

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

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**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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**NOMINATIONS OF TRACEY ANN JACOBSON,  
RICHARD B. NORLAND, KENNETH MERTEN,  
MARK A. PEKALA, AND JEFFREY D. LEVINE**

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WEDNESDAY, MARCH 21, 2012

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

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Hon. Tracey Ann Jacobson, of the District of Columbia, to be  
Ambassador to the Republic of Kosovo  
Hon. Richard B. Norland, of Iowa, to be Ambassador to Georgia  
Hon. Kenneth Merten, of Virginia, to be Ambassador to the Republic  
of Croatia  
Mark A. Pekala, of Maryland, to be Ambassador to the Republic of  
Latvia  
Jeffrey D. Levine, of California, to be Ambassador to the Republic  
of Estonia

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The committee met, pursuant to notice, at 10:02 a.m., in room  
SD-419, Dirksen Senate Office Building, Hon. Jeanne Shaheen,  
presiding.

Present: Senators Shaheen, Cardin, Lugar, and Barrasso.

**OPENING STATEMENT OF HON. JEANNE SHAHEEN,  
U.S. SENATOR FROM NEW HAMPSHIRE**

Senator SHAHEEN. Good morning, everyone. My mike does work. I am delighted to welcome everyone here to the Senate Foreign Relations Committee hearing to consider the nominations of Tracey Ann Jacobson to be Ambassador to the Republic of Kosovo; Richard Norland to be Ambassador to Georgia; Kenneth Merten to be Ambassador to the Republic of Croatia; Mark Pekala to be Ambassador to the Republic of Latvia; and, Jeffrey Levine to be Ambassador to the Republic of Estonia.

I am the person conducting this hearing this morning, because I chair the European Affairs Subcommittee, and I am very honored to have the ranking member of the full Foreign Relations Committee, Senator Dick Lugar, here as part of this hearing. You are all career diplomats, so you know that usually there are not a lot of Senators who come to these hearings, and that that is not a bad thing. [Laughter.]

So we're delighted to be here with all of you today.

Our nominees have been appointed to take on critical ambassadorial positions in countries throughout Europe and the Caucasus. Each of these posts will be important in strengthening U.S. influence and safeguarding American interests.

I want to congratulate all of you on your nominations and welcome you and your families here today as we discuss the challenges and opportunities that you may face as you take on these new responsibilities.

Over the last 6 decades, the transatlantic community has committed itself to building the Europe that is whole, free, and at peace. The countries represented here today reflect the progress that we have made and the force for reform that institutions like NATO and the European Union have played over the last half century.

However, as we will no doubt hear from our witnesses, the job is far from done, and we still have many challenges before us.

Latvia and Estonia are relatively young but active and influential members of NATO and the EU. As Baltic countries, they are a testament to the success of the West's open-door policies and have led the charge among other post-Soviet states to promote democracy and Euro-Atlantic integration.

In addition, Estonia has recently met its NATO commitments to spend 2 percent of its GDP on defense, an impressive feat considering that only three of the 28 NATO countries have met that commitment in 2011.

Croatia, already a member of NATO, is slated to become the 28th member of the EU next summer. Though it continues to struggle with economic difficulties and some corruption at home, Croatia stands as a model for the rest of the countries of the Western Balkans. And I hope that it will maintain its leadership in the region and continue to play a positive role in moving Serbia, Kosovo, Bosnia, and others toward EU integration.

Since the Rose Revolution in 2003, Georgia has made tremendous progress on its reform agenda and today seeks full Euro-Atlantic integration.

It is punching well above its weight, to use a boxing term, as a NATO partner country in Afghanistan and will soon be the largest per capita contributing nation in that fight.

Georgia deserves to see some forward movement on its membership aspirations at the upcoming NATO summit in Chicago.

Still, we must continue to emphasize the importance of Georgia continuing down the path of democratic reform, and the upcoming elections will be a critical test for the sustainability of Georgia's democratic future.

Kosovo faces many daunting challenges beyond its struggle for international recognition, including unemployment, weak rule of law, corruption, and challenging relations with its neighbor Serbia.

Both Kosovo and Serbia have made some difficult yet necessary decisions to engage each other in technical dialogue over the last year. The progress made under the EU-sponsored talks allowed both countries to move further down the path to future EU membership earlier this year, a welcome development after some violence in northern Kosovo last summer.

Our diplomats working closely with our European colleagues must do more to creatively engage on the Serbia-Kosovo issue and work to find a long-term solution to the challenge of northern Kosovo.

Again, I want to thank each of you for your willingness to take on these important and challenging posts, and I will just introduce each of you briefly, and then I'll turn it over to you for your testimony.

First today we have Ambassador Tracey Ann Jacobson, who has been nominated to be the U.S. Ambassador to Kosovo. Ambassador Jacobson is the Deputy Director of the Foreign Service Institute. Prior to her tenure there, she served as U.S. Ambassador to both Tajikistan and Turkmenistan.

Next we have Ambassador Richard Norland, our nominee for the post in Georgia. Ambassador Norland currently serves as the international affairs adviser and deputy commandant at the National War College and was previously the U.S. Ambassador to Uzbekistan.

We also have Ambassador Kenneth Merten, the President's choice to be the Ambassador to Croatia. Ambassador Merten has a distinguished 25-year career in the Foreign Service and has served throughout Europe, in Central and South America, and is currently our Ambassador to Haiti.

Mr. Mark Pekala has been nominated to take up the post in Latvia. Mark is currently a director in the Bureau of Human Resources and has served previously as the deputy chief of mission in France and the Deputy Assistant Secretary of State for Europe. This will be Mr. Pekala's first ambassadorial posting.

And finally, we have Jeffrey Levine, who has been nominated to be the U.S. Ambassador to Estonia. Mr. Levine has served in a number of countries throughout Europe and is currently the Director of Recruitment, Examination, and Employment at the State Department. This will be his first ambassadorial posting as well.

Again, thank you all for being here, for your willingness to serve, and I hope that you will feel free to introduce any family or friends who may be here with you this morning.

Ambassador Jacobson.

**STATEMENT OF HON. TRACEY ANN JACOBSON, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR TO THE REPUBLIC OF KOSOVO**

Ambassador JACOBSON. Thank you. I would like to introduce the Kosovo desk officer, Wendy Brafman, and my very good friend, Susan Bauer, from State, Dave Recker from Justice, and Lt. Zac Schneidt from the Marines, and in absentia, my partner, David Baugh, who serves at the British Embassy in Kabul.

Madam Chairwoman, Senator Lugar, members of the committee, I am honored to appear before you as President Obama's nominee to be the third U.S. Ambassador to the Republic of Kosovo.

I have had the privilege of serving twice as U.S. Ambassador to Turkmenistan and Tajikistan, where my teams and I worked successfully on a range of issues, including the promotion of democracy and human rights, economic development, and security cooperation.

I believe these and other experiences have prepared me well to be the chief of mission in Kosovo.

This administration, as the one before it, has consistently made clear its commitment to Kosovo's sovereignty, territorial integrity, and independence, and its integration into regional and international institutions. This commitment will be the guiding principle of my mission as well, if confirmed.

After 4 years of independence, Kosovo has come a long way. It is now recognized by 87 countries and is a member of the World Bank and International Monetary Fund. It is likely to meet another benchmark this year, with the end of supervised independence and the closure of the International Civilian Office.

The goal of completing the integration of the Balkans into a Europe whole, free, and at peace has been an overarching, non-partisan approach by successive U.S. Governments since the 1990s. Euro-Atlantic integration remains a top policy priority in our relationship with Kosovo as with all its neighbors, because this will promote necessary domestic reform and regional cooperation.

Kosovo has made several concrete steps toward this future recently. In January, Kosovo and its partners welcomed the European Commission's intention to launch a visa liberalization dialogue. And in March, it welcomed the decision to launch a feasibility study for a stabilization and association agreement.

The EU consensus decisions in December of last year and February of this year mean that all members of the European Union, even those that have not recognized Kosovo's independence, see that its progress of the European path is good for the region and good for Europe as a whole.

Kosovo's relations with its neighbors, in particular Serbia, are key to regional stability and cooperation. That is why the United States has fully backed the ongoing EU-sponsored dialogue between Serbia and Kosovo, which has resulted in significant achievement since it was launched last March.

The two sides have been able to conclude a series of agreements that will improve the daily lives of citizens in both countries, to include the restoration of two-way trade, mutual recognition of university diplomas, and free movement across each other's borders.

The political leadership in Kosovo has shown maturity and foresight in taking some tough decisions to reach these agreements, which were not without their domestic critics.

I believe this political will is also motivated by an understanding that Serbia's progress on its European path is good for Kosovo, too.

The United States has been able to consistently support Kosovo every step of the way, as it has demonstrated a forward-looking approach. And if confirmed, I will ensure that we continue to support Kosovo's positive development.

Kosovo faces a daunting agenda with many pressing reform priorities. The United States must continue to focus on Kosovo's progress as a multiethnic democracy, ensuring respect for the rights of all of its communities—Kosovo Serbs, Roma, and others—and protection and preservation of their cultural and religious heritage.

Kosovo's reform agenda also includes tackling corruption, cementing the rule of law, further developing the energy sector,



removing barriers to business and investment, and strengthening public administration to improve governance.

NATO's Kosovo Force, KFOR, remains a relevant and crucial presence in Kosovo, as it helps to maintain, in accordance with its mandate, a safe and secure environment throughout the country. Its role has been particularly challenging in northern Kosovo, where tensions have run high and where hard-line Serb elements continue to deny Kosovo's authority and full freedom of movement to the international community.

On occasion, these tensions have escalated into violence, resulting in injuries to Kosovo troops, including Americans. Given this situation, it is likely that KFOR staffing will remain at current levels for the foreseeable future.

A solution to the situation in the north and normalization of relations requires a durable *modus vivendi* that respects Kosovo's sovereignty, takes into account the opinions of the citizens of the north, and allows both Serbia and Kosovo to make progress on their respective European paths.

Madam Chairwoman, if confirmed, I will work with you, members of this committee and Congress, the Government and people of Kosovo, our European allies, the EU Rule of Law Mission, NATO, the OSCE, and the U.N., as well as our regional partners, to meet our shared goal of building a more stable, democratic, peaceful, and prosperous Balkan region.

I would like to emphasize, as I've done before this committee before, that, if confirmed, I will not only be President Obama's representative, but also the leader of an interagency team, and I will take seriously my obligation to ensure a positive, productive, and safe environment for the people of my mission.

Thank you for the opportunity to appear before you today, and I look forward to answering any questions you may have.

[The prepared statement of Ambassador Jacobson follows:]

PREPARED STATEMENT OF TRACEY ANN JACOBSON

Madam Chairman, members of the committee, I am honored to appear before you today as President Obama's nominee to be the third United States Ambassador to the Republic of Kosovo.

I have had the privilege of serving twice as U.S. Ambassador—to Turkmenistan and Tajikistan—where my teams and I worked successfully on a range of issues including the promotion of democracy and human rights, economic development, and security cooperation. Prior to that I was deputy chief of mission in Latvia, where my main focus was to support Latvia's Euro-Atlantic aspirations. I believe these experiences have prepared me well to serve as chief of mission in Kosovo.

This administration, as the one before it, has repeatedly made clear its commitment to Kosovo's sovereignty, territorial integrity and independence, and its integration into regional and international institutions. This commitment will be the guiding principle of my mission, if I am confirmed. After 4 years of independence, Kosovo has come a long way. It is now recognized by 86 countries and is a member of the World Bank and International Monetary Fund. Kosovo will likely reach a major benchmark with the end of supervised independence and the closure of the International Civilian Office this year. The International Steering Group must first determine that Kosovo has adopted the constitutional and legislative amendments to ensure that key principles of the Comprehensive Status Proposal are incorporated and preserved, and progress on this is well underway.

