. I have traveled to Egypt three times now since the events of last year—the revolution. And it is of particular concern to see things moving in this direction.

The challenge in front of Egypt is predominantly an economic challenge. Egypt has burned through much of its reserves—Treasury reserves. From some \$40 billion, \$42 billion, they have gone down to less than \$20 billion, burning perhaps \$1 billion to \$1.5 billion a month.

In order for Egypt to make it, to provide for its citizens, Egypt is going to have to turn its economy around. And to turn its econ-

omy around, it is going to have to reattract the investors, the businesspeople who helped to create an economy that was growing at 7 percent a year before the events of Tahrir Square.

Now that economy is moribund. A tourist trade which equaled about 8 percent or more of the gross domestic product is at a standstill. When I was in Egypt, the hotel occupancies were at about 3 percent, 5 percent, maybe 11 percent on one of the trips.

Clearly, without the ability to revitalize tourism, it is going to be difficult to revitalize the economy. And without a revitalized economy, it is going to be difficult to sustain any kind of political leadership.

And unless people get a message of stability and a message that is warm and welcoming to business and to capital, it is going to be very hard to turn that economy around and provide the stability necessary. This is a revolving circle, and it needs to be a virtuous circle.

Egypt faces an array of critical challenges: a pending fiscal crisis, a worsening security environment, a difficult political transition. So I believe it is important that the Egyptian Government recognize that it just can't continue to undermine civil society and persecute the very talent that is seeking to bring Egypt security and prosperity.

America stands as a ready and willing partner to support Egypt's democratic transition and economic stabilization, but it requires an atmosphere in which Egypt's civil society and its American friends are protected. So I hope that this current crisis or challenge, stand-off, what everyone wants to term it, can be resolved in a thoughtful and intelligent way, or it may become very difficult to be able to do the kinds of things necessary.

And Egypt, obviously, is important. It is a quarter of the Arab world. It is important to the stability of the region, and it is important to a peace process ultimately with respect to Israel and the Palestinians.

And with all the other turmoil in Syria and other parts of the world, the challenge of Iran, the last thing one needs is an Egypt that isn't moving strongly and directly and forthrightly on the path to democratic transition and to a strengthening of its economy.

Now turning to India, we are really pleased to have this opportunity to discuss what is, without doubt, one of the most significant partnerships in U.S. foreign policy. There are few relationships that will be as vital in the 21st century as our growing ties with India and its people.

On all of the most critical global challenges that we face, India really has a central role to play, and that means that Washington is going to be looking to New Delhi not only for cooperation, but increasingly for innovation, for regional leadership.

India's growing significance has been clear to many of us for some time now. In the 1990s, I traveled to India, took one of the first business trade missions right after the economic reforms were first put in place, and I have been there many times since.

And President Obama, immediately upon entering office, invited Prime Minister Singh to be his guest at the very first state dinner. Secretary Clinton has visited India twice. And both countries inaugurated the U.S.-India Strategic Dialogue 2 years ago.

Republicans and Democrats alike understand the need to capitalize on the democratic values and strategic interests that our two countries share. And that is why it is important that we work together every day, as I believe we are right now, to further cultivate the relationship.

Given the significance of that relationship, we are particularly pleased that President Obama has nominated Nancy Powell to represent us in New Delhi. Nancy is a former Ambassador to both Nepal and Pakistan, and she has served tours of duty in both India and Bangladesh, making her one of the foremost South Asia experts in the Foreign Service. She is one of our best, and it is only appropriate that she be tasked with one of the State Department's most important postings.

I think Ambassador Powell would agree with me that United States and India interests and values are converging today, as perhaps never before. And consequently, America is an interested stakeholder in India's increasing ascent to greater economic and greater global power and participation.

India's economy is projected to be the world's third-largest in the near future, and total trade between our countries reached \$73 billion in 2010 and could exceed \$100 billion this year.

On defense, our security cooperation has grown so dramatically that India now conducts more military exercises with the United States than any other country.

Education is fast becoming one of the strongest links between our nations, and I look forward to building on the progress that we made at the higher education summit last fall. Whether it is helping India to build a network of community colleges that could revolutionize access to education or whether it is creating educational opportunities via the Internet, we can give millions of people a greater set of choices and opportunities for the future.

As our economies and education systems grow more intertwined—and I am convinced they will—our peoples will have greater opportunity to work together on technological breakthroughs. Already, India is playing a leading role in clean energy innovation. A report released last week found that India saw a 52-percent growth in clean energy investment in 2011, a rate higher than any other significant global economy.

With leadership from companies like Suzlon and Reliance Solar, India has the world's fourth-largest installed wind capacity and incredible solar energy potential. That is why I strongly support the 2009 U.S.-India Memorandum of Understanding on Energy and Climate Change signed by President Obama and Prime Minister Singh, which is being implemented through initiatives like the Partnership to Advance Clean Energy.

It is clear that India's strategic role is also growing. We all agree that the dynamism of the Asia-Pacific region requires India's sustained presence and engagement, whether to combat nuclear proliferation, to promote economic stability in Afghanistan, or to encourage human rights in Burma and Sri Lanka.

India enjoys strong cultural, historical, people-to-people, and economic links to East Asia, and I frequently hear that its eastward neighbors see real merit in India's contributions to regional peace and prosperity. In the coming years, I hope our two countries can

deepen our cooperation throughout Asia not based on any common threats, but on the bedrock of shared interests and values.

One area that is showing signs of promise, especially on economic cooperation, is the India-Pakistan relationship. I am encouraged that Pakistan granted India most-favored-nation status and that the two nations are continuing their dialogue on a host of issues. And I hope both countries can seize this moment to break with the perilous and somewhat stereotyped politics of the past.

There is no doubt that even as India moves forward and even as we celebrate the pluses that I just enumerated, it is clear that India will also have to continue addressing its own complex domestic challenges, including the challenge of building its own infrastructure, of dealing with booming energy demand, of dealing with some restrictive trade and investment practices, and also the problem, which is not just India's, but a global problem of human trafficking.

Moreover, there are some 500 to 600 million people living in poverty. But clearly, India is moving rapidly, through its own economic development, to address that, and I am confident that that will continue to change.

So we can be real partners in this effort, and we can do so in ways that empower all classes of Indian society. And Indians, I hope, will feel that a partnership with the United States delivers real, tangible benefits to their everyday lives.

So, Ambassador Powell, we thank you and your family for your service, and we look forward to the Senate moving your confirmation as quickly as possible.

Senator Lugar.

May I just say that we have a Finance Committee markup this afternoon on the transportation bill. So I am going to have to turn the gavel over to Senator Udall shortly in order to be at that, and I appreciate Ambassador Powell's understanding of that.

Senator Lugar.

**OPENING STATEMENT OF HON. RICHARD G. LUGAR,
U.S. SENATOR FROM INDIANA**

Senator LUGAR. Well, thank you very much, Mr. Chairman.

Let me just take the liberty of joining you in the concern you expressed about events in Egypt. I was startled, I should say shocked, by the arrest and detainment of those Americans involved in attempting to work with citizens of Egypt to promote democracy.

I think each one of us over the years who have been involved in delegations going to other countries to monitor elections or to assist citizens with the National Democratic Institute, the International Republican Institute, and various other groups, know how much we cared about those countries and the follow-through that we have exemplified.

It is especially important, as the chairman has pointed out, that given the status of the Egyptian economy and those in the countryside, far away from Tahrir Square, who lack adequate food supplies, that the United States is generous and eager to be helpful. But we are facing certainly comments from our colleagues who are wondering how we can consider providing \$1.5 billion in assistance to Egypt given both this new development and, more broadly, the

deficit situation we have in our own country. I am hopeful that the Egyptians will reconsider their position and that this matter will be resolved promptly.

In any event, I join the chairman in welcoming Ambassador Powell back to the Foreign Relations Committee. This hearing presents us with an opportunity not only to evaluate the distinguished nominee, but also to examine the current state of our evolving ties with India.

I start from the premise that enhancing our relationship with India is a strategic and economic imperative. India is poised to be an anchor of stability in Asia and a center of economic growth far into the future.

It has a well-educated middle class larger than the size of the entire U.S. population. It is already the world's second-fastest-growing major economy, and bilateral trade with the United States has more than tripled during the past 10 years.

The United States and India are working to build a strategic partnership that will benefit both sides, and we have ongoing cooperation with India on many fronts. This includes efforts to ensure security in South Asia. India and the United States have strong incentives to cooperate on counterterrorism in the region and beyond. We also share concerns about the stability of Afghanistan and Pakistan and the growing military capabilities of China.

Energy cooperation between the United States and India also should be at the top of our bilateral agenda. India's energy needs are expected to double by 2025. The United States has an interest in expanding energy cooperation with India to develop new technologies, cushion supply disruptions, address environmental problems, and diversify global energy supplies.

The United States own energy problems will be exacerbated if we do not forge energy partnerships with India and other nations experiencing rapid economic growth. In 2008 the United States concluded the civil nuclear cooperation agreement with India. The legislation lifted a three-decade American moratorium on nuclear trade with India and opened the door for trade in a wide range of other high-technology items, such as supercomputers and fiber optics.

This agreement remains important to the broad strategic advancement of the United States-Indian relationship. But in the narrower context of nuclear trade with India, it has yet to bear significant fruit. In large measure, this stems from the Indian Parliament's adoption of the Civil Liability for Nuclear Damage bill. This legislation effectively rules out Indian accession to the Convention on Supplementary Compensation for Nuclear Damage, the CSC, and could frustrate the United States nuclear industry's efforts to play a role in India's expanding nuclear power sector.

The bill's plain terms are fundamentally inconsistent with the liability regime that the international community is seeking to achieve in the CSC. To date, this administration has made very little progress on the CSC with India, and I am hopeful that you will address the Obama administration's strategy for advancing United States-Indian nuclear cooperation.

