S. HRG. 114-612

NOMINATION HEARINGS OF THE 114TH CONGRESS

HEARINGS

BEFORE THE

COMMITTEE ON FOREIGN RELATIONS UNITED STATES SENATE

ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION—MARCH 10 THROUGH DECEMBER 2, 2015 SECOND SESSION—FEBRUARY 11 THROUGH SEPTEMBER 20, 2016

Printed for the use of the Committee on Foreign Relations



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One Hundred Fourteenth Congress

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(II)

NOMINATIONS

TUESDAY, AUGUST 4, 2015

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

Ann Calvaresi Barr, of Maryland, to be Inspector General, United States Agency for International Development

David Malcolm Robinson, of Connecticut, to be an Assistant Secretary of State (Conflict and Stabilization Operations) and Coordinator for Reconstruction and Stabilization

Edwin Richard Nolan, Jr., of Massachusetts, to be Ambassador to the Republic of Suriname

John L. Estrada, of Florida, to be Ambassador to the Republic of Trinidad and Tobago

Scott Allen, of Maryland, to be United States Director of the European Bank for Reconstruction and Development

The committee met, pursuant to notice, at 2:33 p.m., in room SD-419, Dirksen Senate Office Building, Hon. David Perdue, presiding.

Present: Senators Perdue and Kaine.

OPENING STATEMENT OF HON. DAVID PERDUE, U.S. SENATOR FROM GEORGIA

Senator PERDUE. The Foreign Relations Committee will come to order.

The hearing today is to consider nominations for five individuals to a wide range of posts. I look forward to discussing the wide ranges of challenges and opportunities that our nominees expect to face, if confirmed.

I want to thank each of you for your dedication to public service, for your families, for the support you have. We welcome your families and friends who are present here today. I have met a few of them.

Today, I would like to introduce our nominees. We will do that first, and then we will proceed to questions after a statement from the ranking member.

First, we have Ms. Ann Calvaresi Barr of Maryland to be Inspector General, United States Agency for International Development. Welcome, Ms. Barr. Mr. David Malcolm Robinson of Connecticut, to be Assistant Secretary of State, Conflict and Stabilization Operations, and coordinator for Reconstruction and Stabilization.

Mr. Edward Richard Nolan, Jr., of Massachusetts, to be Ambassador to the Republic of Suriname.

John L. Estrada of Florida to be Ambassador to the Republic of Trinidad and Tobago.

Mr. Scott Allen to be Director of the European Bank for Reconstruction and Development.

Several of you have spent many years dedicated in service to our country already. For that, we are sincerely thankful. I look forward to hearing your testimony today, but I would like to add a personal note.

I have made a couple trips outside of the United States. I have met many of your compatriots in the State Department. I can tell the people of America that the best of the best represent us abroad. I want to thank each of you and the people you represent for what you do.

With that, I will turn it over to the ranking member, Senator Kaine.

Senator Kaine.

OPENING STATEMENT OF HON. TIM KAINE, U.S. SENATOR FROM VIRGINIA

Senator KAINE. Thank you, Mr. Chair. That was a gracious comment, and I am going to continue in that way.

I think we have a bipartisan appreciation on this committee that the work that you do is very important, and that you do it under very difficult circumstances, and often did you do it without the understanding and, sadly, even the appreciation that we ought to extend to you.

I think one of the lessons that America learned from the Vietnam era is whatever our political feelings about any particular military conflict, we should express our thanks and appreciation to those who serve in uniform. I think we have gotten better at that, and I thank God for that. But we have a whole lot of people who serve not in military uniform but still representing the United States, whether they be State Department or USAID or DEA agents who work overseas. We have a lot of folks who are kind of small-a ambassadors working overseas who represent the United States every day, often in dangerous places, and often sent to places that they did not choose, and often sent without their families, if the places are particularly dangerous.

I have also, as member of this committee and the Armed Services Committee, in my travels have had a chance to interact with a lot of the folks that you are already working with and that you will be working with. You have fantastic colleagues. Those of you who are going to be Ambassadors have that care on your shoulder of protecting the safety of the public servants who work for you.

I congratulate you for being nominated but also just tell you that my sense is the same as Senator Perdue's, that the people you will be working with are really top notch, and we owe you and them a great deal of thanks. Quickly, about the nominees, Ms. Barr, your experience at GAO and as Deputy Inspector General of the U.S. DOT will be very, very valuable, if you are confirmed in this position as the Inspector General of USAID. It is an important agency. We care deeply about the mission. The role of the IG is very important to the USAID being successful.

Ambassador Robinson, as a Career Member of Foreign Service, your current tenure as the Principal Deputy High Representative of the International Community in Bosnia and Herzegovina and other roles will undoubtedly benefit you in the position you have been nominated for as Assistant Secretary of State for the Bureau of Conflict and Stabilization Operations.

Mr. Allen, your 20 years of work in the financial sector will be a great match as you go to take on the task of an institution whose mission has probably gotten a little bit more complicated than it has been, the U.S. Director of the European Bank for Reconstruction and Development. We have been following the situation in Europe closely. I know you will have interesting insights for us on that.

Mr. Nolan, you are also a career Foreign Service member. You currently serve as Minister of Political Affairs of the U.S. Embassy Ottawa and you previously served in The Hague. Thirty-four years of combined service will serve you well as the U.S. Ambassador in Suriname.

And then, Mr. Estrada, I cannot resist, as a father of a Marine, to give you a shout-out for your strong service, 34 years of service in the Marines and really the achievement of what has to be the top job in the Marine Corps, even over Commandant, Sergeant Major of the Marine Corps, the highest-ranking enlisted Marine. What a wonderful track record. I know you will bring that to your position of the Ambassador of the Republic of Trinidad and Tobago.

Everywhere I travel, I always stick my head in Post One at every Embassy to thank the Marine security guards who are trained at Quantico in Virginia. I know you have interacted with them, and they will be new family in this new role.

So I appreciate your service. I applaud you for your nomination. And, Mr. Chair, I look forward to the questions.

Senator PERDUE. Thank you.

Now we will open it up to questions, and I would like to give each of you—I am sorry, we will do testimony first. I jumped ahead. I am anxious to get to these questions.

Senator KAINE. He is tough. He wants to get to the cross-examination, so you guys better hunker down over there. [Laughter.]

Senator PERDUE. What I was going to do, though, actually, was give you the privilege of introducing your family and guests, each of you, and I will ask you to do that as you give your statement.

Up first is our nominee to become the Inspector General of USAID, Ms. Calvaresi Barr. She is currently the Deputy Inspector General at the Department of Transportation.

M Cl : D

Ms. Calvaresi Barr.

STATEMENT OF ANN CALVARESI BARR, NOMINATED TO BE IN-SPECTOR GENERAL OF THE U.S. AGENCY FOR INTER-NATIONAL DEVELOPMENT

Ms. CALVARESI BARR. Thank you, Chairman Perdue and Ranking Member Kaine. It is a great honor to be here today as the President's nominee for Inspector General of the United States Agency for International Development. If confirmed, I look forward to working with you on important oversight and accountability matters related to U.S. foreign assistance.

Before I begin, I would like to recognize my husband, David, who is in Iraq on a State Department detail; my daughter, Julianna, who completed her second year at Dickinson College and will soon begin a year of study in Italy; my mother, Julia; my late father, Anthony; my siblings, Kathleen, Dominic, and Anthony; my mother-in-law, nieces, nephews, and other members of my sizeable Italian family.

Together, they have instilled in me strong ethical and moral values, and taught me that hard work, dedication, and humility are the foundation to building resilient relationships and mutual respect. As you can see, I am surrounded by much love and support.

I have served in the government accountability community for more than 3 decades. My civil service career includes 25 years at the Government Accountability Office and 6 years at the DOT's Office of Inspector General. GAO served as a critical training ground for me, and I had the privilege to work for many role models, including three outstanding Comptrollers General.

During my time at GAO, I worked in multiple offices, including 5 years in GAO's former European Office, leading audits of largescale, cross-cutting programs that resulted in improved operations and significant cost-savings across government. Particularly gratifying and fulfilling was work I performed while

Particularly gratifying and fulfilling was work I performed while stationed overseas, work that concerned national security interests, international development efforts, and the state of human rights conditions in countries throughout Africa and the Middle East.

My GAO experience prepared me well for working alongside DOT's Inspector General Calvin Scovel, whose exceptional leadership I respect very, very much, and I learned from, and is recognized across the OIG community.

I must tell you, he surprised me today, and he is here with me. I could not be happier about that.

Thank you, Cal.

Within my first weeks as Assistant Inspector General for Audit and Evaluation, I led the development of a comprehensive strategy for mitigating risks in DOT's oversight of \$48 billion in transportation projects funded under the Recovery Act. Our strategy enabled us to quickly identify and inform the department of vulnerabilities that required immediate attention or a sustained focus before funds were further obligated or expended.

I also collaborated with senior managers to institute new policies and streamline procedures that enhanced product quality and accountability for issuing timely and relevant audit reports. After my first year at DOT, the inspector general selected me as

After my first year at DOT, the inspector general selected me as his deputy. In this role, I identified opportunities for greater synergies among OIG's audit, investigation, and operational support activities, as well as programs to further develop and motivate staff. I also personally sponsored many initiatives aimed at broadening perspectives and encouraging greater coordination and partnering.