The goal of completing the integration of the Balkans into a Europe whole, free, and at peace has been the overarching, nonpartisan approach of successive U.S. administrations since the 1990s. Euro-Atlantic integration remains a top policy priority in our relationship with Kosovo, as with all its neighbors, because this will promote necessary domestic reforms and regional cooperation. Kosovo has recently

made several concrete steps in its advancement toward this future. This year, Kosovo and its partners welcomed the European Commission's launch of a visa liberalization dialogue and the announcement of its intention to launch a Feasibility Study for a Stabilization and Association Agreement. The European Union (EU) consensus decisions taken in February and last December mean that all EU members, even the five that have not recognized Kosovo's independence, believe that Kosovo's progress on a European path is good for the region and for Europe as a whole.

Kosovo's relations with its neighbors, in particular Serbia, are crucial to regional stability and integration. This is why the United States has fully backed the ongoing EU-facilitated dialogue between Kosovo and Serbia, which has achieved significant progress since its launch last March. The two sides have concluded several agreements that will improve the daily lives of the citizens of both countries, such as the restoration of two-way trade, mutual recognition of university diplomas, and the ability to move freely across each others' borders. The political leadership in Kosovo has shown maturity and foresight in making some tough decisions to reach these agreements, which have not been without domestic critics. I believe the political will shown by Kosovo's leadership to reach practical agreements with its neighbor is also motivated by the understanding that Serbian progress on its European path is good for Kosovo, too. The United States was able to support Kosovo every step along this way, as it demonstrated maturity and a forward-looking approach. If confirmed, I will ensure that the U.S. Government continues that support and backing for Kosovo's positive development.

In the development of its democracy, Kosovo has a daunting agenda with many pressing reform priorities. The United States must continue to focus on advancing Kosovo's progress as a multiethnic democracy, ensuring respect for the rights of all of Kosovo's communities—Kosovo Serbs, Roma, and others—and the preservation of their cultural and religious heritage. Kosovo's reform agenda also includes tackling corruption, cementing rule of law, further developing the energy sector, reducing barriers to business and investment, and strengthening public administration to improve governance.

Like other post-socialist societies, Kosovo still has much to do in developing the conditions for sustained, private sector-led expansion. It must reduce redtape, decentralize decisionmaking authority, and—most importantly—ensure an independent judiciary and efficient court system to see that investors have legal certainty and timely resolution of disputes. There are some promising signs: as annual economic growth continues, spending remains within budgetary limits and inflation is stable.

NATO's Kosovo Force (KFOR) remains a relevant and crucial presence in Kosovo, helping to maintain, pursuant to its mandate, a safe and secure environment throughout the country. Its role has been particularly challenging in northern Kosovo, where the tensions have run high, and hard-line Serb elements deny Kosovo's authority and the full freedom of movement for the international community. On several occasions, this tension has escalated to violence, resulting in injuries to several KFOR troops, including Americans. Given this situation, KFOR will likely remain at current troop levels for the foreseeable future. A solution to the situation in the north and normalization of relations require a durable modus vivendi that respects Kosovo's sovereignty, takes into account the views of the citizens of the north, and allows both Kosovo and Serbia to proceed on their respective Euro-Atlantic paths.

Madam Chairman, if confirmed, I will work with you, members of this committee and Congress, the Government and people of Kosovo, our European allies, the EU Rule of Law Mission (EULEX), NATO, the OSCE and the U.N., as well as regional partners to meet our shared goal of building a more stable, democratic, peaceful and prosperous Balkan region.

In my current position as the Deputy Director of the Foreign Service Institute, I have the privilege to mentor students at all levels from 47 government agencies. So I would like to emphasize, as I have during previous appearances before this committee, that if confirmed I will be not only the President's representative to Kosovo, but also the leader of an interagency team, and I will take seriously my responsibility to ensure a positive, productive, safe environment for the people of my mission.

Thank you for the opportunity to appear before this committee today. I look forward to answering any questions you may have.

Senator SHAHEEN. Thank you very much.  
Ambassador Norland.

**STATEMENT OF HON. RICHARD B. NORLAND, OF IOWA,  
TO BE AMBASSADOR TO GEORGIA**

Ambassador NORLAND. Thank you, Madam Chairman, Senator Lugar.

First, let me introduce my wife, Mary Hartnett, who's here with us today. And let me also thank Georgia desk officers, K.G. Moore and Laura Hammond for their help in preparing me for this testimony.

It is a privilege to appear before you today as President Obama's nominee to serve as the U.S. Ambassador to Georgia. I am honored by the confidence placed in me by the President and by Secretary Clinton, and if confirmed, I look forward to working with this committee and the Congress in advancing United States interests in Georgia.

Madam Chairman, we meet today on the eve of the 20th anniversary of United States-Georgia relations, which were established on March 24, 1992. As President Obama noted during President Saakashvili's visit to Washington earlier this year, Georgia has made extraordinary progress during this time in transforming itself from a fragile state to one that has succeeded in significantly reducing petty corruption, modernizing state institutions and services, and building a sovereign and democratic country.

Georgia has also demonstrated itself to be a reliable partner on issues of importance to the United States and the international community, such as Afghanistan, nonproliferation, and trade.

Much work remains to be done, however, as you pointed out. And if confirmed, I will build on the tremendous efforts of my predecessor, Ambassador John Bass, and of this committee and your colleagues in Congress to deepen our partnership with the Government and people of Georgia in these and other areas.

Of paramount importance, I want to emphasize that the United States commitment to Georgia's territorial integrity and sovereignty remains steadfast. The United States will continue to take an active role in the Geneva discussions to address security and humanitarian concerns, and to pursue a peaceful resolution to the conflict. I experienced these challenges firsthand while serving in Georgia and working on conflict issues there in the early 1990s. The United States will continue efforts to persuade Russia to fulfill its 2008 cease-fire obligations, while also working on the essential task of improving broader Georgia-Russia relations.

Equally significant will be the strengthening of democratic institutions and processes in Georgia, especially in light of parliamentary elections this fall and Presidential elections in 2013.

The elections provide Georgia with an extraordinary opportunity to realize its first peaceful and fully democratic transfer of power. Free and fair elections will bring Georgia closer to Euro-Atlantic standards and integration. To get there, the Georgian Government will have to build on reforms made to date to foster greater political competition, labor rights, judicial independence, and media access.

I strongly believe that advancing our key interests in Georgia's long-term security and stability is directly linked to the Government's furthering democratic reforms.

As President Obama indicated, the United States continues to support Georgia's NATO membership aspirations. The Chicago summit is indeed an opportunity to highlight Georgia's progress toward meeting membership criteria as well as its significant partnership contributions. As you pointed out, Georgia currently contributes some 850 troops to ISAF and plans to deploy another 750 troops this fall, which will make it the largest non-NATO contributor.

As a former deputy chief of mission in Kabul, I am keenly aware of the importance of our mission to help the Afghan people and of the hostile environment in Helmand province, where brave Georgian troops operate without caveats.

Georgian soldiers and their families have also made extraordinary sacrifices with, sadly, 15 soldiers killed in action and more than 100 wounded, many severely. The United States will continue to work with the Georgian Government to care for the wounded soldiers.

Sustaining robust bilateral security and defense cooperation with Georgia also will remain a high priority, if I am confirmed. Our plans for security assistance and military engagement with Georgia are to support Georgia's defense reforms, to train and equip Georgian troops for participation in the ISAF mission, and to advance Georgia's NATO interoperability.

Both Presidents agreed in January to enhance these programs to advance Georgian military modernization, reform, and self-defense capabilities. Economic linkages to the wider world have long formed the lifeblood of the Caucasus region.

And if confirmed, I will also work to deepen economic and trade relations between the United States and Georgia. President Obama took our relations in this area to a new level in January when he announced the launch of a high-level dialogue to strengthen trade ties, including the possibility of a free trade agreement.

In the interest of time, Madam Chairman, my testimony has been submitted for the record. I will close by saying that, taken together, these efforts will help bring Georgia closer to achieving its Euro-Atlantic integration goals. And if confirmed, I pledge to do my very best to advance U.S. interests there. Thanks very much for considering my nomination, and I look forward to your questions.

[The prepared statement of Ambassador Norland follows:]

PREPARED STATEMENT OF RICHARD B. NORLAND

Madam Chairman and members of the committee, it is a privilege to appear before you today as President Obama's nominee to serve as the United States Ambassador to Georgia. I am honored by the confidence placed in me by President Obama and Secretary Clinton. If confirmed, I look forward to working with this committee and the Congress in advancing U.S. interests in Georgia. I am pleased to introduce my wife, Mary Hartnett.

Madam Chairman, we meet today on the eve of the 20th anniversary of United States-Georgia relations, which were established on March 24, 1992. As President Obama noted during President Saakashvili's visit to Washington earlier this year, Georgia has made extraordinary progress during this time in transforming itself from a fragile state to one that has succeeded in significantly reducing petty corruption, modernizing state institutions and services, and building a sovereign and democratic country. Georgia has also demonstrated itself to be a reliable partner on issues of importance to the United States and the international community, such as Afghanistan, nonproliferation, and trade. Much work remains to be done, how-

ever, and if confirmed, I will build on the tremendous efforts of my predecessor, Ambassador John Bass, and of this committee and your colleagues in the Congress, to deepen our partnership with the government and people of Georgia in these and other areas.

Of paramount importance, I want to emphasize that the United States commitment to Georgian territorial integrity and sovereignty remains steadfast. The United States will continue to take an active role in the Geneva discussions to address security and humanitarian concerns, and to pursue a peaceful resolution to the conflict. I experienced these challenges first-hand while serving in Georgia and working on conflict issues there in the early 1990s. The United States will continue efforts to persuade Russia to fulfill its 2008 cease-fire commitments, while also working on the essential task of improving broader Georgia-Russia relations.

Equally significant will be the strengthening of democratic institutions and processes in Georgia, especially in light of parliamentary elections this fall and Presidential elections in 2013. The elections provide Georgia with an opportunity to realize its first peaceful and fully democratic transfer of power. Free and fair elections will bring Georgia closer to Euro-Atlantic standards and integration. To get there, the Georgian Government will have to build on reforms made to date to foster greater political competition, labor rights, judicial independence and media access. I strongly believe that advancing our key interest in Georgia's long-term security and stability is directly linked to the government's furthering democratic reforms.

As President Obama indicated, the United States continues to support Georgia's NATO membership aspirations. The Chicago summit is an important opportunity to highlight Georgia's progress toward meeting membership criteria as well as its significant partnership contributions. Georgia currently contributes some 850 troops to ISAF and plans to deploy another 750 troops this fall, which will make it the largest non-NATO contributor. As a former deputy chief of mission in Afghanistan I am keenly aware of the importance of our mission to help the Afghan people, and of the hostile environment in Helmand province where brave Georgian troops operate without caveats. Georgian soldiers and their families have also made extraordinary sacrifices with 15 soldiers killed in action and more than 100 wounded, many severely. The United States will continue to work with the Georgian Government to care for their wounded soldiers.

Sustaining robust bilateral security and defense cooperation with Georgia will also remain a high priority if I am confirmed. Our plans for security assistance and military engagement with Georgia are to support Georgia's defense reforms, to train and equip Georgian troops for participation in ISAF operations, and to advance Georgia's NATO interoperability. Both Presidents agreed in January to enhance these programs to advance Georgian military modernization, reform, and self defense capabilities.

Economic linkages to the wider world have long formed the lifeblood of the Caucasus region, and, if confirmed, I will also work to deepen economic and trade cooperation between the United States and Georgia. President Obama took our relations in this area to a new level in January when he announced the launch of a high-level dialogue to strengthen trade relations, including the possibility of a free trade agreement. Through this dialogue our two countries can pursue cooperation that will benefit both U.S. and Georgian citizens alike. With the support of Congress we can continue to help Georgia strengthen rule of law, provide commercial and judicial training, and improve investment protections through continued U.S. assistance. Finally, building on Georgia's successful first Millennium Challenge Corporation (MCC) compact, I will also continue the work being done to develop a second compact proposal that, if completed, will make significant investments in the Georgian people through education.

