

# NOMINATION HEARINGS OF THE 114TH CONGRESS

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## 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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COMMITTEE ON FOREIGN RELATIONS

ONE HUNDRED FOURTEENTH CONGRESS

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## NOMINATIONS

TUESDAY, DECEMBER 1, 2015

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

Catherine Ebert-Gray, of Virginia, to be Ambassador to the Independent State of Papua New Guinea, and to serve concurrently and without additional compensation as Ambassador to the Solomon Islands and Ambassador to the Republic of Vanuatu  
Amos J. Hochstein, of the District of Columbia, to be an Assistant Secretary of State (Energy Resources)  
Hon. Scot Alan Marciel, of California, to be Ambassador to the Union of Burma  
John D. Feeley, of the District of Columbia, to be Ambassador to the Republic of Panama  
Linda Swartz Tagliatela, of New York, to be Ambassador to Barbados, and as Ambassador to the Federation of St. Kitts and Nevis, Saint Lucia, Antigua and Barbuda, the Commonwealth of Dominica, Grenada, and Saint Vincent and the Grenadines  
Todd C. Chapman, of Texas, to be Ambassador to the Republic of Ecuador  
Jean Elizabeth Manes, of Florida, to be Ambassador to the Republic of El Salvador

The committee met, pursuant to notice, at 2:32 p.m., in room SD-419, Dirksen Senate Office Building, Hon. Bob Corker (chairman of the committee) presiding.

Present: Senators Corker, Gardner, Barrasso, Cardin, and Menendez.

Also Present: Senator Warner.

### OPENING STATEMENT OF HON. BOB CORKER, U.S. SENATOR FROM TENNESSEE

The CHAIRMAN. If my friends will quit talking about Senator Warner, we will start.

The meeting will come to order.

Today's committee will consider seven nominations.

We have our esteemed colleague, Senator Warner, with us to introduce the first nominee to be Assistant Secretary of State for Energy Resources, Mr. Amos Hochstein.

Is it "stine" or "stein"?

Mr. HOCHSTEIN. Any way you like it.

The CHAIRMAN. No. [Laughter.]  
Which way do you like it?

Mr. HOCHSTEIN. Hochstein.

The CHAIRMAN. Hochstein. We look forward to your introduction. And with that, I know Senator Warner is very busy, so we might go ahead and let that occur, and then we will move on to the other nominees.

**STATEMENT OF HON. MARK WARNER,  
U.S. SENATOR FROM VIRGINIA**

Senator WARNER. Well, thank you, Mr. Chairman. It is great to see you and my dear friends, Senator Cardin and Senator Menendez. I know the comments have been made at the dais that hopefully my comments will not be held against Amos.

I know we have all great nominees, but I am here to introduce my friend and present to the committee Amos Hochstein. To show how strongly I believe in Amos, Amos is not even a Virginia resident. He lives in the District, but I am still here to support his nomination as Assistant Secretary of State for Energy Resources.

I have known Amos since well over a decade. He advised me when I was governor. He advised me as I was gearing up on national security issues. He served ably over the last few years as special envoy. This is a position, Assistant Secretary, at this moment in time with energy issues, national security issues being paramount, that needs to be confirmed and needs to be confirmed quickly.

As a matter of fact, Senator Murkowski and I recently chaired an Atlantic Council Task Force on Energy Center for United States Energy and National Security, and one of our recommendations was that this position be filled, and I cannot think of anyone that brings more qualifications, more recognition of both national security threats, particularly as they relate to energy and energy opportunities, than my good friend Amos Hochstein.

So, I am proud to represent him, and again I ask my colleagues, particularly Senators Cardin and Menendez, not to hold any of my comments against him in your consideration.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. Thanks for being here. Thanks for your service.

I will introduce the other nominees who do not have the handicap of Senator Warner introducing them. [Laughter.]

But thank you so much.

Next on our panel we have the Honorable Scot Marciel, a career member of the Senior Foreign Service, Class of Career Minister, to be our Ambassador to the Union of Burma. He currently serves as Principal Deputy Assistant Secretary of State for East Asian and Pacific Affairs, a position he has held since 2013. Previously, Mr. Marciel served as U.S. Ambassador to the Republic of Indonesia. We thank you for being here.

Catherine Ebert-Gray, a career member of the Senior Foreign Service, Class of Minister Counselor, is our nominee to be Ambassador to Papua New Guinea, the Solomon Islands, the Republic of Vanuatu, a place I have not been. She currently serves as Deputy Assistant Secretary to the Bureau of Administration's Office of Lo-

gistics Management, a position she has held since 2011. Previously, Ms. Ebert-Gray served as the Director of the Department of Overseas Employment and as Management Counselor at U.S. Embassies in the Philippines and Morocco.

Thank you all for being here.

Now we will turn to the nominees. We would remind you that your full statement will be included in the record, without objection. If you all could keep it to about 5 minutes, we would appreciate it, and then you will have plenty of questions. We thank you all for your service and for being here and look forward to your comments.

If you will just begin in order, going across from Amos.

**STATEMENT OF AMOS J. HOCHSTEIN, NOMINATED TO BE AN ASSISTANT SECRETARY OF STATE FOR ENERGY RESOURCES**

Mr. HOCHSTEIN. Mr. Chairman, Ranking Member Cardin, I am honored to be here as the President's nominee to be Assistant Secretary of State for the Bureau of Energy Resources, or ENR. I want to begin by thanking President Obama and Secretary Kerry for their confidence and, with your support, for the opportunity to continue to serve our country.

I served as Deputy Assistant Secretary from ENR's inception until August of 2014, when I assumed the role of Special Envoy and Coordinator for International Energy Affairs. In my tenure leading the Bureau, ENR's efforts have served as a force multiplier, strengthening U.S. leadership in global energy security.

It is a profound honor to be considered to serve as the Bureau's first Assistant Secretary. I started my career as a professional staff member in the House Foreign Affairs Committee, so I know the value of close consultation and partnership with Congress. I am humbled to appear before Congress, back where I started, seeking your confidence to serve the American people in this capacity.

Most importantly, I am joined today by my wife, Rae Ringel, and my four children, as well as my parents and mother-in-law. My parents and their families found a home in this country after fleeing the Nazi advance in Europe. My great aunt Tony Sender, for whom my eldest daughter is named, was an elected member of Parliament through most of the Weimar Republic. She, too, was forced to flee to the United States, supporting the U.S. intelligence effort and ultimately named by Eleanor Roosevelt to represent the United States at the United Nations.

My family history has led me from a young age to appreciate what the United States has done for me, strengthening my resolve to give something back to my country and contribute what I can to ensure our leadership in the world endures. Today, as energy has become the foundation for economic growth, political stability and national security in every part of the world, I am grateful to have the opportunity to contribute in this area.

We are living through truly revolutionary times in energy, from oil to gas to renewable energy. Due to advances in technology and private investment, U.S. natural gas production has hit record highs. After years of decline, U.S. oil production also rose dramatically, and at the very same time new investment in renewable energy over the past two years is on track to exceed \$80 billion.

But let us be clear. No matter how much energy we produce at home, the reality is we live in a global and interlinked economy, and energy is a global commodity. Supply disruptions anywhere are a threat everywhere, including here at home.

Mr. Chairman, if you will allow me to review a small but representative sample of the critical work ENR has been engaged in and priorities I will focus on should I be confirmed.

First, Iran. Within weeks of the Bureau's formation in 2011, Congress passed its first broad sanctions affecting Iran's oil exports. ENR was tasked with developing the strategy to strictly implement these sanctions, not an easy task. Our efforts shrank Iran's customers from 20 to 6, and reduced exports from 2.5 million barrels per day to just 1 million. We achieved this without disrupting global oil supplies or price. This unprecedented effort cut Iranian revenues by over \$150 billion and played a key role in forcing them to the negotiating table.

Ukraine and Europe continue to be vulnerable to Russia as their dominant and, in some cases, only supplier. We saw this in 2005 and 2009 when Gazprom cut off gas supplies to Ukraine and parts of Europe and Turkey. Russia continues to use energy to gain and maintain political leverage over Ukraine, as well as East and Central Europe, recreating Cold War lines between East and West. This includes the so-called Nord Stream II project.

ENR's active engagement in the region, in close collaboration with the European Commission, has proven vital to counter Russia's dominance. Just this weekend, we grew concerned that gas could be used as a weapon against Turkey. While we hope this will not happen, it proves once again the urgent need to diversify resources and routes throughout the region.

Mr. Chairman, this can be achieved, but only with U.S. and EU leadership. From the beginning, the United States targeted DAESH's oil operations by damaging or destroying oil refineries and oil collection points. In a region with a long history of illicit oil trade, Daesh was able to adapt quickly, but so have we. U.S. strikes are now targeting specific and strategic critical energy infrastructure in Daesh territory. Beyond revenue, Daesh uses control of energy resources as a symbol of their authority and legitimacy, which is why ENR remains in lockstep with the rest of the U.S. national security team to degrade and defeat DAESH.

As we work to prevent the use of energy as a political tool or weapon, we are also advancing an alternate vision where cooperation in the energy sector can foster collaboration and prosperity. The potential is real. From Azerbaijan, the Caspian and Iraq, through Turkey to Europe, from Israel to Egypt, Cyprus and Lebanon to Turkey and Europe, energy will not lead the politics but can serve as an incentive for cooperation and collaboration.

Mr. Chairman, as you know, oil and gas markets are volatile. This produces both pain and gain, depending on where you stand on the producer and consumer scale. If confirmed, I will continue to make sure we are attentive to the political instability consequences of the "lower for longer" price scenario on countries that rely on hydrocarbon revenues for significant shares of their budgets.



In conclusion, Mr. Chairman, I fervently believe in the critical role energy plays in our national security and that of our friends and allies. I look forward to your questions, and thank you for having me today.

[The prepared statement of Mr. Hochstein follows:]

PREPARED STATEMENT OF AMOS J HOCHSTEIN

Mr. Chairman, Ranking Member Cardin, members of the committee, I am honored to be here before you as the President's nominee to be Assistant Secretary of State for the Bureau of Energy Resources or "ENR." I want to begin by thanking President Obama and Secretary Kerry for their confidence and, with your support, for the opportunity to continue to serve our country.

Now, more than ever, we can see the vital links between energy security and national security; as such, the importance of our energy diplomacy is only growing. Supplies of energy represent a lifeline for ISIS that must be cut, a cudgel for Russia that must be countered, a vulnerability for our allies in Europe addressed, concerns rising in the South China Sea, as well as opportunities in Central America, the Caribbean, and the Eastern Mediterranean; and—for the most innovative, prolific producer in history, the United States of America—energy can and must be a tool for leadership in a complex world.

That is what the men and women of the Bureau of Energy Resources seek to do every day. I served as Deputy Assistant Secretary from the Bureau's inception in 2011 until August 2014, when I assumed the role of Special Envoy and Coordinator for International Energy Affairs. In my tenure leading the Bureau, ENR's efforts have served as a force multiplier, strengthening U.S. leadership in global energy security.

It is a profound honor to be considered to serve as the Bureau's first Assistant Secretary. I started my career serving as a professional staff member in the House Foreign Affairs Committee, so I know the value of close consultation and partnership with Congress. And I am humbled to appear before Congress, back where I started, seeking your confidence to serve the American people in this capacity.

Most importantly, I am joined today by my wife, Rae Ringel, and my four children, as well as my parents and mother-in-law. My parents and their families found a home in this country after fleeing the Nazi's advance in Europe. My great aunt, Tony Sender, whom my eldest daughter is named for, was elected a Member of Parliament through most of the Weimar Republic. She too fled to the United States, supporting the U.S. intelligence effort and ultimately named by Eleanor Roosevelt to represent the United States at the U.N. My family history has led me from a young age to appreciate what America has done for me, and strengthened my resolve to give something back to my country and contribute what I can, to ensure our leadership in the world endures. Today, as energy has become the foundation for economic growth, political stability and national security in every part of the world—I am grateful to have the opportunity to contribute in this area.

We are living through truly revolutionary times in energy—from oil to gas to renewable energy. Due to advances in technology and private investment, U.S. natural gas production has hit record highs, and after years of decline, U.S. oil production also rose dramatically. And at the very same time, new investment in U.S. renewables over the past 2 years is on track to exceed \$80 billion.

But let us be clear, no matter how much energy we produce at home, the reality is that we live in a global and interlinked economy and energy is a global commodity.

The United States remains committed to its role as world leader. Energy shortages, price volatility, and supply disruptions anywhere threaten economic growth everywhere, including here at home. Our challenge, therefore, is to look ahead, foster innovation and investment, assess changing markets and politics, and create business opportunities.

Mr. Chairman, allow me to review a small but representative sample of the critical work ENR has been engaged in and priorities I will focus on, should I be confirmed.

First, Iran. Within weeks of the Bureau's formation in 2011, Congress passed its first broad sanctions affecting Iran's oil exports. ENR was tasked with developing the strategy to strictly implement these sanctions. This was not an easy task. Iran at the time had more than 20 customers and exported approximately 2.5 million barrels per day. Our efforts shrank Iran's customers from 20 to 6, and reduced exports from 2.5 million barrels per day to just 1 million. We achieved this without disrupting global oil supplies or price. This unprecedented effort cut Iranian reve-

nues by over \$150 billion, and played a key role in forcing them to the negotiating table.

Ukraine and Europe continue to be vulnerable to Russia as their dominant, and in some cases only, supplier. We saw this in 2005 and 2009 when Gazprom cut off gas supplies to Ukraine and parts of Europe and Turkey. Russia continues to use energy to gain and maintain political leverage over Ukraine, as well as East and Central Europe, recreating cold war lines between East and West. This includes the so-called Nord Stream II project. ENR's active engagement in the region, in close collaboration with the European Commission, has proven vital to counter Russia's dominance. Just this weekend, we grew concerned gas could be used as a weapon against Turkey. While we hope this will not happen, it proves once again the urgent need to diversify resources and routes throughout the region.

Beyond Iran and Russia, ENR is working with the Department of Defense and our Counter-ISIL Coalition partners, strengthening our national security by taking the fight to Daesh in Syria and Iraq. From the beginning, the United States targeted Daesh's oil operations by damaging or destroying more than two dozen mobile refineries and about twice as many oil collection points. In a region with a long history of illicit oil trade, Daesh was able to adapt quickly. But so have we. Today, U.S. strikes are increasingly targeting specific and strategic critical energy infrastructure in Daesh territory. Beyond revenue, Daesh uses control of energy resources as a propaganda tool to assert its authority and legitimacy, and relies on this as a core tenet of its global expansion strategy. This is why ENR remains in lockstep with the rest of the U.S. national security community and our international coalition partners to degrade and defeat Daesh.

As we work to prevent the use of energy as a political tool or weapon, we are also advancing an alternate vision where cooperation in the energy sector fosters collaboration and prosperity. The potential is real—from Azerbaijan, the Caspian and Iraq through Turkey to Europe, from Israel to Egypt, Cyprus and Lebanon to Turkey and Europe—energy will not lead the politics but can serve as an incentive for cooperation and collaboration.

ENR has also focused its efforts closer to home, where most Caribbean island states and some countries in Central America are net energy importers. Many find themselves indebted to a dominant supplier through an unsustainable financial scheme that has left them no option for diversification and efficiency, thereby increasing their vulnerability. Through ENR's leadership of the interagency Caribbean Energy Security initiative and as the U.S. chair of the Caribbean and Central American Energy Task Force, we are working diligently with our friends and partners in the region to advance a secure energy future—cleaner, more diverse, and more secure. ENR is also implementing the Connecting the Americas 2022 program, which facilitates power interconnections throughout the hemisphere. These programs seek to create an effective, integrated power market, which will stimulate investment in a modern energy system, thereby spurring economic growth throughout the region.

Energy is a way for the United States to engage with partners and allies worldwide. In Asia, energy demand is increasing exponentially—but there is no infrastructure or trading markets connecting the region. Energy trade relationships continue to be rewritten, with Asia projected to be the final destination for 80 percent of regionally traded coal, 75 percent of oil, and 60 percent of natural gas by 2040. ENR's engagements in the Asia-Pacific promote market opportunities for U.S. companies, leaders in gas, nuclear, wind, solar, hydro, smart grids, and efficient generation, to help the region develop its energy potential. Two out of three people in sub-Saharan Africa lack access to electricity, which is why ENR is focused on new technologies. These countries have the opportunity to skip a generation of technology in energy, as they did so successfully in telecommunications. In the 1990s, these countries skipped directly to mobile. Today, we should focus on 21st century solutions utilizing ALL natural resources—from those requiring extraction to those requiring capturing; from oil and gas to wind and sun.

Mr. Chairman, all you need to do is drive by a gas station on a regular basis to know that oil and gas markets are volatile. This produces both pain and gain, depending on where you are on the producer and consumer scale. If confirmed, I will continue to make sure we are attentive to the political instability consequences of long-term major price disruptions on countries that rely on hydrocarbon revenues for a significant share of their budgets. These are the countries that will face increasing challenges, including political and social instability, as their projected budget revenues decline in a lower for longer price environment. We should focus on these countries as they are forced to cut expenditures and social benefits, and continue to promote diversification of their economies away from just energy revenues.

In conclusion, Mr. Chairman, I fervently believe in the critical role energy plays in our national security and that of our friends and allies. I look forward to your questions.

The CHAIRMAN. Ms. Ebert-Gray

**STATEMENT OF CATHERINE EBERT-GRAY, NOMINATED TO BE  
AMBASSADOR TO THE INDEPENDENT STATE OF PAPUA NEW  
GUINEA, AND THE SOLOMON ISLANDS, AND TO THE REPUB-  
LIC OF VANUATU**

Ms. EBERT-GRAY. Mr. Chairman and members of the committee, I am honored to appear before you today as President Obama's nominee to be Ambassador of the United States to Papua New Guinea, Solomon Islands, and Vanuatu.

With the Chairman's permission, I would like to quickly introduce my family. My husband, Ian Gray, is also a State Department employee, as well as my son, Tommy, and my daughter, Claire, with me. My family has shared both the adventures and the sacrifices of my public service career, and for that I am profoundly grateful.

I recently completed service as Deputy Assistant Secretary in the Bureau of Administration. This role prepared me for effective inter-agency and multinational collaboration. For four years I provided oversight to the foreign affairs supply chain, I supported crises around the globe, and I assisted with operational transitions in Iraq and Afghanistan. I have also had the privilege to serve in eight countries since I joined the Foreign Service.

Half of my professional life since college, in fact, has been spent in the Pacific, including one adventurous and prior tour in Papua New Guinea. During this time I developed a great fondness for the people, history, and cultures of the region, a region of both promise and unique challenges.

I was introduced to these exotic nations as a student of World War II history. My father served on the USS *Chanticleer* in the Pacific theater. My father-in-law was an Australian Air Force tail gunner. To this day, the events of the Second World War have crystalized an enduring friendship between the United States and the people of Melanesia. As stated by Secretary Kerry, America's security and prosperity continue to be closely and increasingly linked to our neighbors in the Asian Pacific.

If confirmed, I will continue to advance the United States overarching goal in Papua New Guinea, Solomon Islands, and Vanuatu to help foster sustainable, transparent, and inclusive economic growth, and to support host nation efforts to strengthen education, health, and security.

Exxon-Mobil's 2014 launch of its liquefied natural gas pipeline can be a catalyst for economic growth in Papua New Guinea, and each of the three nations continues to be appropriately focused on improved management of their natural resources, including fishing, mining, and forestry. As are all Pacific island countries, they are also deeply concerned with the effects of climate change on their shores.