Our returns on investment and employee survey scores demonstrate the success we have had in cultivating a skilled and highperforming workforce and in achieving results. Over the past 5 years, we averaged a return of \$26 for every dollar appropriated and seen remarkable improvements in our Employee Viewpoint Survey scores.

Of particular note, we ranked first in effective leadership, sup-

port for diversity, and innovation across the OIG community. If confirmed, I would approach this new responsibility with a clear understanding that foreign assistance is an integral part of U.S. engagement with an increasingly interdependent world, and that the success of AID's mission depends in large part on effective partnerships with the State, Defense, and other Federal entities, industry, foreign governments, international donors, and the academic and scientific communities.

The independent work of USAID OIG is critical to ensuring transparency and accountability at USAID, as well as at the four other entities I would have oversight responsibility for.

I would continue to model the highest standards of leadership. Effective leaders marshal rather than direct. And I welcome the opportunity to marshal the dedicated professionals at AID OIG.

I would work to ensure they have the tools needed to combat fraud, waste, and abuse. Despite the many challenges these professionals face, they remain resolved to carry out their important audit and investigative mission around the globe. Nothing short of a work environment characterized by integrity is acceptable to support their dedication.

AID reflects the good will of the American people, and while working in areas affected by poverty, conflict, and instability, I saw firsthand how effective foreign assistance programs can help transform lives and unlock human potential.

I remain passionate about that cause and, to that end, to helping ensure that every dollar spent furthers foreign assistance goals.

If confirmed, I look forward to working with Congress to address your areas of concerns; ensure transparency; and provide complete, timely, and accurate information on the progress of key foreign assistance priorities.

Thank you very much for this opportunity to appear before you today. I am happy to answer any questions you may have.

[The prepared statement of Ms. Calvaresi Barr follows:]

PREPARED STATEMENT OF ANN CALVARESI BARR

Chairman Perdue, Ranking Member Kaine, and members of the committee, it is a great honor to sit before you today as the President's nominee for Inspector Gen-eral of the U.S. Agency for International Development (USAID). I very much appre-ciate your consideration of my nomination, and if confirmed by the full Senate, I look forward to working with you on important oversight and accountability matters related to U.S. foreign assistance.

I would first like to recognize my family, who are always there for me: my hus-band, David, who is currently in Iraq on a State Department detail; and my daughter, Julianna, who completed her second year in International Studies at Dickinson College and is beginning a year of study in Italy. I would also like to recognize my

mother, Julia, and late father, Anthony; and my siblings, Kathleen, Dominic, and Anthony. Also with me, in person or in spirit, are my mother-in-law, Aldonna; nicces, nephews, and other members of my sizeable Italian family. Together, they have instilled in me strong ethical and moral values and taught me that hard work, dedication, and humility are the foundation to building resilient relationships and mutual respect. I would also like to recognize my mentors, colleagues, and friends for their inspiration, encouragement, and support—some of whom are also here today. As you can see, I am surrounded by much love and personally blessed as a result.

It has been a privilege to serve in the government accountability community for more than three decades. My civil service career—which began in local government in my hometown of Reading, PA—includes 25 years at the Government Accountability Office (GAO) and 6 years at the U.S. Department of Transportation (DOT) Office of Inspector General (OIG). As the premier Government agency that wrote the standards for auditing and accounting, GAO served as a critical training ground for me from the time I started as a graduate co-op to my entry into the Senior Executive Service. During my tenure, I had the privilege to work with three outstanding Comptrollers General, as well as many other leaders who served as role models to me.

While at GAO, I led a number of complex and high-profile audits in multiple offices—including 5 years in GAO's former European Office in Frankfurt, Germany. These audits included assessments of large-scale, cross-cutting programs, and resulted in improved operations and significant cost savings across Government. Many of these audits focused on acquisition and procurement practices, financial and grant management, and export controls. I also worked closely with the Comptroller General to identify and develop key national indicators used by state, local, and foreign governments for gauging economic, social, cultural, and environmental health. This effort resulted in the development of a comprehensive system for assessing and improving the United States position in the world in these areas. Particularly artificing and fulfilling was work 1 performed while attained cover

Particularly gratifying and fulfilling was work I performed while stationed overseas, where I took part in improving and overseeing plans for implementing programs that provide aid. This work concerned international development efforts and the state of human rights conditions in Somalia, Turkey, Israel, and the former Yugoslavia and Zaire. I also worked on audits related to national security concerns, such as the drawdown of forces from Europe, the evacuation of noncombatants, and the deployment of female forces to the Persian Gulf.

such as the drawdown of forces from Europe, the evacuation of noncombatants, and the deployment of female forces to the Persian Gulf. My GAO experience prepared me well for the next chapter of my Federal career working alongside DOT's Inspector General, Calvin Scovel III, whose vision and exceptional leadership I learned from and are highly regarded throughout the OIG community. Within my first weeks as Principal Assistant Inspector General for Audit and Evaluation, I led the development of a comprehensive strategy for identifying and mitigating risks in DOT's oversight of \$48 billion in transportation projects funded under the new American Recovery and Reinvestment Act. Our risk mitigation strategy enabled us to quickly identify and inform the Department of vulnerabilities that required immediate action or a sustained focus before funds were further obligated or expended. We subsequently adopted this approach for our surface transportation reauthorization and Hurricane Sandy relief audits.

During this time, I developed a vision for the Office of Audits and, in collaboration with senior managers, devised a strategic plan for the office with achievable goals, objectives, and performance measures. Ultimately, our aim was to enhance product quality and stress accountability for issuing timely and relevant reports. To get there, I worked with senior managers to streamline processes and institute new programs, policies, tools, and procedures.

grams, policies, tools, and procedures. After my first year at DOT, the inspector general selected me as his deputy, expanding the scope of my responsibilities to include providing leadership and direction for OIG's investigation and operational support activities. From this position, I was able to fully appreciate each office's distinct focus and outlook, as well as the need for greater synergies to fully develop and leverage our resources. Continual dedication to developing and motivating staff was critical to achieving these goals. I personally sponsored Communities of Practice, a forum where staff share knowledge to broaden perspectives and encourage greater coordination and partnering. I also established and participate in an OIG-wide mentoring program, monthly leadgram, a Job Shadow Program, and an external Speakers Series.

Our returns on investment and positive employee survey scores demonstrate the success we have had in cultivating a skilled workforce and high-performing teams, building coalitions, branding the organization, and in achieving results. Over the past 5 years, our return on investment has averaged \$26 for every dollar spent on

our office, with a high in fiscal year 2013 of \$41 for every appropriated dollar. Dur-ing this time, we made over \$8.5 billion in financial recommendations through our audits, and realized more than \$1.8 billion in fines, restitutions, and recoveries from our investigations. We have also seen remarkable improvements in our Employee Viewpoint Survey scores. I am proud to report that last year, DOT's OIG ranked in the top 15 percent among the Government's 314 subcomponents. Among the Department's subcomponents and across the OIG community, we ranked first in effective leadership, support for diversity, and innovation. Moreover, we ranked in the top 10 among all 314 subcomponents in those three categories as well as work-life balance.

If confirmed as USAID's inspector general, I would approach this new responsi-bility with a clear understanding that foreign assistance is an integral part of U.S. engagement with an increasingly interdependent world, and that the success of USAID's mission depends in large part on effective partnerships and coordination with the State Department, Department of Defense, and other Federal entities, as with the State Department, Department of Defense, and other rederal entities, as well as with industry, foreign governments, other international donors, and the aca-demic and scientific communities. The independent work of USAID OIG is critical to ensuring transparency, integrity, and accountability at USAID. the Millennium Challenge Corporation, U.S. African Development Foundation, Inter-American Foundation, and Overseas Private Investment Corporation. It is equally important that OIG systems and processes thoroughly reflect oversight community standards and best practices.

If I have the honor and privilege of serving as USAID's next inspector general, I would continue to model the highest standards of leadership and integrity. My experience has taught me that the most effective leaders, past and present, share at least one common trait—they marshal rather than direct. I welcome the oppor-tunity to marshal the workforce of committed professionals at USAID OIG. With shared vision, clear expectations, strategic planning, and stewardship of resources, I would work to ensure they have the tools needed to fully engage in identifying and responding to major management challenges and to combat program fraud, waste, and abuse. Despite the many challenges these professionals face, they remain resolved to carry out their important mission-that is, to promote efficiency, effectiveness, and integrity in foreign assistance programs and operations around the world. Nothing short of a highly motivating, positive, trusting, and productive work environment is acceptable to support their dedication. Aid reflects the good will of the American people, and during my time working throughout Europe, Africa, and the Middle East, I saw firsthand how effectively

implemented foreign assistance programs can help transform lives and unlock human potential. I remain passionate about the cause and, to that end, to helping In the second se

transparency; and provide complete, timely, and accurate information on the progress of key foreign assistance priorities. Thank you for this opportunity to appear before you today. I am happy to answer

any questions you may have.

Senator PERDUE. Thank you very much.

Ambassador Robinson currently serves as Principal Deputy High Representative at Sarajevo, Bosnia and Herzegovina. He is nominated to serve as Assistant Secretary of State for Conflict and Stabilization Operations, and coordinator for Reconstruction and Stabilization.

It sounds like four jobs to me, Mr. Ambassador.

Ambassador Robinson.