Madam Chairman, taken together, these efforts will help bring Georgia closer to achieving its Euro-Atlantic integration goals and, if confirmed, I pledge to do my very best to advance U.S. interests there. Thank you very much for considering my nomination, and I look forward to your questions.

Senator SHAHEEN. Thank you.  
Ambassador Merten.

**STATEMENT OF HON. KENNETH MERTEN, OF VIRGINIA,  
TO BE AMBASSADOR TO THE REPUBLIC OF CROATIA**

Ambassador MERTEN. Madam Chairwoman, members of the committee, it is a privilege to appear before you today as President Obama's nominee to serve as the U.S. Ambassador to Croatia. I am

honored by the confidence placed in me by the President and the Secretary of State.

If confirmed, I look forward to working with this committee and the Congress in advancing U.S. interests in Croatia.

I am delighted and proud to be accompanied today by desk officer, Susan McFee, who is behind me there, and by my wife, Susan, and my daughter, Elisabeth. Sadly, my daughter, Caryl, could not get away from university today in Charlottesville to join us.

We have been a Foreign Service family for over 20 years and have all felt proud to be given the chance to represent the United States at postings in Germany, France, the U.S. mission to the European Union, and three times in Haiti.

As you are aware, my current assignment in Haiti has been slightly more eventful than we had hoped, but I am proud of the way my family and my colleagues at the Embassy responded following the earthquake to come to the aid of the Haitian people and to evacuate over 16,000 American citizens.

While I hope not to face any similar crises in Croatia, my experience in Haiti demonstrates that I am an effective manager of people and resources, critical for any chief of mission.

Our bilateral relationship with Croatia has never been stronger. In fact, this afternoon, Secretary Clinton will meet with Foreign Minister Vesna Pusic to discuss our many common interests and how we will further strengthen our partnership under Croatia's new government. Just a few weeks ago, Attorney General Holder met with his Croatian counterpart to discuss our cooperation on rule-of-law issues. We have a robust military-to-military relationship. And next month, we will host the second Brown Forum, a regional conference held in honor of former Commerce Secretary, Ron Brown, focused on how to create positive conditions for increased trade and investment among the United States, Croatia, and the region. And these are only a few examples to illustrate our strong ties.

Croatia has made remarkable progress in only two decades since independence, becoming a NATO member in 2009, and now standing on the threshold of the European Union with full EU membership expected in 2013. The citizens of Croatia deserve to be congratulated for all they have accomplished.

Croatia's success in implementing often difficult reforms and creating a strong democratic society demonstrate that it is positioned to serve as a role model and a leader in the region for European and Euro-Atlantic integration.

Indeed, the United States supports the positive decisions Croatia has made to improve regional cooperation. We also encourage Croatian leaders to continue their efforts toward good neighborly relations and to continue working with neighbors to address bilateral and regional challenges, such as refugees and transnational crime.

As an international partner, Croatia has proven itself to be an active and committed NATO ally, as evidenced by its important contributions to global security, particularly in ISAF, KFOR, and U.N. peacekeeping missions.

While Croatia has come a great distance in terms of democratic progress, there is more to be done. The Croatian economy continues

to be challenged by high unemployment and anemic growth. This reflects both the global economic crisis and domestic challenges. The recently elected Government recognizes the urgent need for economic reform, and the United States will support Croatia's efforts to undertake those reforms to improve the business and investment climate so that sustainable economic growth and prosperity can be achieved. This in turn can be the basis for expanding our economic and trade relations.

If I am confirmed, I will seek to forge an even stronger partnership with Croatia, building on the excellent work of our outgoing Ambassador, James Foley, and our country team in Zagreb.

My foremost priority as Ambassador will be promoting United States interests in Croatia while pursuing our goals of strengthening the rule of law, fighting corruption, promoting economic growth and prosperity, reinforcing democratic institutions, and promoting regional security. I will actively seek to deepen our strategic alliance through NATO, ISAF, the Adriatic Charter, and other cooperative means.

I will also work closely with our EU partners to help Croatia complete the few remaining accession requirements. I look forward to Croatia's celebrating its full EU membership in 2013.

Madam Chairwoman and members of the committee, thank you for this opportunity to appear before you today. I will be pleased to answer any questions you have.

[The prepared statement of Ambassador Merten follows:]

PREPARED STATEMENT OF KENNETH H. MERTEN

Madam Chairman and members of the committee, it is a privilege to appear before you today as President Obama's nominee to serve as the United States Ambassador to the Republic of Croatia. I am honored by the confidence placed in me by the President and Secretary Clinton. If confirmed, I look forward to working with this committee and the Congress in advancing U.S. interests in Croatia.

I am delighted and proud to be accompanied today by my wife, Susan, and my daughter, Elisabeth. My daughter, Caryl, could not get away from university in Charlottesville to join us. We have been a Foreign Service family for over 20 years and have all felt proud to be given the chance to represent the United States at postings in Germany, France, at our mission to the European Union and three times in Haiti. As you are aware, my most recent assignment in Haiti was more eventful than we had hoped, but I am proud of the way my family and my colleagues at the Embassy responded following the earthquake, to come to the aid of the Haitian people and to evacuate over 16,000 American citizens. While I hope not to face any similar crises in Croatia, my experience in Haiti demonstrates that I am an effective manager of people and resources, critical for any chief of mission.

Our bilateral relationship with Croatia has never been stronger. In fact, this afternoon Secretary Clinton will meet with Foreign Minister Vesna Pusic to discuss our many common interests and how we will further strengthen our partnership under Croatia's new government. Just a few weeks ago, Attorney General Holder met with his Croatian counterpart to discuss our cooperation on rule-of-law issues, including Croatia's ongoing efforts to root out corruption and bring suspected war criminals to justice. We have a robust military-to-military relationship, which includes a joint NATO unit in Afghanistan and the State Partnership Program with the Minnesota National Guard. Next month, we will host the second Brown Forum, a regional conference held in honor of former Commerce Secretary, Ron Brown, focused on how to create positive conditions for increased trade and investment among the United States, Croatia, and the region. And these are only a few examples to illustrate our strong ties.

Croatia has made remarkable progress in only two decades since independence and a costly war, becoming a NATO member in 2009, and now standing on the threshold of the European Union, with full EU membership expected in 2013. The citizens of Croatia deserve to be congratulated for all they have accomplished. Croatia's success in implementing often difficult reforms and creating a strong demo-

cratic society demonstrate that it is positioned to serve as a role model and leader in the region for European and Euro-Atlantic integration.

Indeed, the United States supports the positive decisions Croatia has made to improve regional cooperation. We also encourage Croatian leaders to continue their efforts toward good neighborly relations and to continue working with neighbors to address bilateral and regional challenges such as refugees and transnational crime. As an international partner, Croatia has proven itself to be an active and committed NATO ally, as evidenced by its important contributions to global security, particularly in the International Security Assistance Force (ISAF) in Afghanistan, the Kosovo Force (KFOR), and U.N. peacekeeping activities. These contributions to regional and global stability reflect our shared values and the depth of our partnership with Croatia.

While Croatia has come a great distance in terms of democratic progress, there is more to be done. The Croatian economy continues to be challenged by high unemployment and anemic growth. This reflects both the global economic crisis and domestic challenges, including a cumbersome bureaucracy and an investment climate that needs to be much more welcoming to business. The recently elected Croatian Government recognizes the urgent need for economic reform. The United States will support Croatia's efforts to undertake reforms to improve the business and investment climate so that sustainable economic growth and prosperity can be achieved. This in turn can be the basis for expanding our economic and trade relations.

If I am confirmed, I will seek to forge an even stronger partnership with Croatia, building on the excellent work of our outgoing Ambassador, James Foley, and our country team in Zagreb. My foremost priority as Ambassador will be promoting U.S. interests in Croatia while pursuing our goals of strengthening the rule of law, fighting corruption, promoting economic growth and prosperity, reinforcing democratic institutions, and promoting regional security. I will actively seek to deepen our strategic alliance through NATO, ISAF, the Adriatic Charter, and other cooperative means. I will also work closely with our EU partners to help Croatia complete the few remaining accession requirements and look forward to celebrating its full EU membership in 2013.

Madam Chairman and members of the committee, thank you for this opportunity to appear before you. I would be pleased to answer any questions that you may have.

Senator SHAHEEN. Thank you very much.  
Mr. Pekala.

**STATEMENT OF MARK A. PEKALA, OF MARYLAND,  
TO BE AMBASSADOR TO THE REPUBLIC OF LATVIA**

Mr. PEKALA. Thank you, Madam Chairwoman, distinguished manners of the committee. It is a genuine privilege to appear before you today, and I thank you.

I am deeply grateful to President Obama and Secretary Clinton for their support and confidence in nominating me to be the next U.S. Ambassador to the Republic of Latvia.

If confirmed by the Senate, I pledge to devote all my energy to represent the United States to the very best of my ability and to advance U.S. interests in Latvia, while further strengthening the partnership between our two countries.

I am fully committed to working closely with this committee, your staff, and your congressional colleagues to advance our common objectives and shared agenda.

With your permission, I would like to introduce my wife, Maria. We are the very happy and proud parents of Julia and Nora, age 10 and 7, who have spent nearly two-thirds of their lives overseas while Maria and I have tried our best represent the American people.

I would also like to introduce and thank Julie-Anne Peterson, the Latvia desk officer at the State Department.



Over the last 10 of my nearly 25 years of government as deputy chief of mission in France, deputy chief of mission in Estonia, and Deputy Assistant Secretary of State responsible for our bilateral relations with for 15 European countries, including Latvia, as well as director of the entry-level division of human resources at the State Department.

I believe that these experiences have prepared me well, if confirmed, to lead our mission and to exercise American leadership in Latvia.

Last year, Latvia celebrated the 20th anniversary of regaining its independence; 2012 will mark 90 years of unbroken diplomatic relations with our friend and ally.

Since 1991, Latvia has embraced democracy and the principles of an open market; it is an excellent partner in a good environment in which to carry out the President's national export initiative dedicated to supporting U.S. businesses, increasing U.S. exports, and creating jobs in the United States.

If confirmed, I will work with United States businesses to expand their markets into Latvia. United States exports to Latvia have been rising over the last 2 years, and recent successful advocacy by Embassy Riga on behalf of the American companies IBM and Datacard demonstrates that there is scope for expanded United States investment in the Latvian market.

Latvia was hit extraordinarily hard by the economic crisis, losing nearly 25 percent of its GDP. But it has proven itself to be both resilient and innovative in meeting its economic obligations and finding creative ways to offer its expertise to its post-Soviet neighbors. After weathering its economic storm, Latvia is actively contributing to assistance projects in Moldova, including a rule-of-law program in cooperation with USAID.

Latvia also provides training for Afghan railroad officials and is planning to participate in a training program for Afghan air traffic controllers.

If confirmed, I will work with Latvia to continue this crucial development engagement.

In 2004 Latvia joined NATO. It is a valued member of the alliance, contributing approximately 200 troops and police trainers in Afghanistan. In addition, the Latvian National Armed Forces have successfully developed a high-demand niche capability with their Joint Terminal Attack Controller, or JTAC program.

Latvia is one of only six other allied countries certified to call in United States close air support on the battlefield.

Standing with the alliance does not come without cost. Latvia has suffered the loss of four soldiers and had nine wounded during its years in Afghanistan. We are deeply grateful for Latvia's contributions and for its decision to remain with us in Afghanistan until 2014.

As a native of Michigan, I am particularly proud of Latvia's partnership with the Michigan National Guard, now in its 20th year. In Afghanistan, Latvia successfully ran an operational mentoring and liaison team, or OMLT, with the Guard.