As you may be aware, Papua New Guinea successfully hosted the Pacific Island Games, the Pacific Island Forum, and the Asia-Pacific Economic Cooperation Meeting of Ministers Responsible for

Forestry this year. These are very proud achievements for Papua New Guinea, which will also host the FIFA under 20 Women's World Cup Soccer next year, and in 2018 they will host the APEC Leaders' Summit.

Clearly, the future potential of these Southwest Pacific nations relies on their continued commitment to security, democracy, and responsible management of their mineral wealth. Each must tap the talents of all of its citizens, including women and girls. If confirmed, I will continue the work of our mission in gender-based programs to ensure that all of our assistance and public diplomacy programs in Papua New Guinea, Solomon Islands, and Vanuatu maintain their focus on advancing the status and rights of females.

As the Pacific country with the highest rate of HIV/AIDS infection, Papua New Guinea also remains a partner with the United States in the President's Emergency Plan for AIDS Relief. If confirmed, I intend to work closely with other international donors on control and treatment of the disease in support of their national health care system.

The United States shares many interests and values with the people of Papua New Guinea, Solomon Islands, and Vanuatu. If confirmed, I will be a caring leader of our mission, I will remain focused on the security and safety of Americans, and I will work closely with each nation to build on our strong existing relationships and to explore new areas of mutual interest and cooperation.

Thank you for this opportunity to appear before you. I welcome the opportunity to answer your questions.

[The prepared statement of Ms. Ebert-Gray follows:]

PREPARED STATEMENT OF CATHERINE EBERT-GRAY

Mr. Chairman and members of the committee, I am honored to appear before you today as President Obama's nominee to be Ambassador of the United States to Papua New Guinea, Solomon Islands, and Vanuatu.

With the chairman's permission, I would like to introduce my family—my husband, Ian Gray, also a State Department employee, as well as my son, Tommy, and my daughter, Claire. My family has steadfastly shared both the adventures and the sacrifices of my public service career, and for this I am profoundly grateful.

I recently completed service as Deputy Assistant Secretary in the Bureau of Administration. This role prepared me for effective interagency and multinational collaboration. For 4 years I provided oversight to the foreign affairs supply chain, supported crises around the globe, and assisted with operational transitions in Iraq and Afghanistan.

I have also had the privilege to serve in eight countries since I joined the Foreign Service. Half of my professional life since college, in fact, has been spent in the Pacific. During this time I developed a great fondness for the people, cultures, and history of the region—a region of both promise and unique challenges.

I was introduced to these exotic nations as a student of World War II history. My father served on the USS *Chanticleer* in the Pacific theater. My father-in-law was an Australian Air Force tail gunner. To this day, the events of the Second World War have crystalized an enduring friendship between the United States and the people of Melanesia. As stated by Secretary Kerry, America's security and prosperity continue to be closely and increasingly linked to our neighbors in the Asia Pacific.

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You may be aware that Papua New Guinea successfully hosted the Pacific Island Games, the Pacific Island Forum, and the Asia-Pacific Economic Cooperation (APEC) 3rd Meeting of Ministers Responsible for Forestry this year. These are proud achievements in Papua New Guinea, which will also host the FIFA under 20 Women's World Cup Soccer Tournament in 2016 and APEC Leaders' Summit in 2018.

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Mr. Chairman and members of the committee, thank you for this opportunity to appear before you. I will be happy to answer any questions you may have.

The CHAIRMAN. Mr. Marciel.

**STATEMENT OF HON. SCOT ALAN MARCIEL, NOMINATED  
TO BE AMBASSADOR TO THE UNION OF BURMA**

Mr. MARCIEL. Mr. Chairman and members of the committee, thank you for the opportunity to appear before you today as President Obama's nominee to serve as the United States Ambassador to Burma. I thank the President and Secretary Kerry for the confidence they have placed in me, and I am grateful to the members of the committee for the opportunity to speak to my qualifications and intentions.

I would also like to begin by thanking my family—unfortunately, they could not join me today—my wife, Mae, my daughters, Lauren and Natalie, and my parents for their love and support. The Foreign Service is a family effort, and I have been really fortunate to have such a wonderful family by my side for all these years.

I joined the Foreign Service in 1985 and have had the privilege of serving and representing the United States in six overseas assignments, as well as in Washington. I believe deeply in public service and have sought throughout my career to advance our country's interests and promote its values. If confirmed, serving as Ambassador to Burma would be an incredible opportunity to continue this work in a country whose people look to America to support their own efforts to build democracy after decades of military rule.

The past half-century has not been kind to the people of Burma. A country that in the early 1960s was considered one of the brightest prospects in Asia suffered through many years of conflict, bad economic policy, and repressive rule, resulting in intense conflict, poverty, weak institutions, and a deep and pervasive lack of trust between the people and their government.

I visited Burma several times between 2005 and 2010, and it was evident that the country had dug itself a very deep hole. In 2011, the current government began to open up. It released political prisoners, including democracy leader Aung San Suu Kyi, allowed sig-

nificantly greater freedom of press, association and expression, and began economic reforms.

After the years of cool relations, the United States responded to Burma's opening by stepping up engagement. Our effort has been dedicated to promoting and supporting Burma's democratic transformation, increasing respect for human rights, encouraging economic reform, and helping to advance peace and national reconciliation.

Most recently, we support the country's efforts to make the November 8 parliamentary elections as good as they could be. We were very aware of the numerous flaws in the elections, but we also saw that Aung San Suu Kyi and her National League for Democracy, along with many other parties, viewed the elections as the best opportunity to move the country toward greater democracy and reform.

The elections themselves turned out to be reasonably well run. The people turned out in droves to vote for change, and the opposition NLD party won by a landslide.

The elections represent an important step forward, but there remains an enormous amount of work to do, starting with ensuring a smooth transition to the new government expected to take office in April.

Most of this is work the people of Burma have to do. They have to build their economy, overcome the decades of distrust to advance the peace process and national reconciliation, reform their security forces, strengthen respect for human rights, and mold their constitution into a document more fitting for a democracy.

But as they work on these challenges, the people of Burma want us there to support and, where possible, help them. We cannot fix their problems for them, but we do have a role to play, engaging diplomatically to encourage progress, calling out behavior that opposes reforms, and suggesting ways forward; and, where appropriate, offering assistance to promote economic development, help develop critically important civil society, build institutions, fight poverty and disease. This is what we have been doing, and this is what, in my view, we need to continue to do.

If confirmed, I will continue America's clear focus on supporting those people and organizations in Burma who are working to build peace and democracy and to increase freedom and prosperity. We will need to engage the new government of Burma right away to encourage progress, to tackle structural problems that have not been addressed, and to continue broad-based reforms while moving toward peace and national reconciliation. We will have to encourage the still-powerful Burmese military to support rather than impede progress, and we need to continue our focus on the troubling situation in Rakhine State. The treatment of ethnic and religious minorities, including the Rohingya, is critical for Burma's efforts to bring unity to a country that for too long has been divided.

If confirmed, I will work with the government, civil society, and international community to promote progress for all communities in Rakhine, including the Rohingya and the ethnic Rakhine.

We have long been and remain today a good friend of the people of Burma. With the recent reforms in elections, these people will now have the best opportunity in generations to move toward a

freer, more democratic, and more prosperous future. We should do all we can to support and assist them.

Thank you again for considering my nomination. I look forward to your questions.

[The prepared statement of Mr. Marciel follows:]

PREPARED STATEMENT OF SCOT MARCIEL

Mr. 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 Burma. I thank the President for the confidence he has placed in me by sending my name forward to the Senate for consideration, and also thank Secretary of State Kerry for his support. I am grateful to the members of the committee for this opportunity to speak to my qualifications and intentions. I also want to acknowledge and express appreciation for the very important role that Congress has played on Burma policy for many years.

I also want to thank my family—my wife, Mae, my daughters, Lauren and Natalie, and my parents for all of their love and support. The Foreign Service is a family effort, and I have been very fortunate to have such a wonderful family by my side.

I joined the Foreign Service in 1985, and have had the privilege of serving and representing the United States in six overseas assignments, as well as in Washington. I believe deeply in public service, and have sought throughout my career to advance our country's interests and promote its values. If confirmed, serving as Ambassador to Burma would be an incredible opportunity to continue this work in a country whose people very much look to America to support their efforts to build democracy after decades of military rule.

The past half-century has not been kind to the people of Burma. A country that in the early 1960s was considered one of the brightest prospects in Asia suffered through many years of internal conflict, had economic policies, occasional isolation, and repressive authoritarian rule, resulting in extensive poverty, weak institutions, and—perhaps most importantly—a deep and pervasive lack of trust between the people and their government, and between different communities. I visited Burma several times between 2005 and 2010, and it was evident that the country had dug itself a very deep hole.

In 2011, the current government began to open up. It released political prisoners, including democracy leader Aung San Suu Kyi, allowed significantly greater freedom of press, association, and expression, began economic reforms, and opened itself to a much greater extent to the international community.

After many years of very cool relations, the United States responded to Burma's opening by significantly stepping up engagement. We sent out our first Ambassador in many years, ramped up assistance, and sent a steady stream of senior visitors out to work with the government, opposition, and civil society. Our effort has been dedicated to promoting and supporting Burma's democratic transformation, increasing respect for human rights, encouraging broad-based economic reform, and helping to advance national reconciliation by creating conditions to end the civil war that has plagued the country since its independence.

We focused significant energy on supporting Burma's efforts to make the November 8 parliamentary elections as good as they could be. We were aware of the numerous structural and constitutional flaws, but also saw that Aung San Suu Kyi and her National League for Democracy (NLD) party, along with many ethnic-based parties and others, viewed the elections as the best opportunity to move the country toward greater democracy and reform. In the end, as everyone here knows, after a period of competitive, open campaigning, the elections themselves were reasonably well run, and the people turned out in droves to vote for change. Aung San Suu Kyi's NLD party won in a landslide, and—importantly—many of the ruling party's candidates conceded defeat.

The elections represent an important step forward, but there remains an enormous amount of work to do, starting with ensuring a smooth and effective transition to the new government, with the next President expected to take office in April. Most of this is work the people of Burma have to do. They have to build their economy, overcome decades of distrust and prejudice to advance the national reconciliation process, build institutions, reform their security forces, strengthen respect for and protection of human rights and fundamental freedoms, mold their constitution into a document more fitting for a democracy, and much more.

As they work on these enormous challenges, the people of Burma—at least the vast majority of them—want us there to support and, where possible, help them.

We cannot fix their problems for them, but we do have an important role to play: engaging diplomatically to encourage progress, call out behavior that opposes reforms, and suggest ways forward; offering assistance to help develop the critically important civil society, build institutions, and fight poverty and disease; and offering ideas and reaffirming key democratic values through our words and our deeds.

This is what we have been doing and, in my view, this is what we need to continue to do. If confirmed, I will continue America's very clear focus on supporting those people and organizations in Burma who are working so hard to build peace and democracy, increase respect for human rights, address the problems of human trafficking, promote broad-based economic development, and develop trust. It is also important that as the people of Burma take the courageous steps necessary to end the decades of ethnic fighting that the United States provides the support that will enable lasting reconciliation and peace.

We will need to engage the new Government of Burma right away to encourage progress on all these issues. We will urge the Government and Parliament to tackle structural problems that have not yet been addressed, and which marred the recent elections, and to continue broad-based reforms. We also need to continue to support Burma's critically important civil society, and also do all we can to encourage the still-powerful Burmese military to support rather than impede progress.

We also need to continue our focus on the situation in Rakhine State. The situation there is deeply troubling. We have already made clear to Burma's authorities that the treatment of ethnic and religious minorities, including the Rohingya, is critical for their efforts to bring true unity to a country that for too long has been divided along ethnic and religious lines. If confirmed, I will work with the government, civil society, and the international community to promote the joint stability and prosperity of all communities in Rakhine, including the Rohingya and the ethnic Rakhine populations, and that ensure all the people living in the country are able to enjoy dignity, justice, and their human rights and fundamental freedoms.

We have long been, and remain today, a good friend to the people of Burma. With the recent reforms and elections, those people now have the best opportunity in generations to move toward a freer, more democratic, and more prosperous future. We can and should do all we can to support and assist them.

Thank you again for considering my nomination. I look forward to your questions.

The CHAIRMAN. We thank you all for your testimony.

Mr. Hochstein, I want to first thank you for coming to our office several months ago to walk us through strategically what the State Department is doing to try to diversify energy supplies in Europe. It was very helpful to us. I do not even know at the time if you were even nominated for this position, but I thank you for doing that.

For the record, I would like for you to talk a little bit about that. I know that many of our European friends are heavily dependent on Russia for energy. Poland, for instance, imports 500,000 barrels a day, 96 percent of their oil. One-third of the natural gas supplied to Europe comes through Russia. Could you talk a little bit about how you see going forward what we would do to help our friends diversify their energy supplies?

Mr. HOCHSTEIN. Senator, thank you. I think that is one of the most critical areas of what we need to focus on today. The vulnerability that Europe has is split in two. The eastern and central part of Europe is where the real vulnerability lies, and the vulnerability is not only in oil, it is primarily in gas, where Russia has used that particular tool and dependency as political leverage.

Today, because of the tradition and history of the cold war, the infrastructure all leads from Russia through Ukraine into Eastern and Central Europe. So several countries there, if you look beyond Poland, Bulgaria, Hungary, and Romania, et cetera, are nearing between 70 and 90 percent of their dependency on gas comes from this one single supplier.



While we were in a weak position to respond to the aggressive action in 2009, we have done a lot of work since 2009, when the cutoff really affected large parts of Europe. In 2014, when they cut the gas in June to Ukraine, we were able to get reverse flows of gas into Ukraine against their expectations, but that is not enough.

What needs to happen is new infrastructure projects that will interlink this area of Europe, from the East Balkans to the West Balkans, south and north of that, to be able to make sure that any gas that comes in is able to flow. That does not exist today. It all goes in one direction, and it all comes from one source.

We are working closer today with the EU than ever before to be able to make that strategy a reality. We have helped them through thinking through some of this strategically. I have been traveling extensively throughout the region, and we have prioritized this throughout the administration to be able to see a conclusion to that.

Next week there will be a signing in Sofia in Bulgaria of the final investment decision on a new pipeline that will connect Greece to Bulgaria. That will allow flows from Azerbaijan through Turkey to go into Bulgaria. It will allow potentially Israeli or Egyptian gas to come in from the Eastern Mediterranean and Kurdish gas from Iraq in the future, a few years from now, to enter as well. In addition, if there will be an LNG terminal there, American gas can enter there as well. That will create real competition, lower prices, and a total and complete diversification of resources.

Russia does not need to be out of the game, they just have to stop messing with the game, and I think if we have these projects, that will happen.

The CHAIRMAN. Right now, we are the only country in the world, I guess, that does not export our petroleum, and I am just wondering if you think that it is in our national interest for us to be able to do so.

Mr. HOCHSTEIN. As you know, Mr. Chairman, we have begun—we have licensed the gas exports, and the first cargo will go out in January, and we will begin the historic transition to an exporter of natural gas. The discussion on the petroleum side, on crude, we do export products. So refined products of crude are exported, and lately or recently we have started exporting condensates as well.

I think I know that there is a debate, a very healthy debate here in Congress and in the administration, and I think that is still something that we are talking about. I look at it not from the domestic economic issues but from the foreign policy side, and I think that today in the American picture of where we are today, I am not sure if we lifted the ban there would actually be exports because of where we are. But there is no doubt that several of our allies have asked for it and are interested in it.

I do not know that it will have a material effect as much as a psychological one, but I know that there are several other considerations to consider when making this decision.

The CHAIRMAN. I note the good nonanswer. [Laughter.]

I would have expected you to give that answer, but I do appreciate the conversations we have had in private.

As it relates to Iran, when do you expect them to get back up to full capacity, and who is it most specifically they will be dealing with relative to their own exports?

Mr. HOCHSTEIN. So, today they are still under sanctions, but assuming that they fulfill their side of the agreement and sanctions are removed, they will be able to increase their exports by a significant amount in fairly quick order, both because of how much oil they have in storage and because of the capability of some of the fields to increase. But I do not think they can go—I do not expect them to be able to go back to their previous levels prior to 2012 all that quickly. They are entering the market, or they are reentering the market at a difficult time for the market, where crude is at \$45. Their OPEC competitors are protecting their market share rather than protecting price, and they have a lot of work to do on their own fields.

They will have to deal with companies that will be interested in taking the considerable risk of going in, the high insurance rates, and they will have to have a new kind of contract mechanism that will be attractive to those companies.

So I think it is going to take a lot more time than people think. But in the short order, there will be a bump up of exports. On gas, I think that it will be a lot longer than that.

The CHAIRMAN. Mr. Marciel, you talked about a number of the problems that exist in Burma, and I appreciate you doing that in your presentation. And obviously, we are excited about the election process that just has occurred. But for all the promise of the political transformation of the country, serious challenges confront them, as you know. Ethnic strife, persecution of the country's Muslim minority, mass corruption, human rights abuses by the military, and the rise of Buddhist nationalism, among other challenges, threaten to undermine the transformation.

I just came from a country, Egypt, which has a different set of challenges that we are trying to figure out a way to balance our efforts there in an appropriate way. But how would you suggest that our nation balance our objectives there appropriately, ushering them along but also urging them to deal with some of the internal issues that they have to deal with?

Mr. MARCIEL. Thank you, Mr. Chairman. You outlined some of the incredible number of challenges that the country faces. I think since we began increased engagement in 2011 when the current government began the reform, we have been very focused on, broadly defined, supporting the reform effort, and that includes obviously moving toward a more democratic system, improving respect for human rights, as well as rule of law, promoting broad-based economic development, dealing with the ethnic conflict and the peace process.

So I think going forward, the first step I would say is doing all we can to ensure a smooth transition. This is kind of uncharted territory for Burma. A transition to what we expect would be a government led by what has been the opposition, NLD, that would take place in April. So our focus is very much on, again, doing what we can to ensure that transition happens, and then we would expect the incoming government to focus on broad-based economic development, but also addressing many of these challenges. Aung San

Suu Kyi has spoken out for many years about the need to improve human rights, the peace process, all of these things.

So I think we want to be broadly supportive of the incoming government, and at the same time, where there are challenges and particularly difficult issues, I would highlight the treatment of the Rohingya for one, have very honest conversations with both the incoming government but also other players in the Burmese system who might be less enthusiastic about reforms.

The CHAIRMAN. Thank you.

Out of courtesy to my colleagues, I am going to move on to Senator Cardin. Thank you so much for the way you are the ranking member of this committee, and I look forward to your questions.

Senator CARDIN. Well, thank you, Mr. Chairman.

First, I thank you for accommodating these hearings, very important positions. And as the Chairman has always done, he has expedited the procedures of our committee, and I very much appreciate that.

I thank all of our nominees that are here for your willingness to serve in the United States and the public. We know it is not easy. It is challenging, in some cases dangerous, and you do this because of your commitment to our country and our principles. And we thank you, and we thank your families because we know you cannot do it without a supportive family, so we very much appreciate that very much.

To Secretary Marciel, I want to personally thank you for your help in the Subcommittee on Eastern Asian and Pacific. You have been a key advisor to us, and we very much appreciate you always being willing to help us understand the challenges in that region.