STATEMENT OF DAVID MALCOLM ROBINSON, NOMINATED TO BE AN ASSISTANT SECRETARY OF STATE (CONFLICT AND STABILIZATION OPERATIONS) AND COORDINATOR FOR RE-CONSTRUCTION AND STABILIZATION

Ambassador ROBINSON. Thank you, Mr. Chairman and Ranking Member Kaine. It is an honor to be here today.

I first want to thank the President, the Secretary of State, and Under Secretary Sewall for the confidence they have placed in me. I look forward, if confirmed, to working with you and other members of this committee to advance the difficult but essential work of the Bureau of Conflict and Stabilization Operations.

But before I say anything else, I want to recognize and thank my wife, Donna, who is here today. She has been the rock of stability and grace in an otherwise hectic Foreign Service life.

So thank you, Donna.

Senators, I have spent much of my 30 years as a Foreign Service officer, nearly half of those as a member of the Senior Foreign Service, in conflict zones or in other unstable environments, from Afghanistan, Bosnia, and Central America, to regions of Africa and Asia that have been scarred by war. I know intimately the civilian costs of violent conflict, and I have worked extensively with other actors in the international arena to try to address those costs. Unfortunately, the cost in ruined lives and political instability

Unfortunately, the cost in ruined lives and political instability continues to grow. The number of refugees and internally displaced persons worldwide is now nearly 60 million, more than at any other time since World War II, and no corner of the globe is immune, even in areas in which the roots of representative civilian governance are beginning to take root. Some 30 countries in Africa will have elections in the next 2½ years. Those expressions of democratic practice must be protected against efforts to undermine or delegitimize them through violent conflict.

Repeating cycles of conflict sap our diplomatic, military, and development resources. There is no simple solution, including, as the President and the Secretary of State recently noted, a purely military response.

Instead, we have to use all the tools at our disposal, including civilian, to anticipate, prevent, or limit conflict, whenever and wherever we can. A focus on prevention is not only cost effective, it also gives us a chance to find lasting political and social responses to these challenges, because there is a chance to break the cycles of violence.

Three and a half years ago, CSO was created to give the Secretary, the Department of State, and, most importantly, our diplomatic missions overseas the information and tools they need to more effectively address the threat of violent conflict. There have been notable successes. For example, CSO is supporting interagency efforts to stem the tide of al-Shabaab in the Horn of Africa and Boko Haram in the Lake Chad Basin. It has helped prevent violence around elections in Kenya, Nigeria, and Bangladesh. And it has strengthened civilian security in some of the most dangerous parts of Central America.

At the same time, I know well that CSO's mission and methodology have not always been clear and consistent. I read last year's hard-hitting inspector general report, and I take it seriously, as does the current leadership of CSO. Most of the recommendations already have been closed, and the few remaining are well on their way to successful conclusion. These changes reflect a maturing culture within the Bureau, and I welcome the chance to make them lasting and to better integrate the Bureau within the broader work of the Department.

CSO has a talented and dedicated staff. What it needs now is seasoned leadership. If confirmed, I will work to make sure the Secretary and our diplomatic missions have reliable tools based on solid analysis and lessons learned to anticipate, prevent, and respond to conflict, especially the worst forms of conflict directed at civilians: mass atrocities and violent extremism.

I will work to ensure the accountability and effectiveness of our efforts through robust monitoring and evaluation and a sound management controls program. And I will strengthen our partnerships within the Department, the interagency community, and among our allies.

Finally, if confirmed, I assure you I will lead a Bureau that measurably strengthens American diplomacy in this critical arena. I welcome your questions. Thank you.

[The prepared statement of Ambassador Robinson follows:]

PREPARED STATEMENT OF AMBASSADOR DAVID M. ROBINSON

Thank you Mr. Chairman, Ranking Member Cardin, and distinguished members of the committee. It is an honor to be here today as the nominee for Assistant Secretary for the Bureau of Conflict and Stabilization Operations. I am grateful for the confidence President Obama, Secretary Kerry, and Under Secretary Sewall have placed in me. If confirmed, I look forward to working with you and other members of the committee to advance the difficult work of preventing and responding to violent conflict.

I have spent much of my 30 years as a Foreign Service officer, almost half as a member of the Senior Foreign Service, in conflict zones and unstable environments, from Afghanistan, Bosnia, and Central America, to other regions of Asia and Africa scarred by war and persecution. I know intimately the civilian costs of violent conflict, atrocity, and extremism, and I have worked extensively with other actors in the international community to overcome them.

Unfortunately, the cost in ruined lives and political instability continues to grow. The number of refugees and internally displaced persons worldwide is now nearly 60 million, more than at any time since World War II, and no corner of the world is immune. Even where representative civilian governance is taking root—some 30 African countries will have elections over the next 2½ years—those exercises in democracy must be protected against threats to violently undermine or delegitimize them.

Conflict carries other costs, as well, sapping our diplomatic, military and development resources. There is no simple solution, including, as the President and the Secretary of State recently noted, a purely military response. Instead, we have to use all the tools at our disposal, including civilian ones, to anticipate and prevent conflict, wherever and whenever we can. A focus on prevention is not only more cost effective: it also gives us the space to find effective, lasting political and social responses to these challenges. Three and a half years ago, CSO was created to enhance the State Department's

Three and a half years ago, CSO was created to enhance the State Department's ability to prevent and respond to conflict, giving the Secretary of State, regional Assistant Secretaries and our Ambassadors the information and tools they need to more effectively understand and respond to the threat of violent conflict. There have been notable successes. CSO's talented and dedicated staff, for example, is supporting interagency efforts to stem the tide of al-Shabaab in the Horn of Africa and Boko Haram in the Lake Chad Basin. They have helped prevent violence around elections in Kenya, Nigeria, and Bangladesh. And they have strengthened civilian security in some of the most dangerous parts of Central America. At the same time, I know well that CSO's mission and methodology have not

At the same time, I know well that CSO's mission and methodology have not always been clear and consistent. I read last year's hard-hitting inspector general report. Most of the recommendations have already been closed, and the few remaining are well on their way to successful conclusion. These changes reflect a maturing culture within the Bureau. I welcome the chance to make them enduring and to better integrate the Bureau within the work of the Department. What CSO needs now is seasoned leadership. If confirmed, my priorities will be:

- To ensure the Secretary and our embassies have reliable tools based on solid analysis and lessons learned to anticipate, prevent, and respond to conflict, especially the most severe forms of conflict affecting civilians, such as atrocities and violent extremism.
- To assure accountability and effectiveness of our efforts through robust monitoring and evaluation and sound management controls.

• To serve as an active resource for and active partner with the Department and with our interagency and international counterparts in tackling these challenges.

Finally, if confirmed, I assure you I will lead a Bureau that strengthens American diplomacy where it is needed most, where conflict and extremism undermine United States interests and values.

Thank you, again, Mr. Chairman, for the opportunity to appear before you today. I am happy to answer any questions.

Senator PERDUE. Thank you, Ambassador.

Next we have Mr. Nolan, who is nominated to serve as Ambassador to Suriname. Mr. Nolan currently serves as Minister Counselor for Political Affairs at the U.S. Embassy in Ottawa.

Mr. Nolan.

STATEMENT OF EDWIN RICHARD NOLAN, JR., NOMINATED TO BE AMBASSADOR TO THE REPUBLIC OF SURINAME

Mr. NOLAN. Thank you, Mr. Chairman and Ranking Member Kaine. I appreciate this opportunity to appear before you today.

I am honored to be President Obama's nominee to serve as the United States Ambassador to the Republic of Suriname. I thank the President for the confidence he has placed in me by putting me forward to the Senate for consideration, and I thank Secretary Kerry for his trust and support.

I have had the honor to serve our country for 35 years as a Foreign Service officer. Every day of those 35 years, I have had the love and support of my wife, Tricia, who I would like to introduce to the committee, along with my children, Ryan and Katie, of whom I am immensely proud. I would not be here today without my wonderful family.

During those 35 years, I have had the opportunity to contribute to some historic successes in U.S. foreign policy. Among them were the first conventional arms control agreements with the Soviet Union in the 1980s, the successful integration of the Warsaw Pact members into NATO in the 1990s, and the indispensable U.S. efforts to bring lasting peace to Northern Ireland through the implementation of the Good Friday Agreement.

I have also had the opportunity to lead large, multiagency missions, as Deputy Chief of Mission in both Cyprus and the Netherlands, and then later as Chargé d'Affaires at Mission Netherlands from 2011 to 2013. I also gained experience on many Caribbean regional issues in that time as a result of the Netherlands' continued engagement with its Caribbean territories and its historic relationship with Suriname.

If confirmed, I believe my leadership and policy experience will serve our mission and our team in Suriname well. If confirmed, I will proudly represent the United States in Suriname, a country whose people are among the most ethnically and religiously diverse in the world. Its citizens of African, Asian, European, and indigenous descent, practicing Christianity, Hinduism, Islam, Judaism, and indigenous religions, live peacefully and productively together.

As someone who has worked to build understanding between diverse religious and ethnic communities, from Protestants and Catholics in Ireland to Turkish and Greek Cypriots in Cyprus, I look forward to engaging with Suriname's communities to learn how they might be able to share their experiences with others in the region and around the world.

If confirmed, I will also work with the Surinamese Government to promote the adoption of policies to increase U.S. trade and investment. Increased trade has the potential to drive progress and growth in Suriname, and it is in the interests of both of our economies.

We will work with Suriname to find solutions that tap into, as well as conserve, the country's extensive natural resources. The people of Suriname also are heirs to a vast rainforest and other natural areas that are contributing great economic and environmental benefits to Suriname and to the world.