What high-level exchanges have occurred between our governments regarding the status of liability protections for United States

nuclear exporters to India? More broadly, what is the current state of our energy dialogue with New Delhi?

I would also appreciate the Ambassador's views on ongoing security cooperation efforts in South Asia. In light of the Obama administration's intent to reduce U.S. forces in Afghanistan and our complex relationship with Pakistan, what opportunities exist for United States-Indian initiatives designed to combat terrorism?

I look forward to hearing Ambassador Powell's thoughts about how to address these and other important issues in the United States-India relationship. I thank the chair.

The CHAIRMAN. Thanks very much, Senator Lugar. Appreciate it.

Ambassador Powell, we welcome your testimony. And I don't know if you want to introduce any family members or anybody who may be here with you, but we welcome that also.

**STATEMENT OF HON. NANCY J. POWELL, OF IOWA,
TO BE AMBASSADOR TO INDIA**

Ambassador POWELL. Mr. Chairman, Senator Lugar, I am honored to appear today as President Obama's nominee to be the Ambassador of the United States to the Republic of India, and I am grateful for the President and Secretary Clinton's trust and confidence.

I would like to thank the committee for giving me the opportunity to appear again before you. If confirmed, I look forward to working closely with you to advance our strategic partnership with India.

I would like to say a special thank you to my State Department family members who are here today with me and for their support and advice during my preparations for the hearing.

I have had the pleasure of serving in India previously from 1992 through 1995 as the Consul General in Kolkata and Minister Counselor for Political Affairs in New Delhi. I thoroughly enjoyed my time in India, where I had the opportunity to observe the beginnings of India's dramatic economic transformation and to participate in the early efforts to expand our bilateral relations.

Today, I see an India that has catapulted itself onto the global stage. India is becoming an economic powerhouse, having averaged 7 percent annual economic growth over the last decade, lifting tens of millions of its citizens out of poverty.

India will also be a leading security partner of the United States in the 21st century. The number and kinds of interactions between our two countries at all levels is staggering in its breadth and depth. At its heart are the people-to-people links—students, businesses, and tourists, along with the 3-million-strong Indian-American community.

At the government-to-government level, our relations are firmly grounded in a set of shared democratic values and an increasingly shared strategic vision of both the opportunities that can promote those values, as well as the threats that can undermine them.

If confirmed, I will be working with an interagency team at the Embassy in New Delhi and our four consulates to advance a growing agenda that includes issues that are most vital to our national security and prosperity. Among our top priorities will be the following.

Bolstering trade and investment. We have made unprecedented progress in expanding our economic relations with India. Our bilateral goods and services trade will top over \$100 billion in 2012. This represents an astounding quadrupling of trade since 2000, moving India up from our 25th-largest trading partner to our 12th.

I look forward to working with the interagency team and with our Indian counterparts to reduce barriers, including through the negotiation of a bilateral investment treaty, and to expand the areas where we do business. I am eager to support efforts to ensure full implementation of the civil nuclear cooperation agreement, including ensuring a level playing field for American companies in the commercial applications of nuclear energy.

The U.S. mission in India actively seeks opportunities to keep and create jobs in America. In response to the President's National Export Initiative, the U.S. mission promotes the export of U.S. products, services, and technologies supporting tens of thousands of jobs in the United States. India, with its population of 1.2 billion and its large consumer economy, represents a huge fast-growing market for U.S. manufactured goods.

Our exports are growing at nearly 17 percent a year. At this rate, exports from the United States to India are expected to nearly double in 5 years.

Another priority is our defense cooperation, which currently is at an all-time high. U.S. defense sales to India reached nearly \$8 billion last year, and India holds more military exercises with the United States than with any other country.

As stated in the National Security Strategy, we see India as a net security provider in the Indo-Pacific region. As India continues to modernize its armed forces, there are additional opportunities for us to expand our cooperation across all the services and at all levels. I appreciate the Congress' support for expanding defense ties and note the report delivered to Congress in November on potential defense cooperation with India.

We will also work to enhance our cooperation in international and multilateral fora. Reflecting its growing importance, India is an increasingly active member of key international bodies, including its current tenure on the United Nations Security Council, its inclusion in the G20, the East Asia summit, the South Asian Association for Regional Cooperation, and the World Trade Organization.

In December, we held the first-ever trilateral consultations with Japan, India, and the United States. Encouraging India's leadership in cooperation across the Asia-Pacific will be a top priority.

If confirmed, I look forward to expanding our consultations and collaboration, narrowing our differences on key multilateral issues, and working with the Government of India to advance international peace and security through common understandings and approaches to strengthening these bodies and the international community's ability to address the threats that face our world.

Another priority will be encouraging India's role in supporting peace and stability in the Indian Ocean region. India and the United States share a common interest in supporting continued efforts to establish a peaceful, prosperous, and democratic Indian Ocean region.

Taking a cue from history, the new silk road vision foresees a network of economic, transit, trade, and people-to-people connections across South and Central Asia. India supports this vision and is a significant donor in Afghanistan and has taken steps to facilitate better trade with Pakistan.

I look forward to increasing cooperation on counterterrorism and global threats. Terrorist groups like Lashkar-e-Taiba pose a critical threat not only to our partners like India, but also to United States strategic objectives in the region.

If confirmed, I will work to expand the current level of consultation and coordination on key counterterrorism exchanges, as well as to advance our efforts to expand cooperation in the areas of non-proliferation and nuclear security. As national intelligence officer for South Asia, these were issues that I dealt with firsthand.

If confirmed, I will also continue United States engagement with Indians to advance human rights and freedoms that are constitutionally protected in both our countries and to work to encourage democratic institutions in countries like Afghanistan.

If confirmed, I look forward to participating in and advancing the U.S.-India Strategic Dialogue, as well as the substantive exchanges on more than 20 distinct policy areas, including education, agriculture, energy, and development. I hope we can use this framework to address issues of mutual concern and to enhance collaboration to achieve concrete results that create additional opportunities for our two peoples and that eliminate threats to our two democracies.

I take seriously my role as chief of mission in the management of our Government resources—the people, infrastructure, and programs that are committed to this relationship—and will work to ensure that they are protected and used creatively to enhance U.S. interests.

If confirmed, I will devote my energies and experience to enlarging and expanding our relations with India. I believe we can continue to convert our vision for a future of peace and prosperity based on our mutual democratic values into a reality through expanded exchange, dialogue, and engagement at all levels of society and government.

Thank you very much.

[The prepared statement of Ambassador Powell follows:]

PREPARED STATEMENT OF HON. NANCY J. POWELL

Mr. Chairman, members of the committee, I am honored to appear today as President Obama's nominee to be the Ambassador of the United States to the Republic of India and am grateful for the President's and Secretary Clinton's trust and confidence in me. I would like to thank the committee for giving me the opportunity to appear before this esteemed body today. If confirmed, I look forward to working closely with you to advance our strategic partnership with India.

I have had the pleasure of serving in India previously from 1992 through 1995 as Consul General in Kolkata and Minister-Counselor for Political Affairs in New Delhi. I thoroughly enjoyed my tour in India where I had the opportunity to observe the beginnings of India's dramatic economic transformation and to participate in the early efforts to expand our bilateral relations. Today I see an India that has revolutionized itself onto the global stage. India is becoming an economic powerhouse, having averaged 7 percent annual economic growth over the last decade, lifting tens of millions of its citizens out of poverty. India will also be a leading security partner of the United States in the 21st century. The number and kinds of interactions between our two countries at all levels is staggering in its breadth and depth. At its heart are the people-to-people links—students, businesses, and tourists along with the 3 million strong Indian-American community. At the government-to-government

level, our relations are firmly grounded in a set of shared democratic values and an increasingly shared strategic vision of both the opportunities that can promote them as well as the threats that can undermine them.

If confirmed, I will be working with an interagency team at our Embassy in New Delhi and the four consulates to advance a growing agenda that includes issues that that are most vital to our national security and prosperity. Among our top priorities will be the following:

- **Bolstering trade and investment:** We have made unprecedented progress in expanding our economic relations with India. Our bilateral goods and services trade will top \$100 billion in 2012. This represents an astounding quadrupling of trade since 2000, moving India up from our 25th largest trading partner to our 12th. I look forward to working with a wide interagency team and with our Indian counterparts to reduce barriers, including through negotiation of a Bilateral Investment Treaty, and to expand the areas where we do business. I am eager to support the efforts to ensure full implementation of the Civil Nuclear Cooperation Agreement, including ensuring a level playing field for American companies in the commercial applications of nuclear energy.
- **The U.S. mission in India actively seeks opportunities to keep and create jobs in America.** In response to the President's National Export Initiative, the U.S. mission promotes the export of U.S. products, services, and technologies, supporting tens of thousands of jobs in the United States. India, with its population of 1.2 billion people and large and balanced consumer economy, represents a huge, fast-growing market for U.S. manufactured goods, and our exports are growing at nearly over 17 percent a year. At this rate, exports from the United States to India are expected to nearly double in the 5 years from 2009 to 2014.
- **Expanding our defense cooperation, which currently is at a cumulative all-time high:** U.S. defense sales to India reached nearly \$8 billion last year and India holds more military exercises with the United States than any other country. As stated in the National Security Strategy, we see India as a net security provider in the Indo-Pacific region. As India continues to modernize its armed forces, there are additional opportunities for us to expand our cooperation across all the services and at all levels. I appreciate the Congress' support for expanding defense ties, and note the report delivered to Congress in November on potential future defense cooperation with India.
- **Enhancing our cooperation in international and multilateral fora:** Reflecting its growing importance, India is an increasingly active member of key international bodies, including its current tenure on the United Nations Security Council, its inclusion in the G20, the East Asia summit, the South Asian Association for Regional Cooperation, and the World Trade Organization. In December, we held the first ever trilateral consultations with Japan, India, and the United States. Encouraging India's leadership and cooperation across the Asia Pacific will be a top priority. If confirmed, I look forward to expanding our consultations and collaboration, narrowing our differences on key multilateral issues, and working with the Government of India to advance international peace and security through common understandings and approaches to strengthening these bodies and the international community's ability to address the threats that face our world.
- **Encouraging India's role in supporting peace and stability in the Indian Ocean region:** India and the United States share a common interest in supporting continued efforts to establish a peaceful, prosperous, and democratic Indian Ocean region. Taking its cue from history, the New Silk Road vision foresees a network of economic, transit, trade, and people-to-people connections across South and Central Asia that will embed Afghanistan more firmly into its neighborhood. India supports this vision and is a significant donor in Afghanistan and has taken steps to facilitate trade with Pakistan.
- **Increasing cooperation on counterterrorism and global threats:** Terrorist groups like Lashkar-e-Taiba pose a critical threat not only to our partners like India, but to U.S. strategic objectives in the region. If confirmed, I will work to expand the current level of consultation and coordination on key counterterrorism exchanges, as well as advance our efforts to expand cooperation in the areas of nonproliferation and nuclear security. As National Intelligence Officer for South Asia, these were issues I dealt with firsthand.
- **If confirmed, I will continue U.S. engagement with all Indians to advance human rights and freedoms that are constitutionally protected in both of our countries, and work with India to encourage democratic institutions in countries like Afghanistan.**