Today, Latvia is once again teaming up with its National Guard partners to train soldiers in Liberia, an effort that underlines not only how far Latvia has come in the 20 years since its

regained its independence, but also its increasing focus and venturing outside its neighborhood to share the valuable lessons learned during its evolution from newly independent country to mature democracy.

Although Latvia has made tremendous strides in democracy and the rule of law, it is still struggling to come to terms with some aspects of its past, particularly the legacies of World War II and Soviet rule.

Latvia has work to do to promote social integration of its minority populations. We are encouraged to see the Latvian Government considering measures that would improve integration of this population. We hope that the recent language referendum can be used by both sides as a means to open a constructive dialogue between ethnic Russians and ethnic Latvians.

If confirmed, I hope to use my position as Ambassador to support outreach efforts to all minority communities in Latvia.

Should the Senate confirm my nomination, I will dedicate myself to protecting and advancing United States interests in Latvia.

I thank you again for the privilege of appearing before you today, and I welcome any questions you may have.

Thank you.

[The prepared statement of Mr. Pekala follows:]

PREPARED STATEMENT OF MARK PEKALA

Madam Chairman, distinguished members of the committee, it is a genuine privilege to appear before you today, and I thank you. I am deeply grateful to President Obama and Secretary Clinton for their support and confidence in nominating me to be the next U.S. Ambassador to the Republic of Latvia. If confirmed by the Senate, I pledge to devote all my energy to represent the United States to the very best of my ability and to advance U.S. interests in Latvia, while further strengthening the partnership between our two countries. I am fully committed to working closely with this committee, your staff, and your congressional colleagues to advance our common objectives and shared agenda.

With your permission, I would like to introduce my wife, Maria. We are the very happy and proud parents of Julia and Nora, age 10 and 7, who have spent nearly two-thirds of their lives overseas while Maria and I have tried our best to represent the American people.

Over the last 10 of my nearly 25 years of Government service, I have served as deputy chief of mission in France, deputy chief of mission in Estonia, and Deputy Assistant Secretary of State, responsible for our bilateral relations with 15 European countries, including Latvia, and as Director of the Entry-Level Division of Human Resources at the State Department. I believe that these experiences have prepared me well, if confirmed, to lead our mission—and to exercise American leadership—in Latvia.

Last year, Latvia celebrated the 20th anniversary of regaining its independence; 2012 will mark 90 years of unbroken diplomatic relations with our friend and ally. Since 1991, Latvia has embraced democracy and the principles of an open market. It is an excellent partner and a good environment in which to carry out the President's National Export Initiative, dedicated to supporting U.S. businesses, increasing U.S. exports, and creating jobs in the United States. If confirmed, I will work with U.S. businesses to expand their markets into Latvia. U.S. exports to Latvia have been rising over the past 2 years, and recent successful advocacy by Embassy Riga on behalf of American companies IBM and DataCard demonstrates that there is scope for expanded U.S. investment in the Latvian market.

Latvia was hit extraordinarily hard by the economic crisis, losing nearly 25 percent of GDP in the global economic crisis. But it has proven itself to be both resilient and innovative in meeting its economic obligations and finding creative ways to offer its expertise to its post-Soviet neighbors. After weathering its economic storm, Latvia is actively contributing to assistance projects in Moldova, including a rule of law program in cooperation with USAID. Latvia also provides training for Afghan railroad officials and is planning to participate in a training program for

Afghan air traffic controllers. If confirmed, I will work with Latvia to continue this crucial development engagement.

In 2004, Latvia joined NATO. It is a valued member of the alliance, contributing approximately 200 troops and police trainers in Afghanistan. In addition, the Latvian National Armed Forces have successfully developed a high-demand niche capability with their Joint Terminal Attack Controller (JTAC) program. Latvia is one of only six other allied countries certified to call in U.S. close air support on the battlefield. Standing with the alliance has not come without cost; Latvia has suffered the loss of four soldiers and had nine wounded during its years in Afghanistan. We are deeply grateful for Latvia's contributions and for its decision to remain with us in Afghanistan until 2014.

As a native of Michigan, I am particularly proud of Latvia's partnership with the Michigan National Guard, now in its 20th year. In Afghanistan, Latvia successfully ran an Operational Mentoring and Liaison Team (OMLT) with the Guard. Today, Latvia is once again teaming up with its National Guard partners to train soldiers in Liberia—an effort that underlines not only how far Latvia has come in the 20 years since it regained its independence, but also its increasing focus on venturing outside its neighborhood to share the valuable lessons learned during its evolution from newly independent country to mature democracy.

Although Latvia has made tremendous strides in democracy and rule of law, it is still struggling to come to terms with some aspects of its past, particularly the legacies of World War II and Soviet rule. Latvia has work to do to promote social integration of its minority populations. Almost a third of Latvia's residents are ethnic Russians, of whom just under 300,000 are noncitizens. We are encouraged to see the Latvian Government considering measures that would improve integration of this population; we hope that the recent language referendum can be used by both sides as a means to open a constructive dialog between ethnic Russians and ethnic Latvians. If confirmed, I hope to use my position as Ambassador to support outreach efforts to all minority communities in Latvia.

Latvia is also making progress in coming to terms with the horrific events of the Holocaust, but more needs to be done. The restitution of private property is largely finished, but we need to see further progress on compensation for communal and heirless properties. If confirmed, I pledge to work diligently with the Government of Latvia and the local Jewish community to address Holocaust legacy and property restitution issues.

Should the Senate confirm my nomination, I will dedicate myself to protecting and advancing U.S. interests in Latvia. I thank you again for the privilege of appearing before you today and I welcome any questions you may have.

Senator SHAHEEN. Thank you very much.

Mr. Levine.

**STATEMENT OF JEFFREY D. LEVINE, OF CALIFORNIA,  
TO BE AMBASSADOR TO THE REPUBLIC OF ESTONIA**

Mr. LEVINE. Madam Chair, members of the committee, it is an honor to appear before you today as President Obama's nominee to be the next United States Ambassador to the Republic of Estonia. I'm grateful to the President and to Secretary Clinton for the trust they have placed in me.

If confirmed, I will work tirelessly to advance the interests of the United States and further strengthen the already deep and productive relationship we enjoy with Estonia.

Madam Chair, with me today are my wife, Janie, and son, Nick. I'm very fortunate to have a supportive family who has shared the joys and challenges of my 27-year Foreign Service career. Nick will be remaining in the United States to start college, but if I am confirmed, I hope he will share at least part of this adventure on school breaks.

I also would like to introduce Rodney Hunter, the State Department's desk officer for Estonia.

For nearly 50 years, the United States refused to acknowledge the illegal and forcible occupation of Estonia by the Soviet Union.

Their regular statements of support that came from the White House and Congress served as signals of hope for Estonians both in Estonia and abroad. Since 1991 and the reestablishment of Estonia's independence, each American President and every Congress have continued the support as Estonia transformed itself from a Soviet satellite to the strong and reliable democratic ally that it is today.

Estonia is a modern free-market success story. Even during the worldwide economic crisis, Estonia's fiscal and economic situation has steadily improved. After more than a year as a member of the eurozone, Estonia's economic situation is stronger than ever. In the midst of Europe's economic problems, Moody's upgraded Estonia's credit rating last year.

Estonia is also sharing the benefits and lessons of its success with other democracies and nations in transition across the globe.

Since it became a NATO ally in 2004, Estonia has shown unwavering support for shared objectives around the world. Estonian troops served with us in Iraq and continue to operate without caveats in southern Afghanistan.

Estonia has expressed its commitment to stay on the ground as the NATO mission transforms into advice and assistance. This commitment will remain strong, though Estonia has paid a high price for the service with the lives of 11 of its brave soldiers in Iraq and Afghanistan, the second-highest per capita loss in Afghanistan of any ISAF partner.

Estonia has also contributed to many other military missions, including Kosovo, Bosnia-Herzegovina, and the Horn of Africa. Estonia's military remains a force in transition, but one that is willing to take on dangerous missions side by side with American troops.

Our support remains a crucial tool to help Estonia create a military even more capable of serving alongside United States forces in the future. Estonian soldiers and officers attend training in the United States and have proven themselves accomplished and knowledgeable partners on the ground in Afghanistan and around the world.

As you noted, Estonia has also committed 2 percent of its GDP to defense spending, serving as a model for other allies and sharing the burden of our common security.

Estonia is a world leader in information technology and an Estonian entrepreneur is the creator of Skype, now used around the world. It hosts the NATO Cyber-Security Center of Excellence in Tallinn, which the United States joined officially in 2011. Estonia's innovative Cyber Defense League works closely with the Maryland National Guard to boost cyber security in both our countries.

In joint operations with the FBI and Secret Service, Estonia has been crucial in bringing a number of cyber criminals to justice in the United States.

Estonia is also a pioneer in e-governance. In its last election, one quarter of Estonians voted online; electronic medical records are fully accessible from any doctor's office; and its citizens have unprecedented access to information about their government. Moreover, Estonia has willingly shared this expertise with more than 40 nations, from Tunisia to India to the Ukraine.

If confirmed, I will work to continue our strong cooperation on cyber issues and find ways to leverage United States support of Estonia's endeavors to ensure that our assistance to young democracies, like Moldova, for example, is as effective as possible.

The United States also welcomes Estonia's ongoing efforts to build strong communal relations among all Estonians, including the country's sizable Russian-speaking population.

If confirmed, I hope to work closely with my public diplomacy colleagues in Washington and in the region to further utilize social media resources to better reach out to all in Estonia, including the Russian-speaking minority and especially the young people.

Madam Chair, members of the committee, the history of relations between the American people and Estonia is one of trust and mutual support. Just as we stood side by side with the Estonian people during their difficult past, Estonians today are at our side as we meet common challenges and seize joint opportunities.

Estonians are not just dependable allies and strong partners but also close friends of the American people. If confirmed, I will dedicate myself to advancing that friendship and promoting United States interests in Estonia to further our partnership.

Thank you again for allowing me to appear before you today. I look forward to your questions.

[The prepared statement of Mr. Levine follows:]

PREPARED STATEMENT OF JEFFREY D. LEVINE

Madam Chairman, members of the committee, it is an honor to appear before you today as President Obama's nominee to be the next U.S. Ambassador to the Republic of Estonia. I am grateful to the President and to Secretary Clinton for the trust they have placed in me. If confirmed, I will work tirelessly to advance the interests of the United States and further strengthen the already deep and productive relationship we enjoy with Estonia.

Madam Chairman, with me today are my wife, Janie, and son, Nick. I am indeed fortunate to have a supportive family who has shared the joys and challenges of my 27-year Foreign Service career. Nick will be remaining in the United States to start college but—if I am confirmed—I hope he will share at least part of this adventure on school breaks.

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Since it became a NATO ally in 2004, Estonia has shown unwavering support for our shared objectives around the world. Estonian troops served with us in Iraq and continue to operate without caveats in southern Afghanistan. Estonia has expressed its commitment to stay on the ground as the NATO mission transforms into advice and assistance. This commitment remains strong, though Estonia has paid a high price for this service with the lives of 11 of its brave soldiers in Iraq and Afghanistan, the second highest per capita loss in Afghanistan of any ISAF partner. Estonia has also contributed to many other military missions, including in Kosovo, Bosnia/Herzegovina, and the Horn of Africa.

Estonia's military remains a force in transition, but one that is willing to take on dangerous missions, side by side with American troops. Our support remains a crucial tool to help Estonia create a military even more capable of serving alongside

U.S. forces in the future. Estonian soldiers and officers attend training in the United States and have proven themselves accomplished and knowledgeable partners on the ground in Afghanistan and around the world. Estonia has also committed 2 percent of its GDP to defense spending, serving as a model for other allies in sharing the burden for our common security.