And now you are going to take on one of the most difficult challenges in Burma. You talked about Burma, and we all agree that they have made incredible progress. There is no question about that, from the military government to having elections. But as you pointed out, the Rohingyas were being discriminated against. They were not even included in the election, and there are serious issues with regard to migration, refugees, trafficking, et cetera.

I guess I would encourage you to be specific with the Burmese as to what they need to do in order to go to the next level. We find that many countries in transition make some immediate progress, but then they stall and in some cases go in the wrong direction.

So could you be a little more specific as to how we can advance the progress in Burma, whether it is going to require the United States to encourage, along with our allies, constitutional reform, so that we know that we have the framework for true transformation of that country into a more open and democratic society?

Mr. MARCIEL. Thank you, Senator Cardin, and thank you for your kind words. I would say that, again, as I used the term earlier, this is uncharted territory. It is uncharted territory for the Burmese as they move to this transition, to a government that, given NLD's landslide victory, we would expect to be led by the NLD.

I think, at the risk of speaking on behalf of the Burmese people, it was pretty clear from just the vote totals that they were voting for change. They were saying we want more when it comes to reform, more change, better lives, that sort of thing. So I think that

the new government comes in with a mandate for more change. Obviously, that change is not going to be only on the issues that we are most concerned about regarding human rights, but I would expect that would be part of it.

So some of the challenge is going to be the new government's ability to work with the other key players, certainly the military. The military will continue to have 25 percent of the seats in Parliament for the foreseeable future at least, and will continue to be able to name key ministers, including the Minister of Home Affairs, the Minister of Defense, that sort of thing.

So I think one of the specific things we will do, we already are doing, is encouraging a smooth transition toward that new government, including dialogue between the NLD, specifically Aung San Suu Kyi, the military, and others, so that they can find a way to work together that allows for further reform.

So I think the impetus for reform is quite strong within the country, but there are going to be some groups that might resist that, and part of what we should do is focus on trying to encourage all groups to support that reform and not get in the way of what the Burmese people have said.

I think there are some specific things, technical assistance in some areas where they need some help to get some things done, better rule of law training, these sorts of things. And on the situation in Rakhine State, which is one where there is not a lot of support for treating everybody in Rakhine State with equal protection of the law, I think that's a more long-term effort, that we have to have some frank conversations, but also perhaps offer some specific suggestions about here are some things that you might look at doing to help them overcome what may be one of their most difficult challenges.

Senator CARDIN. Thank you for that answer.

Ms. Ebert-Gray, human rights is a critical issue in the Pacific Islands also. It is where America's presence can make a huge difference. It is one of the great contributions that we make through our missions in other countries. In the Pacific Islands, though, we hear not only about the democratic institutions that are challenged but also their focus on the climate change issues and how it is affecting the security of their people.

How do you see your role in advancing human rights in the Pacific Islands? And you can include in that how you would deal with their specific concerns on climate change, which are not necessarily the same as the non-Island world.

Ms. EBERT-GRAY. Thank you, Senator. The Pacific Island nation leaders are deeply concerned about climate change, understandably so, and I understand they met with President Obama this week in Paris to discuss their concerns. Since 2000, the United States has committed over \$60 million in climate change adaptation programs, including mangrove preservation in Papua New Guinea and ecosystem adaptation in the Solomon Islands, and there certainly will be more programs to come.

As far as human rights, according to our human rights reports, all three nations actually have a legal foundation which respects individual liberties, freedom of the press, independent judiciaries, and many of the other foundations that are necessary. But all three

countries also suffer with many abuses. They have discrimination against women and girls. They have poor police across all three islands, a number of slowdowns in the judiciary and other ways that human rights are not getting the attention and the corrections that are necessary.

We have invested through the years in human rights improvements and, if confirmed, I hope to continue to focus on both areas and bring energy and attention to those two high global priorities.

Senator CARDIN. Thank you.

Mr. Hochstein, I want to get one question in to you because, to me, good governance and transparency is critically important on energy resources, and you have a major responsibility here.

I listened to your statement, I read your statement, and I certainly agree with the points that you have made in every major area, but I want to concentrate on ISIL for one moment. According to the Financial Times, there is still \$1.5 billion from ISIL a day going into the black market. ISIL presents a unique challenge to the civilized world. And yes, it is right for us to try to take out their energy resources, as we do, as our military does, but we have got to figure out new ways to stop the flow of any of their resources that go into any market for financial support for their terrorist activities.

So can you just share with us your views on how we can take every conceivable step to destroy any financial ability that is going to ISIL through oil or gas resources?

Mr. HOCHSTEIN. Thank you, Senator. I could not agree more. What we have tried to do over the last few months, especially since—I will say what I can in an open hearing, and I am happy to do more in a different setting—since the Abu Sayyaf raid, my team has been able to look, together with the Pentagon, at a lot of the details of how it is managed.

I do not believe that the revenue they are generating is coming necessarily through the exports, or smuggling rather, across borders. Most of it is being consumed and generated inside the areas of Iraq that are under their control, as well as Syria, including trade with the regime. But it is not only about the revenues. It is also about using these resources as a means to entrench their control of the territory that they hold.

What we have therefore done is instead of trying to hit just a number of targets that, as you suggested, is less effective, is look at it from the full value chain, from the holding of the territory, the production of the oil and the gas, the processing, the refining, and putting it on the trucks which are the veins, and getting it out into the economy. The way they generate their revenues is largely at that early stage. After that, what happens is more about supporting the territory than revenue, and that is why you have seen over the last few weeks a stepped-up approach that is not only more bombings but a different kind of bombing. We are going after different assets that I believe are already having a significant impact, but we can do a lot more, and we are working with my colleagues at the Pentagon, at Centcom, to figure out what is the right mix of which targets to go after.

So I can expand a little bit more in—

Senator CARDIN. That is very helpful. I think in a different setting we should talk about the different avenues of where we can stop the flow of revenues coming in to ISIL, and you make a good point, that if it is at the early stages of the chain, hitting the later stages is not going to make much of a difference. But it does still stop the supply chain, which could affect their revenues. We really need to think outside the box to stop any possibility of them benefitting from these resources.

Mr. HOCHSTEIN. We have dedicated now a whole team that is working, embedded together with some folks at DOD and out in the field, to be able to help in giving that. We have been doing an analysis of the expansion of the oil and gas infrastructure gains for the last two years, and it did not start now. It is a very strategic taking of territory based on infrastructure and resources. So we are happy to expand on that.

Senator CARDIN. Thank you.

The CHAIRMAN. Very good.

Senator Gardner.

Senator GARDNER. Thank you, Mr. Chairman.

Mr. Hochstein, I just want to ask you a question following up on what Senator Cardin had talked about.

First, thank you to all of you for being here, and to Mr. Marciel, thank you very much for joining me in my office as well. Thank you.

Mr. Hochstein, you mentioned the expansion of oil and gas gains by ISIS. Where are their gains today? How much do they have today compared to where they were when we first started our air strikes?

Mr. HOCHSTEIN. So the airstrikes that we started with many months ago targeting the energy sector really went after, as I said in my testimony, mobile refineries and some of the oil collection points. And that disrupted for a while, and it reduced the revenues and the profits, I would say, because what you can do with the oil when you have a refinery, it is a higher value per barrel that you produce. So we were able to reduce that value.

But they adapted. And what you see in a lot of countries, especially in post-conflict countries, they are able to do things that Halliburton and Exxon would love to be able to do but they cannot with using barbed wire and some Scotch tape, and they have been adaptive.

So what we have done is now, with the new information that we have, looking more strategically at that value chain, began a different bombing campaign that will target it differently. So taking out the trucks in the last couple of weeks, looking at some of the strategic hits that we have done, I believe that we have already seen—and I can show that to you in a different setting—that there has been a material change on the ground today. I cannot give you an answer as to what has that \$1.5 million a day or \$1 million a day figure changed to. If you give me a couple of weeks, I can.

Senator GARDNER. Do we believe they have more means of production today than they did in terms of energy—

Mr. HOCHSTEIN. No, no.

Senator GARDNER. Okay, thank you very much.

Further questions along the same lines of energy, discussions that we have been having. You talked a little bit about some of the negotiations in Iran in your testimony. You talked about the \$150 billion that Iran faced in cuts to their oil revenues by the sanctions that were put in place. Do we know what an estimate would be of the increase of Iranian revenues will be through international sanctions relief when it comes to oil?

Mr. HOCHSTEIN. It is hard to put a dollar figure to that because I do not actually have access to their engineering in their fields. They have had a lot of cannibalization of their fields after years of sanctions, so they will have to do a lot of work to be able to do that effectively and efficiently. So I cannot tell you a dollar figure of how much that will be. I do not know how many barrels they are going to produce, and I do not know what that is going to do.

If they come online all of a sudden instead of tempered, what does that do to the price of oil based on the fact that we have a supply glut at the moment? So there are a lot of factors that would have to go into it. Clearly, they cannot get anywhere near to where they were in early 2012 before the sanctions went into effect.

Senator GARDNER. How many of our trade partners are actively pursuing energy deals with Iran right now?

Mr. HOCHSTEIN. There are a number, but there are—

Senator GARDNER. Who would that be, if you could?

Mr. HOCHSTEIN. I probably should not name companies specifically, but if you look at the press you will see some of the press reporting on companies, international oil companies that are entering—that are going there for consultations.

But I think it is important to separate who is going there for a meeting or a handshake versus what will be signed. The terms that we have seen of the contracts so far are not good enough to be able to support deals, and without the threat of sanctions, they cannot conclude any deals at the moment. I spent a lot of time reminding my friends in the industry overseas that sanctions are still in place and any violation today will be treated in the same way. But I think there will be fewer.

What I hear from private conversations with the CEOs is that they are a lot more tentative in their approach than the media would suggest.

Senator GARDNER. Mr. Hochstein, do you think it is appropriate to include prohibitions of funding within aid programs for fossil fuel projects, or for coal?

Mr. HOCHSTEIN. I think that there is—my shop is not necessarily involved in the decision on the—I believe that you mean the coal financing in the international financial institutions. That is administered by the Department of the Treasury. But because there are exceptions there for countries that are below the poverty line, administered as IDA, or if there are other exceptions, I have been supportive of the industry where I can based on the new guidelines.

I met with Peabody and others when they were trying to work in Mongolia. We have supported, because of these special circumstances in Kosovo, the creation of a new facility, a new coal plant in Kosovo where it replaces an old, dirtier one.

So there are restrictions in place that I live with, and within those there are still 79 countries or so that are excepted from that policy that we are still able to work in.

Senator GARDNER. But in terms of our negotiations with other nations, you think it can be an appropriate tool to restrict funding for fossil fuel projects?

Mr. HOCHSTEIN. I think based on the agreement that was reached with DOECD, it is going to have a significant impact when it is not just the United States alone, when it is more countries doing it together as a policy. But I probably would have to let others in the Department of the Treasury decide what material affect that would have financially on coal projects.

Senator GARDNER. Mr. Marciel, turning to Burma, with the transition of the government completed in April, what are you most concerned about that could happen between April and January in terms of the transition? We talked a little bit about this in the office, but what do we need to see, what are you concerned that we could see and how that could affect the transition?

Mr. MARCIEL. Thank you, Senator. What we are hoping to see, and I think what we expect to see is a transition that proceeds as it is supposed to, with the sitting of a new Parliament in February, which will then elect a President who would sit with his or her Cabinet probably in April. So what we are hoping to see is that no individuals or institutions try to interfere in that process.

So far, as of today, the signs are good. The military leadership, the current president, et cetera, are all insisting that they will abide by the results of the voting and support the transition. We understand that Aung San Suu Kyi will be meeting with the Commander in Chief and the President this week, which is a very important and useful step, to have this dialogue to figure out how they make this transition work smoothly.

And then assuming that the transition does happen—I know there will be a thousand challenges at least, one of the big ones will be expectations, as we discussed earlier in your office. There will be tremendous expectations for this new government both inside the country with people looking for economic benefits and further reforms, and my guess is there will be a lot of expectations internationally, and it will be a real challenge for any government, but particularly one without any experience in government to manage.

Senator GARDNER. And if confirmed—we talked earlier about the carrot and stick approach and leverage the United States would have in terms of the transition for the new government. If confirmed, what would your position be on lifting any remaining U.S. sanctions against Burma during the transition process?

Mr. MARCIEL. Well, we, of course, had broad sanctions against Burma writ large up until 2011, when the reforms started. After those reforms began, we suspended some of those sanctions, kind of the broad sanctions against the overall economy, while maintaining targeted sanctions on individuals and entities who were either involved in human rights violations or were clearly blocking reforms or undermining reforms. So those very targeted sanctions continue today as the main sanctions against Burma, but the over-



all broad-based sanctions are not there because we want the economy actually to be healthy.

So at this point and certainly going forward with the transition, I would not anticipate nor recommend any dramatic change to that. I think we want to see how this transition works, and then I think we would want to consult with the new government, as well as Congress, closely on any changes.

I would note that we do—the sanctions, the targeted sanctions are somewhat dynamic in the sense that people can be taken off the designated list if they show that they have ended the behaviors that put them on the list. People can be added to the list, and we can always make adjustments when we see unintended consequences or problems. But what we will do is make sure that we are consulting closely with Congress given the great interest.

Senator GARDNER. But you believe that any de-listing on the SDN list, that any change of their listing would only occur if they specifically change their behavior as it relates to the reason they were placed on the list in the first place?

Mr. MARCIEL. Right. There is a process in place that is run by Treasury's OFAT office, particular requirements—I am not an expert on it—that entities or individuals on the specially designated nationals list would have to follow in order to be considered to be removed from the list.

Senator GARDNER. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator.

We have, as you know, another panel of four people. It is toward the end of the year and people are trying to move out and hopefully get confirmed.

Ms. Ebert-Gray, I want to thank you in particular for having your family here.

To the family, know that she has been through extensive questioning in private and answered all kinds of other questions.

So I hope that all three of you will answer any QFRs that come your way after this presentation today.

We thank all of you for your service to our country. With that, we hope you will go on to something constructive and will bring the other panel up. But thank you all for being here. Thank you.

Mr. HOCHSTEIN. Thank you.

Mr. MARCIEL. Thank you.

Ms. EBERT-GRAY. Thank you.

The CHAIRMAN. Mr. Hochstein, for what it is worth, you missed your greatest asset by not introducing your family. [Laughter.]

I doubt you would have had the number of questions you had had you done so. [Laughter.]

Anyway, we welcome you all. We did not realize you were here. Thank you.

We will now move to the second panel. We thank you all for being here.

Mr. John D. Feeley, a career member of the Senior Foreign Service, has been nominated to be Ambassador to the Republic of Panama. Mr. Feeley is currently the Principal Deputy Assistant Secretary of State for Western Hemisphere Affairs. Previously Mr. Feeley served as Deputy Chief of Mission at the U.S. Embassy in

Mexico City, Mexico; Assessor in the Office of Recruitment; and Director of the Office of Central American Affairs. He also has served in the United States Marine Corps, and we thank you for that service also.

Next we have Linda Tagliatela to be our Ambassador to Barbados, St. Kitts, Nevis, St. Lucia, Antigua, Barbuda, Dominica, Grenada, and St. Vincent and the Grenadines. I do not know what you did to achieve that, but we know it was something special. She is a career member of the Senior Executive Service and currently serves as Deputy Assistant Secretary of State in the Bureau of Human Resources, a position she has held since 2002. She has also served as Director and Deputy Director of the Office of Resource Management and Organization Analysis at the State Department.

Todd Chapman, a career member of the Senior Foreign Service, Class of Minister Counselor, is nominated to be Ambassador to Ecuador. He currently serves as Principal Deputy Assistant Secretary of State for Political Military Affairs, a position he has held since 2014. Mr. Chapman previously served as Deputy Chief of Mission at U.S. embassies in Brazil and Mozambique.

Jean Elizabeth Manes. Did I pronounce that correctly?

Ms. MANES. That is correct.

The CHAIRMAN. Thank you. A career member of the Foreign Service, Class of Counselors, is our nominee to be Ambassador to El Salvador. She currently serves as Principal Deputy Coordinator in the Bureau of International Information Programs at the Department of State, a position she has held since 2013. Prior to this, she served as Deputy Director of the Department's Florida Regional Center and as Counselor for Public Affairs at the U.S. Embassy in Kabul, Afghanistan.

I think I would remind you that your full statement will be entered into the record. Staying within 5 minutes is appreciated, and we look forward. If you would just go down, starting with you, ma'am, we would appreciate it. Go in order; and again, thank you all for your willingness to serve in these capacities.

**STATEMENT OF LINDA SWARTZ TAGLIATELA, NOMINATED TO BE AMBASSADOR TO BARBADOS, THE FEDERATION OF ST. KITTS AND NEVIS, SAINT LUCIA, ANTIGUA AND BARBUDA, THE COMMONWEALTH OF DOMINICA, GRENADA, AND SAINT VINCENT AND THE GRENADINES**

Ms. TAGLIATELA. Thank you, Mr. Chairman. Mr. Chairman and Senator Cardin, it is a pleasure to be here today. Thank you for the opportunity to appear before you today as President Obama's nominee to serve as the United States Ambassador to Antigua and Barbuda, Barbados, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines. I am grateful to the President and Secretary Kerry for their confidence and support, as well as to the members of this committee for their kind consideration.

Please allow me to introduce the members of my family present today, my brother, David Swartz, from Texas, and my sister, Susan Swartz, from New York. Throughout my life, my family, including my parents, have been an essential source of support. Without

their love, encouragement, and belief in me, I would not be here today.

Mr. Chairman, I believe that our Nation is most effective when we lead by example and in accordance with our values, and I will seek to continue in this tradition if confirmed as Ambassador. If confirmed, I will proudly represent the United States in the Eastern Caribbean, a region with which we share strong cultural, historical, and familial ties.

Since achieving independence in the 1960s and 1970s, the nations of the Eastern Caribbean have thrived as democracies and maintained friendly and productive relations with the United States. If confirmed, my top priority as Ambassador will be the safety and welfare of American citizens residing in and visiting the Caribbean, a region that hosts nearly 2 million tourists annually, the vast majority U.S. citizens. Thousand more of our citizens live, work, or study in the Caribbean.

I am also committed to strengthening the safety and security of our Caribbean partners. If confirmed, I will continue our efforts to bolster citizen security through the Caribbean Basin Security Initiative, which seeks to reduce the threats to citizen security by reducing illicit trafficking of narcotics and firearms; improving public safety by strengthening law enforcement, the judicial sector, and security services; increasing respect for the rule of law and human rights; and promoting crime prevention activities.

As Ambassador, I would also work to promote fundamental freedoms and universal human rights, including the rights of the LGBTI communities, and I will pay particular attention to empowering and improving the status of women in the Eastern Caribbean.

If confirmed, I will work to implement the Trafficking Victims Protection Act, including the vigorous investigation of cases, the prosecution and conviction of perpetrators, and the proactive identification of and provisions of services to victims.

Several economic issues also have a deep impact on the Island Nations. The first is the high cost of energy. Caribbean nations have some of the highest electricity costs in the world due to their almost exclusive reliance on imported diesel fuel. The Caribbean Energy Security Initiative, launched by Vice President Biden in 2014, seeks to increase the region's access to energy sector financing and to improve the governance and diversification of Island energy sectors.