If confirmed, I look forward to participating in and advancing the U.S.-India Strategic Dialogue, as well as the substantive exchanges on more than 20 distinct policy areas, including education, energy, agriculture, and development. I hope we can use this framework to address issues of mutual concern and enhance collaboration to achieve concrete results that create additional opportunities for our two peoples and that eliminate threats to our two democracies.

I take seriously my role as chief of mission in the management of our government resources—the people, infrastructure, and programs that are committed to this relationship—and will work to ensure that they are protected and used creatively to enhance U.S. interests.

If confirmed, I will devote my energies and experience to enlarging and expanding our relations with India. I believe we can continue to convert our vision for a future of peace and prosperity based on our mutual democratic values into reality through expanded exchange, dialogue, and engagement at all levels of society and government. Thank you.

Senator UDALL [presiding]. Thank you, Ambassador Powell.

We really appreciate your testimony. And I came in a little bit late, and I think, as Chairman Kerry said, I am supposed to take over for him.

Let me just say initially that in looking at your resume and seeing your long history of service to the State Department that we really appreciate that public service. I mean, some of the areas you have served in are very difficult areas in the world, and I am sure you have done it with enthusiasm and a great spirit of public service. So thank you for doing that.

I just returned, Ambassador Powell, from recently visiting India for the first time. I was lucky to go with a group, a CODEL headed by Senator Warner, and we had both of the cochairs of the India Caucus. Senator Warner is the cochair in the Senate, and Joe Crowley, the Congressman from New York, is the cochair in the House. And they had been there a number of times. I think Representative Crowley had been there eight times.

And so, I learned a lot from that discussion. And one of the things I did was meet with the Nobel Laureate, Dr. Rajendra Pachauri. Dr. Pachauri and I had a long discussion about India's energy needs and energy demands and the need to address climate change.

He expressed his disappointment with the outcome in Durban, South Africa, and his belief that a multilateral solution is needed to really make progress on this issue. With regards to the scientific issues, he stated he believes that the findings on the committee that he cochairs are stronger and that heat waves and other abnormal climatic events are increasing in frequency and intensity.

And while meeting with him and other business leaders, I stressed not only the need to invest in renewable energy, but also the opportunities presented by increased investment and partnership between the United States and India. With India in need of increased sources of energy to maintain its economic growth, how do you think the United States should work to facilitate partnerships between the United States and India to promote renewable energy?

Ambassador POWELL. Senator, I am pleased that you had the opportunity to visit India and look forward, if confirmed, to welcoming you back often.

Senator UDALL. Thank you.

Ambassador POWELL. On the energy side, I think those who look at India's progress and its potential almost universally will point

to energy as one of the key determinants in how India addresses its growing energy needs not only for its economic development, but also for advancing the needs of its people for electricity and other sources of energy.

I think we are poised to be very, very good partners on this. We have an energy dialogue as part of the 20 that I mentioned in my testimony. It is done at the highest levels and involves a look at traditional sources of energy, as well as new technologies.

We also have a partnership that Senator Lugar mentioned in his testimony that is looking particularly at innovations in energy. I think, given the very strong scientific communities, the very strong entrepreneurial communities in both of our countries, that this is an extraordinarily important complement to the government efforts.

There will certainly have to be support for some of these technologies, support for the research regulatory framework that allows them to be used. But the ingenuity and entrepreneurial spirit of our two countries I think provide us with opportunities to look at these new sources.

The partnership provides funding. AID is also working with what they consider to be an innovation incubator approach to development in India that will allow for programs to be—experiments and others to be looked at for plus-up by the private sector in India for use in other parts of the developing world.

I think all of these are very important. Obviously, the civil nuclear energy piece is another important part of the dialogue of trying to make sure that as India turns to nuclear energy to provide some of its energy resources that it can benefit from the extraordinary technology that United States companies bring to nuclear energy, to the safety and security standards, and to working with those companies with the Government of India to find a way for us to have a level playing field for that endeavor.

Senator UDALL. Ambassador, thank you very much for that answer.

And I think one of the areas—and thank you for your willingness to work on the renewable energy issues—I think one of the areas that could be a welcome development would be with the villages in India. As you know, I mean, you have served over there. We have double than the people who live in the United States, 700 million people that live in villages, many times without adequate drinking water, clean drinking water, no electricity.

And those kinds of conditions are really ripe for deploying solar panels or wind or something out in those villages. Dr. Pachauri, by the way, has an NGO where he has started an entrepreneurial model. He puts a solar panel in a village, has one of the women who really organizes the village take charge of it. She then leases out the solar panel to charge solar lanterns, and this replaces the kerosene lanterns, which are very dangerous and can't be used under mosquito nets and things like that.

And it seems to me that this whole area is one that there is a huge potential, if we work with them, if we partner with them, to help them get electricity into the villages without moving all of the village people into the cities, which I think could end up causing serious problems.

And with that, I am not really asking a question there, but it is an honor to be here with Senator Lugar and to be up here chairing this. And I look forward to his questions and any others as we move along.

Senator LUGAR. Well, thank you very much, Mr. Chairman.

Let me just raise a different subject for the moment because at least today's press reports indicate that India's Oil and Natural Gas Corporation, the ONGC, has come under pressure to finalize a service contract for natural gas production with Iran. Now could you please give us your thoughts on an Indian company's involvement in Iran's energy sector, particularly something of this significance?

Ambassador POWELL. So, Iran and India have a long tradition of trade across energy and other fields. It is one that is clearly a part of our sanctions regime that we are hoping to see it significantly reduced.

I noted in Foreign Secretary Mathai's speech yesterday, he indicated that the current efforts to diversify India's sources of oil and petroleum and a reduction in their use of Iranian oil to 10 percent or less, and I think these are positive developments. I think our own efforts to support India in looking at other sources of energy will be a contributor to this, and we will certainly, if confirmed, I know that this is going to be one of the issues that I will be spending a great deal of time on and working with the Iranian sanctions legislation with our own policies and with the Indians to work with them.

Senator LUGAR. Well, speaking of our assistance in this respect, as you pointed out earlier, large numbers of Indians lack access to electricity, and energy poverty limits their economic advancement options. The scale of this challenge, however, demands transformational technologies, such as Senator Udall was pointing out, and this leads to my question.

Could you please describe the efforts, as you see them, which are being made by Indian entrepreneurs to tackle energy poverty? Furthermore, what barriers stand in the way for American entrepreneurs to enter the Indian market for the so-called transformational strategies that are going to be able to meet the doubling of demand?

Ambassador POWELL. The two official government-to-government dialogues are on energy policy specifically and then on trade, which includes a variety of looking at various ways to encourage trade, to determine how barriers can be reduced, and to look at ways to make it possible for American companies to participate. We have some very good success stories.

I was looking at the results of an Arizona company that has been quite successful on solar energy and to find, using our resources at the Embassy, our commercial services, our discussions with the private sector through the India Business Council, U.S.-India Business Council, the American Chamber of Commerce, and others, to find those links where we can put American companies in touch with opportunities for them to provide their expertise.

I would also point to what USAID is doing. Although the amounts of money are relatively small, I think the payback potential is very, very high if we can encourage innovation. We are

partnering with Indian private sector on this. We are also providing a mechanism for funding, called the Clean Energy Finance Center, that will develop opportunities to think creatively about how to finance new and somewhat risky adventures sometimes. But to make it possible for the private sector to participate in this, not to depend strictly on government funding.

I think although our projects are relatively small in their scope, the Indians have a very good network of working with the many, many villagers and trying to work on this. So if I could just piggy-back on Senator Udall's comments? My experience in Nepal with the lanterns was a fantastic one. It made an enormous amount of difference in the ability of children to do their homework, to stay in school, and to have an opportunity to encourage literacy.

It also, in a similar way, empowered women and provided a source of income for them through the sales of these very small-scale entrepreneurship with the lamps. And I think it is a very, very good program. It has been used in other countries as well.

Senator LUGAR. Well, we are counting on you to reduce the barriers to American entrepreneurs working with Indian entrepreneurs to the benefit of the people.

Ambassador POWELL. Thank you.

Senator LUGAR. You mentioned earlier the dialogue between the United States and India on 20 different areas. Last year, Secretary Clinton visited India and engaged in the U.S.-India Strategic Dialogue which, as you pointed out, includes security, regional cooperation, partnership, and technology.