The Obama administration's efforts to combat the dangers posed by pollution and the risks of climate change are tied to the conservation and health of such ecosystems. If confirmed, I will work hard with the Surinamese to help protect these critical natural resources and environment, a goal that I firmly believe is in the interests of both the United States and the people of Suriname.

It is also in our interest to strengthen the rule of law in Suriname. In parliamentary elections this past May, President Desire Bouterse's party won a slim majority, and he has been reelected to a second 5-year term. International observers found this election to be generally free and fair.

We remain concerned, however, about some aspects of democratic governance, corruption, and judicial independence. If I am granted the opportunity to serve, I will continue the efforts of my predecessor to press the Government of Suriname for an independent judiciary capable of protecting and advancing democracy and the rule of law.

Citizen security is another key goal of this administration in the region. The people of Suriname are benefiting from U.S.-sponsored programs, such as the Caribbean Basin Security Initiative, through providing technical training to law enforcement officers, combating money-laundering and financial crimes, and preparing at-risk youth for successful and crime-free lives. If confirmed, I will seek to gain an increased commitment from the Government of Suriname to this partnership.

Of course, my first priority would be protecting the safety and welfare of Americans in Suriname, both private citizens and the Embassy community. To ensure the safety and security of our staff in Suriname, we are building a new Embassy compound in Paramaribo and plan to move in next summer. I will work with the Government of Suriname, along with local police and other security services, to reinforce cooperation that will keep Americans secure.

If confirmed, I look forward to representing the United States in Suriname, working with you and your colleagues in Congress on behalf of the administration, while also engaging Suriname in a regular and respectful dialogue on broad international issues to exchange views and, where possible, identify means of mutual interest and agreement.

Mr. Chairman, I stand ready to answer any questions you might have. Thank you.

[The prepared statement of Mr. Nolan follows:]

PREPARED STATEMENT OF EDWIN RICHARD NOLAN, JR.

Mister Chairman and members of the committee, thank you for the opportunity to appear before you today. I am honored to be President Obama's nominee to serve as the United States Ambassador to the Republic of Swiname. I thank the President for the confidence he has placed in me by putting me forward to the Senate for consideration, and I thank Secretary Kerry for his trust and support. I have had the honor to serve our country for 35 years as a Foreign Service officer. Every day of those 35 years I have had the love and support of my wife, Tricia,

I have had the honor to serve our country for 35 years as a Foreign Service officer. Every day of those 35 years I have had the love and support of my wife, Tricia, who I'd like to introduce to the committee along with my children, Ryan and Katie, of whom I am immensely proud. I would not be where I am today without my wonderful family.

During those 35 years I have had the opportunity to contribute to some historic successes in U.S. foreign policy. Among them: the first conventional arms control agreements with the then-Soviet Union in the 1980s; the successful integration of the former Warsaw Pact members into NATO in the 1990s; and indispensable U.S. efforts to bring lasting peace to Northern Ireland through the implementation of the Good Friday Agreement. I have also had the opportunity to lead large, multiagency missions, as Deputy Chief of Mission in both Cyprus and the Netherlands, and then later, as Charge d'Affaires at Mission Netherlands from 2011 to 2013. I also gained experience on many Caribbean regional issues in that time as a result of the Netherlands' continued engagement with its Caribbean territories and its historic relationship with Suriname. If confirmed, I believe my leadership and policy experience will serve our mission and our team in Suriname well.

If confirmed, I will proudly represent the United States in Suriname—a country whose people are among the most ethnically and religiously diverse in the world. Its citizens of African, Asian, European and indigenous descent, practicing Christianity, Hinduism, Islam, Judaism, and indigenous religions, live peacefully and productively together. As someone who has worked to build understanding between diverse religious and ethnic communities, from Protestants and Catholics in Ireland to Turkish and Greek Cypriots in Cyprus, I look forward to engaging with Suriname's communities and learning how Suriname might be able to share its experiences with others in the region and around the world.

If confirmed, I will also work with the Surinamese Government to promote the adoption of policies to increase American trade and investment between our two countries. Increased trade has the potential to drive progress and growth in Suriname, and it is in both of our interests to increase economic ties.

We will work with Suriname to find solutions that tap into, as well as conserve, the country's extensive natural resources. The people of Suriname also are heirs to a vast rain forest and other natural areas that are contributing great economic and environmental benefits to Suriname and to the world. The Obama administration's efforts to combat the dangers posed by pollution and the risks of climate change are tied to the conservation and health of such ecosystems. If confirmed, I will work hard with the Surinamese to help protect these critical natural resources and environment—a goal that I firmly believe is in the interest of both the United States and of the people of Suriname.

It is also in our interest to strengthen the rule of law in Suriname. In parliamentary elections this past May, President Desiré Bouterse's party won a slim majority, and he has been reelected to a second 5-year term. International observers found this election to be generally free and fair. We remain concerned, however, about some aspects of democratic governance, corruption, and judicial independence. If I am granted the opportunity to serve, I will continue the efforts of my predecessor to press the Government of Suriname for an independent judiciary capable of protecting and advancing democracy and the rule of law in Suriname.

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Mr. Chairman, I stand ready to answer any questions you might have. Thank you.

Senator PERDUE. Mr. Nolan, thank you.

Next, we have Mr. John Estrada. Mr. Estrada is nominated for Ambassador to Trinidad and Tobago. He currently serves as senior manager and senior program project manager at Lockheed Martin. Mr. Estrada.

STATEMENT OF JOHN L. ESTRADA, NOMINATED TO BE AMBASSADOR TO THE REPUBLIC OF TRINIDAD AND TOBAGO

Mr. ESTRADA. Thank you, Mr. Chairman and Ranking Member Kaine. Good afternoon. It is an honor to appear before you today.

I want to express my gratitude to President Obama and Secretary Kerry for the trust and confidence they have placed in me through their renomination of me to represent my country as the next Ambassador to the Republic of Trinidad and Tobago. I am particularly thrilled at the prospect of representing the United States, if confirmed, in the country of my birth.

I was born in Trinidad and Tobago, and at the age of 14, I immigrated to the United States to forge a new life. I brought with me a respect for diversity and an inherent sense of the equal value of all people. I served with honor in the U.S. Marine Corps, attaining the corps' highest enlisted rank as the 15th Sergeant Major in the history of the Marine Corps.

After retiring from the Marine Corps, I continued serving my country as a Presidential appointed commission member of the American Battle Monuments Commission and as a committee member on the Defense Advisory Committee for Women in the Services.

In the private sector, I led Lockheed Martin Training Solutions, Inc., a wholly owned subsidiary company specializing in flight training and logistics solutions.

I firmly believe that one of the greatest aspirations of all free people is to live their lives to the fullest without limitations based on their ethnicity, class, race, gender, or sexual orientation. If confirmed as Ambassador, with that ideal as my guide, I would seek to strengthen the ties between the citizens and elected representatives of our two great nations.

Trinidad and Tobago is an important Caribbean partner of the United States. The relationships between our countries rest on a strong foundation. We share a common language and a firm commitment to democratic principles, the rule of law, and a free market system.

The United States mission to Trinidad and Tobago has three strategic objectives.

On security, the mission first works to protect American citizens in Trinidad and Tobago. Related to the security of Americans, the Embassy works with the Government of Trinidad and Tobago to improve the capacity of Trinidadian law enforcement and justice sector institutions to reduce violent crime and illicit trafficking, safeguard human rights, and create safer communities. Second, the mission promotes increased commerce and transparent investment climates to enhance our mutual prosperity.

Third, on social inclusion, the mission conducts extensive outreach and encourages regional leadership by Trinidad and Tobago to protect vulnerable populations, including at-risk youth.

If confirmed, I look forward to leading our efforts in these crucial areas.

The United States and Caribbean partners have developed the Caribbean Basin Sccurity Initiative, an ongoing, multifaceted citizen security initiative for the Caribbean, of which Trinidad and Tobago is a key player. In creating the Caribbean Basin Security Initiative, the United States and Caribbean partners are attempting to combat the drug trade and other transnational crimes that threaten regional security with the goal of substantially reducing illicit trafficking, increasing public safety, strengthening the rule of law, and addressing the underlying social and economic root causes of crime.

I will do my utmost, if confirmed, to increase cooperation and encourage Trinidad and Tobago to take more of a leadership role in security in the Caribbean, where it has much to offer its neighbors.

As a resource-rich country, Trinidad and Tobago is full of opportunity for energy companies. The United States works cooperatively with Trinidad and Tobago, both bilaterally and through the Caribbean Energy Security Initiative, to develop new avenues for regional energy security and conservation. I am excited Trinidad and Tobago is playing a growing role in

I am excited Trinidad and Tobago is playing a growing role in regional integration and promoting business relationships in the hemisphere. If confirmed, I would advocate on behalf of U.S. companies and commercial interests to ensure a level playing field and support their engagements with Trinidad and Tobago.

Education is the foundation for economic growth. If confirmed, I will work with the Government of Trinidad and Tobago to explore ways in which we can provide at-risk youth and other vulnerable populations with tools that can help them succeed.

I firmly believe that my 34 years of Active Duty service in the United States Marine Corps and my experience in the private sector, coupled with my personal history, have prepared me to represent the Government and people of the United States to the Government and people of Trinidad and Tobago.

If confirmed, it would be my great honor to work closely with this committee and others in Congress to advance our shared objectives in the Caribbean.