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Estonia is also a pioneer in e-governance. In its last election one-quarter of Estonians voted online, electronic medical records are fully accessible from any doctor's office, and its citizens have unprecedented access to information about their government. Moreover, Estonia has willingly shared this expertise with more than 40 nations, from Tunisia, to India, to Ukraine. If confirmed, I will work to continue our strong cooperation on cyber issues, and find ways to leverage U.S. support for Estonia's endeavors to ensure that our assistance to young democracies like Moldova, for example, is as effective as possible.

The United States also welcomes Estonia's ongoing efforts to build strong communal relations among all Estonians, including the country's sizeable Russian-speaking population. If confirmed, I hope to work closely with my public diplomacy colleagues in Washington and in the region to further utilize "social media" resources to better reach out to all in Estonia, including the Russian-speaking minority and especially to young people.

Madam Chairman, members of the committee, the history of relations between the American people and Estonians is one of trust and mutual support. Just as we stood side by side with the Estonian people during their difficult past, Estonians today are at our side as we meet common challenges and seize joint opportunities. Estonians are not just dependable allies and strong partners, but also close friends of the American people. If confirmed, I will dedicate myself to advancing that friendship and promoting U.S. interests in Estonia to further our partnership.

Thank you again for allowing me to appear before you today. I look forward to your questions.

Senator SHAHEEN. Thank you very much, Mr. Levine.

And thank you all for your testimony and for introducing your family members who are here. We especially appreciate their being here this morning and their support for the work that you have been doing and will continue to do.

I know that Senator Lugar has some time constraints, so, Senator, would you like to begin the questioning?

Senator LUGAR. Thank you very much, Madam Chairman.

Let me ask Ambassador Norland, you are aware of the Cooperative Threat Reduction Program in Georgia in which we recently have completed a central reference laboratory to address potential natural and bioterrorist infectious disease outbreaks which threaten Georgia, the United States, and others.

This is taking some time and effort, but to my knowledge, this facility is presently functioning. I would just simply ask at the outset that you be aware of the project, and likewise be helpful in working with Georgian authorities to gain the greatest benefits from this, similar to other laboratories set up in the area under the Nunn-Lugar program where information is shared with the United States with the thought of stopping any potential biological threat.

A specific question comes with regard to NATO, and I introduced the NATO Enhancement Act, which would encourage further NATO enlargement and designate all countries expressing a national interest in joining NATO, including Georgia, as potential aspirant countries.

As you have studied the Georgian situation in preparation for your ambassadorship, what is the lay of the land as you see it? And what steps could the United States take constructively to help Georgian aspirations?

Ambassador NORLAND. Well, thank you for both questions, Senator.

On the CTR issue, let me start by congratulating you for two decades of work on nonproliferation. These reference laboratories are sort of a continuation of that work. I am aware of this kind of project because we had one in Uzbekistan under way. I'm aware that the one in Georgia was recently inaugurated. It is an extremely important project, both for what it represents in terms of nonproliferation issues, but also in terms of public health, animal disease control, and things that are important to agriculture.

The Embassy or mission there I understand is supporting the project actively, and the U.S. Army plans to actually station some people there to work with the Georgians to make sure the laboratory properly carries out its functions.

On the NATO issue, also let me thank you and members of the committee for the tremendous work over the years that you have done in support of NATO enlargement, and particularly for the support you're lending to Georgia's NATO aspirations. We welcome this support from the Congress, and we strongly support Georgia's NATO aspirations.

NATO has declared that Georgia will be a member, so the issue really has to do with how and when. There is no single path to NATO membership. As it stands now, as I understand, the annual national program and the NATO-Georgia council all their primary mechanisms through which Georgia and the allies are pursuing the issue of Georgia's membership.

But a lot of emphasis at the same time is being placed on steps Georgia is taking already in the direction of membership. Its contributions to ISAF, which we noted already today, the steps it has taken on defense reform and modernization, and the steps which I alluded to regarding democracy and economic progress. These are all part of the package that go into meeting the criteria for NATO membership.

As I carried out my consultations, I have become aware of a serious effort on the part of the administration to use the Chicago summit to signal acknowledgment for Georgia's progress in these areas and to work with the allies to develop a consensus on the next steps forward.

And I can assure you that, if confirmed, carrying that forward will be an extremely important part of my duties.

Senator LUGAR. Well, that is a very, very important statement. I appreciate your leadership in that area. And you know you will have the support back here of many of us as you proceed.

Let me ask you, Mr. Pekala, speaking of the NATO summit in Chicago, I am reminded of the NATO summit that occurred in Riga in 2006. I was honored to be the dinner speaker before the day of the summit and took that occasion to recall that the previous winter had been one in which natural gas shipments from Russia to Ukraine had been terminated. That also occurred in other

countries, but it was especially conspicuous in regard to Ukraine, with ramifications in Germany.

So I suggested that article 5 of the NATO charter really ought to be expanded to energy security, that warfare in Europe might not commence through troops marching across territory or aircraft bombings, but simply by cutting off the gas or cutting off the oil.

This has been a subject of great importance, obviously not only to the country that you're going to represent, but its neighbors, and for that matter, all of Europe is represented with ideas like the Nabucco pipeline or other smaller projects.

What is the situation now as you perceive it in the country that you are about to represent—the United States—in Latvia? What is the energy predicament? And what degree of energy independence or security does it have?

Mr. PEKALA. Senator, thank you for that very important question. We share your concerns, obviously.

We in the State Department, you, many others, over the past many years, have been talking to countries in the region about the importance of diversifying the sources of energy and diversifying the ownership of the pipelines that bring that energy to various countries.

The situation in Latvia is evolving. They do understand the importance of diversity of ownership and supply. They are subject to a near-Russian monopoly on their gas and oil. But in other areas, the picture is a lot more optimistic.

Latvia only imports a tiny percentage of its energy, that mostly from Estonia. They produce most of their own energy through hydroelectric plants and other means. And they are working with the other two Baltic States on other means of renewable energy sources. They are working with Estonia and Lithuania on a possible nuclear power plant in Lithuania, and they are talking to Estonia and Lithuania and many other countries in the region about a possible LNG, a liquefied natural gas terminal, somewhere in the Baltics, also thinking about tapping into supplies that might be in Germany and Poland and elsewhere. And the Latvians, like others, are looking into shale oil and shale gas as a means of diversifying their supply and enhancing their independence.

So the good news is that the Latvians clearly understand, along with you and us and many others, the importance of diversification, and they are working hard on establishing means to work hard on that in the 21st century to increase their independence.

Senator LUGAR. I appreciate that response. Obviously, you are on top of the subject, and I congratulate you.

Thank you, Madam Chairwoman.

Senator SHAHEEN. Thank you, Senator.

You probably saw us doing some quick whispering up here. We think we are going to have some votes called very shortly, so Senator Cardin is going to go next, and then I will continue. We will recess to vote, and then I will come back if there are still questions.

So, Senator Cardin.

Senator CARDIN. Thank you very much, Madam Chair.

What I will do is I will pose a question to all five that I will ask be answered for the record, so we don't need to take the time now.



But let me make the point, if I might, and that is, first, thank all five of you for your public service. And I thank you for your families. You have all had an incredible career of public service, and you are continuing that, and we know this is sacrifice not only for you, but for your families. We appreciate that very much.

All five of the countries that are represented here have a lot in common. They are all strategically important to the United States. We have excellent relationships with all five countries. And they are countries that we want to continue to strengthen those ties.

I have the honor of chairing the U.S.-Helsinki Commission, the Senate chair of the commission. And my question deals with the highlighting the important role that you can play as Ambassador to continue the advancements on the human dimensions of the OSCE.

I particularly mention Estonia, because Estonia has been a successful country in using the OSCE format in dealing with its Russian-speaking minority, and I applaud the Estonian Government. I've been there. I've worked with them, in using the OSCE to advance the human rights issues.

[The written answers submitted for the record by Ambassador Merten, Mr. Pekala, and Mr. Levine follow:]

**AMBASSADOR MERTEN.** The OSCE has played a key role in Croatia's transformation into a NATO Ally and soon-to-be EU member. Evidence of its progress can be seen in the decision to close the OSCE Office in Zagreb, truly a success story for the region and the organization. Yet more work remains. If confirmed, as Ambassador I will strongly encourage Croatia to continue to meet its OSCE human dimension commitments on human rights and fundamental freedoms, both for the citizens of Croatia and so that Croatia can be a model for the rest of the region. These commitments include protecting human and minority rights, ensuring civil society and independent media have space in which to operate, and inviting international election observation.

**MR. PEKALA.** If confirmed as Ambassador, I would work closely with the Government of Latvia on the full panoply of OSCE activities throughout its geographic area of activity. We greatly value the work that the OSCE has accomplished. Both the United States and Latvia share its goals and objectives. We see Latvia as an excellent partner in these endeavors and anticipate a robust relationship on these issues in the future.

In particular, I would urge close cooperation with OSCE institutions, with the aim of improving transparency. In the context of the OSCE, Latvia has demonstrated a willingness to share the experience it has gained through its democratic transition to assist other states in the region, and as part of OSCE's efforts to support OSCE partner states in the Mediterranean and North Africa.

**MR. LEVINE.** If confirmed, I will work closely with the Government of Estonia to advance our shared goal of strengthening the OSCE's human dimension. I believe that Estonia has a deep appreciation for OSCE's democratization and human rights work, as it benefited directly during Estonia's own democratic transition. Today, Estonia serves as an example of transparency, openness, and freedom and works to share its experience and expertise with other countries in the OSCE region, such as Belarus and Moldova. Estonia also takes the protection of freedoms of the press, speech, and Internet seriously, both domestically and abroad.

Estonia has also worked over the past year to take several positive steps on its own issues of minority rights and citizenship, and it has reduced the number of people in the country who lack citizenship. While there is still some distance to go, Estonia is moving in the right direction. If confirmed, I will work closely with the Government of Estonia, as well as through our social media platforms with the public, to ensure that progress continues.

Let me, if I just might very quickly, mention in Kosovo, there are challenges. There are serious challenges. Kosovo is not a member of the OSCE, because of the blockage of a minority number of countries within the OSCE. But it needs to pay attention to the rights of all of its citizens, and I will be asking, Ms. Jacobson, that you pay particular sensitivity to that in your role, when confirmed, as Ambassador.

As Ambassador, what is the important role that you can play to continue the advancements on the human dimensions of the OSCE?

[The written answer submitted for the record by Ambassador Jacobson follows:]

The Government of Kosovo is not currently a participating State, but its admission would be welcome in the future. Much work takes place every day in Kosovo that furthers the OSCE's comprehensive view of security, especially in the human dimension. Supporting OSCE's efforts to protect human rights and strengthen democracy will be a critical element of my mission, if I am confirmed. If confirmed, I would look forward to working with the OSCE and would also hope to have the same good partnership with the Helsinki Commission that I enjoyed as Ambassador to Turkmenistan and Tajikistan. This partnership resulted in significant achievements, for example in the area of religious freedom in Turkmenistan.

In Kosovo there has been a lot of progress made in the area of human rights with regard to protection of all communities, as required in the Constitution, and some progress has also been made in terms of bringing to justice those officials who commit abuses.

The GoK is also taking steps to address irregularities and electoral manipulations which marred Assembly elections in 2010. In preparation for the next parliamentary elections, a legislative committee is revising the electoral code, while another committee is preparing constitutional changes that would allow direct election of the President. Further, after some criticism of the lack of serious sentences and fines for people who committed electoral abuses, we have noted a positive trend since 2011 toward serious sentences and fines for election fraud; 27 people have been sentenced to terms, and more than 100 people have been fined.

There also remain concerns about discrimination, for example against ethnic and religious minorities, disabled persons and members of the lesbian, gay, bisexual and transgender community. Additional human rights issues included allegations of prisoner abuse as well as corruption and favoritism in prisons; lengthy pretrial detention; judicial inefficiency; intimidation of media by public officials and criminal elements; limited progress in returning internally displaced persons (IDPs) to their homes; government corruption; trafficking in persons; and child labor in the informal sector.