Can you highlight for us the most effective parts of the dialogue and the ones on which you believe the administration hopes to make the most progress in the coming year?

Ambassador POWELL. I think my timing is quite good. Foreign Secretary Mathai is in the United States right now. And although I am not in a position to meet with him, my colleagues at the State Department are. And he had, I believe, extensive meetings this morning, setting up the agenda for the June or July meeting, the next meeting here in Washington of the strategic dialogue.

He also spoke yesterday, and I believe I could certainly endorse the agenda that he put forward, of the things that are very, very important. Certainly, the energy dialogue is one of those, the trade dialogue, our cooperation in looking at our defense partnership, our look at making sure that we are looking at what we would call our homeland security dialogue. Our counterterrorism dialogue is a new and, I think, a very dynamic part of the dialogue that will continue to be a priority for both countries.

Maritime security I feel certain will be part of the dialogue as well this summer. And as a former high school teacher, I would like to see the education dialogue raised to the Cabinet-level strategic dialogue as well.

Senator LUGAR. And presumably intelligence-sharing will be a part of that?

Ambassador POWELL. Absolutely, as part of the homeland security and counterterrorism.

Senator LUGAR. Thank you very much.

Senator UDALL. Senator Menendez.

Senator MENENDEZ. Thank you, Mr. Chairman.

Ms. Powell, congratulations on your nomination.

Ambassador POWELL. Thank you.

Senator MENENDEZ. I have a concern. I am a strong believer that the relationship between the United States and India is a critical one, but, as I am sure you are aware, in December, I, along with other colleagues, sponsored legislation in the Congress by amendment that the Senate passed unanimously and the President signed into law with reference to comprehensive sanctions on the financial institutions of the Central Bank of Iran.

And I have been encouraged by the efforts of Japan, South Korea, and others to look for ways to come into compliance with the law. They have come to it even as they face challenges, with the attitude of how do I meet the spirit of these sanctions and try to ensure that we are not subject to any sanctions and that we are working not only with the United States, but the international community to ensure that Iran does not achieve nuclear power.

However, the Indian Government, which is one of Iran's largest crude customers, seems to be rebuking the sanctions and looking for workarounds, including considering payments in gold and transactions that detour around the Central Bank of Iran, which at the end of the day still is helping the Iranian Government have the resources to fuel its nuclear ambitions.

For our sanctions to be effective, it is really crucial that all nations, particularly democratic nations like India, work together to confront Iran and insist that it terminate its efforts to achieve nuclear weapons capability.

What is your view of the Indian Government's rationale behind supporting the Iranians in this regard? And if you are confirmed as our Ambassador, will you carry the message to New Delhi that this is a policy priority for the United States and that we will not hesitate, as appropriate, to pursue the law as it exists?

Ambassador POWELL. Senator, certainly, if confirmed, I understand and appreciate that this is going to be a very important topic and one of those that I will be dealing with very seriously and very early in my tenure.

I think approaching it perhaps a little bit differently than you did, but to recognize that India shares with us a desire to see a nonnuclear state in Iran. They have supported us in the IAEA four times. We continue to have a very important dialogue at the most senior levels of the U.S. Government, and I fully intend to be a part of that dialogue.

I believe that making sure that there is clarity on what the legislation and the U.S. sanctions mean, what their implications are for India is one step. Also looking to make sure that we understand what actions India is taking. Foreign Secretary Mathai yesterday in his republic remarks commented that there already appears to be a reduction in the amount of oil, the percentage of oil that India receives from Iran out of its total imports. That would be a very good sign.

But I will certainly commit to working very hard on this issue.

Senator MENENDEZ. Well, I appreciate that. This is incredibly important to us. If countries like India are going to pay in gold or find other ways to circumvent the sanctions, then while I appreciate what you said about India sharing our goals, it could

ultimately continue to facilitate the resources that are necessary for Iran to achieve its nuclear power.

And so, we need more than their goodwill of sharing our goals. We need their actions to join us and the rest of the international community in that regard. And I hope that, if confirmed and in short order will hopefully be in India, that this will be one of your top priorities.

Would you tell the committee, that this will be one of your top priorities when you get there?

Ambassador POWELL. It most certainly—it will be one of the top priorities.

Senator MENENDEZ. Now, last, and I won't take all of the time that I have left, but I do want to ask a question that I would like you to answer for the record. And it has to do with the work that has to be done for our overall recruitment. I am seriously concerned that despite years that I have been raising this, including with your advent to this office, that the issue of Hispanic recruitment at the State Department remains pathetic.

The 2010 Census has indicated that there are over 50 million Hispanics in the United States, 16 percent of the population. Yet, however, Hispanics make up only 5 percent of the State Department's employees, 3.9 percent of the Foreign Service officers, and about 6 percent of Foreign Service specialists.

So, I would like two things for the record. One, can your office share the most recent statistics with the committee as well as what barriers you have encountered in any effort to improve your outreach, recruitment, and retention of qualified Hispanics?

In all of my work in this regard, this is really one of the worst departments of the Federal Government as it relates to Hispanic participation. I appreciate what has been said about the State Department reflecting the look of America but when Hispanics make up 16 percent of the population and their rate of growth is not reflected at the State Department, that doesn't include a full look of America.

So, as you move on to your next assignment, I would like to get the benefit of whatever challenges there were so that we can look at your successor in this role and have a strategic plan as to how we turn those numbers around.

[The requested information follows:]

The Department of State is committed to a workforce that reflects the diversity of America (racial/ethnic/national-origin, gender, geographic, educational, and occupational) with the skills, innovation, and commitment to advance our national interests in the 21st century.

Hispanics make up 4.7 percent of State Department Civil Service employees, 3.9 percent of Foreign Service officers, and 6.6 percent of Foreign Service Specialists. The number of self-identified Hispanics who took the Foreign Service officer test during 2011 was 2,030 or 10 percent of the total. In FY 2011, the Department hired 49 Hispanics into the Foreign Service, or 4 percent of all new Foreign Service hires, and 27 into the Civil Service, or 2 percent of all Civil Service hires. Our statistics are based on individuals who self-identify, and do not take into account individuals who are multiracial.

DEPARTMENT OF STATE'S LARGE-SCALE RECRUITMENT EFFORTS

Targeted outreach is the cornerstone of the Department's recruitment strategy. Specific recruitment portfolios include African-Americans, Hispanics, Asian-Americans, American Indians and Alaskan Natives, Native Hawaiians/Pacific Islanders, women, military veterans, and those with disabilities. In FY 2011 our Diplomats in

Residence and Washington-based recruiters personally engaged an estimated 50,000 potential candidates at events across the country, supported by an events management system which markets our public events across our social recruitment networks. The system also facilitates ongoing engagement and communication between the Department and prospects/candidates.

The Department's careers Web site (www.careers.state.gov) is the hub for all on-line recruitment engagement and receives an average of 60,000 visitors a week. Public forums that provide quick and open responses to questions regarding Department career opportunities have proven extremely successful, continuously receiving more than 20 million views since their inception in 2010.

Marketing studies demonstrate that minority professionals use social media at higher rates than nonminority professionals. Our public outreach is integrated with a comprehensive marketing and recruiting program that includes leveraging new media and networking technologies (Facebook, Linked-In, Twitter, YouTube), direct sourcing, e-mail marketing, and online and limited print advertising with career and niche-specific sites and publications (Hispanic Business, NSHMBA, LatPro, Saludos, LATINASStyle).

In FY 2011, the Department spent \$42,350 on advertising in Hispanic print and electronic media. In addition, 39.5 percent of the total we spent on print and electronic media included general diversity-specific sites which incorporated Hispanics. In FY 2012, we are allocating \$95,789 to Hispanic-focused, career-specific media which is 21 percent of our total spending on advertising in print and electronic media. An additional 20 percent of the total media buy will include diversity-specific sites which incorporate Hispanics.

The Department's Recruitment Outreach Office developed and hosted Diversity Career Networking Events as a tool to target diverse professionals for Department of State careers, specifically highlighting deficit Foreign Service career tracks. In FY 2011, events were hosted in Los Angeles; Denver; Santa Fe, Albuquerque, and Las Cruces, NM; Miami; Cincinnati (to attract attendees at the National League of United Latin American Citizens conference), Houston, Dallas, New York, and Washington, DC, reaching over 1,000 candidates including African Americans, Asian Americans, Hispanics, Native Americans, women, and critical language speakers. In addition, over 900 Department employees have volunteered to support our strategic outreach, highlighting the diversity of our existing workforce and leveraging existing networks of internal affinity groups like the Hispanic Employment Council in Foreign Affairs Agencies (HECFAA).

COOPERATIVE EDUCATION PROGRAMS

The Department strives to achieve diversity throughout its workforce through various career-entry programs, including the Presidential Management Fellowship. All qualified applicants referred to the Department by the Office of Personnel Management are given full consideration. The Office of Recruitment conducts regular outreach to institutions that serve Hispanics in order to increase the pool of applicants from the Hispanic community and promote awareness of entry-level employment opportunities.

Our outreach to college students plants the seeds of interest in global public service and promotes a long-term interest in our internships, fellowships, and careers. In FY 2009, Congress funded additional paid internships for recruitment purposes. In 2009, 2010, and 2011, our Diplomats in Residence identified outstanding, diverse candidates for those internships, providing them the chance to experience work in Washington, DC, and embassies and consulates around the world. In 2011, 20 percent of these 80 paid interns were Hispanic.

Two particularly successful student programs are the Thomas R. Pickering Foreign Affairs Undergraduate and Graduate Fellowships and the Charles B. Rangel International Affairs Fellowship. These ROTC-like programs provide financing for graduate school and paid professional experience in Washington and at our embassies to highly qualified and mostly minority students, in exchange for their commitment to the Foreign Service. Diplomats in Residence help recruit candidates for these fellowships, which have been essential to increasing the presence of underrepresented groups in the Foreign Service. In FY 2011, 10 out of 40 (25 percent) Pickering Fellows and 4 out of 20 (20 percent) Rangel Fellows were Hispanic.