Thank you for allowing me the opportunity to appear before this distinguished committee. I look forward to answering your questions.

[The prepared statement of Mr. Estrada follows:]

PREPARED STATEMENT BY JOHN LEARIE ESTRADA

Mr. Chairman and distinguished members of this committee, good afternoon. It is an honor to appear before you today. I want to express my gratitude to President Obama and Secretary Kerry for the trust and confidence they have placed in me through their renomination of me to represent my country as the next Ambassador to the Republic of Trinidad and Tobago.

I am particularly thrilled at the prospect of representing the United States, if confirmed, in the country of my birth. I was born in Trinidad and Tobago and, at age 14, I immigrated to the United States to forge a new life. I brought with me a respect for diversity and an inherent sense of the equal value of all people. I served with honor in the U.S. Marine Corps—attaining the corps' highest enlisted rank as the 15th Sergeant Major of the Marine Corps. After retiring from the Marine Corps, I continued serving my country as a Presidential-appointed Commission member of the American Battle Monuments Commission and as a committee member on the Defense Advisory Committee for Women in the Services. In the private sector, I led Lockheed Martin Training Solutions. Inc., a wholly owned subsidiary company specializing in flight training and logistics solutions.

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The United States and Caribbean partners have developed the Caribbean Basin Security Initiative (CBSI), an ongoing, multifaceted citizen security initiative for the Caribbean, of which Trinidad and Tobago is a key player. In creating CBSI, the United States and Caribbean partners, we are attempting to combat the drug trade and other transnational crimes that threaten regional security with the goal of substantially reducing illicit trafficking, increasing public safety, strengthening the rule of law, and addressing the underlying, social and economic root causes of crime. I will do my utmost, if confirmed, to increase cooperation and encourage Trinidad and Tobago to take more of a leadership role in security in the Caribbean, where it has much to offer its neighbors.

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Education is the foundation for economic growth. If confirmed, I will work with the Government of Trinidad and Tobago to explore ways in which we can provide at-risk youth and other vulnerable populations with tools that can help them succeed.

I firmly believe that my service in the Marine Corps and my experience in the private sector, coupled with my personal history, have prepared me to represent the government and people of the United States to the government and people of Trinidad and Tobago.

If confirmed, it would be my great honor to work closely with this committee and others in Congress to advance our shared objectives in the Caribbean.

Thank you for allowing me the opportunity to appear before this distinguished committee. I look forward to answering your questions

Senator PERDUE. Mr. Estrada, thank you very much.

Finally, we have Mr. Allen, who is currently a private investor and philanthropist. He is nominated to serve as the U.S. executive director for the European Bank for Reconstruction and Development.

Mr. Allen.

STATEMENT OF SCOTT ALLEN, NOMINATED TO BE U.S. DIREC-TOR OF THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

Mr. ALLEN. Thank you, Chairman Perdue and Ranking Member Kaine. I am grateful for the opportunity to appear before you today.

I am honored that President Obama has nominated me to serve as the U.S. executive director for the European Bank for Reconstruction and Development.

I would like to take this opportunity to introduce my family members that are here today.

Bette Allen, my mother, who is 91 years old, who is becoming a regular at confirmation hearings, as she attended the hearing for my brother, Craig Allen, who was confirmed by this committee to serve as Ambassador to Brunei in July 2014.

My wife, Kanako, who has devoted her career to working on economic development issues, first at the United Nations and currently at the World Bank. She is my rock.

Finally, our two daughters, Lisa, who has just returned from a couple of years in Kyoto, Japan; and Sara, who works in finance in New York.

I come from a very close family with a history of government service. My sister, Sara Bowden, and her husband, Dennis Bowden, are also here today. During the Reagan administration, Sara worked at the White House Office of Science and Technology Policy. Dennis spent nearly 30 years at the CIA.

And prior to his confirmation to serve as the Ambassador to Brunei, my brother, Craig Allen, spent a long career working at the Department of Commerce.

Over the course of a 22-year career in investment banking, I became a specialist in emerging markets and credit. In the early 1980s, I was part of a small team of bankers focused on the sovereign rescheduling of commercial bank debt. My primary country of focus was the Philippines, but I also worked on distressed sovereigns in Latin America as well as Eastern Europe, specifically Yugoslavia.

Through this work, I came to appreciate the tradeoffs between balancing lenders' need to protect loan assets with the sovereign nations' desires to reduce pressure from debt service payments so that economic growth could improve their citizens' livelihoods and increase repayment probabilities.

Thirty years later, the players have changed, but many of the same dynamics continue to play out in Europe.

I arrived in London in 1992 to lead Chemical Bank's emerging markets business. Just a couple of years earlier, during President George H.W. Bush's administration, the EBRD had been established, with the United States contributing 10 percent of the capital, the largest single country stake.

The founding vision of the EBRD remains sound: fostering the economic vitality of the private sector through debt and equity capital to help countries effectively transition to market-oriented, pluralistic, and democratic societies. At the time, the context was a post-Soviet era. EBRD's client countries were Eastern European countries that had just thrown off the yoke of communism. The EBRD today has new challenges. The EBRD has taken its founding vision into select countries in Northern Africa, Turkey, and Jordan with the same conviction that the development of an economically vibrant private sector will foster a political transition to democracy in these new client countries. At the same time, it is working to complete the transition of several more advanced Eastern European countries by aiming to reduce investments in these countries while recognizing that there is still a role for the EBRD, given the effects of European economic turmoil and the Russian aggression in Ukraine.

Over the medium term, however, these countries will need to follow the path of the Czech Republic, which has graduated from EBRD investments.

EBRD's role in Ukraine deserves special mention. At the time of the unlawful annexation of Crimea, Ukraine was the second-largest recipient of outstanding loans among EBRD countries of operation. Today, virtually all commercial and private sources of fresh capital are reluctant to invest in Ukraine, as lenders and investors judge the risk as too extreme, absent broader signals of support for Ukraine.

The EBRD, true to its mission, continues to provide that signal and to make new lending available to private sector entities and the government. For calendar year 2015, the EBRD expects to make an additional \$1.25 billion in new cash disbursements. If confirmed, I will seek to encourage the EBRD to continue to provide new financing to Ukraine entities on a prudent basis.

My long involvement in emerging markets and portfolio management provides me with a deep understanding of credit and event risk. I also ran sales teams from London that covered institutional investors in Eastern Europe, Russia, Turkey, and the Middle East, many of the same countries where the EBRD is most active.

If confirmed, I would like to focus on how the EBRD can most effectively support our allies in the region while balancing the financial risks that entails. My background and experience provides me with the skill set to ask the right questions and to understand the answers.

Thank you again for considering my nomination, and I look forward to answering any questions you may have.

[The prepared statement of Mr. Allen follows:]

PREPARED STATEMENT BY SCOTT AMES ALLEN

Chairman Perdue, Ranking Member Kaine, and distinguished members of the committee, I am grateful for the opportunity to appear before you today. I am honored that President Obama has nominated me to serve as the U.S. Executive Director for the European Bank for Reconstruction and Development.

I would like to take this opportunity to introduce my family members that are here today. Bette Allen, my mother, who is 91 years old. She is becoming a regular at confirmation hearings, as she attended the hearing for my brother, Craig Allen, who was confirmed by this committee to serve as Ambassador to Brunei in July 2014. My wife, Kanako, who has devoted her career to working on economic development issues, first at the United Nations and currently at the World Bank. She is my rock. Finally, our two daughters: Lisa, who has just returned from a couple of years in Kyoto, Japan; and Sara, who works in finance in New York.

If years in Kyoto, Japan; and Sara, who works in finance in New York. I come from a very close family with a history of government service. My sister, Sara Bowden, and her husband, Dennis Bowden, are also here today. During the Reagan administration, Sara worked at the White House Office of Science and Technology Policy. Dennis spent nearly 30 years at the CIA. And, prior to his confirmation to serve as the Ambassador to Brunei, my brother, Craig Allen, spent a long career working at the Department of Commerce.

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Thank you again for considering my nomination, and I look forward to answering any questions you may have.

Senator PERDUE. Thank you all very much. Now we will move to questions, and we will do it in reverse order.

But I am going to ask one question of each of you, just to get it started, and it is the same question, but it will be for your different posts.

A lot of times when we have these questions, we talk about the historical record and what you have done to get here. I accept the fact that all of you have stellar careers. It is obvious from reading your backgrounds. So I would like to know, for the record, how you see your next post, what those responsibilities would entail. So specifically, I would like to see what you think your priorities might be, as you look at this new responsibility, and what the challenges that you anticipate might be as well. So, Mr. Allen, you are warmed up, so we will start with you and then we will go in reverse order. Thank you.

Mr. ALLEN. Thank you for the question.

If confirmed, I would like to think that my long experience in managing risk and understanding risk would help the EBRD manage its portfolio.

Clearly, working in emerging markets and sovereigns is full of credit risk and event risk that need to be understood and prudent measures taken to mitigate the risk wherever possible.

In the case of Ukraine, there was a huge event risk. It is noteworthy that EBRD has managed its risk prudently and is continuing to lend to Ukraine, thereby aligning our interests in Ukraine with EBRD.

So the management of risk is an area that I would like to focus on while at the EBRD, if confirmed.

Thank you.

Senator PERDUE. Mr. Estrada.