The Eastern Caribbean continues to experience stagnant economic growth and high debt levels. The region is also susceptible to hurricanes, which in a matter of hours can set these tourism- and agriculture-dependent nations back several years. If confirmed, I will work to encourage the nations of the Eastern Caribbean to seek out more sustainable sources of energy, to build resilience to the impacts of climate change, and to strengthen their economies through greater diversification and prudent debt management.

Next year will mark the 55th anniversary of the Peace Corps. Currently, 63 Volunteers work on literacy projects in some of the region's most vulnerable and marginalized communities. If confirmed, I will promote and support our Peace Corps Volunteers.

Mr. Chairman and members of the committee, if confirmed, I look forward to working with you and your colleagues in Congress and with the American people to advance our shared interests in this most important region.

Thank you for your gracious time. I would be happy to answer any questions you may have.

[The prepared statement of Ms. Tagliatela follows:]

PREPARED STATEMENT OF LINDA TAGLIATELA

Mister Chairman and members of the committee, thank you for the opportunity to appear before you today as President Obama's nominee to serve as the United States Ambassador to Antigua and Barbuda, Barbados, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines. I am grateful to the President and Secretary Kerry for their confidence and support, as well as to the members of this committee for their consideration. I look forward to speaking with you today about my qualifications; the myriad opportunities and challenges before us in Barbados and the nations of the Eastern Caribbean; and, if confirmed, how I can best work with the U.S. Congress to strengthen our already robust engagement in the region.

Throughout my life, my family, including my parents, Leon and Anne Swartz, has been an essential source of support. Without their love, encouragement, and belief in me, I would not be here today.

Mr. Chairman, I have had the privilege of serving our country for over 40 years, both as a career Civil Service employee and Foreign Service officer. It is a career that has afforded me the opportunity to see the inner workings of our government from my early days as a management analyst at the U.S. Government Accountability Office (GAO) until most recently as Deputy Assistant Secretary of State in the Bureau of Human Resources and Deputy Chief Human Capital Officer. My proven track record in resource management; Embassy operations and auditing; and workforce planning has equipped me well for the responsibilities of a chief of mission. Over four decades of service, I have acquired a deep understanding of how to effectively match resources, people, and policies to best advance our national security interests, protect the safety of Americans abroad, and advance the broad set of policy objectives that characterize our relations with the countries of the Caribbean.

And, as importantly, this experience has given me a keen appreciation of two fundamental things: first, whatever our rank, position, or title, as public servants, our job is to protect and advance U.S. interests and values and to faithfully serve the American people. This means—and this is my second point—being good stewards of taxpayer dollars. If confirmed, these will be my guiding principles.

Our Nation is most effective when we lead by example and in accordance with our values. This is what I have sought to do throughout my career and what I will seek to do if confirmed as Ambassador.

If confirmed, I will proudly represent the United States in Barbados and the six nations of the Eastern Caribbean, a region with which we share strong cultural, historical, and familial ties. The Caribbean diaspora community in the United States, with its intellectual leadership, food, vibrant music, and sense of identity and community is a vital part of many of our cities, from Miami to New York and beyond. Since achieving independence in the 1960s and 1970s, the nations of the Eastern Caribbean have thrived as democracies and maintained friendly and productive relations with the United States. They also play an important role in supporting democracy and human rights across the hemisphere.

If confirmed, my top priority as Ambassador will be the safety of American citizens residing in and visiting the Caribbean. The Eastern Caribbean hosted nearly 2 million tourists last year, the vast majority of whom were U.S. citizens. Additionally, a large number of our citizens live in the Caribbean, whether in retirement, as students at one of the many universities in the islands, or as dual-nationals. I will also work to ensure the security of U.S. Government personnel at our Embassies in Barbados and Grenada as well as the Peace Corps Volunteers serving in St. Lucia, Grenada, Dominica, and St. Vincent and the Grenadines.

I am also committed to strengthening the safety and security of our Caribbean partners. If confirmed, I will continue our efforts to bolster citizen security through the Caribbean Basin Security Initiative. Threats to citizen security in the Caribbean are all too familiar: transnational criminal organizations involved in drug-related crimes; systemic violence; corruption; weak judicial systems and a lack of respect for the rule of law; and, an increase in youth involved in criminal activities.

Through Caribbean Basin Security Initiative programming and strong interagency cooperation, the United States will continue to support Caribbean nations in a whole-of-government, integrated approach that links citizen security, civil society development, and economic prosperity. If confirmed, I will work with the Governments of Antigua and Barbuda, Barbados, St. Lucia, and St. Vincent and the Grenadines to implement the Trafficking Victims Protection Act, including: the vigorous investigation of incidents of forced labor and sex trafficking; the prosecution and conviction of perpetrators; and the proactive identification of and provision of services to victims.

Several economic issues are having a deep impact on the island nations of the Caribbean. The first is the high cost of energy. Caribbean nations have some of the highest electricity costs in the world due to their almost exclusive reliance on imported diesel fuel. The Caribbean Energy Security Initiative, launched by Vice President Biden, seeks to increase the region's access to energy sector financing and improve governance and diversification of the islands' energy sectors.

Additionally, the region continues to experience stagnant economic growth with youth unemployment and underemployment rates in the region averaging between 25–40 percent. These nations are also susceptible to environmental shocks, such as hurricanes, which, in a matter of hours, can set these tourism and agriculture dependent nations back several years.

These challenges combine to create a difficult economic environment that prevents Barbados and the Eastern Caribbean nations from reaching their full potential and competing in the broader regional and global economies. If confirmed, I will work diligently to encourage the nations of the Eastern Caribbean to seek out less expensive and more sustainable sources of energy and to invest in job training, including career and technical training for youth.

As Ambassador, I would also work to promote fundamental freedoms and universal human rights, including the rights of the LGBTI communities. I will pay particular attention to empowering and improving the status of women in the Eastern Caribbean. Women in these countries, who are well educated, play a strong role in politics and social issues. However, once their education is complete, many women are either unable to find jobs or can only find work in lower status or lower paying positions. Domestic and sexual violence against women remain grave concerns in the region, causing disproportionate, adverse impacts on families and youth, with victims frequently unable to rely upon the formal justice sector to seek redress. Yet despite these obstacles, the women leaders in Barbados and the Eastern Caribbean are extraordinary, and if confirmed, I will work to increase and improve the opportunities available to women and girls and other members of vulnerable communities.

Next year will mark the 55th anniversary of the Peace Corps: I would like to acknowledge the long-standing Peace Corps presence in the Eastern Caribbean. St. Lucia was among the first countries to receive Volunteers in 1961 and continues to serve as the Peace Corps' headquarters in the region. Currently 63 Volunteers work on literacy projects in Dominica, Grenada, St. Lucia, and St. Vincent and the Grenadines in those nations' most vulnerable and marginalized communities. If confirmed, I will promote and support the efforts of our Peace Corp Volunteers.

If confirmed, I look forward to representing the United States in Barbados and the Eastern Caribbean and to working with you and your colleagues in Congress on behalf of the administration and the American people to advance our shared interests in this important region.

The CHAIRMAN. Thank you so much.  
Mr. Feeley.

**STATEMENT OF JOHN D. FEELEY, NOMINATED TO BE  
AMBASSADOR TO THE REPUBLIC OF PANAMA**

Mr. FEELEY. Good afternoon, Mr. Chairman and members of the committee. From the oath that I swore as an Eagle Scout, to the one I took upon commissioning as a Second Lieutenant of the Marines, and the oath by which I have lived and worked for the last 25 years as a Foreign Service officer advancing American interests in the Western Hemisphere, my life and career have been marked by public service.

This is an enormous privilege. I thank the President and the Secretary for the confidence they have shown in me by their nomina-

tion. And it is in that spirit of gratitude that I come before you today to seek your approval that I might continue to serve our great Nation as Ambassador in Panama.

I am joined today by my wife, a Senior Foreign Service officer herself from San Juan, Puerto Rico, Cherie Feeley. My two sons and my grandson could not be with us, but I am sure that the number of hits on C-Span have gone up as a result of them watching.

In my current position at the State Department, I oversee the daily operations of our 53 embassies and consulates, from Canada to the Caribbean, from Mexico to Argentina. I work on the operating budgets, the foreign assistance programs, and the personnel assignments that undergird American diplomacy throughout this hemisphere.

The food we eat, the energy we consume, and the goods and services we trade with our neighbors in the Americas have more of an impact, I would argue, on the daily lives of our country's citizens than any other region of the world. So it is vitally important that we know and understand these neighbors and partners to ensure our own security and prosperity. This is the essence of the President's Strategy for Engagement in Central America.

And Panama, whose destiny has been entwined with ours since its founding, is among the most critical of our partners in achieving the security, prosperity, and governance goals of the Strategy. Panama is a good news story in many aspects, and if confirmed, I will work with this committee to deepen and expand what is already an excellent bilateral relationship.

Panama shares our commitment to protecting democratic freedoms and human rights. In 2014, they defied polls and, with the help of robust international election monitoring, elected an underdog candidate as president who has made education and anticorruption pillars of his vision for Panama's future.

You will recall that Panama served as host of the Summit of the Americas earlier this year, where landmark encounters between civil society organizations and the region's leaders occurred.

Given its stability and relative prosperity, Panama, like the United States, is a destination, rather than a source, of immigration. And as such, Panama understands the evils of human trafficking and was recently upgraded on our annual Trafficking in Persons Report. If confirmed, Mr. Chairman, I will continue the good work already begun with our Panamanian partners to eradicate this form of modern slavery.

Panama's geographic location makes it a bridge in both the physical and metaphysical sense of the word. With a robust economy, Panama has leveraged its bridging function to become a logistical center for the region. The Panama Canal is a vital commercial corridor for the United States. Two out of every three ships transiting the Canal will stop at a U.S. port.

And the global traffic across the bridge that is Panama will be accentuated by the Panama Canal expansion, due to be completed in 2016. This expansion will bring benefits to Panama and the United States, potentially doubling imports on the U.S. East and Gulf Coasts by 2029. Put simply, the expansion will lower shipping

costs between the United States and Asia, expand our markets, and create jobs for American workers.

Another good news story: Panama is among our best partners working on education and innovation. The literacy rate for 15-year-olds is high for the region, around 94 percent. "Bilingual Panama" is the Panamanian Government's ambitious plan to bring thousands of Panamanian English teachers to study in U.S. universities over the next five years, and we support that effort fully.

Now, Mr. Chairman, Panama is not without challenges. Its bridging location renders it vulnerable to organized crime. Narcotics trafficking and money laundering, and the corruption that is attendant to those illicit activities, are also threats to Panama's security and prosperity.

If confirmed, I will work with Panama to address those ills, as well as the challenges, and in doing so I will support U.S. priorities such as our significant retiree and expatriate population that lives in Panama. I will look to support greater foreign investment opportunities for American businesses. And most of all, I will seek to work with our Panamanian partners to shore up the integrity of our interconnected financial and banking systems.

I thank you for this opportunity, and I welcome any questions. [The prepared statement of Mr. Feeley follows:]

PREPARED STATEMENT OF JOHN D. FEELEY

Mister Chairman, members of the committee, from the oath I swore as an Eagle Scout, to the one I took upon commissioning as a Second Lieutenant of Marines, and the oath by which I have lived and worked for 25 years as a Foreign Service officer advancing American interests in the Western Hemisphere, my life and career have been marked by public service.

This is an enormous privilege. I thank the President and the Secretary for the confidence they have shown in me by their nomination. I realize just how fortunate I am. And it is in that spirit of gratitude that I come before you today to seek your approval that I might continue serving our Nation as Ambassador to Panama.

I am joined today by my wife of 31 years, 2 sons, one grandson, and 17 Permanent Change of Station pack outs and moves, a Senior Foreign Service officer herself from San Juan, Puerto Rico, Cherie Feeley.

In my current position at the State Department, I oversee the daily operations of our 53 embassies and consulates, from Canada to the Caribbean, from Mexico to Argentina.

I work on the operating budgets, the foreign assistance programs, and the personnel assignments that undergird American diplomacy throughout this hemisphere.

The food we eat, the energy we consume, and the goods and services we trade with our neighbors in the Americas have more of an impact on the daily lives of our country's citizens than any other region of the world.

So it is vitally important that we know and understand these neighbors and partners to ensure our own security and prosperity. This is the essence of the President's Strategy for Engagement in Central America.

And Panama, whose destiny has been entwined with ours since its founding, is among the most critical of our partners in achieving the security, prosperity, and governance goals of the Strategy.

Panama is a good news story in many aspects, and if confirmed, I will work with this committee to deepen and expand what is already an excellent bilateral relationship.

Panama shares our commitment to protecting democratic freedoms and human rights. Since 1989, Panamanians have consistently deepened their own democratic culture.

In 2014, they defied polls and, with the help of robust international election monitoring, elected an underdog candidate as President who has made education and anticorruption pillars of his vision for Panama's future.

You will recall that Panama served as host of the Summit of the Americas earlier this year, where landmark encounters between civil society organizations and the region's leaders occurred.

Panama is also a partner on the global stage. Under President Juan Carlos Varela's leadership, Panama is to date, the only Latin American member of the coalition against ISIL.

Given its stability and relative prosperity, Panama—like the United States—is a destination, rather than a source, of immigration in the region. As such, Panama understands the evils of human trafficking and was recently upgraded on our annual Trafficking in Persons Report.

If confirmed, I will continue the good work already begun with our Panamanian partners to eradicate this form of modern slavery.

Panama's geographic location makes it a bridge in both the physical and metaphorical sense of the word. With a robust economy, Panama has leveraged its bridging function to become a logistical center for the region.

The Canal is a vital commercial corridor for the United States: two of every three ships transiting the Canal will stop at a U.S. port.

And the global traffic across the bridge that is Panama will be accentuated by the Panama Canal expansion, due to be completed in 2016. This expansion will bring benefits to Panama and the United States, potentially doubling imports on the U.S. East and Gulf Coasts by 2029.

Put simply: The expansion will lower shipping costs between the United States and Asia, expand our markets, and create jobs for American workers.

Another good news story: Panama is among our best partners working on education and innovation. The literacy rate for 15-year-olds is around 94 percent.

"Bilingual Panama" is the Panamanian Government's ambitious plan to bring thousands of Panamanian English teachers to study in U.S. universities over the next 5 years, and we support that effort.

As the son of an English professor and the husband of a native Spanish speaker, no issue could be closer to my personal interest than that of contributing to a bilingual, bicultural, more integrated future in the Americas. With your consent, I will do so in Panama.

Now, Mister Chairman, Panama is not without challenges.

Its bridging location renders it vulnerable to organized crime. I mentioned trafficking in persons. Narcotics trafficking and money laundering—and the corruption that is attendant to those illicit activities—are also threats to Panama's security and prosperity.

Economic challenges include stubborn income inequality and poverty despite a decade of growth, inadequate public infrastructure, and limited economic development outside of Panama City.

If confirmed, I will work with Panama as it addresses these challenges, doing so in support of U.S. priorities such as:

- Our significant retiree and expatriate population;
- Greater foreign direct investment opportunities for American business; and
- The integrity of our interconnected financial and banking systems.

I thank you for this opportunity and welcome your questions.

The CHAIRMAN. Thank you very much.

Ms. Manes.

#### **STATEMENT OF JEAN ELIZABETH MANES, NOMINATED TO BE AMBASSADOR TO THE REPUBLIC OF EL SALVADOR**

Ms. MANES. Mr. Chairman, members of the committee, it is an honor to appear before you today as President Obama's nominee to serve as the next Ambassador of the United States to the Republic of El Salvador. I am humbled by the trust and confidence President Obama and Secretary of State Kerry have shown by sending my name to the Senate for consideration at this pivotal moment in the bilateral relationship.

I am also grateful for the support of my family, including members here today, my husband, Hector Cerpa, and one of our two daughters, Candela. Our other daughter, Connie, definitely wishes



she could be here but she is preparing for end-of-year exams in college.

I also want to thank my parents, Roger and Betty Manes, who instilled in me the values of hard work, dedication and integrity, as I watched them build our family business. They are tuning in remotely from Florida, as is my 90-year-young grandmother, Alice Masters.

Today is even more special because it was 25 years ago that I started my foreign policy career in this very place, as an intern with the Senate Foreign Relations Committee just down the hall in room 452.

I also want to recognize the current U.S. Ambassador to El Salvador, Mari Carmen Aponte. Under her leadership of the Embassy, the people of the United States have been well represented over the last 5 years.

If confirmed, I look forward to working with this committee and others in Congress to enhance the bilateral relationship between the United States and El Salvador, as well as to increase regional integration with other Central American countries. This will include significant focus on three areas: stabilizing the security environment; improving the business investment climate; and strengthening government institutions.

El Salvador is one of our closest partners in the Western Hemisphere. The people of El Salvador have demonstrated their commitment to democracy through peaceful transfer of power since the 1992 Peace Accords that ended the Civil War. While El Salvador continues to face tremendous security challenges, as well as a range of political, economic, and social issues, a stable and economically viable future is possible.

The commitment of President Sanchez Ceren and those of other leaders across the Northern Triangle in developing and leading the comprehensive plan "Alliance for Prosperity" represents an unprecedented opportunity to solidify the gains of the past and build for the future. The plan reflects a multidisciplinary and collective approach to addressing fundamental issues preventing long-term growth and stability in the region.

The United States is and must continue to be a central player in advancing these efforts. The U.S. Strategy for Engagement in Central America, combined with initiatives under the Partnership for Growth and the Millennium Challenge Corporation, serves as the foundation for U.S. engagement in Central America, and El Salvador in particular.

We are at a crossroads in Central America. We have committed partners, including the host government, leaders in the business community, civil society, international organizations, and the people of El Salvador. Now is the moment for American leadership and investments to help guide the region to a better future.

Fundamentally, the biggest asset for both the United States and El Salvador is the people who support this effort. While there are over 6 million people in El Salvador, there are over 2 million people of Salvadoran descent who live in the United States. These include many community leaders across Maryland, California, Texas, New York, Virginia, and the District of Columbia. If confirmed, I will continue to strengthen these bonds between our two countries as

we work in partnership to support the implementation of the Strategy.

As outlined in the U.S. Strategy for Engagement in Central America, one country cannot succeed alone. Regional integration is a core component of the strategy. If confirmed, my team and I will enhance the collaboration at all levels in the region, with specific focus on Honduras and Guatemala. You have my guarantee that I will use the important role of the U.S. Ambassador to bring all parties together; to serve as the convener and facilitator of ideas; and to make the best investments for a stable and growing El Salvador that remains a strong partner with the United States.

Mr. Chairman, members of the committee, it is an honor to be here, and I look forward to your questions. Thank you.

[The prepared statement of Ms. Manes follows.]

PREPARED STATEMENT OF JEAN E. MANES

Mr. Chairman, members of the committee, it is an honor to appear before you today as President Obama's nominee to serve as the next Ambassador of the United States to the Republic of El Salvador.

I am humbled by the trust and confidence President Obama and Secretary of State Kerry have shown by sending my name to the Senate for consideration at this pivotal moment in the bilateral relationship. I am also grateful for the support of my family, including members here today, my husband, Hector Cerpa, and one of our two daughters, Candela. Our other daughter, Connie, wishes she could be here but is in the midst of preparing for end of year exams at college. I also want to thank my parents, Roger and Betty Manes, who instilled in me the values of hard work, dedication and integrity, as I watched them build our family business.

Today is even more special because it was 25 years ago that I started my foreign policy career in this very place as an intern with the Senate Foreign Relations Committee chaired by Claiborne Pell.