Ambassador POWELL. Senator, may I respond just briefly?

Senator MENENDEZ. Absolutely, sure.

Ambassador POWELL. We clearly will give you more details in the taken question, but I took very seriously your charge to me when I accepted the Director General position, was confirmed by the

committee, to try to improve the outreach to the Hispanic and other minority communities, to make sure that they understood what opportunities were available to them at the State Department, whether it was the Foreign Service or the civil service and to expand the information that they had, their ability to ask questions, to be informed, and to participate with us.

I share with you a desire to see a better than 5-percent ratio for the Hispanics in the Foreign Service and a 4.9 for the civil service. But I do have some encouraging statistics about the efforts of a very, very vigorous and targeted recruitment effort that we have undertaken over the last 2 to 3 years.

In the past year, we have among the people who have taken the Foreign Service test, we had an increase of 82 percent among the Hispanics. From those who passed the test, having taken it, 172-percent increase by Hispanics, and for the hiring, a 43-percent increase. Those statistics, if we can maintain them—and I certainly think that my successor will be committed to the effort that we started—represent an opportunity to improve on our total percentage of Hispanics.

I would also like to share one other statistic with the committee because the other part of our outreach, in addition to our minority populations, was to our disabled veterans. And we have been able in the Foreign Service generalists to increase by 350 percent the hiring of disabled veterans. And among our specialists, a whopping 4,700-percent increase.

So I would also like to comment that the number of minorities, including Hispanics, that are part of our Pickering and Rangel Fellowship Programs, and these are opportunities that provide graduate education opportunities as well as internships and other experience in the department, has increased dramatically.

And I personally served as the mentor for our Hispanic affinity group, which has been reenergized under the leadership of its new president, and I took great pride in working with them.

Senator MENENDEZ. Well, I appreciate that. I look forward to seeing the employment figures which you gave, which sound promising, what sections across the spectrum they are.

But thank you very much.

Senator UDALL. Senator Webb.

Senator WEBB. Thank you, Mr. Chairman.

And Ambassador—congratulations. I wish you well in the new assignment, for which I know you are going to be confirmed. You have got a terrific wealth of experience in this region. I think you are going to be very valuable to our country when you go there.

India is a long way from Iowa. I went to high school in Nebraska. I can remember one cold winter morning working in a grocery store, I was reading "Hawaii" by James Michener and becoming fascinated with the stories of Asia, and he talked about mangoes. I looked over on a shelf in this grocery store I was working in—and there was a mango. I had never seen one before and I bought it with all my tip money. I brought it home that night, and I could not figure out how to peel it.

But I said someday I am going to go where they grow these mangoes, and of course, a couple of years later, Uncle Sam helped me out and sent me to Vietnam. But I know what it is like to really

become so intensely interested in an area, and you certainly have the background when it comes to South Asia and India.

That leads me to a question. Just something that I have been wondering for some time, and I think from your background, maybe you can help me understand it—help us understand it.

We consistently speak about India as a democracy, and in political terms, one would think that is true. It certainly seems demonstrably true. We talk consistently about the entrepreneurship that comes out of India. Some of the most wealthy entrepreneurs in the world are in India. Those who have come to this country from India do extremely well.

And yet, if you look at "The World Factbook," the per capita income in India is about \$800—at least the one that I just looked at, "The Economist World Factbook"—which is less than \$3 a day. What would be your observations about the nature of this democracy in terms of the obvious, glaring inequality from top to bottom in its society?

Ambassador POWELL. Senator, I think India's democracy is a thriving one with right now they are engaged in five states voting, with over 200 million residents in one of those states. So that part of the democracy, in terms of its forms and its norms, is well established.

They are voting after a very vigorous debate over policies and, particularly in these five states, are looking at the economic reforms, whether they have answered the question that we would ask here in the United States. Are you better off than you were at the last election?

They are very, very vigorous in that debate. They are looking at it very seriously.

I take a lesson from my time as a teacher of American Government and American history of reminding myself that our Constitution starts with the words about "forming a more perfect union." I think that India is in the process of doing that as well.

It has enormous societal inequalities based on historic caste systems of economic differences. But surely, one of the engines that moves a society is the commitment to democracy, a ballot box that allows people to vote for their leaders and to vote for change, but also a rising economy.

I contrast my earlier time in India, where they were just emerging from a very, very closed economic system, one which required enormous amounts of work to start a business or to close one, for that matter, with the current system. It is not perfect yet. It still takes a long time in India. It is still not a redtape free society. But all of those things are freeing up India.

I think we have seen over the 20 years of economic reforms a tremendous number of people who have been removed from absolute poverty. They are into the Indian middle class now. They are able to afford education for their children. They are dedicated to that as one of the first things that they use their disposable income for, but also a rising consumer network, better housing.

Senator WEBB. So you would say—and I have got one other question I want to ask you, You are optimistic about the potential for broader sharing of the wealth in that society?

Ambassador POWELL. I am. I am very optimistic about India.

Senator WEBB. I wanted also to get your comment on the obvious and growing interrelationship among the United States, ASEAN, and India in terms of naval activities, but also security activities not only in the Indian Ocean and around into what we call the Western Pacific or the South China Sea.

We have seen cooperative naval maneuvers between India and Vietnam, for instance. At the same time, we have seen over the past couple of years on many different levels increased Chinese naval activity into the Indian Ocean. What are your thoughts about this new mix?

Ambassador POWELL. I think India is certainly one of those countries that is a rising power in this part of the world. It has interests that match ours in many ways, particularly as we have looked at our defense dialogue of looking at maritime security, of looking at the potential for cooperation and humanitarian relief and disaster assistance. And also in looking at piracy, particularly off the coast of Somalia, of cooperating with the international effort there.

The dialogue that we have through the Defense Policy Group, through ASEAN, through the Indian Ocean rim conferences, with India playing a growing role in that, I think will assist us in aligning a policy that works internationally to make sure that we can protect those sea-lanes, that we will have a peaceful area there.

Senator WEBB. Thank you, Mr. Chairman.

Senator UDALL. Ambassador, the ongoing friction between India and Pakistan is a strategic concern for the United States and for the region. Do you believe that there may be a more proactive role for the United States to play, which could help ease tensions between the countries?

For instance, Sandia National Laboratories Cooperative Monitoring Center—Sandia is located in Albuquerque, NM—has programs to help create trust between countries, such as border monitoring. As part of its mission, Sandia's Cooperative Monitoring Center assists political and technical experts from around the world to acquire the technology-based tools they need to implement nonproliferation, arms control, and other cooperative security measures.

It is a soft power tool that I believe could be utilized in such hot spots. I would note that this is not a new proposal, that a paper released by the Cooperative Monitoring Center in 2001, which was written by retired Pakistani Major General Mahmud Ali Durrani, called for a "cooperative border monitoring experiment."

What are your thoughts on these and other proposals to relieve security tensions in the region?

Ambassador POWELL. Senator, I firmly believe in encouraging a dialogue and the resolution of problems between India and Pakistan. I believe that ideas that are supported by both countries, if General Durrani's ideas were to be endorsed through the Track II or Track I negotiations that are very active on both levels, that there would be a role for the United States to play.

I have had the opportunity to meet many of the people that are engaged in these dialogues and certainly think that the United States plays a role in encouraging ideas and looking for additional creative solutions, but that the primary responsibility rests with the two countries. Having worked with so many of their leaders

and their diplomats, I am very confident that they have the ability to do that, but certainly don't rule out our ability to assist.

Senator UDALL. Thank you.

During our visit to India, we visited a USAID site in Jaipur. This site truly highlighted the needs of rural and impoverished Indians. Work being done by USAID included aiding women with prenatal care, vaccinations and other child services, and training for women to help them interact with other groups to help discuss community needs and solutions.

Madam Ambassador, what are your thoughts on such programs, and how do you think our relations would be impacted if there are substantial cuts to such USAID programs?

Ambassador POWELL. I am very, very supportive of these efforts. I think particularly supporting women's health has a major impact on the health of their children. I have a particular interest in looking at women's education opportunities. Particularly in rural India, as in many parts of the developing world, women have not had equal opportunity and access to education. This is an area that as India needs to expand its economy is one that I think is very important.

The AID programs that are being conducted in India are ones that I look forward to visiting and to having a better understanding of. But I think particularly the one you visited is one that would warm my heart. I would like to have the opportunity to do that, if confirmed, but also to look at the opportunities to do things like the new stoves that are both ecologically and in terms of health a much improved facility. This is something that Secretary Clinton has taken a great deal of interest in.

In terms of the impact of our aid program, our numbers and the amount of assistance to India has been reduced substantially from what I remember. But I think it is a quality program, and I would like to see it continued so that it can be this incubator for innovation and development technology and development programming, that we can identify things that work in this environment and see how they can be plussed up by the private sector, by the government of India, but also exported to other developing countries that may have similar problems.

Senator UDALL. Ambassador, we went into a village and saw—you mentioned the cookstoves and Secretary Clinton's initiative. We went in and saw in a village locals cooking on traditional stoves. It was fueled, I think, by dung. It was very dirty. The smoke was all over the house. I mean, it was a pretty dreadful situation.

Could you tell us a little bit more about the initiative Secretary Clinton has on the stoves and how that has progressed?

Ambassador POWELL. I am going to have to take the question to get you the details on it, but I know that it is one she is committed to. And I have had the similar experience that you had. Not only do you deprive the fields from the benefits of having the fertilizer, but you also spread enormous amounts of smoke that, particularly for the lungs and health of children and the women who are doing the cooking, is quite dramatic.