Roadblocks established by Serb hard-liners in northern Kosovo have also seriously restricted basic rights for citizens in the north, including the free movement of goods, people, and services. Serb hard-liners have employed violence and intimidation against domestic opponents and international security forces, which resulted in deaths and injuries during the year.

Tackling these issues is going to take a concerted international effort to address, and will require leadership by the United States in cooperation with Kosovo.

My main question, though, is to Ambassador Norland, if I might. You've come from Uzbekistan, which is not exactly the best nation as an example of the advancement of human rights. Georgia has problems. They are strategically important to us. They are moving forward in transition. I had a chance to talk to President Saakashvili when he was here about what he is doing as far as open and free elections for both the Parliament and for the Presidency. We know that there are efforts to limit those who are eligible to run for President, and there have been statements made by the opposition that they are being denied opportunities to fairly compete in the national elections.

So my question to you is—and you can answer this for the record—that'll be fine—as to what steps you would take as Amba-

sador to make sure that Georgia continues its transition to free and open elections, allowing fair opportunities for opposition candidates to compete in the election?

And, Madam Chair, I can have those answered for the record.

Senator SHAHEEN. Well, I would actually like to hear the answer, so we have a few minutes before we have to recess for the vote. So perhaps, Ambassador Norland, you can go ahead and respond.

Ambassador NORLAND. Thank you, Senator.

And thank you, Senator Cardin, for the question, and for your work in support of the Helsinki Accords. I am familiar with that work from when I was with, at the time, CSCE in Georgia, and the principles that are represented by the accord are actually principles on the table still today with respect to the conflict zones in Georgia and also with respect to the democratic process that you have touched on.

If confirmed, I would seek to develop broad firsthand knowledge of Georgia's performance with respect to promotion of rule of law and fundamental freedoms afforded under Helsinki Accords and to urge the Georgians to take all necessary steps to ensure they are in full compliance.

Georgia has made progress toward becoming a full democratic state. The elections this year and the Presidential elections next year are testimony to that.

But, as you indicate, there are very real concerns. While there has been real progress, there are real concerns about what you might call of the level playing field. And there are reports of harassment of opposition candidates that trouble us deeply. The role of the so-called chamber of control and party financing is drawing a lot of concern in Georgia and in the international community.

I can tell you already our mission is raising these concerns publicly and privately with the Georgian Government. And if confirmed, it would be my role to continue to monitor very carefully Georgia's observance of the principles that we hold dear. This would be a central priority for my mission.

The United States already spends millions of dollars in assistance to promote civil society, rule of law, and democracy in Georgia. And we need to be careful stewards of those funds to make sure that we are getting the results we're looking for.

Finally, I would just point out, given Georgia's interests, Georgia's aspirations to NATO membership, and our support for those aspirations, how these elections are conducted is very important litmus test, and we will be watching carefully to make sure that the way these elections unfold are in keeping with NATO standards.

Senator CARDIN. I would just underscore the issue of qualification of opposition candidates. That has been used in too many European countries as a way of trying to block opposition opportunities. I would just urge our presence there to have the widest possible opportunities for opposition to effectively be able to compete on a level playing field.

Ambassador NORLAND. Yes, sir.

Senator CARDIN. Thank you, Madam Chair.

Senator SHAHEEN. Thank you. Would you like to hear a response from Ambassador Jacobson, too, on the Kosovo issue?

Senator CARDIN. Yes, thank you.

Ambassador JACOBSON. Thank you for the opportunity.

If I am confirmed, the issue of human rights and promotion of democracy will be a critical element of my mission, as it was in my missions in Turkmenistan and Tajikistan. And I would look forward to working in very close partnership with the Helsinki Commission, a partnership which I think produces real results; for example, our progress on the issue of religious freedom in Turkmenistan.

In Kosovo, there has been a lot of progress made in the area of human rights with regard to protection of all the communities, which is included in the constitution. And some progress has also been made in terms of bringing to justice those officials who commit abuses.

The Government is currently working on electoral law in preparation for parliamentary elections, which could occur as early as next year, and also looking at constitutional amendments to allow the direct election of the President.

After some criticism of the lack of serious sentences and fines for people who committed electoral abuses, we have noted a positive trend in 2011 toward serious sentences and fines. And, in fact, 27 people have been sentenced to terms and more than 100 people have been fined.

There are still serious problems with discrimination, societal discrimination, for example, against ethnic and religious minorities, against disabled and LGBT people. There are issues with corruption and rule of law. There are a variety of issues that are going to take a concerted international effort, including leadership by the United States in cooperation with Kosovo, to address.

I would also point out that the human rights situation in the North is not helped by the existence of the illegal parallel institutions, which do prevent full human rights; for example, the freedom of movement.

And these issues would all be critically important to my mission, if confirmed.

Senator CARDIN. I am just pointing out there appears to be an opening with Serbia as it relates to north Kosovo. There appears to be a willingness to talk more openly about these issues, and Serbia is trying to become the leader; chair an office in the OSCE.

So there is some opportunity, we think, to make significant progress in this area. And I agree with your assessment. But I think the United States can play a very important role, and our Embassy in Kosovo can be a critical partner.

Thank you, Madam Chair.

Senator SHAHEEN. Thank you.

At this point, we will recess for about 15 minutes while we vote. And I will return. I'm not sure who else will.

Thank you.

[Recess.]

Senator BARRASSO [presiding]. Thank you for resuming this. We apologize for the fact that there is a vote going on. Senator Shaheen will be back shortly.

I wanted to first thank all of you for your willingness to serve, and congratulate you on your appointments, and look forward to additional discussions.

I'm going to start, if I could, with the nominee to Kosovo.

Ambassador Jacobson, in November last year, I traveled to Camp Bondsteel in Kosovo. That was my second visit. I spent Thanksgiving with the troops. We have 23 Wyoming Air National Guardsmen there. They are members of Detachment 3, the B Company, 777th Aviation Support Battalion. For the next 6 months, they are going to continue to provide helicopter support and maintenance to the 112th Aviation Regiment. Also able to meet at the time on Thanksgiving Day with the Chargé d'Affaires, Michael Murphy, and had a nice visit.

On paper, our forces in Kosovo are classified as the third responder in support of the peacekeeping operations. However, we know that more often than not when violence erupts, these forces become the first responders when Kosovo security forces and European Union forces can't assist.

So with the drawdown that is occurring there, I just want to know how we can encourage the people of Kosovo to step up and provide the type of security that people of Kosovo demand, expect, and who can we trust to make sure that that happens and what role you will plan that.

Ambassador JACOBSON. Thank you for the question, Senator.

KFOR staffing is currently at about 5,800 troops, which the United States usually forms around 10 percent. We are what is known as Gate 2 in terms of the level of staffing. Given the violence that occurred last summer and the conditions on the ground, we see the staffing levels remaining relatively consistent for the near foreseeable future, because KFOR, as you mentioned, does play an incredibly important role in terms of maintaining security throughout the country.

In addition to that, KFOR is playing an important role in terms of mentoring and advising the Kosovo security force, which has responsibility in four major areas, including civil emergency, fire suppression, disposal of hazardous materials, explosive ordnance disposal. And KFOR will continue to play that role as the Kosovo security force develops.

The commander of KFOR has recommended that the full operating capacity status for the Kosovo security force. This is a decision that has to be taken by the North Atlantic Council. And that decision will inform how we go forward in the future.

Senator BARRASSO. Thank you.

Ambassador Norland, I had a chance to travel to Georgia with Senator McCain and others, and meet with the President there. On December 31, 2011, President Obama signed the National Defense Authorization Act for Fiscal Year 2012. It specifically calls on the Secretary of Defense to submit a plan to Congress for the normalization of U.S. defense cooperation with Georgia, including the sale of defensive weapons.

If confirmed as United States Ambassador to the Republic of Georgia, will you be committed to stepping up the United States defense security cooperation with Georgia and support efforts to assist in developing Georgia's self-defense capabilities?

Ambassador NORLAND. Senator, yes. Thank you for the question. And thanks for your support for Georgia, for NATO enlargement, and for Georgia's defense capabilities.

I firmly believe that a robust military-to-military relationship needs to be a part of United States-Georgia relations. And fortunately, during President Saakashvili's meeting with President Obama on January 30, I think some important forward impetus was given to that relationship.

We have already seen approval of a shipment or the purchase of M4 carbines by the Georgians. There's going to be I think enhanced focus on support for Georgian defense reforms, for Georgia's ability to participate in the ISAF mission, and for NATO interoperability in that regard.

As we speak, the U.S. Marines are wrapping up today an exercise, Agile Spirit, with Georgian military, in support of their ISAF presence. The Georgia National Guard here in the United States has a very important and active relationship with the military in Georgia. Deputy Assistant Secretary Wallander from the Department of Defense was there recently, and I understand a Georgian Deputy Minister of Defense is coming here next month to pick up the dialogue following the Presidential meeting here on this issue.

Absolutely, if confirmed, I see it as an essential part of my mission to develop a robust military-to-military bilateral defense cooperation arrangement with Georgia.

Senator BARRASSO. Thank you, Mr. Norland. I appreciate it.

Ambassador Merten, with regard to Croatia, I'm just wondering how Croatia has been impacted by the global economic crisis, and what sort of efforts have been taken by Croatia to boost its competitiveness, to boost its economic growth, and how the United States may be involved and helpful in future efforts.

Ambassador MERTEN. Thanks so much.

I think Croatia's accession to the European Union, if that goes forward as planned next summer—summer 2013—will be a large boon to the Croatian economy.

One of the things I hope to focus on, should I be fortunate enough to be able to get out to post, is to work with the Croatians on investment and economic growth issues. I firmly believe that as a good partner economically, we can work with them and help them to develop their economy, to develop a business-friendly environment, which is very welcoming to foreign investment, particularly American investment.

And, ultimately that is good for the American people, because a good, strong economic partner in Croatia will help create and generate jobs here in the United States.

Senator BARRASSO. Thank you.

Mr. Pekala, the former President of Latvia is an orthopedic surgeon, and I'm an orthopedic surgeon. We trained with the same professors. So we have great relationships unrelated to all the things that you're going to be doing. But if you ever get into a pinch, let the orthopedic surgeons come in, and we can help.

Latvia was significantly impacted by the global economic crisis. The country's gross domestic product dropped by 17 percent in 2009, unemployment rose to 18 percent in 2010. In 2008, the IMF provided a stabilization loan to Latvia.

What steps is the Government taking in response to the economic crisis? And what kind of impact will the uncertainty in the eurozone have on Latvia?

Mr. PEKALA. Senator, thank you for that question, and I can ask former President Zatlers and you, then, if it hurts when I—

Senator BARRASSO. It hurts when you do that, stop doing that.

Mr. PEKALA. Exactly. [Laughter.]

As you well stated, Latvia was hit very hard by the economic crisis. I mentioned in my prepared remarks that between 2008 and 2010, as you said, GDP in Latvia went down by 25 percent.

Prime Minister Dombrovskis, starting right away after the economic crisis hit, undertook a very serious program of reducing Government expenditures in increasing revenue. And after 2010, and as you mentioned the IMF, some European countries, especially Nordic countries, and the European Union, undertook a lending program to Latvia. With the seriousness of the Government program, and the assistance from these other places, Latvia has very impressively rebounded.

Last year, 2011, their growth rate was 5.5 percent, one of the highest growth rates in the European Union. In the last quarter of 2011, their growth rate was 5.7 percent, the highest growth rate in the European Union. They have been very serious about the measures taken in the government and the economy to improve.

There is great news on this for Latvia, of course. As you mentioned, unemployment went down from 20 through 15; it's now at 12. Still high but going in the right direction.

