

Statement of Peter Mulrean
Nominee for U.S. Ambassador to the Republic of Haiti
Senate Foreign Relations Committee
July 15, 2015

Thank you, Mr. Chairman. I am honored to appear before you today as President Obama's nominee to serve as U.S. Ambassador to the Republic of Haiti. I am grateful for the trust and confidence President Obama and Secretary Kerry have placed in me by nominating me to this important post. If confirmed, I look forward to working with you on Haiti, a country joined with the United States by broad and deeply-rooted ties, both historical and contemporary, institutional and individual.

I have had the privilege of serving in the Foreign Service for the past 27 years and the great fortune to be a witness to, and occasionally a participant in, significant developments of the past generation. My career has taken me from the former Yugoslavia as it crumbled, to India as it awoke economically. I have helped oversee innovative reform programs during transitions in Eastern Europe, the Middle East and Afghanistan. I have worked closely with the UN on humanitarian response to a series of crises and on efforts to build peace and to defend the rights of all individuals. Reaching beyond governments, I have learned the power of partnership with civil society, business and the media in advancing common objectives. And as I stand before both the challenges and opportunities in Haiti, I believe all of this experience would serve me well if confirmed.

Throughout its history, Haiti has often been viewed as a symbol of powerful ideas and forces. Having defeated the most formidable military power of the time and definitively thrown off the chains of slavery, Haiti became the second independent nation in the Western Hemisphere. For this, Simon Bolivar praised Haiti for its contribution to the liberation of Latin America. Diplomatic relations between the United States and Haiti stretch back more than 150 years, and among those who have served as U.S. Minister to the Republic of Haiti was the great civil rights leader Frederick Douglass. The United States is also home to a substantial and vigorous Haitian Diaspora with strong patriotic feelings. Both in their homeland and abroad, Haitians are rightly known for their energy, resilience, creativity, pride, and strong sense of history.

That history is marked by stirring achievements, but also by periods of violence and misrule, which allowed human rights abuses to go unpunished and left ground for poverty to take root. Although Haiti is a country of vivid images,

this does not mean it is always perceived clearly by the international community. Misfortunes such as hurricanes, disease, and the devastating 2010 earthquake are too often what put Haiti on the front pages. But the United States recognizes that while challenges and problems are part of Haiti's reality, they are not the sum of Haiti's reality. Having helped address Haiti's immediate humanitarian needs in the wake of the earthquake, the United States is focused on supporting the country's longer-term development, working in partnership through a Haitian-led process to help the country build a more promising future.

The U.S. strategy to help Haiti become a more democratic and prosperous neighbor involves both near-term and longer-term goals. The most pressing task facing Haiti is, of course, the holding of successful and peaceful parliamentary, local government, and presidential elections. The United States strongly recognizes the importance of all Haitians being able to go to the polls to participate in representative governance through a credible and transparent electoral process. I know that Congress shares this goal, and your consistent underscoring of the importance of Haitians freely expressing their preferences at the ballot box has been invaluable in moving Haiti forward towards elections.

The United States commends Haitian President Michel Martelly and the members of Haiti's independent Provisional Electoral Council (CEP) for their efforts to prioritize the holding of elections this year. I would emphasize that the United States has no vote in these elections and does not support any candidate or group of candidates. Simply put, we support the democratic process. We are pleased that an electoral decree and calendar have been published, and we are committed to working with the Government of Haiti and our international partners to coordinate appropriate assistance – including the deployment of international observers – to help ensure that elections are inclusive, transparent and credible. As electoral planning continues, the United States supports the CEP, the United Nations, the OAS, and the Government of Haiti (including its national police) in their efforts to coordinate, support and execute successful 2015 elections. We are encouraging all actors to participate fully in the electoral process, to abide by the rule of law, and to pledge to a high standard of transparency.