I also want to recognize the current U.S. Ambassador to El Salvador, Mari Carmen Aponte. Under her leadership of the Embassy, the people of the United States have been well represented over the last 5 years.

Throughout my career at the State Department, I have led complex organizations and negotiated large-scale initiatives. This includes my present position serving as Principal Deputy Coordinator for the 400-person International Information Programs Bureau, which provides the State Department's worldwide outreach platform for public diplomacy. It also includes my previous position as the Director of Resources, overseeing \$1.2 billion for public diplomacy domestic and worldwide operations. I have taken the business lessons I learned from my parents to ensure we are making the right investments on behalf of the American people and accounting for results. These have been hallmarks of my career.

If confirmed, I look forward to working with this committee and others in Congress as I use these skills to continue to enhance the bilateral relationship between the United States and El Salvador, as well as to increase regional integration with other Central American countries. This will include significant focus on three areas: stabilizing the security environment, improving the business investment climate and promoting inclusive economic growth; and strengthening government institutions.

El Salvador is one of our closest partners in the Western Hemisphere. The people of El Salvador have demonstrated their commitment to democracy through peaceful transfer of power since the 1992 Peace Accords ended the Civil War, however today El Salvador is facing the highest homicide rates since the war, and projections are that the daily rate will reach more than 100 homicides per 100,000 people by the end of this year. While El Salvador continues to face political, economic, and social challenges as well, a stable and economically viable future is possible, and the United States is committed to supporting the people and Government of El Salvador toward realizing this goal.

The commitment of President Sánchez Cerén and those of other leaders across the Northern Triangle in developing and leading the comprehensive "Alliance for Prosperity" plan represents an unprecedented opportunity to solidify the gains of the past and build for the future. The plan reflects a multidisciplinary and collective approach to addressing fundamental issues preventing long-term growth and stability in the region.

The United States is and must continue to be a central player in advancing these efforts. The U.S. Strategy for Engagement in Central America, combined with initiatives under the Partnership for Growth and the Millennium Challenge Corporation, serves as the foundation for U.S. engagement with El Salvador. We are at a crossroads in Central America. Down one road lies the prospect of a prosperous Central America that provides a home and future for its citizens. Down the other lies disorder and increased migration. We have committed partners including the host government, leaders in the business community, civil society, international organizations, and the people of El Salvador. Now is the moment for American leadership and investments to help lead the region to a better future.

Fundamentally, the biggest asset for both the United States and El Salvador is the people who support this effort. While there are 6 million people in El Salvador, there are over 2 million people of Salvadoran descent who live in the United States. These include many community leaders across California, Texas, New York, Virginia, Maryland, and the District of Columbia. If confirmed, I will continue to strengthen these bonds between our two countries as we work in partnership to support implementation of the Strategy.

As outlined in the U.S. Strategy for Engagement in Central America, one country cannot succeed alone. Regional integration is a core component of the strategy. If confirmed, my team and I will enhance the collaboration at all levels in the region, with specific focus on Honduras and Guatemala. You have my guarantee that I will use the important role of the U.S. Ambassador to bring all parties together; to serve as the convener and facilitator of ideas; and to make the best investments for a stable and growing El Salvador that remains a strong partner with the United States.

Mr. Chairman and members of the committee, it is an honor to be here and I look forward to your questions. Thank you.

The CHAIRMAN. Thank you.  
Mr. Chapman.

#### **STATEMENT OF TODD C. CHAPMAN, NOMINATED TO BE AMBASSADOR TO THE REPUBLIC OF ECUADOR**

Mr. CHAPMAN. Chairman Corker, Ranking Member Cardin, and members of the committee, thank you for this privilege this afternoon to appear before you today. I am indeed grateful to President Obama and Secretary Kerry for the trust and confidence they have shown in me through this nomination to be the next United States Ambassador to the Republic of Ecuador.

I would like first to publicly honor and express deep gratitude for my wife, Janetta, who is here with me today, and my two sons, Joshua and Jason, who have faithfully supported me in this 25-year journey in the Foreign Service. They have shared in the joys, in the excitement, and sometimes in the hardships which this life sometimes brings. I also am so grateful for my parents, Bob and Marilyn Chapman, who were always my greatest champions and my greatest cheerleaders. Indeed, I am a blessed man.

During my career, I have represented this great Nation in a diverse group of countries, including Bolivia, Costa Rica, Nigeria, Mozambique, and Afghanistan. As an Economic Officer I promoted pro-growth economic policies, implemented development agendas, and advanced commercial partnerships. As Charge d'Affaires in Mozambique, I led our implementation of over \$500 million in economic, health, and democracy programs. As Deputy Chief of Mission in Brasilia, Brazil, I helped provide direction to one of our most dynamic bilateral relationships. And I now serve as Principal Deputy Assistant Secretary for the Bureau of Political-Military Affairs, enhancing security partnerships around the world through peacekeeping training, de-mining activities, defense trade, and security assistance.

The United States has long recognized the value and importance of fostering a strong and productive relationship with Ecuador. The United States sent its first representative to Ecuador in 1825 when the U.S. Senate confirmed William Wheelwright to serve as U.S. Consul in Guayaquil, Ecuador. In 1839 the United States and Ecuador signed a Treaty of Peace, Friendship, Navigation, and Commerce. Interestingly, whereas the commercial and navigation clauses were written to expire after 12 years, the treaty stated, "in all other parts which relate to peace and friendship, it shall be perpetually and permanently binding on both parties."

If confirmed, I look forward to advancing in concrete ways the long diplomatic tradition of peace and friendship that has helped define relations between our two countries. I am confident that working in this spirit we can expand our relations and develop and more fully realize a constructive agenda, one which advances the real interests of our countries. There is much for our countries to do together.

The United States has long been Ecuador's largest trading partner, with two-way trade approaching \$20 billion in 2014, more than double 2008 totals. I will work diligently, if confirmed, with the government and private sector to expand our economic partnership, eliminate trade barriers to promote increased trade, and encourage investor-friendly practices.

U.S. and Ecuadorian law enforcement and security personnel work cooperatively to counter regional threats posed by transnational crime, illicit narcotics, and trafficking in persons. Further cooperation and information sharing on these issues can result in greater security for citizens of both our countries.

Additionally, our people-to-people exchanges are growing rapidly, with education partnerships leading more Americans and Ecuadorians to study in each other's country, thus supporting President Obama's 100,000 Strong Education Exchange Initiative. We are also responding to the Government of Ecuador's request for expanded cooperation in English-teaching with a variety of creative programs.

This is a time of great dynamism in the Ecuadorian body politic. Ecuadorians of all backgrounds and beliefs are actively debating and expressing a range of views about the country's direction and future, demonstrable signs of that dynamism. Encouraging such expression, not limiting it, is consistent with the collective commitment to democratic values and human rights which the United States and Ecuador have both pledged to uphold.

If confirmed, I will be a strong advocate for these democratic values as I engage with a broad range of Ecuadorians—within national and subnational governments, civil society, religious institutions, the media and the private sector—to promote social justice and greater prosperity for all Ecuadorians.

Mr. Chairman, Mr. Ranking Member, committee members, if confirmed, I commit to doing my very best to represent the very best of the United States of America to the people and Government of Ecuador. I thank you for giving me the honor of appearing before you today. I look forward to your questions and the beginning of what I sincerely hope will be a continuing partnership and dialogue with this committee in the coming years. Thank you.

[The prepared statement of Mr. Chapman follows:]

PREPARED STATEMENT OF TODD CHAPMAN

Chairman Corker, Ranking Member Cardin, and members of the committee, thank you for this privilege of appearing before you today. I am indeed grateful to President Obama and Secretary Kerry for the trust and confidence they have shown in me through this nomination to be the next United States Ambassador to the Republic of Ecuador.

I would like first to publicly honor and express deep gratitude for my wife, Janetta, and my two sons, Joshua and Jason, who have faithfully supported me in this 25-year journey in the Foreign Service. They have shared in the joys, excitement, and sometimes the hardships, associated with this service and lifestyle. I also am so grateful for my parents, Marilyn and Bob Chapman, who were always my greatest champions and cheerleaders—I am blessed.

During my career, I have represented our great Nation in a diverse group of countries, including Bolivia, Costa Rica, Nigeria, Mozambique, and Afghanistan. As an Economic Officer I promoted pro-growth economic policies, implemented development agendas, and advanced commercial partnerships. As Chargé d'Affaires in Mozambique, I led our implementation of over \$500 million in economic, health, and democracy programs. As Deputy Chief of Mission in Brasilia, Brazil, from 2011–2014, I helped provide direction to one of our most dynamic bilateral relationships. And I now serve as Principal Deputy Assistant Secretary for the Bureau of Political-Military Affairs, enhancing security partnerships around the world through peace-keeping training, de-mining activities, defense trade, and security assistance.

The United States has long recognized the value and importance of fostering a strong and productive relationship with Ecuador. The United States sent its first representative to Ecuador in 1825 when the U.S. Senate confirmed William Wheelwright to serve as U.S. consul in Guayaquil, Ecuador. In 1839 the United States and Ecuador signed a Treaty of Peace, Friendship, Navigation, and Commerce. Interestingly, whereas the commercial and navigation clauses were written to expire after 12 years, the treaty stated “in all other parts which relate to peace and friendship, it shall be perpetually and permanently binding on both parties.” If confirmed, I look forward to advancing in concrete ways the long diplomatic tradition of peace and friendship that has helped define relations between our two countries.

I am confident that working in this spirit we can expand our relations and develop and more fully realize a constructive agenda which advances the real interests of our countries. There is much for our countries to do together.

The United States has long been Ecuador's largest trading partner, with two-way trade approaching \$20 billion in 2014, more than double 2008 totals. I will work diligently, if confirmed, with the government and private sector to expand our economic partnership, eliminate trade barriers to promote increased trade, and encourage investor-friendly practices.

U.S. and Ecuadorian law enforcement and security personnel work cooperatively to counter regional threats posed by transnational crime, illicit narcotics, and trafficking in persons. Further cooperation and information sharing on these issues can result in greater security for citizens of both countries.

Additionally, our people-to-people exchanges are growing rapidly, with education partnerships leading more Americans and Ecuadorians to study in each other's country, thus supporting President Obama's 100,000 Strong Education Exchange Initiative. We are also responding to the Government of Ecuador's request for expanded cooperation in English-teaching with a variety of creative programs.

Tourism both ways is also rising quickly; over 200,000 Americans visited Ecuador last year while 335,000 Ecuadorians traveled to the United States. And the number of Americans residing in Ecuador is approaching 100,000, thanks in part to a growing number of retirees.

This is a time of great dynamism in the Ecuadorian body politic. Ecuadorians of all backgrounds and beliefs are actively debating and expressing a range of views about the country's direction and future—demonstrable signs of this dynamism. Encouraging such expression, not limiting it, is consistent with the collective commitment to democratic values and human rights which the United States and Ecuador have both pledged to uphold. If confirmed, I will be a strong advocate for these democratic values as I engage with a broad range of Ecuadorians—within national and subnational governments, civil society, religious institutions, the media and the private sector—to promote social justice and greater prosperity for all Ecuadorians.

Mr. Chairman, committee members, if confirmed I commit to doing my very best to represent the very best of the United States of America to the people and Government of Ecuador. I thank you for giving me the honor of appearing before you today,

and I look forward to your questions and the beginning of what I sincerely hope will be a continuing partnership and dialogue with this committee for several years to come. Thank you.

The CHAIRMAN. We thank you all.

Our ranking member I know is in line to speak in the Finance Committee, so I am going to defer to him. If no other members come in, I will then defer to Senator Menendez, who appropriately has placed a lot of emphasis on the geography that all of you represent.

So, with that, we will start with our ranking member.

Senator CARDIN. And if I am correct, I think Senator Menendez should also go to the Senate Finance Committee sometime today on our international task force, but maybe not. I do not mean to speak for my colleague on the Finance Committee.

First, thank you all very much for your service. As I said to the last panel, including this panel, we very much appreciate your public service, and thank your families because we know it is a family event.

In our hemisphere, the countries that are represented here are all democratic countries in that they all have the institutions of democracy, and every one is challenged on human rights and freedom and all the things that we value. So there are issues. Just because it is a democratic country does not mean it does not have significant problems.

So, Ms. Manes, let me start with El Salvador. You are correct that we have lots of Salvadorans in Maryland. They have contributed greatly to our State and to our Nation, a strong ethnic community and strongly engaged in the growth of America.

There is an issue. I was in El Salvador not too long ago and experienced firsthand the way that gangs control the communities. I was in Honduras, saw the same thing there. The government is incapable of rooting out the gang activities which is corrupting their entire economy. To make matters worse, they are exporting that to my State of Maryland. We have Salvadoran gangs in Prince Georges County and in Montgomery County and other places in our state, not very far from here.

So give me an idea about the priority you are going to place on dealing with the safety of the people of El Salvador. Their murder rates, of course, are the highest in the world. What are we going to do? What can the United States do to help in this regard?

Ms. MANES. Well, I appreciate your question, and clearly security is the number-one issue. It cannot be divorced from economic development and governance, but it is clearly the top priority.

I am pleased to say that the current government is committed to addressing the challenge. They have developed, in fact, a comprehensive Safe El Salvador, which really focuses on 50 municipalities that are the most troubled. They are committed to establishing rule of law, police intervention at an early stage in 10 of those this first year.

There are challenges. There are definitely challenges on whether they can take that to scale, and that is a real area for them to collaborate with the United States. We already have strong collaboration with El Salvador on rule of law, governance, police issues. We have over 15 agencies represented at the U.S. mission—

Senator CARDIN. And I have visited them——

Ms. MANES. Yes.

Senator CARDIN [continuing]. And I am very impressed with their dedication. They are making great progress. I am impressed by the commitment of their government to the issues. It is just incredible, though, how that network is as strong as it is.

Ms. MANES. It is incredible, but what they are doing in terms of doing a place-based strategy focusing on 10 priority municipalities in a comprehensive way, not just with adding more police officers but focusing on prevention, focusing on reintegration of gang members into society, those are really fundamental steps, and those are definite areas where we can work closely with El Salvador.

Senator CARDIN. And I just really want to underscore this point. We want to save the children there. We have had the immigration issues on our border, et cetera, but I met with a lot of really neat young people——

Ms. MANES. Yes.

Senator CARDIN [continuing]. Who want to do well for their lives, and I am worried some, if not many of those, will get caught up in the violence of their neighborhood and never have a chance. So we are really talking about young people who are trapped in this web, and the United States offers an opportunity here, and your position in that country can make a huge difference. So I urge you to give this your highest priority.

Ms. MANES. Absolutely. Thank you.

Senator CARDIN. If I could switch, I guess, to Panama, that's a little bit easier. Panama really needs to be a country where our presence is used to help the entire region. It has a lot of things going for it from the point of view of its economy and the canal, but it is in the neighborhood where they can exercise a lot of influence, and the question is will they exercise the influence and how will the United States play a role in that.

Mr. FEELEY. Thank you very much, Senator Cardin, for that question. You hit it right on the head. I agree with you completely. Panama is a country in Central America that, because of its geography, because of its history, and because of its current government, does not suffer from the same types of problems of citizen insecurity, shaken governance, and the gang problem that is so pervasive in the Northern Triangle.

The United States has a very strong and capable partner in this current government. We do seek to use our collaboration with Panama to hopefully export it, so to speak, very much in the way we have with Colombia over many years. President Varela understands very well the threats that are to his geographic north and has expressed already through his leadership at the Summit of the Americas earlier this year and in a number of domestic programs his intention to continue collaborating with the United States and with all of the governments of the region to make sure that Panama becomes value added to the many problems that afflict the isthmus.

Senator CARDIN. Ecuador, we talked a little bit before we sat down, a great country, but has been characterized by Freedom House as having a press that is not free. We cannot accept that.

What is your strategy to use the tools of our embassy to get a more open society and protecting journalists?

Mr. CHAPMAN. Thank you very much, Senator Cardin. I share your concern about freedom of the press in Ecuador. Freedom House report and many others have highlighted the challenges that a free and independent media have been facing in Ecuador in recent years.

I think it is very important that we as a government and we as an embassy speak very forthrightly about the challenges that this presents, the creation of kind of open civil societies and governments that we seek to see in this hemisphere. We share a commitment through treaties and charters. The Inter American Democratic Charter is very clear on the importance of freedom of expression, and I think that if confirmed, I will, just like the gentleman who just left as Ambassador, Adam Nim, be an advocate and, quite frankly, a forthright advocate for these issues, demonstrating how free press is good for free societies.

So I think it is incumbent on us as a government and as an embassy, as a mission, to be very, very outspoken on these issues and to support in any way that we can those who are seeking to express themselves freely within Ecuador.

Senator CARDIN. This committee is taking a particular interest in the trafficking issue. Several of the countries—Antigua, Barbuda—Tier 2 watch. You mentioned that in your testimony. We have St. Vincent, a Tier 2 country. Trafficking is a serious problem, and I must tell you, we very much want our mission in the Caribbean Islands to give us a strong report on how we can hold these countries to making progress against modern-day slavery.

We know at times you want to be diplomatic, but when you are dealing on this issue you have got to give us a clear indication of how this country is performing on its trafficking, anti-trafficking activities. Are you prepared to do that?

Ms. TAGLIALATELA. Thank you for that question, Senator. As a strong proponent of human rights and rule of law, I am concerned about trafficking of persons in the Caribbean. If confirmed, I will continue the robust engagement with the nations to encourage them to strengthen their antitrafficking laws and to improve their law enforcement efforts. I think it is important that we increase measures to protect and care for the victims and to try through a systemic approach to prevent people from becoming victims of trafficking.

I understand and realize that two of our countries within the Caribbean are at Tier 2 Watch List. Those countries we will focus on, along with the other countries in the Caribbean, to make sure that they pay attention to the things that need to be done within their countries to stop trafficking in persons.

Senator CARDIN. I just want to make this point. I appreciate that answer. I just want to make this point. There are objective tests as to how we rate countries in our TIP report, and we expect our representatives from America in these countries to use those standards and their recommendations to the State Department through the ways that you go about doing that. This is not a matter to trade off for diplomacy. This is a matter in which we demand objective reporting as to a country's rating.



Ms. TAGLIALATELA. I assure you, Mr. Senator, that we will follow the standards of the report to evaluate and assess the actions of the countries within the Caribbean.

Senator CARDIN. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Menendez.

Senator MENENDEZ. Thank you, Mr. Chairman, and congratulations to all of you on your nominations.

I thought I read this from your resumes, but I just want to make sure.

Mr. Feeley, Ms. Manes, and Mr. Chapman, do you all speak Spanish? I know you do, right?

Ms. MANES. Yes.

Mr. FEELEY. Yes, sir.

Senator MENENDEZ. Okay, great. I am not going to conduct a Cervantes test now. I just wanted to get a sense of it. It helps in the country that you are in, particularly these Latin American countries.

Let me say that in reading your testimony, as well as listening to it, in typical State Department form, you have the most positive view of our bilateral relationships with these countries, and I get that. But in some of these countries we have some real concerns and issues, and I do not think we can gloss over them because, from my perspective, they need to be an essential part of your mission as the head of our embassy in these respective countries. So let me go over a few of them.

Mr. Chapman, I certainly want to join Senator Cardin in his concern about press freedom in Ecuador. I have spoken about this for years, and it continues to be one of the most oppressed elements of freedom of the press in the hemisphere.