And the new smokeless stoves both cut down on the amount of energy that is required, but also contribute far, far less to pollutants that damage their health.

Senator UDALL. Thank you.

And if you would supplement the record a little more on that, I think that would be great.

Ambassador POWELL. I will be glad to do so.

[The requested information follows:]

Secretary Clinton announced the Global Alliance for Clean Cookstoves in September 2010 as an innovative public-private partnership led by the United Nations Foundation to save lives, improve livelihoods, empower women, and combat climate change by creating a thriving global market for clean and efficient household cooking solutions. Today, the Alliance comprises of over 250 partners, including 27 countries. In November 2011, the Alliance published a roadmap to achieve universal adoption of clean cookstoves and fuels. Under this strategy, the Alliance will work with its public and private partners to focus on three core thematic activities: enhancing demand for clean cookstoves and fuels; strengthening supply of clean cookstoves and fuels; and fostering an enabling environment for a thriving market for clean cookstoves and fuels. The U.S. Government's commitment to the Alliance includes diplomatic support and an investment of up to \$105 million across 10 Federal agencies over the first 5 years of the Alliance, with a focus on financing, applied research, capacity-building, stove testing, field implementation, and evaluation. The Secretary held a public event in Chennai, during her July 2011 visit to India, to announce new Indian private sector partners and raise international awareness and engagement on these issues. Special Representative for Global Partnerships, Kris Balderston, would be happy to provide you a detailed briefing on the activities of the Global Alliance for Clean Cookstoves.

Senator UDALL. Senator Lugar.

Senator LUGAR. I have no further questions. I simply wish the very best to the Ambassador.

Ambassador POWELL. Thank you.

Senator LUGAR. I look forward to strongly supporting your nomination.

Ambassador POWELL. Thank you very much.

Senator UDALL. Ambassador, let me, on behalf of the committee, just thank you very much for your testimony today.

We are going to keep the record open for questions for the record for 24 hours. We would ask that all members please submit any questions before tomorrow afternoon.

Senator UDALL. Also, I have been informed by Chairman Kerry that the committee is working to get Ambassador Powell's nomination on the agenda for the business meeting to take place on February 14, and I believe, Senator Lugar, the ranking member, is also aware of that? Yes.

Ambassador POWELL. Thank you very much.

Senator UDALL. So, thank you.

And being no further questions and no further business, the hearing is adjourned.

[Whereupon, at 3:40 p.m., the hearing was adjourned.]

ADDITIONAL QUESTIONS AND ANSWERS SUBMITTED FOR THE RECORD

RESPONSES OF HON. NANCY J. POWELL TO QUESTIONS SUBMITTED BY
SENATOR JOHN F. KERRY

Question. How can the United States best support India and Pakistan in their talks and efforts to resolve regional tensions? If confirmed, what types of steps will you take to facilitate improved relations between India and Pakistan?

Answer. The United States has always welcomed dialogue and better relations between India and Pakistan. The pace, scope, and character of the dialogue are for Indian and Pakistani leaders to decide. If confirmed, I will encourage all dialogue between India and Pakistan, particularly including the expansion of trade and strengthening of people-to-people linkages between the countries. The United States should continue to encourage both Track I and Track II efforts to improve relations. We particularly welcome the upcoming meeting of trade ministries and the planned visit to Pakistan of a large commercial delegation. Normalizing trade relations will bring benefits to both countries.

We applaud the dialogue between India and Pakistan on bilateral issues, including on expanding economic contacts. The latest rounds of dialogue have produced concrete steps to improve relations in ways that will directly benefit the Indian and Pakistani people, particularly on easing barriers to trade and commerce. It is our hope that this process of normalization in both directions, including the eventual extension of most-favored-nation status by Pakistan and the reduction of nontariff barriers by India, will lead to expanded economic opportunity and stability for both countries that also could serve as a much-needed catalyst for regional integration.

Question. What steps can the Indians realistically take this year to liberalize their economy, particularly to encourage more foreign investment?

Answer. In November 2011, India's Cabinet voted to allow 51 percent FDI in the multibrand retail sector and 100 percent investment in the single brand retail sector. Multibrand retail implementation has been postponed, but we remain hopeful it will be implemented. The FDI increase in single-brand retail has moved forward, though with local procurement and small business provisions that foreign companies will need to work through before they can enter the Indian market in a significant way. We have also continued to encourage liberalization in the aviation, pensions, and insurance sectors, as well as in defense-offsets. The release of India's FY 2013 budget and 12th Five-Year Plan in March may provide some additional clarity into the government's plans for its economic reform agenda.

Question. How can the United States work with India to encourage further political and economic reforms in Burma?

Answer. India serves as a model for the values we hope will become universal across East Asia and is in a strong position to encourage Burma to deepen its democratic reform efforts. Although India and the United States have historically approached Burma differently, both countries have welcomed the significant Burmese reforms, share a strong desire to see these reforms continue, and support Burma's reintegration into the region. In support of this goal, the Indian Government hosted a Burmese parliamentary delegation in December 2011 to study India's democracy ahead of Burmese by-elections this spring. India's continued outreach, both to the Burmese Government, as well as to opposition leaders, such as Aung San Suu Kyi, reinforces this message. In fall 2011, India offered Burma a \$500 million line of credit to support development of transport and energy infrastructure and is exploring the development of new transport corridors through Burma that would link India with markets in Southeast Asia. We continue to urge the Indian Government to use its deep historical friendship and cultural ties with Burma to engage its civil society and encourage concrete action on political and economic reform and national reconciliation. In addition, Special Representative and Policy Coordinator for Burma, Derek Mitchell, has proposed to visit India in the coming months to explore ways to deepen our bilateral cooperation.

Question. How can the United States work with India to encourage further political and economic reforms in Sri Lanka?

Answer. The Department of State believes the Government of Sri Lanka needs to take concrete actions to promote national reconciliation, strengthen democratic institutions, and credibly investigate violations of international humanitarian law and international human rights law alleged to have occurred during Sri Lanka's 26-year separatist conflict. We continue to engage closely with India on encouraging Sri Lanka to implement a comprehensive national reconciliation process that includes holding those credibly alleged to have violated international humanitarian law and international human rights law accountable for their actions. Both the United States and India have also emphasized the need to implement the recommendations of Sri Lanka's own Lessons Learnt and Reconciliation Commission in a timely manner.

Question. Last week Bloomberg New Energy Finance released a new report showing that India led in the growth of renewable energy investments in 2011, with a 52-percent jump to over \$10 billion. This jump in investments was helped by India's

growing wind and solar sectors. If confirmed, please describe what you plan to do to connect this growing market demand with the technologies and private sector investment based in the United States, where we are a leading innovator and developer for many of these clean energy technologies. What would you do to help implement the Partnership to Advance Clean Energy, one of our largest bilateral relationships in this area?

Answer. In 2009 Prime Minister Singh and President Obama agreed to strengthen United States-India cooperation on energy and climate change through a number of bilateral and multilateral initiatives. One of these initiatives is the U.S.-India Partnership to Advance Clean Energy (PACE), which seeks to improve energy access and promote low-carbon growth through the research and deployment of clean energy technologies. PACE includes bilateral public-private projects that have advanced the goals under the CEO Forum.

If confirmed, I would continue to promote and encourage the sale of U.S. technology to India to meet India's ambitious targets for the deployment of renewable energy, energy efficiency, and other clean energy solutions in support of the National Export Initiative. Over the next 10 years, India is expected to be one of the largest sources of new solar capacity and other clean energy solutions. India will look to the United States to supply the most advanced solar technology in the world.

If confirmed, I would continue the Embassy's strong support of the Energy Cooperation Program, a public private partnership in PACE that leverages the U.S. private sector to promote commercially viable project development and deployment in clean energy and energy efficiency.

The United States also has the opportunity to shape India's clean energy market through financing and investment. If confirmed, I would fully support the efforts of the Overseas Private Investment Corporation, Export-Import Bank, and U.S. Trade and Development Agency to promote U.S. clean energy exports and ensure U.S. companies can play a significant role in developing India's clean energy market.

Largely due to clean energy contracts, India has become the largest loan portfolio for the Overseas Private Investment Corporation and will soon constitute the largest portfolio for the Export-Import Bank. If confirmed, I would continue to advocate for the sale of U.S. technology in clean and renewable energy and energy efficiency to keep India as the top destination for U.S. Government-supported sales. Finally, if confirmed, I would help bring to fruition the Joint Clean Energy Research and Development Center that will bring together industry and academic experts in the United States and India to mobilize \$100 million in funding for clean energy research to benefit both countries.

Question. What is the status of the TAPI pipeline, particularly with respect to securing Western multinational involvement in pipeline operation and the associated gas field development in Turkmenistan? What is the status of plans between Pakistan and India to jointly develop the Daulatabad gas field in Turkmenistan? What is the administration's position on these plans? Pakistan has reportedly proposed a uniform transit fee for the import of gas under the TAPI pipeline project, which it would receive from India and pay to Afghanistan. What is the administration's position on the pipeline transit fee? What are its economic implications?

Answer. Since the TAPI Intergovernmental Agreement was signed by the Presidents of Turkmenistan, Pakistan, and Afghanistan and the Minister of Petroleum and Natural Gas of India in December 2010, the parties have been negotiating gas sales and purchase agreements. We believe these agreements may be finalized in the next few months. All four TAPI parties welcome the participation of international oil companies (IOCs) in the project, although there are differing views on exactly what the role of the IOCs would be. There has been some erroneous reporting on development of the gas field that will feed TAPI. Although the Daulatabad field had initially been selected, the current plan is for the gas to come from the South Yolotan/Galkynysh gas field. Although we understand that both Pakistan and India would like to participate in development of the gas field feeding TAPI, we are not aware that any agreements have been reached. We believe the prospects for the TAPI project would be enhanced if an IOC, perhaps working together with Pakistani and Indian companies, were involved along with Turkmen gas, the Turkmen Government gas company, in developing the gas field that would feed the TAPI pipeline. We have advocated for American companies to play this role. The transit fee and other commercial issues are a matter for negotiation among the TAPI parties and the companies that ultimately compose the consortium that will build and operate the pipeline, so it would be premature for us to comment on the transit fee. If realized, the TAPI pipeline could help meet India's fast growing need for natural gas and also foster regional economic development.