Successful elections are the highest priority of our near-term engagement with Haiti. The citizens of Haiti choosing their leaders and representatives through fair, democratic means feeds into and reinforces our broader, longer-term goal of fostering good governance, which in turn is essential for building capacity. There are no quick fixes or shortcuts; the process requires a long-term commitment on our part. And, while the commitment of the United States is steadfast, Haiti's

success will, ultimately, depend on the actions of the Haitian people. We can advise and assist, but Haiti's development must reflect goals and priorities that the government and people of Haiti have identified, and for which they are exercising ownership. In coordination with other donors, the United States is working to equip key Haitian institutions with the skills necessary to manage resources, both financial and human, and to plan and execute projects. The confidence of the Haitian people in their government will in large part depend on its effectiveness in delivering basic services.

That said, sustained capacity building and effective governance require funds. Regardless of our efforts in other areas, without a healthy economy, Haiti will remain poor and dependent. It is indisputable that no long-term development goals in Haiti can be sustainable without the growth of the private sector. Therefore, helping Haiti strengthen, expand, and diversify its economy is a key element of our strategy. Haiti has seen positive economic growth since the earthquake, but more needs to be done. Unfortunately, political gridlock has hindered progress. The impasse between Haiti's executive and legislative branches has stymied the passage of legislation in such important areas as an updated business code, an updated criminal code, clarification of property rights, and the provision of electronic signatures. Advances in these areas would strengthen investor confidence in the Government of Haiti's pledge that "Haiti is open for business."

Thanks to consistent, broad, bipartisan support in Congress, U.S. government assistance to Haiti has been substantial. Since the earthquake, \$4.1 billion has been made available in immediate humanitarian assistance following the earthquake and for long-term reconstruction. Of the \$4.1 billion made available, 80 percent -- \$1.3 billion for humanitarian relief and \$2.0 billion for reconstruction and development has been disbursed. Since 2010, U.S. post-earthquake assistance to Haiti has helped to measurably improve key economic and social indicators and build infrastructure necessary for self-sustaining growth.

In response to Haiti's desire for investments that support economic growth outside of Port-au-Prince, the United States has targeted some of its most significant assistance to one of Haiti's poorest regions in the North. The Caracol Industrial Park (CIP) is a public-private partnership that is funded by the Inter-American Development Bank and is owned by the Government of Haiti. The U.S. Government contribution consists primarily of support for building a modern power plant that is now providing reliable electricity to the CIP as well as more than 7,000 local businesses and households in the community. Caracol was

conceived as a long-term public-private investment in Haiti's north and will require time and continued support to reach its full potential. As of July 2015, in just three years of operation, approximately 7,500 jobs have been created at the Caracol Industrial Park. More jobs are expected as facilities expand. Anchor tenant Sae-A is projected to eventually create 20,000 jobs, and the Haitian owned Coles Group has announced it will create 2,500 jobs at Caracol once further phases of construction are completed. Apparel accounts for over 90 percent of U.S. imports from Haiti. Thanks to the preferences accorded under the HELP and HOPE Acts, apparel imports from Haiti are up, increasing by over six percent in 2014 to a total of \$854 million. Also promising is the growth of value-added apparel exports which increased by 43 percent in 2014, signaling a movement toward more complex products that could yield higher wages for Haitian employees. This growth would not have been possible without Congressional action on the HELP and HOPE Acts.

The United States has also helped Haiti increase agricultural productivity by introducing improved seeds, fertilizer, and technologies to more than 70,000 farmers, which have helped increase yields for rice, corn, bean, and plantain crops as well as increase mango exports by 175 percent. Our funding has placed over 33,000 hectares of hillside farmland under improved watershed management. We have supported an innovative business-plan competition that provides matching grants of up to \$200,000 to small- and medium-sized enterprises (SMEs) investing their own capital to expand their businesses. So far, 60 businesses have received technical assistance, of which 31 were awarded grants, leveraging over \$10 million in private capital for a total investment of over \$15 million. Through our assistance programs we have extended Development Credit Authority guarantees of up to \$57 million in loans by local commercial banks, microfinance institutions, and credit unions. Working through the U.S. Agency for International Development (USAID), the U.S. government has also partnered with the Overseas Private Investment Corporation to bring \$26 million of long-term financing and technical assistance to Haiti for housing finance, as well as working capital loans to SMEs. Additionally, the U.S. Treasury Department is providing technical assistance to the Ministry of Finance to improve budgeting, tax collection, and cash and debt management.