But beyond that, President Carrera is a fierce critic of the United States. He has ejected State Department representatives. He has imposed such restrictions on USAID that it had to close its mission. He shut down U.S. counterdrug operations. He has accused the United States of threatening Ecuador's sovereignty. He has aligned Ecuador with allies like China and Russia, and he even provided asylum to WikiLeaks founder Julian Assange at the Embassy of Ecuador in London.

So, while I heard the positive side of this bilateral relationship, I think that there is a very pressing series of things, and so I would like to get a sense from you, notwithstanding that President Carrera has supposedly announced that he will not stand for election in 2017—we will see—as his political party pushes for constitutional changes that allow indefinite reelection to take place, so we will see about that.

How do you see this playing out? How do you see all of those elements of our relationship playing out? What do you intend to do as the ambassador in pursuing a better direction as it relates to those issues?

Mr. CHAPMAN. Thank you very much, Senator. It is a very good observation and listing of the real challenges that we also have in our relationship with Ecuador. We have many areas of substantive engagement where there has been positive movement, whether it

is working in education areas or counter-drug and some of the areas where we have seen some real progress at the working level.

But you are right, there are many challenges in the relationship, and I certainly do not mean to gloss over them. I think what I would seek to do, if confirmed, is to seek to engage the Government of Ecuador on these issues in a substantive way to get beyond rhetoric and get to talking about the real issues that are of concern to both of our countries. We have signaled these on many occasions. We have had high-level exchanges with the government at various times. I think this is an appropriate time for us to attempt to re-engage on some of these issues that are so important to us.

If confirmed, I would seek to find a willing and open interlocutor in Ecuador with whom we can discuss these issues and see if we can chart out a path together to address some of them together. But where we cannot, we will continue to not abandon our values and principles and speak out on the issues that are important to U.S. foreign policy and to us as a nation.

Senator MENENDEZ. I appreciate that. You know, as you go to— in 2017, if President Carrera is not going to run, for argument's sake, whether he runs or not, 2016 is a vital year leading up to 2017.

Mr. CHAPMAN. Yes, right.

Senator MENENDEZ. And so I would assume that it will be your mission to, beyond interlocutors at an intergovernmental level, to robustly pursue civil society elements in Ecuador in preparation for an election that we hope is free and fair.

Mr. CHAPMAN. Yes. Absolutely, Senator, I could not agree more. As I mentioned in my statement, I will be looking to meet with and hold dialogues with and learn from a very broad range of society. That includes opposition, that includes religious organizations, labor groups, indigenous movements. There are so many groups in Ecuador that are actively expressing themselves about what they wish to see as a nation, I think it is incumbent on us as diplomats to meet with each and every one to hear their concerns.

And so, yes, I commit to you that I will be active, getting around the country, meeting with a broad, broad range of Ecuadorians so that we can see how we can work to support this democracy and this civil society as they seek to express themselves.

Senator MENENDEZ. Ms. Manes, I visited El Salvador a couple of years ago when I met with President Funes and the Minister of Foreign Affairs and the Minister of Justice, and in a very interesting luncheon that Ambassador Aponte arranged with me with members of the Constitutional Court of the Supreme Court, in essence the Supreme Court of Justice of their country, and the focus of a lot of my visit was, yes, our bilateral relationship, but particularly the question of extraditions. We had a series of fugitives and/or others wanted for high crimes in the United States, from drug trafficking to murders and others, and we had not succeeded in gaining extraditions.

We had a long conversation with members of the Supreme Court about something that the ambassador had been working on to try to lay the foundation to get, and I had a long conversation with members of the Supreme Court, including the Chief Justice, who comes from a political point of view that did not necessarily warm

to the idea of extraditions. And among the things that we discussed, I said what if a Salvadoran had committed murder against a member of your family and went to the United States? Would you not want them to be extradited back to El Salvador?

Well, the result of that conversation and the continuing work of our ambassador led to a series of extraditions, extraditions we had never achieved before. Now, that still, however, is a contentious issue in El Salvador, and there are still those who are wanted by law enforcement authorities here in the United States.

So I appreciate what you said about Ambassador Aponte. I want to get a pledge from you, if confirmed, that you will continue to aggressively pursue those who have committed crimes in the United States and pursue extradition when the appropriate State and Justice Department efforts go forth, that you will make that a priority of your time as Ambassador in El Salvador.

Ms. MANES. Senator, you have my pledge, and I can assure you that while I am a glass-half-full person, I have no difficulty tackling the complicated issues and will do so.

Senator MENENDEZ. Okay. Well, I actually thought that your statement was among the most sobering of the countries that you were visiting.

Let me ask you, the other thing with El Salvador which is, of course, part of our whole Central American challenge, Senator Cardin talked about it and it is a huge challenge, and I think we underestimate in the United States what that challenge is, and this is not about helping the people of El Salvador alone, it is about our own national interests and security. But also from that stems what we saw with refugee children, migrant children coming to the United States because their parents decide that either they will die here or I will risk them coming to the United States and hopefully they will live there.

Now, that flow stemmed as a result of concerted effort between the United States and the governments of Central America, but I see the number spiking again. And before we get to a crisis situation where we will revert to what we did before—the whole region is not your bailiwick but your country is one of those—will you make it one of your priorities when you are at post to continue to work with the Salvadoran government on finding ways in which we stem the tide of young children taking a risk to come to the United States and pursue the more active in-country asylum process that we have tried to establish?

Ms. MANES. Well, Senator, thank you for that question. You make the exact point. The fundamental issues that have led to the migration crisis have not changed. In fact, the number is going back up. Fundamentally, probably the number went down a little bit because of our collaboration in the region, in particular with Mexico, so less were actually reaching the United States. But the number of people who were actually departing El Salvador probably did not go down.

So the fundamental underlying issues, predominantly security, and the research does show that the number-one reason people are willing to take that risk with their most precious assets, their kids, the fundamental reason is, in fact, the security issues. Economics is a distant second.

So it is critical that we get a handle on the security situation in El Salvador not only for the security of El Salvador, as you rightly point out, but for the security of the United States, and that will be my number-one top priority if confirmed.

Senator MENENDEZ. Well, thank you very much.

Mr. Feeley, while Panama is virtuous in many ways, it does have a few issues. Money laundering. Panama made some moves in order to get itself removed from the international list of nations that are not doing enough to fight money laundering, but these efforts are falling short, in my view. The gray list is maintained by the Financial Action Task Force, an intergovernmental body that promotes anti-money-laundering policies. Panama has been on the list since June of 2014, alongside other countries like Afghanistan, Sudan, Syria. That is not great company.

Panama developed an action plan with the task force in order to remove this designation, which included a legislative proposal meant to strengthen government supervision over the financial sector. However, talks between the task force and Panama have run into trouble lately. Problems include the ease with which corporations are formed, confidentiality regulations that make it easy for corporations to conceal details, minimum reporting requirements, tax exemptions, lax regulations over the shipping industry, which is another concern of mine, and an insufficient legal framework for dealing with money laundering.

Do you plan to make this a significant issue of your ambassadorship?

Mr. FEELEY. Absolutely, Senator Menendez. You accurately described the situation in Panama right now. You mentioned the gray list, the engagement with Panama. In my current position as Principal Deputy Assistant Secretary, without necessarily portfolio review for Panama, I have engaged with the Ambassador here, with the President and Foreign Minister, Vice President and Foreign Minister in Panama. I believe that they recognize just how important it is that they work with the international community, with the U.N., with the United States to clean up their banking sector so that their banking sector becomes a proponent for legitimate business and it is not subject to the bridging function I spoke about earlier, that many times, unfortunately, invites organized crime.

So if I am confirmed, Senator, you have my pledge that this will be one of my highest priorities.

Senator MENENDEZ. Mr. Chairman, I have one other question, if I may?

The CHAIRMAN. Go ahead.

Senator MENENDEZ. With reference to—because of its location, Panama remains a center for shipping narcotics to the United States and other countries. What is your assessment of the progress with Panama, and is the drug interdiction committee working? What do we need to do?

Mr. FEELEY. Absolutely. Thank you for that question, Senator Menendez. Panama is a good partner for the United States. Panama last year seized over 35,000 tons of cocaine, more than all of the other countries of Central America and Mexico combined. As an interdictor, it does quite a good job, and one of the reasons for that

job is its consistent partnership with the United States under the Central American Regional Security Initiative.

Where it has not worked and where we have seen deficits in Panama's performance is precisely where we discussed earlier, in the financial transactions. If confirmed, I will ensure that we continue to work with the Sinan and Sena Front. As you know, there is no military in Panama, but the police and the security agencies, they guard the borders, and their air naval service to ensure that that interdiction level is kept up, that their vetted units are trained professionally by our DEA and our folks. But also we will turn increasing attention to the financial sector, sir.

Senator MENENDEZ. Well, thank you very much.

Just one last comment to the three of you. Other than Senator Cardin's remarks about trafficking—that is why I did not spend a lot of time with you, Ms. Tagliatela, but I am sure that you will do a fine job there—I sometimes worry that in these countries, while we say that we promote our values, we muffle it. I think that the purpose of our interests—yes, sometimes they are clearly commercial, but what makes America a beacon of light unto the world is what it stands for in human rights and democracy. And when we do not show that beacon in these countries that you are going to all represent, because the country that you are going to represent is the United States of America, the country you are going to be assigned to, then I think we do ourselves an enormous disservice.

Now, that sometimes creates problems. Maybe, Mr. Chapman, you might get thrown out of Ecuador for doing it, but I would applaud you. Maybe Ms. Manes would find challenges—I do not think so—in raising some of the questions, justice questions in that country, or the questions of money laundering in that country. But that is the very essence of why we have missions abroad, to promote those values.

So I just want to urge you—it is a refrain that I intend to make to each one of our nominees as you move abroad, because I often feel that we muffle our concern about human rights and democracy. We say they are principles for us, but then we give them second or third billing as it relates to our missions abroad. So when I go to visit you, I will be looking forward to seeing what you have done in that regard.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

I appreciate the fact that we have four qualified nominees nominated to positions that are very important to us here in the Western Hemisphere. I sometimes think there is not near the emphasis on the Western Hemisphere that should exist. There are tremendous challenges that we have there, but also significant opportunities.

Members of the committee will ask questions in writing through Thursday close of business. I am going to ask my questions through QFRs in that manner because of the time, but I want to thank you for your testimony here today, for bringing family members and for their service to our country in support of you and in other ways.

And with that, the meeting is adjourned.

Thank you.

[Whereupon, at 4:12 p.m., the hearing was adjourned.]

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

RESPONSES OF AMOS HOCHSTEIN, NOMINATED TO BE ASSISTANT SECRETARY OF STATE FOR ENERGY RESOURCES, TO QUESTIONS FROM MEMBERS OF THE COMMITTEE

ASSISTANT-SECRETARY-DESIGNATE HOCHSTEIN'S  
RESPONSES TO QUESTIONS FROM SENATOR BARRASSO

*Question.* How are the roles and responsibilities of the State Department's Bureau of Energy Resources different from the Department of Energy's Office of Policy and International Affairs?

*Answer.* The State Department's Bureau of Energy Resources (ENR) and the Department of Energy's (DOE) Office of Policy and International Affairs have different but very complementary mandates. The Department of Energy Organization Act, which established the Energy Department in 1977, expressly gives the Secretary of State primary authority and the central role in conducting international energy policy, stating that "the Secretary of State shall continue to exercise primary authority for the conduct of foreign policy relating to energy and nuclear non-proliferation, pursuant to policy guidelines established by the President" (42 U.S.C. § 7112 (10)). ENR works closely and collaboratively with DOE's Office of Policy and International Affairs, but leads the effort where energy intersects with our foreign policy, national security, and counterterrorism objectives. The vital link between energy security and every nation's national security has never been more clear than it is today. Access to reliable, affordable and sustainable energy affects every country's economic growth, political stability and ability to meet its climate goals. With rapidly changing natural gas markets, shifts in global supply, the transformative impact of renewable energy technologies, and the explosion of energy consumption in the developing world in an era of climate change, energy diplomacy is fundamental to U.S. diplomatic engagement everywhere.

As we work to address global energy challenges, ENR engages closely with DOE's Office of Policy and International Affairs to coordinate U.S. bilateral and multilateral foreign policy engagement on energy issues. ENR's diplomacy efforts amplify DOE's technical expertise with the geopolitical and diplomatic tools that leverage our bilateral and international strengths to achieve lasting solutions.

ENR, in coordination with the interagency, develops U.S. international energy policy, ensures that analyses of the national security implications of global energy and environmental developments are reflected in the interagency decision making process within the executive branch, and coordinates energy activities of the Department of State with relevant Federal agencies in line with the Energy Independence and Security Act of 2007.

*Question.* Please describe how you have delineated the roles, lines of authorities, and decisionmaking among the Department of State, Department of Treasury, the Department of Energy, and the White House on international energy policies?

*Answer.* As determined by Congress, the Department of State has the lead on all areas of international energy diplomacy. As such, the State Department's Bureau of Energy Resources leads the effort where energy intersects with our foreign policy, national security, and counterterrorism objectives.

For example, the Department of State leads on Iran and Russia sanctions, counter-ISIL efforts, Ukraine and European energy security, and cooperation in the Eastern Mediterranean, among other issues.

We work closely and collaboratively with the White House, Department of Defense, the Department of the Treasury, and the Department of Energy to ensure collaboration, cooperation, and avoid duplication of efforts. The Department of Energy's technical and scientific expertise is an important asset to energy diplomacy and the Department of State utilizes that expertise in its international engagements.

We maintain regular meetings, weekly calls through the White House, and bilateral meetings with relevant government agencies, which helps us to delineate our individual roles and lines of authority.

*Question.* In examining energy markets, how will the Bureau of Energy Resources avoid duplicating the efforts of other parts of the government?

*Answer.* In examining markets, ENR utilizes the great expertise developed by the Department of Energy, the U.S. Energy Information Administration, the intelligence community, the Department of Commerce and others to support our own analysis

and information derived from the Bureau's unique exposure to U.S. Government resources, as well as active engagement with international counterparts. These include governments, think tanks, multilateral institutions, and the private sector.

*Question.* What is the current number of staff positions at the Bureau of Energy Resources? What was the fiscal year 2015 budget for the Bureau of Energy Resources?

*Answer.* The Bureau of Energy Resources currently has 68 permanent Full Time Equivalent (FTE) staff and 9 temporary positions.

The Bureau in FY 2015 managed a budget of \$4.394 million, approximately 10 percent lower than the Bureau's FY 2012 managed levels of \$4.820 million.

*Question.* In your testimony, you wrote: "Today, we should focus on 21st century solutions utilizing ALL natural resources—from those requiring extraction to those requiring capturing; from oil and gas to wind and sun."

◆ Are you committed to promoting all forms of energy projects across the globe including oil, gas, and coal?

*Answer.* Yes, I support promoting all forms of energy globally, consistent with the Department and administration's efforts to promote energy security and economic development. Recognizing that countries will pursue their own mix of energy options according to their unique circumstances, our approach is to support a menu of available energy options, from hydrocarbon to renewable technologies.

The Bureau of Energy Resources (ENR) supports the responsible development of hydrocarbon resources globally through several different channels. We are prioritizing the increase of gas supply diversification to Western Europe and are working to better integrate gas markets and supplies across geographic regions. Globally, through the Energy Governance and Capacity Initiative (EGCI), ENR assists countries with emerging or rapidly expanding oil and gas sectors on sustainable and transparent sector management to benefit national economic development. Through the Unconventional Gas Technical Engagement Program (UGTEP), ENR assists countries seeking to develop their unconventional natural gas resources safely and responsibly.

At the same time, ENR has coordinated with other U.S. Government agencies to advance the construction of new coal plants by U.S. companies in Kosovo, and the export of U.S. equipment for coal mining in Mongolia. ENR also works closely with Ukraine to ensure it has access to adequate coal supplies.

When leading U.S. Government energy diplomacy to address geopolitical energy crises, ENR works to advance diversification of energy supply sources, transmission routes, and fuel types. In addition, ENR facilitates regional energy resource cooperation by encouraging regional partners to utilize shared hydrocarbon and renewable resources as a vehicle for resolving long-standing disagreements and bolstering regional cooperation and interconnection.

We routinely meet with representatives of industry from the entire spectrum of energy sources, to better understand their views on opportunities and challenges and to inform our diplomatic outreach.

*Question.* What percentage of the Bureau's time, resources, and budget went toward traditional energy resources of oil, gas, and coal during fiscal year 2015? What percentage of the Bureau's time, resources, and budget went toward wind and solar energy in fiscal year 2015?

*Answer.* ENR allocates its staff time and resources to advance our interests in having access to secure and reliable sources of energy. These sources of energy include traditional hydrocarbon resources as the majority of generation and alternative and renewable energy sources to help develop a sustainable 21st century modern energy matrix. The percentages vary given the issue, the country, and environment. In FY 2015, a significant portion of the Bureau's time went to promoting energy security globally, which included promoting traditional and renewable energy sources, increasing regional integration, and increasing access to energy.

This resource allocation is also true of the program funds that operationalize our energy diplomacy. Approximately 57 percent of foreign assistance funds obligated in FY 2015 worked to bring transparency and good governance to the oil and gas sectors to strengthen energy security and economic growth. Initiatives included helping to increase Ukrainian domestic gas production and assisting countries like Jordan in responsibly developing its unconventional shale gas resource potential. Approximately 43 percent of foreign assistance funds obligated in FY 2015 went toward power sector and other activities, including natural gas and renewable sources such as wind, solar, and geothermal, that are generation-neutral, to bring solvency to power sectors and interconnect countries across borders to strengthen energy secu-

city and regional cooperation. These programs help increase Southern African power sector investment and accelerate the extension of energy access to those currently without it. They also help develop regulations and technical capacity in Central America to support regional power integration and facilitate the introduction of electricity and gas from Mexico into Central America.

*Question.* What action has the Bureau of Energy Resources taken on coal in bilateral relationships, in multilateral institutions, and by U.S. export financing agencies in fiscal year 2015?

*Answer.* The Bureau of Energy Resources (ENR) meets with U.S. energy firms representing the entire spectrum of energy resources, including U.S. coal companies seeking to assist developing countries to utilize modern coal technologies and practices. These discussions inform our diplomatic engagement.

Within the State Department, the Bureau of Economic and Business Affairs (EB) has primary responsibility for economic negotiations with multilateral financial and development institutions, including on the issue of financing coal-fired power projects. On these issues ENR has served as a technical resource to EB, providing information on the carbon content, emissions rates, and technical maturity of various types of energy resources and power generating technologies.

ENR has had no active role in development of U.S. export financing agencies' policies on coal.

*Question.* Do you believe that lifting the restrictions on exports of liquefied natural gas and crude oil from the United States would promote U.S. national interests and energy security of our allies? Please explain.

*Answer.* Oil is a global commodity. Natural gas is increasingly becoming a global commodity. Any supply disruption will increase global prices and the price we pay for energy at home. Disruptions would also undermine the economies and well-being of countries around the world, and thereby have a direct impact on the prosperity of Americans as well. As you know, current law prohibits most crude oil exports and any change would require congressional action. Domestic oil production has grown significantly in recent years, and that is a good thing. Since 2008, U.S. net crude oil imports have fallen by 3 million barrels per day as a result of growing domestic production and improving energy efficiency. This, in turn, has diverted previously imported barrels back into the global market which enhances global energy security and strengthens the global economy. We want to work together with Congress to focus on meeting America's energy needs and ensuring that American energy remains a key player in the global energy markets.