Question. What steps is the administration taking to implement the New Silk Road initiative, consistent with the recommendations put forth by the Senate Foreign Relations Committee December 2011 report on "Central Asia and the Transition in Afghanistan"?

Answer. The report on "Central Asia and the Transition in Afghanistan" put forth by the Senate Foreign Relations Committee in December 2011 recommended that U.S. policy should "translate the New Silk Road (NSR) vision into a working strategy for the broader region beyond Afghanistan."

In 2011, high-level engagement on the New Silk Road (NSR) vision supported this recommendation by achieving broad international consensus on the need to promote greater economic integration throughout Afghanistan, Central Asia, and South Asia. India has been particularly vocal in endorsing publicly this New Silk Road vision. In 2012, we plan to take additional concrete steps to operationalize the NSR concept, focusing on the expansion of energy, trade, and transit between South and Central Asia, with Afghanistan at its heart. We will also capitalize on people-to-people linkages that support the NSR vision, such as follow-on activities related to the 2011 Women's Economic Symposium in Bishkek, promotion of regional commerce associations, and enhanced cooperation with multilateral organizations active in the region such as the Organization for Security and Cooperation in Europe and OECD.

RESPONSES OF HON. NANCY J. POWELL TO QUESTIONS SUBMITTED BY
SENATOR RICHARD G. LUGAR

Question. As a growing oil consumer, India plays an increasingly important role in global oil markets. However, since India is not in the OECD, they also are not formally party to oil crisis response mechanisms. In your view, should the United States advocate for full Indian membership in the International Energy Agency?

Answer. Noting India's growing weight as a major energy consumer (No. 2 in the non-OECD world) and as part of a broader USG effort to integrate India into institutions of global governance and multilateral cooperation, we continue to encourage India's growing cooperation with the International Energy Agency (IEA). At present, there are several prerequisites for IEA membership, such as OECD membership, adherence to shared IEA principles and a requirement of 90 days of strategic petroleum stocks (for emergency response). We have been working with India on energy security through the U.S.-India Energy Dialogue and other bilateral mechanisms and support India's Enhanced Engagement program with the OECD, with a view toward eventual IEA membership for India. India should have a seat at the table with the world's major consumers to coordinate on a possible collective response in the event of a major oil supply disruption, exchange views on key energy dynamics, and discuss energy security issues.

Question. The Indian economy offers tremendous opportunities for U.S. trade and investment in both conventional energy and clean energy technologies. Yet, numerous obstacles exist from pricing controls to local content requirements. Is the administration playing a role in spurring pricing reform in the oil and gas sector, which allow investors are reasonable return on investment? What is the administration doing to encourage the liberalization of the Indian power markets? Please describe local content requirements in renewable energy, and the administration's position on those rules.

Answer. Energy and climate change cooperation is a strategic pillar under the U.S.-India Strategic Dialogue, and the Energy Dialogue is the main bilateral platform to advance our efforts to improve energy access, infrastructure development, regulatory frameworks, and energy security. During Prime Minister Singh's November 2009 visit to Washington, he and President Obama announced a Memorandum of Understanding on clean energy, now known as the U.S.-India Partnership to Advance Clean Energy (PACE). PACE incorporates an ambitious energy agenda, focused on bilateral cooperation on energy security, climate change, clean energy research, shale gas, and private sector participation in India's energy sector.

Department of Energy Deputy Secretary Poneman traveled to India in July 2011 for the most recent meeting of the Energy Dialogue, which included senior-level representatives from Indian Government ministries in the energy sector, including petroleum and natural gas, and new and renewable energy. Both sides noted the importance of appropriate policy and regulatory frameworks in improving energy policies and energy access. We have engaged with numerous Indian Government ministries, including the Ministry of Commerce and Industry and the Ministry of Renewable Energy on local content requirements both during policy development

and during policy implementation. U.S. companies, such as Azure Power Ltd. and First Solar, are active players in India's solar market. India has become the largest loan portfolio for the Overseas Private Investment Corporation and will soon become the largest portfolio for the Export-Import Bank, largely due to clean energy development financing. The Export-Import Bank has financed 75 million dollars' worth of solar power generating projects in India and is considering loans worth an additional \$500 million to support India's growing solar infrastructure. The U.S. Department of Commerce facilitated expanded trade and commercial partnerships in clean technology products through a November 2011 trade mission.

As India's solar industry matures, Indian regulators are revising their regulations for the industry. If confirmed, I would work with the Indian Government to ensure that India's regulations continue to allow access to products manufactured by U.S. companies so that India can enjoy the best technologies at the lowest prices.

Question. India has sought the support of the U.S. Government in securing a permanent seat on the United Nations Security Council. Can you give us an update on efforts between the U.S. and Indian Governments to promote greater cooperation on U.N. and multilateral measures generally?

Answer. India has partnered with the United States at the U.N. and other multilateral fora on several key issues, including its support in February 2012 for a (ultimately unsuccessful) Security Council resolution calling for an end to the current violence in Syria. Moreover, India has joined the United States four times in support of International Atomic Energy Agency Board of Governors votes on Iran's nuclear program and has been a strong proponent of a Fissile Material Cut-Off Treaty at the Conference for Disarmament. Given India's status as a current member of the U.N. Security Council, and its historic role as one of the leading providers of U.N. peacekeeping troops, we have welcomed the opportunity to increase our bilateral exchanges on these issues, including the Government of India's decision last March to resume the bilateral U.S.-India Peacekeeping Joint Working Group. India also participates with the United States in a wide range of East Asian multilateral forums, including the ASEAN Regional Forum and the East Asia summit, where Indian Prime Minister Singh met with President Obama last fall. Consistent with the administration's foreign policy "pivot" to Asia, we look forward to continuing to consult with India closely on issues affecting the Asia-Pacific region and the globe.

Question. The United States and India have pledged to work together to share knowledge and technology as part of an "Evergreen Revolution" to extend food security in India as well as to countries in Africa. This partnership includes plans to increase agricultural productivity, reduce trade barriers, and develop long-term sustainable economic development. Can you give us an update on these efforts and describe what further steps can be taken to achieve food security for the greatest number of people?

Answer. As one of our strategic partnership countries, India is actively engaged in our food security efforts, and is itself a driver of global solutions in food security. Through the Partnership for an Evergreen Revolution, the United States and India are working together to leverage expertise to enhance weather and climate forecasting for agriculture, improve food processing and farm-to-market links, and partner for global food security in Africa.

As a key regional player, India is an active partner in our efforts to make sustained and accountable commitments to fight against global hunger, address the longer term challenges of global food security, and build future markets. USAID is currently transforming its relationship in India to highlight Indian innovations which may have global applications. On his recent trip, USAID Administrator Raj Shah launched the Confederation of Indian Industries (CII)-Food and Agriculture Center of Excellence (FACE) event which aims to develop a partnership strategy for expanding rural business hubs to eastern India, and then to Africa. Developing the 30 hubs in eastern India and promoting the adoption of agrobusiness hubs for agriculture growth globally, including in Africa, will expand innovations in post-harvest technologies and establish greater food safety/security standards. If confirmed, I will support private sector partnerships such as the CII-FACE initiative, which will play a catalytic role in transferring innovations to improve food security in India and Africa. The U.S. Government and the Government of India are currently exploring opportunities to train African participants from Kenya, Liberia, and Malawi at Indian universities and research and technical institutes in mutually agreed capacity building programs. I believe Indian private sector and civil society hold great promise in advancing innovations and leveraging resources which can improve development outcomes.

Question. How can the United States play a constructive role in the India Pakistan dialogue? As Ambassador, what could you do to increase cooperation in the areas of security and intelligence sharing between the United States and India?

Answer. The United States has always welcomed dialogue and better relations between India and Pakistan. The pace, scope, and character of the dialogue are for Indian and Pakistani leaders to decide.

We applaud the dialogue between India and Pakistan on bilateral issues, including on expanding economic contacts. The latest rounds of dialogue have produced concrete steps to improve relations in ways that will directly benefit the Indian and Pakistani people, particularly on easing barriers to trade and commerce. It is our hope that this process of normalization in both directions, including the eventual extension of most-favored-nation status by Pakistan and the reduction of nontariff barriers by India, will lead to expanded economic opportunity and stability for both countries that also could serve as a much-needed catalyst for regional integration.

With respect to security cooperation with India, homeland security and counterterrorism cooperation are areas where our partnership with India now operates at unprecedented levels. If confirmed, I will continue to encourage a close, productive, and cooperative relationship with India in these areas that includes regular and frequent exchanges of information. We are committed to providing India full support in ongoing counterterrorism investigations, through continued exchanges between designated agencies and by bringing the perpetrators of the 2008 Mumbai terrorism attack to justice, which killed Americans along with citizens of many other countries. We remain deeply concerned about the potential of another terrorist attack—in India, the United States, and elsewhere in the world—and are working very closely with our Indian and Pakistani colleagues to prevent such an incident.

Question. What steps is the administration taking to pressure the Pakistan Government to bring those responsible for the November 2008 Mumbai terrorist attacks to justice? What further steps would you suggest be taken?