The United States has also increased agricultural productivity in Haiti by supporting more than 300 farmer associations comprising more than 70,000 farmers. This has led to increased crop yields and gross profit margins for maize, beans, rice and plantains by a minimum of five times, and has increased mango exports by 250%. Our funding has placed over 33,000 hectares of hillside

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The United States is also working to help improve justice and security for Haitians. Since the earthquake our assistance has made possible the training and commissioning of 3,300 new officers in the Haitian National Police (HNP). The capacity and professionalism of the HNP is increasingly important as the UN Stabilization Mission in Haiti (MINUSTAH) draws down. The HNP's performance has indeed vastly improved, most notably in anti-kidnapping investigations and crowd control capacities. We have helped create a new HNP community policing unit, which has grown to over 80 officers, in partnership with the New York City Police Department and MINUSTAH. Using approximately \$54M in FY10 Supplemental funds, the USG completed construction of six commissariats, barracks at the Presidential palace, and a pier; construction of three prisons, a range of facilities for the counter-narcotics police (BLTS), and improvements at the HNP School are all underway. Our programs have trained and equipped the BLTS, increasing its size from about 40 to almost 200 officers and adding a 19-dog K-9 unit. The Miami-Dade Police Department trained 74 counter-narcotics officers to help ensure sustainability of our counter-narcotics efforts. Funding from the U.S. government has supported the training of 2,392 judicial actors and helped reconstruct more than 32,000 judicial case files following earthquake loss or damage. Much work remains, especially in the judicial and corrections sectors, but with U.S. assistance the Government of Haiti is increasingly providing improved security for its people.

A positive sign is that the number of Haitians attempting to leave Haiti for the United States is down. To help deter dangerous and illegal sea migration and

address a localized surge in human smuggling in the waters off of Puerto Rico, the United States resumed in October 2014 the expedited removal of newly arrived Haitian migrants illegally present on U.S. islands in the Mona Passage or on Puerto Rico. At the same time, the United States established a safe, lawful alternative to migrant voyages through the Haitian Family Reunification Parole (HFRP) program, which allows eligible Haitian beneficiaries of family-based immigrant visa petitions to come to the United States and join their families before their immigrant visa priority dates become current. The resumption of expedited removal operations in the Mona Passage and the opportunities provided through the HFRP program have led to a marked decrease in illegal sea migrant activity, with U.S. Coast Guard migrant interdiction statistics showing a decrease in the number of Haitians attempting to enter the United States illegally by boat in the first quarter of FY 2015 compared to the same period in FY 2014.

One aspect of Haitian security involves the situation along its border with the Dominican Republic. We are deeply concerned by the reports from the Dominican Republic that tens of thousands of people, mostly Haitians and people of Haitian descent, have crossed the border from the Dominican Republic into Haiti since June 17. We are monitoring the situation closely and actively engaging with the Government of the Dominican Republic, the Government of Haiti, the United Nations High Commissioner for Refugees, the International Organization for Migration, civil society organizations, and the international community to confirm that the appropriate authorities work to ensure the security and welfare of all who cross the border and the protection of their human rights. The United States is also funding civil society organizations and international organizations, including the International Organization for Migration (IOM), to assist with these efforts. We continue to encourage the Governments of the Dominican Republic and Haiti to consult and collaborate with each other and with civil society groups and international organizations to develop and duly implement processes that uphold the rule of law, provide procedural safeguards, and are consistent with each country's international obligations and commitments. If confirmed by the Senate, I will do my utmost on this priority issue.