And there's good news for the Latvians and for us. One of the elements of the good news for us is that there is really fertile ground now for increased American investment in Latvia. That has grown over the last 2 years. Last year it was about \$600 million, a growth of almost 70 percent from the previous year. And if I am confirmed, I intend to put very high on my list of priorities enhancing American investment in Latvia. This creates American jobs. It is good for all of us. Good for America, good for Latvia.

Another element of the benefit here is that Latvia has now reengaged and restarted its assistance program in its neighborhood and beyond. Through the economic crisis, it wasn't able to do so, it was so strapped. Some Government agencies lost 40 percent of their budgets, 30 percent of their people, during the economic crisis. But Latvia's back, and it has restarted its assistance program.

They are extremely well engaged with Georgia and have been over many years with the Ministry of Interior and Justice of the Ministry of Foreign Affairs, and the Ministry of Defense, on what Georgia can do to improve its democratic reforms and get closer to NATO membership. And they have a very important assistance program with Moldova, again, to teach the lessons that they have learned as they have evolved.

So there's good news for Latvia. And we want to be a part of that and help them and help America at the same time.

Senator BARRASSO. Thank you.

Mr. Levine, I want to ask about the energy sector in Estonia. And I know they have called for diversification of Europe's energy supplies, the Government of Estonia is looking at different energy sources to reduce the country's dependence on Russian gas supply.

So I just want to ask you, what kind of energy resources Estonia has and what progress is being made toward more energy independence, and what your evaluation is of the effectiveness of the country's energy independence strategy.

Mr. LEVINE. Thank you, Senator.

Estonia is lucky to have large deposits of oil shale, which provides the majority of its oil and petroleum products. It is dependent on Russia for gas, which provides about 15 percent of their energy needs. But so far, that relationship has been working smoothly.

They have been very much a proponent of a European energy strategy and, themselves, tried to diversify. As was mentioned earlier, they are a part of the partnership that is looking at a nuclear power plant in Lithuania. And working with Finland, they have been laying cables to connect themselves to the Finnish electricity grid.

Their expertise in oil shale I think is both an opportunity for them on the energy front as well as the commercial front. They have purchased oil shale property in the United States, about 30,000 acres in Utah, and hope to bring that into production by 2016, producing about 30,000 barrels a day.

I think that kind of partnership between our two countries on both energy and technology is one of the benefits that we can enjoy.

Senator BARRASSO. Well, thank you.

And, Madam Chairman, I now note a number of young people in the audience, obviously family members. And I congratulated each of the nominees. I also want to thank and congratulate each of the families. I know that it is a major family commitment to take on these kind of responsibilities for the United States.

Thank you, Madam Chairman. No further questions.

Senator SHAHEEN [presiding]. Thank you very much, Senator Barrasso. And thank you for bringing reinforcements to keep the hearing going while I was voting.

I want to follow up on the economic question that you asked Mr. Pekala, to Mr. Levine, because one of the things—a number of you mentioned that effect the economic crisis on the countries that you're hoping to serve. But Estonia, actually, seems to have weathered the current economic crisis in Europe much better. To what do you attribute that? What are they doing right?

Mr. LEVINE. I believe that Estonia is doing a lot right. They're viewed as one of the most open, most liberal economies in the world. And the policies that they have pursued very much in the free market realm are working for them.

They are back to positive growth. Unemployment is down. They are followers of Maastricht Criteria. And they have a relatively small population. And all those factors combined has led to a real economic success story.

With that said, I would like to see greater commercial and economic activity between the United States and Estonia in a way that will benefit both of our economies.

Senator SHAHEEN. Thank you. You mentioned in your testimony NATO's Cyber Defense Center of Excellence, which is in Estonia. Can you comment on what impact that has had on Estonia? And also on NATO? What lessons have been learned from having that



Center of Excellence there that we may be ought to learn here in the United States?

Mr. LEVINE. Thank you, Senator.

Their expertise in cyber security is one of the niches that Estonia has been able to offer to both the alliance and the world at large. At the center, they are working on issues directly related to NATO's internal cyber security, and in partnership with the Maryland National Guard, they have a similar program working on the development of cyber security strategies that are applicable to the society at large.

We do have participants at the center in Tallinn. And it is viewed as a very successful enterprise.

Senator SHAHEEN. And many people believe that the 2007 cyber attacks that have made Estonia one of the leaders in cyber security, because of their need to respond to those attacks, that those attacks originated in Russia. Can you talk about how Estonia feels about the current Obama administration's reset policies toward Russia, and what the impact of both the 2007 attack and that reset policy have had on Estonia?

Mr. LEVINE. Thank you, Senator.

I would characterize the Estonian-Russian relationship as cool but correct. And our reset provided them a little bit more space in order to pursue the practical cooperation that they had with the Russians on things like border control, immigration.

Outside of that, there isn't a lot of contact between the two governments. The reset, as I said, it allows them a little bit more space, but we wouldn't expect their own bilateral relationship to have any major improvements until there is a reconciliation of the 50 years of history that they had together.

It is a very different view of the Soviet occupation, very different view of what that era was about, is going to be an obstacle in a closer relationship.

Senator SHAHEEN. Thank you.

Ambassador Jacobson, in your testimony, if I can find it here, you had a really good summary, I think, of what would be important to resolving the current situation with Serbia. And you say that a solution to the situation in the North, normalization of relations, require a durable modus vivendi that respects Kosovo's sovereignty, takes into account the views of the citizens of the north, and allows both Kosovo and Serbia to proceed on their respective paths.

How do we help that happen?

Ambassador JACOBSON. Well, I think we have to continue to engage using the United States leadership with our international partners, with the government and with the people of Kosovo, with our regional partners.

One of the examples that I think is useful in this regard is the Kosovo Serbs who live in the south. And there are actually a lot more of those in the south than there are in the north. And they have been able to take full advantage of the far-reaching protections afforded them both by the comprehensive status proposal and by Kosovo's own constitutions.

I'm talking about local self-government and autonomy. I'm talking about the fact that the Kosovo Serbs in the south participate

in all levels of government, from municipal—and there are Serb-majority municipalities in the south, all the way to the national level. And I think this is an important model.

But just as important is the idea of engagement and dialogue, and Prime Minister Thaci has said that he and his government will reach out to community leaders in the north. This is something that we absolutely promote and encourage.

And if I am confirmed, I will do my best to listen; to understand the interests of all the stakeholders in this issue; and to work with our international partners, with the Congress, and with the government and the people of Kosovo to work toward that durable *modus vivendi* based on practical agreements that make a difference in people's lives that I mentioned in my testimony.

Senator SHAHEEN. And is there any evidence that in the northern part of Kosovo that those parallel structures that you mentioned are becoming a concern for Serbs who live in that area?

Ambassador JACOBSON. Well, I think recent polling in the north of Kosovo has indicated that 70 percent of the Serbs that live up there don't see that Belgrade has any sort of plan for their future. And this I think is a point. Nobody has any objections to Serbia providing legitimate, transparent assistance to Serbs in Kosovo in the areas of health and education and social welfare. But I don't see that that is what the illegal parallel structures are providing.

They are, in fact, interested in preserving their own authority, and in some cases have actually created an atmosphere of intimidation and fear for those in the north who do wish to cooperate with the international community and with the Government in Kosovo.

So clearly, this is an issue that is going to require sustained engagement, leadership, and contacts.

Senator SHAHEEN. And is there evidence that that environment of fear is coming from Belgrade? Or is it coming from the local Serbs in the northern part of the country?

Ambassador JACOBSON. I think an environment of fear is a complex thing, and without having been there myself, I wouldn't want to ascribe the origins to it. But it certainly does exist, and it's something that we have to work toward ameliorating, both in terms of the security situation on the ground that is assisted by KFOR and in terms of our diplomatic engagement, and also in terms of our assistance programs, some of which have been hampered in the north by the lack of freedom of movement.

I have in mind some of USAID proposals for infrastructure, so we have had to focus more on community-building, short-term job creation. We have in fact created 1,600 jobs.

So this is, I think, the kind of engagement that we need to continue together with our international partners in the countries of the region to reduce those levels of tension over time.

Senator SHAHEEN. And one of the sources of conflict has been concern among Serbs about attacks on the Serbian monasteries that we have seen in the past. Is there a general acceptance now by the Kosovars that those monasteries are important historical and religious—I don't want to use the term "artifacts"—religious symbols? So accepting their presence there without destroying them, because obviously that will continue, until that point happens, that will continue to be a source of conflict.

Ambassador JACOBSON. Well, I think the fact that the Government of Kosovo has really engaged in this reconstruction and implementation commission, which was established together with the Serbian Orthodox Church and the ministries of culture of both Serbia and Kosovo, to rebuild and repair those religious buildings that were destroyed in the 2004 riots is really testament to that fact.

In fact, the Government of Kosovo not only financially supports that effort but also provides 17 sites with protection from the Kosovo security force.

Societal discrimination does still exist—I don't want to downplay that—in Kosovo with harassment or vandalism against both Serbian Orthodox sites. Also, last year there was vandalism in a Jewish cemetery in Pristina, which the Government moved quickly to clean up and denounce.

The Protestants have complained that they haven't been able to open a cemetery in Decani, and the Islamic community has protested the ban on headscarves in religious institutions.

So these are all examples that appear in our religious freedom report. And if confirmed, I would work very hard on issues of respect for religious diversity.

I've learned through my engagement with religious leaders at FSI that some of them don't like the word "tolerance," because it indicates that I'm just putting up with you.

So the eventual goal is to produce a requirement that respects and promotes religious diversity. And I would work very hard on that issue with religious communities and leaders and with the government and people of Kosovo, if confirmed.

Senator SHAHEEN. Thank you very much.

Ambassador Norland, I know that Senator Cardin raised some concerns about open elections in Georgia and some of the activities that raise questions about how free the opposition is to compete in those elections.

Yesterday, the Atlantic Council had a panel discussion here about NATO and the upcoming summit in Chicago, which as you point out, and others have, I did in my remarks, Georgia has aspirations and has been promised membership in NATO, ultimately.

But one of the points that former Secretary Albright made yesterday is that there is a connection between rule of law, and free and open elections, and government values, and participation in NATO.

And so can you talk about how important an open, competitive election for Georgia's future, both for continued support here in the United States and Europe, and also in terms of NATO acceptance, will be?

Ambassador NORLAND. Yes, Senator, thanks.

I think that the relationship is pivotal, that Europe and the United States are closely watching the conduct of these elections to determine whether they meet the criteria that are expected of a NATO member country.

There are real concerns about the way certain aspects of these elections are being conducted, harassment of opposition. Our goal is to see a level playing field.

We have extended thanks to Congress. We have extensive assistance programs to try to develop the rule of law, to promote a civil society, the role of the media.

And it is not that we are focused on any particular individual. What we are seeking to do is to protect the integrity and support the integrity of the process. And I think Georgian officials are beginning to understand that, in fact, they are being watched, that this is being monitored closely, and that it is being viewed as a litmus test for their membership in NATO.

We hope that they will take the right steps.

Senator SHAHEEN. Thank you. I certainly hope that is the case as well.

As you remember so well, back in 2008, the Russian—there was a conflict between Georgia and Russia over Abkhazia and South Ossetia. There's not a lot that is being heard right now about what the status of that situation is, except that Russia has not complied with all of the terms of the agreement that ended that conflict, or at least created a cease-fire.

So can you talk about whether there any recent measures that we have taken to encourage Russia to fulfill its obligations under the agreement?

Ambassador NORLAND. Well, first of all, let me thank you for your participation in the Atlantic Council publication on Georgia in the West, because I think a lot of good ideas are contained in there, which I know will help guide me, if I am confirmed.

Senator SHAHEEN. My staff appreciates your mentioning that.

Ambassador NORLAND. What happened in Georgia in 2008 was a tragedy. And I think the entire international community is seized now with the issue of how do we overcome that tragedy and find a way to move forward, and, if you will, in a way, to move back toward the status quo ante.