I support LNG exports and the Department of Energy (DOE) has regulatory authority over permits for Liquefied Natural Gas (LNG) exports and has approved LNG export permits for nearly 10 billion cubic feet per day (or more than 100 billion cubic meters a year) that can be exported both to countries with which we have Free Trade Agreements (FTA) and to those where we do not, such as European countries and Japan. The United States is poised to become a significant exporter of LNG. U.S. exports have the potential to bolster global gas supplies and add liquidity and flexibility to markets, thereby enhancing global energy security. U.S. LNG exports will benefit priority foreign policy interests including European energy security and fostering economic growth in the Asia-Pacific to help meet the region's rapidly growing energy demands.

*Question.* Do you support the Bureau of Energy Resources promoting export opportunities for U.S. natural gas, oil, and coal? What is your strategy to help U.S. energy companies create export opportunities for coal, oil, and natural gas? How would the Bureau of Energy Resources work with the Department of Commerce, Energy, and the Environmental Protection Agencies to support these opportunities?

*Answer.* Yes. One of ENR's primary objectives is to support U.S. exports in the energy sector, including hydrocarbons, nuclear, and renewables.

ENR has supported and will continue to support American companies seeking opportunities across the globe. ENR has successfully advocated on behalf of U.S. companies and opportunities in every segment of the energy sector.

The Bureau coordinates across the entirety of the interagency to ensure maximum effect for our advocacy and support on behalf of U.S. companies, as well as to ensure it is done properly and transparently.

*Question.* Do you support multilateral institutions blocking financing for coal powered energy projects? If you do, why is it good U.S. policy to block financing for affordable, accessible, and reliable energy projects?



**Answer.** The Bureau of Energy Resources (ENR) has supported efforts to promote energy security globally by helping other nations modernize power production, distribution and use according to each country's unique circumstances.

ENR has coordinated with other U.S. Government agencies to advance the construction of new coal plants by U.S. companies in Kosovo, and the export of U.S. equipment for coal mining in Mongolia and Ukraine. These actions are in line with the administration's Climate Action Plan, which allows public financing of coal plants in the world's poorest countries in cases where no other economically feasible alternative exists.

**Question.** What specific steps has the Bureau of Energy Resources taken to advocate that multilateral financial institutions and other multilateral development institutions change their energy sector financing to block coal-fired power projects?

**Answer.** The Bureau of Energy Resources (ENR) supports promoting all forms of energy projects globally consistent with the Department and administration's efforts to promote energy security and economic development. Our approach, in bilateral engagements and through multilateral financial and development institutions, is to maximize the technical and financial analysis of available energy options as each country pursues its own resource and technology mix according to its unique circumstances.

Within the State Department, the Bureau of Economic and Business Affairs has primary responsibility for economic negotiations with multilateral financial and development institutions, including on the issue of financing coal-fired power projects. On these issues the Bureau of Energy Resources has served as a technical resource to the Economics Bureau, providing information on the carbon content, emissions rates, and technical maturity of various types of energy resources and power generating technologies. Recently, the Department was able to reach an agreement on export financing for coal-fired power plant technologies at the Organization for Economic Co-operation and Development (OECD) that will help level the playing field for U.S. manufacturing companies in the energy sector.

At the same time, ENR has coordinated with other U.S. Government agencies to advance the construction of new coal plants by U.S. companies in Kosovo, and the export of U.S. equipment for coal mining in Mongolia. ENR also continues to assist Ukraine to ensure it has access to sufficient supply of coal.

**Question.** Please outline the roles and lines of authority among the Department of State, Department of Treasury, the White House, the Department of Energy, the U.S. Executive Director's Office at the World Bank, and other financial institutions regarding multilateral energy investments.

**Answer.** The President has delegated to the Secretary of the U.S. Department of Treasury (Treasury) principal responsibility for instructing the U.S. Executive Directors to the International Financial Institutions (IFI) on the positions and votes of the United States with respect to IFI decisions. Treasury solicits views on proposed Multilateral Development Bank (MDB) investments from the U.S. Department of State (State) and other U.S. agencies, including the U.S. Department of Energy, through its Working Group on Multilateral Assistance (WGMA). The Under Secretary of State for Economic Affairs serves as alternate U.S. Governor at each MDB. State's Economic and Business Affairs Bureau coordinates the Department's input on MDB issues and energy investments in cooperation with other State Department bureaus.

**Question.** If sanctions are lifted, how quickly could Iran manage to ramp up its production of oil? What is the estimated revenue per year to Iran from lifting of sanctions on Iran's energy sector? Have you done any economic modeling or analysis on the total economic benefits to the Iranian economy due to the lifting of the sanctions?

**Answer.** Should sanctions be lifted, it is possible to estimate increases in exports would come in stages over time. I am available to brief in more detail in a classified setting.

Iran's economy has been isolated from the world since more robust sanctions were imposed on Iran's energy sector in 2012. It will take significant time for Iranian production to reach sustained, higher levels once the sanctions relief described in the Joint Comprehensive Plan of Action goes into effect. The Treasury Department estimates that today, the Iranian economy is at most only 80 percent the size that it would have been, had it continued on its pre-2012 growth path. Consequently, it will take until at least until 2022 based on Iran's anemic economic performance—even with sanctions relief—for Iran to get back to where it would have been absent our sanctions. Iran has foregone approximately \$160 billion in oil revenue alone since

2012, after our sanctions reduced Iran's oil exports by 60 percent. This money is lost and cannot be recovered.

In order to increase production and exports, Iran will need access to foreign technology and capital. In order to attract such investment, Iran will have to make significant improvements to its investment climate. Even so, it will be difficult if not impossible for Iran to return to pre-1979 production levels of 6 million barrels per day.

On the question of economic analysis and modeling, I refer you to the U.S. Department of the Treasury, and the intelligence community for further analysis and information on Iran's economy.

*Question.* What advice would you give international energy companies that are considering new investments in the Iranian energy sector now and after the current energy sanctions on Iran are lifted?

*Answer.* We have and will continue to urge international energy companies to seek expert guidance before signing any contract or beginning a formal business relationship involving Iran. In addition, we urge such companies to bear in mind that all U.S. sanctions related to Iran for nonnuclear reasons remain in place and will continue to remain in place even after "Implementation Day," which will occur only after the International Atomic Energy Agency (IAEA) verifies that Iran has taken key nuclear-related steps, after which the United States and the EU will provide relief from certain nuclear-related sanctions under the terms specified in the JCPOA.

We strongly urge any country, company, or individual interested in doing future business with Iran to consult published guidance and expert counsel; companies requiring further clarification may bring questions to the Treasury Department's Office of Foreign Asset Control to obtain further guidance.

*Question.* If Iran violates the JCPOA and sanctions are reimposed, is it your understanding that foreign energy companies would be required to cease performance of any contracts with Iran?

*Answer.* There is no provision in the JCPOA that grandfathers contracts signed prior to snapback. We are committed to ensuring that Iran complies with all of its commitments, and we have a wide range of options to respond to any Iranian non-compliance, from significant nonperformance to more minor instances of noncompliance.

If given instruction for the snapback of oil-related sanctions, I am confident we will be able to implement those sanctions without delay.

*Question.* If you become aware of an energy company that is violating U.S. sanctions, including a company with significant ties to the U.S., would you have any hesitation to recommend sanctions on that company?

*Answer.* Prior to sanctions implementation in 2012, Iran had more than 20 customers and exported approximately 2.5 million barrels per day. ENR's efforts shrank Iran's customers from 20 to 6, and reduced exports from 2.5 million barrels per day to just 1 million. We achieved this without disrupting global oil supplies or price. This unprecedented effort cut Iranian revenues by over \$150 billion, and played a key role in forcing them to the negotiating table.

Our sanctions against Iran have been, and will continue to be, a powerful tool. We know that sanctions are only effective when they are strictly enforced. The entire State Department is, and will continue to be, committed to vigorous enforcement of any violations.

*Question.* If you become aware of a sanctions violation, to which the administration is failing to respond, will you promptly notify this committee?

*Answer.* Our sanctions against Iran have been, and will continue to be, a powerful tool. We know that sanctions are only effective when they are strictly enforced. The entire State Department is, and will continue to be, committed to vigorous enforcement of any violations. We will use all the tools at our disposal to ensure Iran fulfills its obligations under the JCPOA.

Should I become aware of sanctions violations, I will report them diligently and appropriately.

*Question.* How long would it take to effectively reimpose snapback sanctions against Iran in the energy sector?

*Answer.* The United States has the ability to act very quickly to reimpose both unilateral and multilateral nuclear-related sanctions in the event of nonperformance by Iran. This includes the U.S. measures that impose sanctions on the purchasers of Iranian oil as well as the banks that finance those purchases. In the case of

United Nations (U.N.) sanctions, U.N. Security Council Resolution 2231 establishes an unprecedented "snapback" mechanism under which any JCPOA participant has the unilateral ability to reimpose U.N. sanctions without the worry of a veto by any of the permanent members of the U.N. Security Council. Instead, there would be a vote in the Security Council to continue the sanctions relief, which we could veto, thereby resulting in the reimposition of all U.N. sanctions.

In addition, the EU also has the ability to reimpose all of its sanctions in the event of noncompliance, including its embargo on Iranian oil, which has been one of the most powerful sanctions on Iran. Just as was the case in the past, we anticipate that should Iran be in noncompliance with this deal, we would have strong support from the EU and other countries to reimpose and vigorously enforce these sanctions.

*Question.* Do you believe the United States should allow Iran to increase exports of oil while prohibiting U.S. companies and producers from accessing those same markets?

*Answer.* When the International Atomic Energy Agency (IAEA) verifies that Iran has taken key nuclear-related steps, the United States and the EU have committed to provide relief from certain nuclear-related sanctions under the terms specified in the Joint Comprehensive Plan of Action (JCPOA) agreement reached in July by the P5+1—the United States, China, France, Russia, and the U.K., plus Germany, coordinated by the EU—and Iran. The JCPOA is designed to expand the scope of permissible business activity through sanctions relief in exchange for Iran's full compliance with the requirements of the JCPOA.

We look forward to and hope for full compliance and the lifting of these sanctions as specified in the JCPOA when the IAEA verifies Iran's compliance on "Implementation Day." However, U.S. sanctions targeting Iran's support for terrorism, human rights abuses, and destabilizing activities in the region, as well as its ballistic missiles program, will remain in place even under the JCPOA and will be enforced vigorously.

Current law prohibits most crude oil exports and any change would require congressional action. We want to work together with Congress to focus on meeting America's energy needs and ensuring that American energy remains a key player in the global energy markets.

*Question.* Do you believe it is in U.S. national security interest to allow U.S. allies and partners to purchase American oil to diversify away from Iran?

*Answer.* Oil is a global commodity. Additional oil supplies from any nation coming on to global markets enhance the ability of any consuming nation, including our allies and partners, to increase its diversity of sources of oil supply. The United States maintains a long-standing policy to promote diversification of energy sources, types, and delivery routes as an essential component of energy security.

Current law prohibits most crude oil exports and any change would require congressional action. We want to work together with Congress to focus on meeting America's energy needs and ensuring that American energy remains a key player in the global energy markets.

*Question.* How could U.S. exports of crude oil help counter any benefits Iran receives from lifting of U.S. sanctions on Iran's energy sector?

*Answer.* Current law prohibits most crude oil exports and any change would require congressional action. While we look forward to and hope for Iran's full JCPOA compliance as verified by the IAEA, the subsequent lifting of the nuclear proliferation related sanctions specified in the JCPOA and additional oil supplies coming onto global markets will face market forces, such as the balance between supply and demand, which will determine its price.

We want to work together with Congress to focus on meeting America's energy needs and ensuring that American energy remains a key player in the global energy markets. U.S. sanctions targeting Iran's support for terrorism, human rights abuses, and destabilizing activities in the region, as well as its ballistic missiles program, will remain in place even under the JCPOA and will be enforced vigorously.

*Question.* The State Department plays a role in analyzing and issuing Presidential permits for cross-border oil pipelines. The Secretary of State recently made the determination that the national interests of the United States would be best served by denying TransCanada a Presidential permit for the Keystone XL Pipeline.

♦ Did you participate in the Keystone XL pipeline application review? If so, what was your recommendation on the pipeline application?

*Answer.* ENR is one of multiple bureaus responsible for implementing E.O. 13337 in the Department. ENR's market analysis findings were incorporated into the

broader National Interest Determination/Record of Decision and found the proposed project would have had a limited benefit for U.S. energy security by providing additional infrastructure for the dependable supply of crude oil. However, the absence of the proposed Project will not prevent Canada from continuing to serve as a secure source of energy supply.

*Question.* What role, if any, did the Bureau of Energy Resources have with respect to the State Department's review of the Keystone XL pipeline application? What was the Bureau's recommendation?

*Answer.* ENR is one of multiple Bureaus responsible for implementing E.O. 13337 in the Department of State. ENR solicited public comment and helped amalgamate the analysis from across the Department and the interagency for the National Interest Determination/Record of Decision for the Secretary's consideration in making his decision.

ENR focused its role and analysis on the market affects as well as transportation alternatives.

*Question.* In your opinion, how does the construction of oil sands pipelines impact U.S. national security and energy security?

*Answer.* Canada serves as a secure source of oil which enhances U.S. energy and national security. Oil trade is driven by commercial considerations and occurs in the context of a globally traded market in which crude oil and products are relatively fungible. Ultimately Canada and global market forces will determine the development of the Western Canadian Sedimentary Basin.

*Question.* What percentage of the Bureau's time, resources, and budget goes toward this effort?

*Answer.* ENR allocates its staff time and resources to respond to the world as it is, with traditional hydrocarbon resources as the majority of generation, and to help transform the global energy picture—including cleaner burning natural gas, alternative and renewable sources, and achieving efficiencies in energy and power sectors.

The Bureau's work in driving private demand and finance for transforming the ways all nations use and produce energy, including low-emission technologies and fuels, is a part of this effort, and one that has myriad benefits for U.S. citizens and companies, many of which are global leaders in clean energy technologies. The market rationale for renewable energy generation and energy efficiency initiatives as part of a reliable and sustainable energy supply is growing, and will be an essential component of 21st century energy security and independence: in many ways the net climate effects are simply cobenefits that augment those market realities. In FY 2015, a significant portion of the Bureau's time went to promoting both traditional and renewable energy sources, increasing access to energy, and stimulating private demand and finance for technologies and fuels that will transform the ways nations use and produce energy and stop or mitigate the devastating effects of climate change.

*Question.* What actions is the Bureau taking to stop or mitigate climate change?

*Answer.* At the core of ENR's mission is increasing the security of energy supply around the world. For electricity, the most economic options are increasingly also the least carbon emitting. Through ENR's diplomatic engagements, we promote options to improve energy security and reliability in the most economically and technologically viable way, while encouraging greater trade opportunities. We advance policies that support stable, affordable access to energy resources ranging from fossil fuels to renewables, depending on the local conditions and available energy resources. ENR does not apply a climate change litmus test for its engagements with partner countries. Rather, ENR promotes energy security, trade, and proper governance around the world through encouraging the most economically and technologically viable resources.

The Special Envoy for Climate Change manages the State Department's diplomatic engagements related to climate negotiations.

*Question.* Will international climate change be a top priority of the Bureau of Energy Resources under your leadership?

*Answer.* The Special Envoy for Climate Change has primary responsibility for climate negotiations.

The Bureau of Energy Resources' (ENR) top priority is the advancement of U.S. energy security and U.S. economic interests through increasing global access to secure, reliable, and diverse sources of energy. ENR works to ensure energy security by leveraging and promoting 21st century energy solutions that employ all forms of

natural resources—from utilizing fossil fuel resources in an effective manner to enhancing nuclear power opportunities to supporting renewable power generation. Through this lens, ENR continues to analyze rapidly changing energy markets and politics, encourages stable investment environments, and promotes innovation and trade.

*Question.* How can U.S. energy exports, such as liquefied natural gas and crude oil, help promote regional energy security and economic development in the Western Hemisphere?

*Answer.* The United States is already a significant energy supplier to the Western Hemisphere. Reflecting a steady trend, in September 2015, 58 percent of total U.S. exports of refined products went to Western Hemisphere destinations, and nearly one quarter went to Canada and Mexico.

As Mexico establishes the policies and regulations that shape its flagship energy reform, it is counting on significant increases in U.S. natural gas to accommodate new electricity generation and switch inefficient and costly heavy fuel oil plants to natural gas. We have engaged the Mexican Government extensively on this topic, and have provided technical and diplomatic support on a regional proposal to export North American gas from Mexico into Central America.

The domestic shale gas boom has put the United States in a position to be a net natural gas exporter by 2017. Low natural gas prices and the capacity to export that surplus to markets provide a great opportunity to strengthen energy security and promote economic development in the Western Hemisphere. But while having strong and reliable energy suppliers can help, the primary challenge of energy security in most countries in the Western Hemisphere is not a lack of supply. For example, a number of countries in the Caribbean and Central America suffer from poor investment climates due to their small economies of scale, poor investment grades, and outmoded infrastructure. This results in an inability to attract the investment necessary to build energy infrastructure and supply power for their citizens that is reliable and affordable.

The Bureau of Energy Resources, in collaboration with the Bureau of Western Hemisphere Affairs, is working to change this paradigm. In the Caribbean, under the Caribbean Energy Security Initiative (CESI), we are in collaboration with the many donors active in the region (the World Bank, Inter-American Development Bank, the European Union, and other national donors) to stimulate the kind of sectoral reform that creates lasting change. This includes work with the Inter-American Development Bank and the Department of Energy to explore options that could make liquefied natural gas—especially from the United States—a viable option for the larger Caribbean islands. This work makes it clear that the Caribbean has the opportunity to create a robust natural gas market if it establishes strong and transparent regulatory frameworks and works together as a region. For the Caribbean, regional economic integration is a significant geopolitical challenge and requires sustained engagement by regional governments and the international community.

*Question.* What activities is the Bureau of Energy Resources taking to help promote energy security and diversification in Latin America and the Caribbean region?

*Answer.* Energy security through greater diversification is the core of our energy diplomacy strategy in Latin America and the Caribbean. The Western Hemisphere has extensive energy resources. For example, Colombia is the 5th-largest coal producer in the world, Trinidad and Tobago is the 6th-largest exporter of liquefied natural gas (LNG), and Argentina is estimated to have some of the largest recoverable shale gas reserves in the world. And in recent years, more opportunities are appearing: the Caribbean and Central America have significant geothermal potential, Brazil has seen wind energy outcompete coal development without subsidies, and energy efficiency could drive savings throughout the hemisphere. But much more remains to be done, especially in countries where insufficient energy governance and poor investment environments stymie the progress of energy reform.