Development work in Haiti has never been easy and we are committed to active monitoring and evaluation of all our assistance activities to maximize their impact in support of our strategy. There are projects on which we have not attained the results initially expected and we have made adjustments accordingly. The three main areas where we have made mid-course corrections have involved new housing construction, a new port facility, and providing more assistance directly to Haitian organizations. Building permanent new homes proved more

costly and time consuming than projected. This led to a shift in the permanent housing strategy, to emphasize private-sector housing finance opportunities for low-income Haitians, neighborhood upgrades, and support to help Haitians transition temporary facilities into safe permanent communities. Regarding a new port in the Fort Liberté area in Haiti's north, there is not sufficient interest at this time from the private sector to support construction. Therefore, the Government of Haiti agreed that a more effective strategy would be to modernize and upgrade existing port facilities at nearby Cap Haïtien. We agreed, and this project is currently underway. Finally, in the immediate aftermath of the earthquake, which crippled many local Haitian NGOs, the U.S. Government used international NGOs to initiate emergency relief efforts. They had the advantage of being immediately operational and they had vast experience expediting the provision of food, shelter, and security in an unstable environment. Now that Haiti has transitioned to long-term reconstruction and development, U.S. investments support a more sustainable development approach that includes building the capacity of local organizations. Today, the U.S. Government is helping local organizations develop their administrative and financial capacities – in particular accounting, reporting, and audit preparation functions – so that they can better compete to be direct recipients of U.S. funding. I attach great importance to our new approach to increase direct support to Haitian organizations.

We have tried to learn from our course corrections. Despite having fallen short of our original objectives in some cases, we can credit U.S. assistance for genuine positive developments in Haiti. Our funding helped house more than 328,000 earthquake-displaced Haitians by providing transitional shelters, repairs to damaged homes, support to host families, and rental vouchers. Almost 95 percent of displaced persons have left the tent camps, which are all but gone. We have funded the removal 2.7 million cubic meters of earthquake rubble – 36 percent of the estimated 7.4 million cubic meters of total rubble removed. Our support for Haiti's infrastructure includes the reconstruction of Haiti's University Hospital and other damaged health facilities, and the construction of seven police stations and the presidential security unit barracks. Nearly half of all Haitians have access to basic health services at U.S.-supported health facilities, and we have provided \$95 million for cholera treatment and prevention, including clean water and sanitation activities. This has led to improved basic health indicators and a dramatic decrease in the incidence of cholera. Primary school enrollment is up, with the United States funding the construction of more than 600 semi-permanent furnished classrooms, enabling over 60,000 children to return to school. We have helped more than 100,000 businesses and households convert cook stoves from charcoal

to clean liquefied natural gas, and supported the planting of five million tree seedlings.

Welcome as these improvements are, more needs to be done – particularly in the area of effective governance. Haiti’s leaders must foster a political, societal and economic environment conducive to economic development and prosperity. Sustained development will not be possible without responsive, accountable, and transparent governance; without just application of the rule of law and respect for human rights; without new laws and changes in existing ones to attract investment; and without a fully staffed and functioning government in every branch.

In analyzing Haiti’s prospects for building a better future, and how the United States can help, we must look realistically at the challenges that country faces, but also not lose sight of factors working in its favor. One of the most important of these is the widespread support Haiti enjoys among the American public in general and here on Capitol Hill in particular. Support from Congress was swift, tangible and significant, totaling \$4 billion in post-earthquake assistance appropriated. No less important has been your sustained attention to that country, particularly at times when steps in democratic progress have needed encouragement. If confirmed as Ambassador to Haiti, I look forward to working with you in addressing our shared goal of helping Haiti move forward, and I would encourage you to visit.

As valuable as American support is, the greatest of Haiti’s assets, its ace in the hole, is its people. Although by some economic indices Haiti ranks as the poorest nation in the Western Hemisphere, in human capital it is rich. Haitians have demonstrated dynamism, resilience, creativity, and courage on a scale far beyond the country’s modest size. We seek to help Haitians create the conditions – political, economic, and social – in which these talents can be put to best use.

Much remains to be done in Haiti, and I would not wish to understate the scope of the task or the need for a long-term commitment in order to achieve lasting progress. But the past five years have also been marked by measurable improvements in the lives of Haitians and genuine accomplishments in Haiti’s recovery and development. Americans can take satisfaction in helping Haitians help themselves. If confirmed by the Senate, I will do my utmost to focus on a realistic and achievable agenda to help make the U.S.-Haitian partnership stronger than ever. Thank you.