Answer. We continue to press Pakistan to bring those responsible for the 2008 Mumbai attacks—which claimed the lives of six Americans among the scores of innocent victims—to justice. Moreover, we have stressed to Pakistani authorities the dangers of Lashkar-e-Taiba (LeT) and the importance of efforts to disrupt the group's activities. We also remain concerned about the potential of another terrorist attack—in India, the United States, or elsewhere in the world—and are working closely with our Indian and Pakistani colleagues to prevent such an incident. We have a close, productive, and cooperative relationship with India on counterterrorism that includes regular and frequent exchanges of information. We are committed to providing full cooperation and support in ongoing counterterrorism investigations, through continued exchanges of information between designated agencies and by bringing the perpetrators of the 2008 Mumbai terror attack to justice. Homeland security and counterterrorism cooperation are areas where our partnership with India operates at unprecedented levels.

Question. The Indian Government has traditionally been slow to open its doors to foreign investment. How can we advance the ability of U.S. companies to invest in India? There are regulations now permitting foreign single brand retailers to operate in India. How can we further discussions with India to allow a broader range of retail industries to fully operate in India?

Answer. We encourage India to have an open and welcoming environment to foreign investment including investment from the United States. We are always looking for new ways to support U.S. businesses overseas and facilitate opportunities for investment that India needs to support its development goals, particularly in infrastructure. Though businesses interested in investing in India do face some challenges, we are encouraged by the Indian Government's intention to liberalize investment into some sectors, including retail. One mechanism we have to directly advance the ability for U.S. companies to do business or have a level playing field when they invest in India is continued negotiations on and completion of a bilateral investment treaty (BIT). A BIT would deepen our economic relationship with India and provide important protections to investors of each country. If confirmed, I will encourage India to continue making progress on economic liberalization, which supports jobs and growth in both our countries.

Question. We have had on-and-off negotiations with India on a bilateral investment treaty. How would completion of such a treaty advance the ability of U.S. companies and enterprises to invest in India?

Answer. We had very positive Bilateral Investment Treaty (BIT) technical discussions with our Ministry of Finance and Ministry of Commerce counterparts last

October, and are looking forward to the next round of discussions being scheduled for this spring. High-standard BITs like that which we hope to conclude with India can encourage investment by improving investment climates, promoting economic reforms, and strengthening the rule of law. Completion of the BIT could provide investors in India and the United States increased market access; protections that guard against discriminatory, arbitrary, or otherwise harmful treatment of investments; and legal remedies for breaches of the treaty. If confirmed, I will encourage continued, robust engagement to work together to conclude a BIT that will support our efforts to promote economic growth and job creation, and to advance our strategic engagement with India.

Question. In India there is a large community of exiled Tibetans, led by the Dalai Lama and the new democratically elected Kalon Tripa (whom the Tibetans refer to as their Prime Minister), which has been hosted by the Indian Government for many years and which receives some funding from the United States. Will you include this programmatic assistance in your oversight of U.S. programs in India, and will you meet with His Holiness Dalai Lama and the Kalon Tripa to discuss issues of mutual concern?

Answer. We appreciate the fact that India for many years has provided a welcome reception for refugees from Tibet. The State Department, through the Bureau of Population, Refugees, and Migration (PRM), oversees U.S. assistance to the Tibetan refugee population in India and Nepal. In India, support has centered around humanitarian assistance for Tibetan refugees in the area of new refugee arrivals, health, and education. PRM also funds two Tibetan Refugee Reception Centers in New Delhi, and Dharamsala, as well as a transit center in Kathmandu, through regular contributions to the Tibet Fund (\$2.3 million in FY11). The USG is in the process of increasing support for Tibetan settlements in India and Nepal through a USAID-funded grant to support organic agriculture and livelihood development. The U.S. mission to India supports the Tibetan Scholarship Program through a congressionally mandated grant to the Tibet Fund. Mission India has been and will remain involved in supporting this assistance.

Like previous Ambassadors to India, if confirmed, I plan to continue the tradition of engagement on Tibetan refugee issues, including meeting with His Holiness, the Dalai Lama, as an internationally recognized religious leader and Nobel Laureate, and recipient of the Congressional Gold Medal.

Question. What high-level exchanges have occurred between our governments regarding the status of liability protections for U.S. nuclear exporters to India? What further steps would you suggest to encourage greater cooperation on this issue? And more broadly, what is current state of our energy dialogue with New Delhi?

Answer. Completing our civil nuclear cooperation partnership is central to both our nations' long-term prosperity and India's future energy security. Senior executive branch officials from State, Energy, Commerce, and the White House have raised our concerns with their counterparts in the Indian Government over the past year. Prime Minister Singh agreed last November to host a delegation of U.S. officials and private companies to discuss our concerns and to find a way ahead "within the four corners" of Indian law. We heard clearly in this first meeting India's commitment to ensuring a level playing field for U.S. companies, which was reiterated during Foreign Secretary Mathai's early-February visit to Washington. Our companies are interested in continuing our discussions on liability as well as in making tangible progress on commercial arrangements this year. If confirmed, I will continue our engagement at all levels on this matter—political, legal, and commercial—and believe we will make measurable progress this year.

RESPONSES OF HON. NANCY J. POWELL TO QUESTIONS SUBMITTED BY
SENATOR ROBERT P. CASEY, JR.

Question. Although international conventions place liability for nuclear accidents solely with the operators of nuclear reactors, current Indian law would also make suppliers potentially liable. American companies like Westinghouse that wish to provide peaceful nuclear technology to India could be held at unreasonable liability levels, and maintain that they can not bid on Indian nuclear contracts until the liability law is changed. Meanwhile, French and Russian companies, which might not have the same reservations with respect to the liability law, are aggressively pursuing this market.

- Based on the United States assessment of the Indian political situation, how possible is a change in Indian liability law?

- As Ambassador, what specific steps will you take to ensure that U.S. companies are able to compete for this critical market?

Answer. Completing our civil nuclear cooperation partnership is central to both our nations' long-term prosperity and India's future energy security. Senior executive branch officials from State, Energy, Commerce, and the White House have raised our concerns with their counterparts in the Indian Government over the past year. Prime Minister Singh agreed last November to host a delegation of U.S. officials and private companies to discuss our civil nuclear cooperation and to find a way ahead "within the four corners" of Indian law. We heard clearly in the first meeting of this group India's commitment to ensuring a level playing field for U.S. companies. Indian Foreign Secretary Mathai reiterated this during his early-February visit to Washington, declaring at Center for Strategic and International Studies, that American firms will be provided a level playing field, and the Indian Government is prepared to address specific concerns within the framework of the law. We have remained engaged and must now take practical steps to advance our cooperation with Foreign Secretary Mathai. Our companies are interested in continuing our discussions on liability as well as in making tangible progress on commercial arrangements this year. If confirmed, I will continue our engagement at all levels on this matter—political, legal, and commercial.

Question. Despite mounting international support for isolating the Iranian regime, India continues to not cooperate fully in sanctioning Iran. While it has taken steps to diminish its financial and energy ties with Iran, it continues to do a limited amount of business with the country.

- What is the United States doing to translate India's stated opposition to a nuclear-armed Iran into concrete action aimed at preventing the regime's acquisition of a nuclear weapon?
- As Ambassador, how will you work to increase India's commitment to isolating the Iranian regime? What specific steps will you encourage India to undertake in the near term to demonstrate this commitment?

Answer. India is very cognizant of the significant regional implications that would result from Iran acquiring a nuclear weapon, and Prime Minister Singh has stated on multiple occasions that an Iranian nuclear weapons program would be unacceptable to India. Moreover, India has voted four times with the United States in the International Atomic Energy Agency (IAEA) Board of Governors on Iran's nuclear program and consistently has called on Iran to fulfill its international obligations as a nonnuclear weapon state under the Nuclear Non-Proliferation Treaty and comply with EU and UNSC resolutions. If confirmed, I will work closely with my counterparts in India to ensure that our governments continue to send a strong message to Iran that its behavior is unacceptable and carries serious consequences. Already, Indian companies have, to the best of our knowledge, ceased activities such as selling refined petroleum products to Iran. However, Iranian oil continues to represent a significant—though steadily declining—share of Indian oil imports. If confirmed, I want to work closely with Indian officials to identify and encourage alternative sources of imported oil that also will help to ensure India's energy security for the future.

Question. Despite the high demand for physicians in many areas of the United States, Indian physicians have encountered difficulty in obtaining their J-1 visas to enter the United States. Hospitals in underserved areas of Pennsylvania have benefited greatly from their experience with visiting Indian physicians, but undue delays in issuing visas have prevented some physicians from entering the country.

- What steps is the United States taking to improve the efficiency of the J-1 visa process for foreign physicians, particularly those with agreements to work in Medically Underserved Areas?
- As Ambassador, how will you work to ensure that Indian physicians with the required licenses and certificates are able to obtain visas and enter the United States in a timely manner?

Answer. Upon completion of a J-1 medical residency program sponsored by Educational Commission for Foreign Medical Graduates, many physician applicants who wish to adjust to an H-1B status in order to work in a U.S. hospital must obtain a waiver of the 2-year residency requirement required by INA 212(e). Once an applicant completes the J-1 waiver application adjudication process with the Waiver Review Division, it forwards any favorable recommendations to U.S. Citizenship and Immigration Services (USCIS), which has the authority to grant waivers. The Department is committed to completing these decisions within 4 to 6 weeks, so that applicants can receive a timely decision from USCIS.

Currently, Consular Team India works diligently to facilitate all legitimate travel to the United States. We have not experienced any significant delays in issuing J-1 visas to Indian physicians with the appropriate licenses, certificates, and documents. We anticipate strong future growth in visa demand in India and will continue to focus on leveraging our resources and expertise to maintain our short appointment wait times, currently less than 10 days across the country, and efficient handling, with 97 percent of cases processed by the next business day. Although we recommend that everyone apply early, any visa applicant who urgently needs to travel can request an expedited visa appointment.