Mr. ESTRADA. If confirmed, I have three priorities, as I see it. First and foremost is the protection of U.S. citizens traveling, visiting, and working in the country of Trinidad and Tobago. My second priority would be continuing efforts to strengthen the capacity of Trinidadian law enforcement and also improving the justice sector system, so they could deal with the crime and drug issues that they currently face. My third priority would be to focus on improving the climate in Trinidad and Tobago and throughout the Caribbean region for a fair and open, transparent trade market system.

Senator PERDUE. What challenges do you think you will have in trying to achieve those three objectives?

Mr. ESTRADA. For the first challenge, protection of U.S. citizens, Trinidad and Tobago is struggling. They are challenged by high crime. We need to ensure that we educate Americans visiting the country. For those that are living in the country, we need to continue to educate them on safe areas, where not to go, and where to go for assistance. We need to continue to reach out to them. That would be my first challenge. We should be communicating with every American in the country. That would be my biggest challenge.

As far as strengthening the capacity of Trinidad law enforcement and justice sector systems, the country continues to struggle because of the illegal narcotics trade. They continue to struggle with corruption in some areas. And they need to strengthen their borders. They have very open sea lanes, so the challenge would be to get them to move a little bit more quickly on addressing those areas of concern.

Senator PERDUE. Great. Thank you.

Mr. Nolan.

Mr. NOLAN. Thank you, Mr. Chairman.

Like Mr. Estrada, my number one goal would be the safety and security of both official and nonofficial Americans in Suriname. The challenge we face there is continuing to professionalize the police and military institutions in the government; education and democratic control of the military; and a full range of law enforcement programs that would improve the police and military's performance. The problem in Suriname is not terrorism at the moment, even though that can change anywhere at any time. It is crime. So that makes it very important to work with the police.

I think that leads into the second goal I would have, which are the issues under citizen security, democratic governance, and the rule of law. If we can work with the Surinamese to strengthen institutions there, it is not only a benefit in and of itself, but it will help us deal with some of our other concerns there, such as the transshipment of drugs and the trafficking in persons.

These are some of the issues that we want to get at with the Surinamese, and I hope to do so, if confirmed.

My third area would be to facilitate economic growth and development in Suriname. We have some significant U.S. investment in Suriname, including a very recent billion-dollar investment by a U.S. mining company in gold-mining. We want to move the Surinamese to a more sustainable, environmentally sensitive development pattern.

Their rain forest is one of the world's ecological treasures. If we can make sure they develop both for the benefit of the Surinamese people, for U.S. investors, but also to preserve that environment, to the extent possible, it will be very important.

Thank you.

Senator PERDUE. Thank you.

Ambassador.

Ambassador ROBINSON. Thank you, Mr. Chairman.

Mr. Chairman, CSO is a young bureau that faces a complex and global challenge, and since its inception it has undergone a period of dynamic learning as it adjusts to that challenge and as it seeks to ensure its place in the interagency community. What I can say is that it has an extraordinarily dedicated and talented staff.

So, my goal, my priority, is to provide the kind of disciplined leadership that seizes that staff, directs its attention, its talents, and its dedication to getting its job done and knitting that skill into the main fabric of the State Department, so that it delivers what it is designed to deliver in a way that is not only recognized as useful for the State Department and for the interagency community but is essential as it faces the challenge of violent conflict.

Senator PERDUE. Thank you.

Ms. Calvaresi Barr.

Ms. CALVARESI BARR. Thank you, Mr. Chairman.

I look really forward to assuming this role, if confirmed. I believe my 32 years in the accountability community positions me well. While I am not at the agency currently, I think I know how to

While I am not at the agency currently, I think I know how to get this job done, so a couple things that I would want to begin with. It is about learning the agency. And it sounds very simplistic, but it is a rule that I always followed. I would want to get a sense of the work, the processes, and the people, what is working well, what is not working well. That means I need to be in the listening mode. That means that I need to engage with our staff. I have to look at what sets our priorities. And the most important thing is to make sure that we have processes in place that yield work that is quality, that is reflective of the standards, and that is transparent to Congress and to the American public.

I would certainly want to reach out to members of this committee to understand what your interests are, legislative interests, priorities for the upcoming year, so that I can understand how our work can best meet those needs.

In addition, I would want to coordinate with the AID administrator to understand what that individual believes are some of the greatest challenges and vulnerabilities.

At the end of the day, and I think a couple of my panel members here mentioned it too, people are your greatest asset in an organization. And if you invest in them and you invest in their development, and you are a good leader that marshals and does not direct, it is amazing what you can get done. And the mission can be very, very well-served.

So that would be how I would approach it.

Senator PERDUE. Thank you.

We will move on to the ranking member, Senator Kaine.

Senator KAINE. Thank you, Mr. Chairman.

Thanks to all of you.

Ms. Barr, I wanted to ask you a question. I recognize you are not at AID now, so this is more how you would approach this. In the October 14 OIG audit of USAID and USAID's compliance with FISMA, the Financial Information Security Management Act, the audit had a conclusion that USAID does not comply with FISMA. Although the agency has developed and documented the majority of the information security policies and procedures required under the act, USAID has not established an effective risk management program to ensure that policies and procedures are assessed and working as intended.

Consequently, the audit found a number of information system weaknesses that, if exploited, could adversely affect the confidentiality, integrity, and availability of USAID's data and information systems, and ultimately could have a negative impact on the agency's ability to protect the security of its information and information systems.

This is the kind of warning that I am sure is not unique to USAID, and we are dealing here with the challenge of the OPM data breach.

How would you in the position kind of approach that kind of recommendation, in terms of trying to get USAID to comply more with the FISMA requirements, as described?

Ms. CALVARESI BARR. Thank you for the question, Ranking Member Kaine.

FISMA is a very, very important program and policy that we need to be very, very closely attuned to. I would say, in IT systems, the security posture of any IT system has to be absolutely secure. So conducting work audits that reveal where there are weaknesses or vulnerabilities in those IT systems, it is important to point out what those vulnerabilities are from an agency-wide perspective. In the case of AID, maybe even try to drill down as we did in the case of DOT, not just provide sort of the scorecard on the state of security posture across the agency but a scorecard by, in the case of DOT, administrations.

So what I would like to do is take a look at that report. I would like to see what the recommendations are. I would like to see the status of those recommendations, the extent to which they are followed up. We will continue with our required work in the FISMA area, and we would make sure that that system, as well as any other systems, have to be about protecting the integrity of data. And FISMA speaks to the heart of the integrity of data.

So you would have my full commitment to keep a close eye on that.

Senator KAINE. Here is a question that is really more about philosophically the role of an IG, as I am kind of new on the committee still at $2\frac{1}{2}$ years. I am really learning the job. There was a controversy within USAID about a previous acting director and a suggestion that this acting director, between 2011 and 2013, was removing from public audit reports recommendations or challenging comments and putting them in private letters to management instead. Some in the agency basically said that that was motivated to try to make him or others look better than they were.

From an IG perspective, I mean, I am assuming that sometimes you come up with recommendations and some you might share confidentially or in a prefatory way or a preliminary way to try get people to make improvements, and then some you make public so that the world will know. How as an IG do you handle that as you are analyzing the performance of this agency that you are independently charged with overseeing?

Ms. CALVARESI BARR. Certainly, I am aware of the concerns that you mentioned. I am aware of them but I do not know the key facts surrounding them, so I do not want to speculate actually on any of the particulars.

But to your larger question as to what is the appropriate role of the IG and concern for those matters, it goes back to my role of ensuring that we have absolutely airtight processes that ensure that our work is evidence-based, that it is of quality, that it is free from any type of outside influence. The process has to include a good vetting, verification of the data, quality control checks of the data in-house before it is publicly released.

So I want to take a really good look at the process that was used there that perhaps prompted maybe some weaknesses, and the process that prompted some of these questions, to make sure that we go ahead and fix any of that.

At the end of the day, the most important thing is transparency of our work products. There should be no hidden findings anywhere. There should not be reports that are banished to management letters that never see the light of day. So you have my commitment that all of our work will be posted publicly upon final publication of the work.

Senator KAINE. Thank you very much, Ms. Barr.

Now to you, Mr. Robinson, two questions. I would like to ask you about Honduras, and I would like to ask you about Syria and the CSO work that is being done.

I know there is work being done in Honduras because of the serious violence problem there. Honduras has been a good U.S. ally, but this is a very, very challenging area. In the Northern Triangle, you have the highest murder rates in the world, three of the five highest murder rates in the world in those countries. The President has proposed a significant investment in a plan in Central America to help them deal with the security situations.

What is the CSO currently doing or what might it do, if Congress sees fit to appropriate significant funds to this initiative, to help Honduras and the other countries in the Northern Triangle deal with the violence issues? I ask because I lived there 35 years ago and have a particular and personal interest in it. Ambassador ROBINSON. Thank you, Senator.

Under the President's proposal, CSO would, in the first instance, design and then manage the monitoring and evaluation function to make sure that the proposal-that the programs-that are implemented in Honduras or in Central America-are, in fact, working as intended. As part of the monitoring and evaluation program, CSO has a commitment to developing the lessons learned that it then transfers to future planning and programs. So, it is a feedback loop that we would continue to refine the program in an intergovernmental fashion to get the best use out of it.

On the particulars of Honduras itself, CSO launched a program in conjunction with USAID to do two things, first to address the tremendous violence that made Honduras, at that time, from 2012 to 2014 when the program was running, the murder capital of the world and also to prepare to limit the damaging impact that violence would have on elections in Honduras.