We continue to object to the presence of Russian troops in the occupied territories, and we strongly support Georgia's sovereignty and territorial integrity. These are matters of principle.

You asked what additional steps can we take now; what is the prospect for galvanized movement on this? I will know better if confirmed and able to get out and get a sense on the ground of what is possible.

But quite clearly, we need to continue to use the forum in Geneva and other fora to urge Russia to fulfill its 2008 cease-fire obligations.

There is no military solution to the situation, so the issue is how do we galvanize out diplomacy. As George Kennan would say, all measures short of war, to try to address the situation.

In addition to the talks in Geneva, there's another round coming up at the end of this month. We can find ways to try to take steps to, for example, get international monitoring groups, whether from OSCE, the EU-monitoring mission, or others, into the occupied territories themselves and not simply on the margins.

Try to get humanitarian assistance into those areas, and look for small confidence-building measures that can lay the groundwork for progress, such as Georgia's no-first-use-of-force declaration. Hopefully, Russia would reciprocate—the projects that OSCE is

doing with regard to water management in South Ossetia, or the UNDP's youth projects in Abkhazia.

I think if we approach these issues in a spirit of transparency with a desire to minimize regional tensions and find a way forward, I think diplomacy can play a very important role in getting us out of this mess.

Senator SHAHEEN. Thank you very much.

Ambassador Merten, you talked about Croatia's EU membership, which will soon happen, in 2013. Can you talk a little bit more about how that membership is going to benefit Croatia? And what might be the impact of that on some of Croatia's neighbors in the Western Balkans?

Ambassador MERTEN. Thanks for that question.

I think full EU membership for Croatia opens up, obviously, a huge market for Croatian producers. It also presents them with a challenge, however, because they're going to need to raise the bar of their competitiveness to at least meet the level of their EU neighbors.

But given Croatia's past performance over recent years, I am quite confident that the Croatian private sector and Croatian Government will be able to meet those challenges.

Regarding the rest of the immediate neighborhood, if you will, I think Croatia sets a good example for the way other countries in the region can move forward. We have a mature partnership now with Croatia. We no longer have an AID mission there. They have made terrific progress. And I think they show a good roadmap to other countries in the region, to what is possible.

And I am very optimistic that their EU membership will give them great opportunities if they are able to take advantage of them.

Senator SHAHEEN. I had the opportunity to visit Croatia a couple years ago with Senator Voinovich when he was still in the Senate. And as I am sure you are aware, he is beloved in the Western Balkans. But one of the things we did was to meet with the Prime Minister at the time who had been very successful in cracking down on corruption, much more so, I think, than was anticipated when she took over that job.

Can you talk about the extent to which many of those reforms are continuing and how big a challenge that continues to be in the country?

Ambassador MERTEN. Of course. Thank you.

My understanding is that there continue to be some challenges in that area. However, I think, as, again, part of Croatia's EU accession process, they have had to put in certain safeguards in place. As I understand it, they are still in the process of doing some of that, so there is some of the remaining homework, if you will, that needs to be done by Croatia before they can fully join next year.

We will certainly encourage them, should I be confirmed, in continuing to meet those requirements and any offers of assistance or advice that we can offer, I would certainly make those available.

Senator SHAHEEN. Thank you very much.

Mr. Pekala, in your testimony, you talked about the effort to reach out to the minority communities in Latvia.

What kind of things do you have in mind as you're talking about outreach? What could you do as the U.S. Ambassador, to help with that effort?

Mr. PEKALA. Madam Chairwoman, thank you for the question.

I think we can operate on two levels in Latvia. And if I am confirmed, I would try to operate on both.

On the overall approach to tolerance and understanding and dialogue, we, the United States, represent the world's best example of how multicultural societies can work in terms of diversity, inclusion, understanding, study, and conferences, and education, and teaching teachers, and so on.

And we can present the example of how this works in practice. And Latvians understand that. And of course, they look to us for some examples.

Under that level, on the ground, the Embassy now in Riga is very active on bringing people together and helping them achieve this kind of dialogue and understanding. So when they have events, they don't include any particular ethnic group and exclude others; they bring everyone together. And sometimes they find people haven't met their colleagues who speak a different language. And they can provide the lubrication and the mechanism for people to make these connections.

As we all know, there are few things more powerful than just people-to-people connections. Our Embassy in Riga is doing a great job on those. If confirmed, I would like to continue and accentuate and reinforce those.

And we have a simple goal of getting people together, help them understand each other, help them tolerate and move together on what will be, eventually, a fully integrated multicultural society.

Senator SHAHEEN. Well, as you point out in your testimony, again, one of those groups are ethnic Russians. And obviously, given the history, the relationship with Russia has been challenging.

There are some Latvians who suggest that NATO isn't prepared to deal with Russia, should conditions between Russia and its Baltic neighbors deteriorate. Do you share those concerns? And can you talk about why Latvians might be feeling that way right now, beyond just the historical context?

Mr. PEKALA. Madam Chairwoman, I don't share that view. I believe that most Latvians, certainly officials and most of the population, feel that their strategic context, their historic and geographical connections with Russia, shifted in 2004, when Latvia joined NATO.

They feel very confident about the article 5 guarantees of their security in NATO.

I was serving in Estonia on March 29, 2004, when the Baltic States joined NATO. And in Estonia, Latvia, Lithuania, this was a historic moment, a really joyous day when they found that their security concerns were shared now in an alliance that was not only throughout Europe but across the Atlantic as well. They take great comfort and pride in being associated with the United States and NATO.

They can be very confident of this article 5 commitment. I think most of them are confident. And we take every opportunity to dem-

onstrate that. I won't go on and on about Baltic air policing, but they feel, again, that this is a very real commitment to their security, a very real undertaking by the allies, and particularly the United States.

I think they feel pretty comfortable about the security in the context of NATO and beyond.

Senator SHAHEEN. Great, and thank you very much for that answer.

And I'm very impressed that your daughters are still awake. So, good job, girls. [Laughter.]

Mr. PEKALA. Thank you.

Senator SHAHEEN. Thank you all very much. I have no further questions.

We will keep the record open for 24 hours in case there are questions submitted.

And I wish you all great luck in your new roles. And if this committee can be helpful to you in any way, please let us know.

The hearing is adjourned.

[Whereupon, at 11:36 a.m., the hearing was adjourned.]

#### ADDITIONAL QUESTIONS AND ANSWERS SUBMITTED FOR THE RECORD

RESPONSES OF RICHARD B. NORLAND TO QUESTIONS SUBMITTED  
BY SENATOR RICHARD G. LUGAR

*Question.* Little progress has been made in bringing Russia back in line with its international commitments to withdraw from the breakaway regions of Georgia, and confidence-building measures across the administrative boundary line have met with limited success and enthusiasm. If you are confirmed as Ambassador, what priorities will you pursue with respect to the breakaway territories of Georgia, in terms of advocating U.S. policies and bringing greater transparency to the situation?

*Answer.* If confirmed, my priorities on this issue will be to continue to voice U.S. objection to Russia's occupation and militarization of the separatist Georgian regions of Abkhazia and South Ossetia and to insist that Russia fulfill its obligations under the 2008 cease-fire agreement, including withdrawal of its forces to pre-conflict positions and free access for humanitarian assistance. I will also support diplomatic efforts by the United States, as an active participant in the Geneva discussions, to work with the cochairs and others in pursuit of a resolution to the conflict. In addition, if confirmed, I will continue to speak out in support of Georgia's territorial integrity, as the United States did recently in statements regarding the March 10 illegitimate "elections" in the separatist region of Abkhazia. We will also continue to support strongly Georgia's efforts to prevent any further recognitions of the occupied territories.

The United States is supportive of efforts by all stakeholders to reach a peaceful resolution to the conflict, pursue confidence-building measures, increase transparency, promote security and stability, and address humanitarian issues through projects that directly improve the lives of the communities on the ground. I will support U.S. efforts to continue to press for full access to the separatist regions by the European Union Monitoring Mission (EUMM) and international organizations like the OSCE to increase transparency and address ongoing humanitarian and human rights concerns there.

*Question.* Georgia will hold important elections for Parliament and President over the next year. Where do you see Georgia in terms of ensuring a free and fair playing field for these upcoming elections?

*Answer.* The upcoming elections represent an important opportunity for Georgia to advance its democratic development through its first formal transfer of power via elections. Georgia has made important progress on democratic reforms since the Rose Revolution. However, the United States is concerned about reports of harassment of opposition party members. The United States is committed to supporting free and fair parliamentary and Presidential electoral processes in Georgia. The administration's focus is on contributing to efforts to strengthen processes and insti-

tutions, not to support individual candidates, specific political parties, or a particular outcome. The United States will continue to encourage the Government of Georgia to foster a competitive and pluralistic campaign environment leading to elections that allow the Georgian people to decide on the leadership that is best for them. Ensuring free and fair elections is also vital to Georgia achieving the standards necessary to facilitate its Euro-Atlantic integration.

*Question.* During President Saakashvili's visit to the United States, reports suggested that the administration would be conducting an "elevation" of security cooperation with Georgia that would focus on territorial self-defense. What tangible changes will this new emphasis entail?

*Answer.* President Saakashvili and President Obama discussed building upon existing successful programs to help the Georgian military continue its institutional reform and defense transformation efforts that support Georgia's self-defense, sustain its work with ISAF in Afghanistan, and help it operate more effectively with NATO. The Department of Defense and Georgian Ministry of Defense are discussing specific steps that will help Georgia achieve its goals. The administration will also work with the Georgian Government under our existing Charter on Strategic Partnership and Bilateral Defense Consultations forums to discuss and further develop these concepts, subject to fiscal constraints on both sides.

*Question.* What is the timeline for negotiation of a free trade agreement with Georgia?

*Answer.* President Obama and President Saakashvili agreed to increase trade and economic cooperation during President Saakashvili's visit to Washington earlier this year and agreed to launch a high-level dialogue to consider how to accomplish this through enhanced trade and investment frameworks, investment agreements, and the possibility of a free trade agreement. Initial USTR-led discussions will commence in the near future, as well as parallel discussions within the U.S.-Georgia Strategic Partnership Commission's economic working group as early as this spring.

*Question.* Some reports have suggested that opposition supporters in Georgia have been detained. Are these reports correct and what steps are being undertaken to address this matter?

*Answer.* We are not aware of any opposition supporters being detained, although there have been some credible reports of their harassment. In addition, there are indications that Georgia's new campaign finance law is being implemented in a manner which is curbing political speech.

The United States has urged and will continue to urge the Government of Georgia to foster a campaign environment that is free and fair and perceived as such by the Georgian people. The Embassy has worked closely with all interested parties, both inside and outside the government, and including the opposition, in an effort to achieve a competitive campaign environment. Our focus is on the process and ensuring that all qualified candidates and political parties are able to compete on equal terms; the administration does not support any particular party or candidate.

*Question.* Solomon Kimeridze, an opposition supporter, reportedly died while in custody. Is this report accurate and what is your understanding of the circumstances of his death?

*Answer.* Official reports indicate that Solomon Kimeridze died while in custody of police in the town of Khashuri. As a result of the investigation by the Georgian Government, I understand new rules regarding law enforcement monitoring were implemented and the Khashuri Chief of Police was relieved of his duties due to "failure to institute safety norms" which led to injuries reportedly sustained from a fall from the third floor to the first floor of the police building. Embassy Tbilisi personnel met with Ministry of Justice and Ministry of Internal Affairs officials following the incident to discuss the ongoing investigation by the Chief Prosecutor's office and reiterated the importance of an independent and transparent investigation. The United States has raised rule-of-law concerns with the Georgian Government and spoken out repeatedly on rule of law and human rights issues, including concerns about ensuring the judiciary's independence and even-handed and consistent application of due process protections.