So, working with local NGOs, local civil society organizations, and with our USAID partners, CSO launched a program in Hon-duras to bring together civil society officials and police to create early warning systems, to create fast response systems, allowing community leaders to intervene where violence would be or was beginning to become even more problematic.

In addition, working in the justice sector, it put pressure, through these civil society groups and through these NGOs, on the government and on particularly the attorneys general to perform their jobs. The result was astounding. The number of convictions increased enormously, where CSO had been working with the attorneys general.

CSO has turned that program over, as it was intended to do, has transitioned it to the local implementers, to local partners in the field, and it continues to run today. So, the program is still effective. It is still functioning, and it will expand.

CSO continues to support that. The Embassy supports it as well. And INL also supports that program. So, it is a good example of the interagency aspect of CSO's work.

On elections violence, CSO identified the hotspots that were likely to erupt. It created, again with local implementers, the civil society groups that could respond to the kind of political dialogue that was provoking electoral violence. It mapped out the major actorsboth pro and con-and gave those, of course, to the Embassy, to the Ambassador. The Ambassador made phone calls to those actors, and, in fact, the elections did occur without the eruptions of violence that were anticipated in those areas.

Following the elections, which is also a critical period to monitor violence, of course, the Ambassador actually visited those areas and talked to those people. The result was an extraordinarily strengthened regime of civil society action to take responsibility for the street violence that otherwise may have impeded the elections, and that, again, continues today.

At the end of the day, one of the benefits of the CSO action was to turn over to the Embassy, to turn over to our diplomatic mission, a new network of actors that can directly address the kind of violence that has disrupted Honduras.

Senator KAINE. It is a very important issue, not just because I live there. I am not asking just for that reason. Obviously, with the huge upturn in the unaccompanied minors coming to the southern border of the United States heavily from Honduras, El Salvador, and Guatemala, driven by violence issues, smart investments and smart CSO participation in antiviolence strategies will have a direct benefit to the U.S. system as well. We are close partners.

Let me ask you about Syria. I recently did a codel to Syria, and I met with individuals connected with the START team under the leadership of Mark Ward. I know that a lot of work of the CSO as a new bureau initially was done dealing with the Syrian refugee crisis. But I understand that that work has now been moved primarily from the CSO division within State over to the NEA division within State.

Could you just describe why that is? I know there have been efforts to define what the CSO mission is within State, but I am curious about the reason for that transfer.

Ambassador ROBINSON. Yes, Senator.

Most CSO programs are designed to transition to a more sustainable platform. The purpose of CSO is to be agile, is to go in and to seek innovative, if that is what is required, or creative responses to problems, to fill in gaps that cannot be filled in, but not to substitute for capacity that can be found in country.

CSO is not designed to remain in a place to be the operator for extended periods of time.

As I mentioned in the Honduras example, CSO successfully transitioned its programs to local implementers. Obviously, Syria is a different story. The local implementers are not quite available to us at this point.

Consequently, CSO did transition its programs to the NEA Bureau. That transition is now complete. That said, CSO remains engaged, in particularly staffing General Allen's office and the counter-ISIL work and on the Liberated Areas Working Group, and we have a broad cadre of personnel in CSO with great experience in that part of the world. So, we remain deeply engaged in the planning efforts, but not in the actual implementation efforts, at this point.

Senator KAINE. Mr. Chair, can I continue with questions for the other witnesses?

Senator PERDUE. Absolutely.

Senator KAINE. I have gone over my time.

Senator PERDUE. No, you are in good shape.

Senator KAINE. These are important positions.

I actually would like to ask you, Mr. Nolan and Mr. Estrada, kind of the same question for Suriname and Trinidad and Tobago. You both mentioned public safety and security issues. We still continue to see major drug activity, drug transit from South America, often through Central America, through Honduras, as we were just describing, to the United States. General Kelly has testified often before the Armed Services Committee, where I serve, and has just basically said, in the SOUTHCOM domain, the resources for interdiction are just not what he would hope. He says I watch 75 percent of drugs coming into the United States just go right by me, and he was talking in an antisequester message, but, certainly, he is also talking about cooperation between the U.S. military in the SOUTHCOM space and other U.S. partners, State and others, as well as the militaries of the nations that we are dealing with.

Talk a little bit about, in Suriname, and then in Trinidad and Tobago, the current status of mil-to-mil relationships, what you might do in your ambassadorial posts to help basically with this interdiction effort.

Mr. Estrada, you talked about sea lanes needing to be better controlled to help this issue in Trinidad and Tobago. The United States can play a role in that.

Talk a little bit about our military cooperation with each of your nations.

Mr. Nolan first.

Mr. NOLAN. Thank you, Senator. It is, certainly, an important question.

Suriname is not a drug-producing country, but it is a major transshipment country. No drug transshipments are good. They tend not to come to the U.S. from Suriname. They are largely going to Africa and to Europe. But that does not mean we do not need to take action against them.

A large problem that we have with Suriname is, even with the best of cooperation from the military, if we had that, it is just a very large and very unpopulated and difficult space to know what is moving through the country.

So what we have tried to do with our programs, through SOUTHCOM, a partnership program with South Dakota National Guard and the Surinamese military, and with INL programming, is train the trainers on how to improve their ability to deal with controlling that space. We have tried to provide some additional capacity, because a lot of the drug flow does move along rivers once it gets into the country.

To be honest, in the preelection period we had in Suriname in May, we were not getting tremendous cooperation from the government. A lot of the programs had stepped back a little bit even though training programs are still continuing.

With the new government, we do have the same President, but I always take it as an opportunity to engage with the new government. We have some new ministers and we want to try again to engage them more fully. We think there are a lot of good people in the Surinamese military who really want to cooperate. I will try, if I am confirmed, to get more central buy-in so they get the resources and support they need to take advantage of the programs that we can offer both through INL funding and SOUTHCOM.

Senator KAINE. Thank you, Mr. Nolan.

Mr. Estrada, the SOUTHCOM question.

Mr. ESTRADA. Thank you, Senator Kaine.

The United States has instituted a comprehensive interagency, anticrime, and counternarcotics strategy aimed at assisting Trinidad and Tobago law enforcement agencies to detect and interdict narcotics and to develop the skills to manage the evidence needed to prosecute those crimes. Agencies that are playing a part in this effort are the Drug Enforcement Agency, which works to help disrupt the flow of narcotics to the United States. This has, in fact, resulted in seizures of large quantities of cocaine and marijuana.

There is still a lot of work to be done, working with all the different agencies. You mentioned SOUTHCOM. If confirmed as U.S. Ambassador to Trinidad and Tobago, I will focus on those areas and work with the Government of Trinidad and Tobago. They realize they have a challenge in this area, and I will do everything I can to help them address that issue.

Senator KAINE. Thank you, Mr. Estrada.

Finally, Mr. Allen, a lot of the work that has been done by the EBRD initially has been with firms in Russia, so I was kind of going to ask, as you come into this post, how has the Russian dynamic with Ukraine and other European nations, how is that likely to change our trajectory of the EBRD work?

And \overline{I} was basically going to ask the same question about how the arc of EBRD work will change as a result of the challenges we have been seeing in Greece. You mentioned that have developed your appreciation through earlier work about this balance of trying to protect lenders interest, but also protect the interest of the government that wants to be able to grow and not just spend all their resources repaying debt.

My layman's read of a lot of the recent Greek deal is that we are lending them more money so that they can pay off bad debts, but without necessarily being able to use that money to be able to grow the economy.

So you do not have to editorialize on that, but I am just kind of curious how the EBRD mission might address the Russia challenge and how it would address the current challenges posed by the Greek situation.

Mr. ALLEN. Thank you very much for both questions, Senator.

Let us start with Greece. Everyone wants to help Greece. The EBRD, the United States, the eurozone wants to help Greece.

EBRD is fortunate that it was not lending to Greece, so it has zero exposure. The Greek Government requested EBRD to start evaluating projects earlier this year. Clearly, there is a lot of uncertainty, a lot of event risk, a lot of economic turmoil in Greece.

Going forward, some of that uncertainty needs to be alleviated before, in my opinion, the EBRD should start lending any money in Greece. In any event, my understanding is that any financing in Greece will be short term and very targeted toward the private sector, not with the government.

In the case of Russia, a bit of history, if I may, please. The EBRD was set up in 1990. At that time, the Soviet Union was disintegrating. So the EBRD and the United States and administration at the time looked at the EBRD as a way to start developing the private sector. There were trade missions under Presidents Clinton and George W. Bush trying to do the same thing, by engaging with the private sector to increase the dynamics in the economy and through those dynamics to help prompt a political transition.

Again, from a historic perspective, when President Medvedev took over, there was a lot of optimism that this could happen. I mean, President Medvedev talked about establishing technology hubs. The EBRD, in fact, started to increase its lending around that same time. The United States was very much wanting to engage with Russia, and to see the development of the private sector, which hopefully would lead to more of a pluralistic democracy.

The second coming of Vladimir Putin threw that optimism into a tailspin. The EBRD was caught with a lot of Russian loans. There is no doubt about that. Pre-Crimea Russian exposure of EBRD versus Russian exposure now, they have worked very hard to reduce that risk. So it has been reduced by 25 percent to 30 percent. That is a step in the right direction.

Senator KAINE. Would that be from like about 30 percent down to low 20s?

Mr. ALLEN. No, the Russian share of the EBRD portfolio was around 21 percent. Now it is around a little less than 14 percent.

So the mitigation of Russian risk is happening. A lot of it is the rolloff of trade finance, but clearly there is no new business being done in Russia. The G7 has basically told the EBRD not to start any new business whatsoever post-Crimea.

EBRD is still engaged with, obviously, its Russian counterparts in order to be able to ensure the timely repayment of loans. But it is not making any new payments, and it is mitigating and trying to reduce the overall risk.

Senator KAINE. One followup and I am done.

How about in Ukraine?

Mr. ALLEN. Yes, Ukraine, it was the second-largest borrower from EBRD. U.S. interests are right along with the EBRD's interests. It is a strategic priority for the EBRD and for the United States to continue to finance new business in Ukraine. The EBRD took some losses, but the commitment I think is seen in the fact that it is raising \$1.25 billion in new transactions in Ukraine for 2015.

At this point in time, it is pretty safe to say that that the EBRD is probably the only, if not one of a couple, of lenders willing to put fresh capital in Ukraine. The event risks are enormous. The economy is under a lot of stress.

And if confirmed, I would encourage the EBRD to continue this course of providing new financing to the private sector, as well as in the oil and gas sector with the government, and to continue to support Ukraine, which is aligned with our interests.

Senator KAINE. Very informative answers, all of you. Thank you very much.

Senator PERDUE. That is fascinating.

I do want to follow up on one thing, Mr. Allen. With regard to the Russian exposure to the EBRD, how does that burn off? What is the duration of most of that risk?

Mr. ALLEN. Thank you very much for the question, Senator. I have not been at the EBRD, so I do not know in detail. I suspect that some of it is trade financed, because they work very well with banks. So some of it will be trade financed. I do not know what the duration of their portfolio is and whether or not loans that came due were paid. That may have been some of the reduction in overall exposures. Whether or not there has been any disposal or sale of loan or equity stakes, I cannot comment on because I do not know.

But it is an interesting question. Clearly, the reduction in risk is good, and it needs to be accelerated whenever possible.

Senator PERDUE. If you are confirmed, I will seek you out. I would like to learn more about that. Senator Kaine and I have talked about that.

Mr. ALLEN. I look forward to that, sir.

Senator PERDUE. Thank you all very much for your testimony and your thoughtful responses. It is encouraging to see talent like you being willing to step up and do what you are about to do and what you have already done, most of you.

That will be the end of our questioning today. The record will remain open, however, until close of business Thursday for members who wish to submit questions to the record.

With that, this hearing is adjourned. Thank you very much.

[Whereupon, at 3:39 p.m., the hearing was adjourned.]

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

RESPONSES OF EDWIN RICHARD NOLAN, JR.; NOMINATED TO BE AMBASSADOR TO THE Republic of Suriname, to Questions from Members of the Committee

AMBASSADOR-DESIGNATE NOLAN'S RESPONSES TO QUESTIONS FROM SENATOR RUBIO

Question. In May, the National Democratic Party obtained 26 of the 51 seats giving them an absolute majority. President Desire Bouterse was reelected, however some remain concerned about democratic governance and corruption in the political system.

In your testimony you stated that you "will continue the efforts of your predecessor to press the Government of Suriname for an independent judiciary capable of protecting and advancing democracy and the rule of law in Suriname."

- Can you provide more details about the efforts of your predecessor to improve the juridical system and what effects they have had? How would you continue to pursue such efforts?
- If confirmed, please detail what specific policies will you promote to increase American trade and investment in Suriname?

Answer. Ambassador Anania and Embassy Paramaribo have implemented training programs for prosecutors and judges, and additional training in complex financial crimes cases is planned for the coming months. They have advocated with senior government officials the need to establish an independent budget for the judiciary, which is currently funded via the Ministry of Justice and Police.

If confirmed, I will seek to build upon of these programs and look for additional opportunities. In addition, I will urge the Government of Suriname to respect the separation of powers and to allow the judicial system to work without political interference.

Embassy Paramaribo engages regularly with the business community, often connecting importers with U.S. producers. They provide U.S. business with investment and commercial information across sectors—including mining equipment and supplies as well as construction material and equipment. If confirmed, I will actively highlight commercial opportunities that U.S. companies can take advantage to expand their exports. I will also explore opportunities for partnerships with the Suriname Chamber of Commerce and an Embassy presence at Suriname's largest trade fair.

Question. In the 2015 Trafficking in Person report, Suriname was placed in Tier 2 Watch List.

• How do you intend to work with the Government of Suriname to encourage them to improve their efforts to combat trafficking in persons?

Answer. Suriname is a source, transit, and destination country for women and children subjected to sex trafficking and men, women, and children subjected to forced labor. Workers in mining, agriculture, and fishing are highly vulnerable to forced labor, and women and girls are subjected to sex trafficking in remote and illegal gold mining camps in Suriname's interior. Chinese migrants are also vulnerable to trafficking in the service and construction sectors.

Senior government officials have made limited antitrafficking efforts. Workinglevel officials—primarily police and prosecutors—continue to investigate and prosecute trafficking cases and refer victims to assistance but without sufficient resources or adequate victim assistance structures in place.

sources or adequate victim assistance structures in place. We continue to encourage the Government of Suriname to improve victim identification and to provide adequate resources for victims—including through establishment of long-term shelters for victims. We also encouraged government officials to vigorously investigate and prosecute trafficking crimes, to convict more traffickers, to provide additional resources for the police antitrafficking unit, and to improve interagency coordination on human trafficking issues.

If confirmed, I will continue to pursue combating human trafficking as a priority. Suriname is not eligible to remain on the Tier 2 Watch List next year, so failure to make meaningful progress will result in an automatic downgrade to Tier 3. I will make clear to senior officials that their failure to make significant efforts to combat trafficking would have broad policy implications and consequences. including potential restrictions on foreign assistance.

Responses of John L. Estrada, Nominated to be Ambassador to the Republic of Trinidad and Tobago, to Questions from Members of the Committee

AMBASSADOR-DESIGNATE ESTRADA'S RESPONSES TO QUESTIONS FROM SENATOR RUBIO

Question. Mr. Estrada as you are aware, there is a conflict between Venezuela and Guyana stemming over oil exploration. If confirmed, what would be your position to better address the existing dispute between two of your neighboring countries.

Answer. Any effort to resolve this situation should be through peaceful means, consistent with international law and the applicable obligations of both parties. If bilateral dialogue is not sufficient, there are a number of third-party options available to both governments in the search for a peaceful, mutually satisfactory resolution. If confirmed, I will urge the Government of Trinidad and Tobago to support the resolution of this and any territorial disputes through peaceful means of dialogue.

Question. Mr. Estrada, in your opening remarks, you stated that Trinidad and Tobago is a key player in the multifaceted citizen security initiative for the Caribbean (CBSI) and part of the initiative is "attempting to combat the drug trade and other transnational crimes that threaten regional security . . ." If confirmed, what specific measures would you take to combat drug trade and transnational crimes and preserve democratic stability in the region?

Answer. The United States works closely with Trinidad and Tobago through the Caribbean Basin Security Initiative (CBSI). If confirmed, I would continue to expand cooperation to combat transnational crimes, such as illicit drug trafficking. Under CBSI, the U.S. Department of State supports a broad range of engagement with the Government of Trinidad and Tobago and the region to combat illicit traf-

Under CBSI, the U.S. Department of State supports a broad range of engagement with the Government of Trinidad and Tobago and the region to combat illicit trafficking and strengthen law enforcement capabilities. Specifically, we are working with the Government of Trinidad and Tobago to build the capacity of the Trinidad and Tobago Police Academy (TTPA). The TTPA will serve as a center to provide specialized training to both the Trinidad and Tobago Police Service and regional law enforcement agencies. In order to augment this capacity, we are increasing specialized in-service training for police and improving capacity to develop evidence-based cases. Furthermore, we are providing K-9 training support to the Trinidad and Tobago Police Service and Trinidad and Tobago Prison Service to combat drug trafficking and transnational crime.

ficking and transnational crime. Technical assistance for the Trinidad and Tobago Financial Investigations Unit and the Trinidad and Tobago Police Service's Financial Investigations Branch provides regulators and investigators in these units with the tools they need to succeed in combating transnational crime. In addition, U.S. support for the Trinidad and Tobago Forensics Science Unit is working to increase host nation capacity to prosecute criminal cases with forensics evidence. Trinidad, along with other CBSI countries, participates in regular maritime security exercises and workshops to enhance regional coordination and operations against drug traffickers.

Question. In the 2015 Trafficking in Persons report, Trinidad and Tobago was placed on the Tier 2 Watch List. How do you intend to work with the Government of Trinidad and Tobago to encourage them to improve their efforts to combat trafficking in persons?

ficking in persons? Answer. This past year, the Government of Trinidad and Tobago's antitrafficking unit sustained efforts to identify trafficking victims and refer them to care. The government investigated trafficking offenses—including potentially complicit law enforcement and immigration officials—but initiated only one prosecution against a suspected trafficker under its 2011 antitrafficking law, a significant decrease compared to the 12 prosecutions during the previous reporting period. The government has yet to convict any individuals under its antitrafficking law and did not develop a national plan of action as mandated under that law. If confirmed, I will work closely with the Government of Trinidad and Tobago to improve this rate of conviction and develop a national action plan to protect trafficking victims and prosecute the traffickers.