The Department's Energy Resources Bureau (ENR), in collaboration with the Western Hemisphere Affairs Bureau, seeks to improve energy governance, access to finance, international cooperation and collaboration, and support visionary solutions to maximize the energy security of our friends and partners. We engage bilaterally and multilaterally throughout the hemisphere. Some example activities include:

- ◆ Ensuring that conventional and unconventional gas and oil development is done with the highest standards for safety and transparent governance in Colombia, Brazil, and Mexico under the Unconventional Gas Technical Engagement Program and Energy Governance and Capacity Initiative;

- ◆ Supporting the development of integrated, robust, and transparent power sectors in Central America and the Andean region under the Power Sector Program, a primary objective of the “Connecting the Americas 2022” Initiative from the 2012 Summit of the Americas; and,
- ◆ Exploring the reforms and regional coordination necessary to enable natural gas trade in the Caribbean region in cooperation with the Department of Energy and Inter-America Development Bank, a key element of the Caribbean Energy Security Initiative. Recently, with significant engagement and technical assistance from ENR, Nevis island of Saint Kitts and Nevis signed a power purchase agreement (PPA) to develop geothermal resources. This project has the potential to provide sustainable renewable power to the entire country, and may also lead to the first-inter-island electrical interconnection in the Caribbean. Nevis’ experience can provide a model for other very small countries in the Caribbean that want to diversify their energy sectors, but lack access to natural gas markets.

*Question.* The International Energy Agency coordinates the release of emergency petroleum reserves. In 2011, there was a release of oil from the Strategic Petroleum Reserve.

- ◆ What is the U.S. policy and criteria for advocating a coordinated release of Strategic Petroleum Reserves through the International Energy Agency? Under what circumstances would you advise the President to release oil from the Strategic Petroleum Reserve?

*Answer.* Decisions to withdraw crude oil from the Strategic Petroleum Reserve (SPR) are made by the President in cases of “a severe energy supply interruption or by obligations of the United States under the International Energy Program” as defined by and under the authorities of the Energy Policy and Conservation Act of 1975. The SPR enhances the Nation’s energy security by storing over 700 million barrels of crude oil. If a petroleum supply interruption occurs, this oil can be released at a sustained rate of 4.4 million barrels per day for 90 days. The SPR helps meet the Nation’s obligations under the International Energy Agency’s (IEA) International Energy Program to hold emergency petroleum stocks equivalent to 90 days of net imports. While the SPR currently holds the equivalent of 137 days of import protection, the United States also has the obligation, based on its share of IEA members’ oil consumption, to provide 43.5 percent of an IEA collective stocks release. By maintaining an adequate and ready supply of oil in the SPR that can be delivered quickly and efficiently to global markets, the United States is less vulnerable to short term oil supply disruptions and resultant economic dislocations.

Energy security was the primary reason the IEA was created in response to the 1973 oil embargo and continues to be its guiding principle. Officers of the Bureau of Energy Resources, along with their DOE colleagues, participate in representing the United States at the IEA and engaging in its energy security work. The United States actively participates in IEA emergency response preparedness exercises and reviews to ensure that the IEA and its 29 member countries are prepared to respond to an oil supply disruption. As a result, the IEA is always ready to immediately activate its existing collective response mechanism among the 29 member countries as necessary. Any decision to initiate a collective action to release oil stocks requires consensus among the 29 members of the IEA. The United States remains in constant contact with the IEA Secretariat and with other IEA members on the situation in petroleum markets to ensure all are prepared to react appropriately in a crisis. As in the IEA’s three previous collective actions in 1991, 2005, and 2011, U.S. participation in an IEA coordinated release would enhance energy security and lessen economic dislocations for all countries that participate in the oil market, including the United States.

We will continue to advise the President based on these parameters, as we did most recently in 2011.

*Question.* What is Bureau of Energy Resources’ role in the United Nations Sustainable Energy for All initiative?

*Answer.* The United States has supported the Sustainable Energy for All (SE4All) initiative since its inception in 2011. The State Department’s Bureau of Energy Resources (ENR), alongside the Department of Energy, coordinates U.S. Government action toward achieving, by 2030, the SE4All objectives of ensuring universal access to modern energy services, doubling the rate of improvement in energy efficiency, and doubling the share of renewable energy in the global energy mix.

*Question.* Under current law, Congress created a Coordinator for International Energy Affairs that reports directly to the Secretary of State. If confirmed, will you also serve in that role? How many people currently work at the Office of the Coordinator for International Energy Affairs?

Answer. If confirmed, I would serve concurrently as Assistant Secretary for Energy Resources and Coordinator for International Energy Affairs.

I am the only employee of the Office of the Coordinator for International Energy Affairs. There are 68 permanent full time equivalent (FTE) employees and 9 temporary positions in the Bureau of Energy Resources.

*Question.* What are your views of Nord Stream II and the implications for the region?

Answer. We are concerned that the Nord Stream II pipeline expansion, if constructed, would be a significant energy security threat to Ukraine as well as to Central and Eastern Europe. Russian President Putin and Russia's energy company's (Gazprom) CEO Alexey Miller are leading the efforts to build Nord Stream II from Russia to Germany. Gazprom's CEO Miller has publicly stated his interest in cutting off gas transit through Ukraine by 2019. Nord Stream II, by increasing the amount of Russian gas shipments to European customers via the Baltic Sea, would contribute to this possibility by allowing Gazprom to cut shipments to and through Ukraine and potentially other Eastern European countries while maintaining supplies to only a few European customers. Ending Ukraine gas transit would eliminate approximately \$2 billion in annual transit revenue for Ukraine and \$1 billion for Slovakia.

We also are concerned that the Nord Stream II pipeline, by maintaining or increasing the amount of Russian gas to Central and Eastern Europe, would undermine the European Union's energy security strategy of diversifying its energy supplies to reduce vulnerability to supply disruptions. We actively support EU policies to ensure competition and transparency in a strong EU internal energy market that benefits all European consumers.

The Bureau of Energy Resources has led U.S. Government efforts to engage the European Commission and member states on the potential risks of the Nordstream II pipeline for Ukraine and Europe's long-term energy security.

*Question.* To what extent, if at all, has Germany's reliance on Russian energy resources prevented the European Union from developing a unified policy toward Russia or a cohesive European Union energy policy?

Answer. German involvement is essential to ensuring a cohesive European Union energy policy. Reducing Russia's use of the energy sector to gain influence and sow divisions in Europe is critical to Europe's energy security. Russian gas is a significant, but not overwhelming, source of energy in Germany: gas accounted for 20 percent of Germany's energy mix and 10 percent of its electricity production in 2014; 33 percent of that gas came from Russia. There is a strong view in Germany that Russia does not pose an energy security threat to Germany, because even in the roughest days of the cold war, Russia continued to supply it with gas.

Germany, like all EU member states, endorsed the EU's reinvigorated Energy Union strategy in a European Council decision on March 19, 2015. We continue to work with our German partners to improve the energy security of all of Europe, including by noting our concerns about the proposed Nord Stream II pipeline expansion, which is being promoted by a consortium of Russian and European companies (including two German companies). We see Nord Stream II as a political project based on Gazprom CEO Miller's public statement to cut off gas transit through Ukraine by 2019, and question its economic value.

*Question.* How can the United States help Germany and the European Union meet its energy demands and help support a strong European Union energy diversification and security policy?

Answer. The United States is strongly committed to helping advance European energy security, and the Bureau of Energy Resources is leading U.S. Government efforts on this top foreign policy priority. ENR and the State Department are actively engaging to promote true energy diversification in Europe—diversification of energy sources, routes, and suppliers. We also believe that cooperation in the energy sector can help foster cooperation in other areas, leading to more political cohesion and stability among countries in the region.

Tangible evidence of the U.S. commitment can be seen in our support of key infrastructure projects to improve the energy security of the most vulnerable regions in Europe. These efforts include U.S. support for the development of the Southern Gas Corridor project, which will bring gas from Azerbaijan to Turkey and Europe. We are also working closely with Greece and Bulgaria on an interconnection pipeline that would bring Southern Corridor gas from Greece to Bulgaria, which is close to 100 percent dependent on Russian gas. A new floating LNG facility in Lithuania is now in place—aptly named the Independence—which can be traced back to a U.S.-funded feasibility study in 2008. A year ago, the Baltics were virtually an en-

ergy island entirely dependent on a single source for all their natural gas needs. As a result of this new facility, they are now on track to be one of the most integrated energy regions by the end of this decade.

The United States also provides strong and consistent political and technical support for regional energy security under the U.S.-EU Energy Council, which is cochaired by Secretary of State Kerry and Secretary of Energy Moniz, EU High Representative/Vice President Federica Mogherini, and European Commission Vice President Maros Cfovic. The U.S.-EU Energy Council has convened six times since 2009.

We will continue to work to ensure that gas that arrives anywhere in Europe can be delivered to any customer in Europe. We are also working to promote U.S. technology and companies as Europeans look to integrate more renewable energy and adopt more energy efficiency measures. Energy security demands the attention and cooperation of all European countries, and we are working closely with member states, including Germany, and the European Commission as we advocate for true energy diversification for all of Europe.

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RESPONSES OF CATHERINE EBERT-GRAY, NOMINATED TO BE AMBASSADOR TO THE INDEPENDENT STATE OF PAPUA NEW GUINEA, AND TO THE SOLOMON ISLANDS, AND TO THE REPUBLIC OF VANUATU TO QUESTIONS FROM MEMBERS OF THE COMMITTEE

AMBASSADOR-DESIGNATE EBERT-GRAY'S RESPONSES  
TO QUESTIONS FROM SENATOR CORKER

*Question.* Although the United States has a rich history of engagement and some important interests in the Southwest Pacific Islands, including energy production and fisheries, the distance and relatively small percentage of overall U.S. foreign assistance to Papua New Guinea, the Solomon Islands and Vanuatu translates into scant attention from senior-level policymakers.

- ◆ Should the United States play a greater role in the Southwest Pacific, particularly as Chinese economic influence continues to grow in Papua New Guinea and Vanuatu?

*Answer.* The United States plays a vital role in the Southwest Pacific. President Obama met with Papua New Guinea (PNG) Prime Minister Peter O'Neill on December 1, 2015. Secretary of State Kerry stopped in the Solomon Islands in 2014, and Secretary Clinton visited PNG in 2010. The United States Government will engage at a high level with Papua New Guinea over the coming years in the run up to its hosting of the Asia-Pacific Economic Cooperation Summit in 2018.

We have close and warm relationships with the governments and peoples of Papua New Guinea, Vanuatu, and the Solomon Islands. All three countries face many challenges, including economic development, good governance, gender equality, climate change, conservation and environmental protection, and transnational crime. With PNG we are negotiating a Customs Mutual Assistance Agreement; support programs for the prevention, care, and treatment of HIV/AIDS; and work to combat violence against women. In 2011, the Millennium Challenge Corporation completed a successful road construction project in Vanuatu designed to promote commerce and boost economic growth. Vanuatu also hosts a robust Peace Corps program. We are partnering with the Solomon Islands government to strengthen its capacity to curtail trafficking in persons.

China is increasing its economic engagement in PNG, particularly in the construction, telecom, and service sectors. We welcome China's investments in infrastructure in Asia, provided these investments are made in accordance with international standards of sustainability, transparency, and economic efficiency.

If confirmed, I will pay close attention to Chinese investment while working to promote transparency and good governance, including by trying to strengthen PNG's participation in the Extractive Industry Transparency Initiative. If confirmed, across the Southwest Pacific, I will advance the strong progress our Embassy has been making on health issues and women's empowerment; maintain our mission's focus on building climate resilience to help mitigate potential impacts to these island nations; and promote economic development and fisheries protection by working with the U.S. Coast Guard to increase Shiprider agreements.

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RESPONSES OF SCOT MARCIEL, NOMINATED TO BE AMBASSADOR TO THE UNION OF  
BURMA, TO QUESTIONS FROM MEMBERS OF THE COMMITTEE

AMBASSADOR-DESIGNATE MARCIEL'S RESPONSES  
TO QUESTIONS FROM SENATOR CORKER

*Question.* The Burmese Constitution shields the military from civilian oversight, provides the military control of key security ministries, and guarantees the military 25 percent of the seats in the Parliament.

- ◆ What level of engagement with the Burmese military, if any, is appropriate for the United States?

*Answer.* The United States has limited and calibrated engagement with Burma's military to encourage and demonstrate the importance of human rights, accountability, transparency, civilian control, and the proper role of a professional military in a modern, democratic society. We do not provide any weapons, technologies, or operational support of any kind to the Burmese military.

We believe in the value of speaking "soldier to soldier" with Burma. Dialogue between our two countries' armed forces provides a mechanism to share lessons, identify challenges, and illustrate U.S. military traditions and doctrine—specifically, the respect and defense of human rights and a civilian-led government. To that end, our interactions have consisted primarily of diplomatic interactions and academic exchanges designed to promote the ideals and values of a professional military in a democracy. These interactions and exchanges have focused on accountability, civilian control, rule of law, and respect for international humanitarian and human rights law.

We continue to calibrate our policy in response to events on the ground, and we are looking for progress on a wide range of issues, including the peace process, the protection of broad political and civil liberties, the situation facing the Rohingya population, and constitutional reforms. The Burmese military's ability to demonstrate concrete progress on these issues will be important in furthering our bilateral relationship.

Over the longer term, the Burmese Government will need to address provisions in Burma's Constitution, such as the lack of civilian control of the military and the military's veto power over constitutional amendments that contradict fundamental democratic principles. It will be important to the success of Burma's democratic transformation that the constitution be amended to make it appropriate for a democratic state.

*Question.* Burma's treatment of the Muslim minority Rohingya has been widely condemned by the international community. Many Rohingya live in deplorable conditions and are the victims of human trafficking. Burma is currently a Tier 2 Watch List country.

- ◆ What is your assessment of the willingness of a new NLD-led government to undertake steps to address the plight of the Rohingya, including citizenship status?
- ◆ What would you do as Ambassador to persuade the Burmese Government to improve their poor record on trafficking?

*Answer.* When Assistant Secretary Daniel Russel traveled to Burma in November he met with leaders in the current government and the National League for Democracy (NLD), including President Thein Sein and Aung San Suu Kyi. He underscored in his meetings with them the importance of tackling the situation in Rakhine State and strengthening the protection for human rights and freedoms for all people in Burma.

The NLD agreed that addressing the challenging situation in Rakhine State was a top priority for the incoming government, and noted the importance of promoting tolerance and respect for diversity as well as development for both Rohingya and Rakhine communities. The situation in Rakhine State has been a long-standing challenge and will be an important issue for the next government to address. It will be one of my top priorities as well.

The U.S. Government remains committed to encouraging progress in Rakhine State, including by urging the government to put in place a dignified and transparent pathway to citizenship that does not force individuals to self-identify against their will. We will continue to review all of our engagements in light of the extent to which the government follows through on its commitments to protect human rights, improve the situation in Rakhine State, and address the plight of the Rohingya population—as well as the success of the next government in continuing broad reforms. We will also continue consulting closely with Aung San Suu Kyi and

other democratic leaders in Burma on this issue. We remain committed to supporting Burma's ongoing transition toward a more democratic, open society.

Since the release of the 2015 Trafficking in Persons (TIP) report, which ranked Burma Tier 2 Watch List, the government has made sustained efforts to combat trafficking, but many challenges remain. To continue to foster high-level government support for improving Burma's trafficking record, we must continue to encourage them to address all forms of TIP—including cases within the country and cases involving the military—and address outstanding challenges, including limited resources and capacity, and intergovernmental coordination. If confirmed, this will be an important priority for me.

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AMBASSADOR-DESIGNATE MARCIEL'S RESPONSES  
TO QUESTIONS FROM SENATOR CARDIN

*Question.* In 2008, the Treasury Department imposed sanctions on Steven Law, as well as his father, for supporting the ruling Burmese junta and for profiting corruptly because of that support. Steven Law and his father have a history of involvement in illicit activities. Lo Hsing Han, Steven Law's father, now deceased, is known as the "Godfather of Heroin," and has been one of the world's key heroin traffickers dating back to the early 1970s. Yet Steven Law's company continues to thrive having most recently been awarded one of the country's most coveted contracts to upgrade Yangon's international airport.

- ◆ If confirmed can you assure us that you will raise this case at the highest levels of Burmese Government?

*Answer.* Yes, if confirmed I will raise this issue at the highest levels of the Burmese Government.

*Question.* There are concerns that the SDN list could amount to a de facto trade embargo undermining economic development in Burma because half of all Myanmar's trade flows through the Asia World terminal.

- ◆ How should we balance our priorities of promoting Myanmar's democratic transition through economic development while also ensuring that illicit actors do not benefit?
- ◆ If a General License is issued for Asia World Port, wouldn't we be, in effect, allowing a SDN designated individual continue to profit, thus undermining our broader efforts to help Burma reform and clean up its economy?
- ◆ As we issue this License, are there additional demands that we are making on the Government of Burma to assure we maintain our leverage?

*Answer.* Balancing our priorities of supporting Burma's economic development and democratic transition, while maintaining the integrity of our sanctions policy, requires a carefully calibrated approach. The current sanctions are having an outsized effect on trade between the United States and Burma simply because many goods may pass through infrastructure with links to a Specially Designated National (SDN), which is unfortunately hard to avoid in Burma. By issuing a General License authorizing certain transactions ordinarily incident to the use of critical trade infrastructure for exports to or from Burma that are not to, from, or on behalf of an SDN for a limited period while continuing to prohibit investment in entities on the SDN list, we facilitate trade without reducing incentives for reform. Without a General License, we run the risk of damaging the economy during the critical transition period to a new government when expectations for economic development are running high.

With this General License, our sanctions regime remains in place and the leverage that it provides is fundamentally unchanged. Not only is the General License limited to a 6-month duration, but what SDNs want the most—new investment by and exports to, from, or on their behalf with U.S. companies—remains prohibited. Calibrated sanctions remain in place, including a ban on investment with the military, and a ban on importing Burmese-origin rubies, jadeite, and jewelry that contains them. In our ongoing discussions with the Government of Burma and private sector, we will continue to underscore that the level and type of engagement is contingent upon further reforms, including constitutional reform and improvement in the human rights situation.

*Question.* How can we best leverage the SDN list diplomatically to ensure we can put pressure on corrupt and crony-owned businesses enterprises in Burma?

*Answer.* We use many tools to encourage progress in Burma's political and economic transition, including diplomatic engagement and targeted financial sanctions aimed at those who undermine reform or the peace process in Burma, engage in

human rights abuses, or participate in military trade with North Korea. Our Specially Designated Nationals (SDN) list is a dynamic document—we can add or subtract individuals or entities on the list as circumstances warrant and supporting information is available. The United States has always made clear that SDNs can seek delisting if they cease sanctionable activities. Removal from the SDN list is an administrative process overseen by the Department of the Treasury's Office of Foreign Assets Control (OFAC). SDNs seeking delisting may submit a petition to OFAC by submitting verifiable information demonstrating remedial steps, changed behavior, and a commitment to supporting the ongoing political and economic reforms, cutting military ties, and avoiding complicity in human rights abuses and participation in military trade with the Democratic People's Republic of Korea.

The extent to which the Government of Burma follows through on its commitments to respect the results of the election, peacefully transfer power, and protect the human rights of members of all its diverse populations—as well as the success of the next government in continuing broad reforms, including constitutional reform and improving the situation facing the Rohingya population—will determine to a large extent the level and type of engagement and support Burma will receive from the United States. We will also discuss the role of sanctions going forward with Congress, Aung San Suu Kyi, and other key stakeholders in Burma.

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

*Question.* What role do you think the United States and the Embassy in particular should play in the ongoing peace process in Burma? What is your plan to build trust with the ethnic nationalities?

*Answer.* The United States remains committed to supporting the full implementation of a durable cease-fire agreement, the conduct of a national political dialogue, and the overall national reconciliation process in the months and years to come. Our Embassy regularly engages with Government of Burma officials and ethnic organizations to assist in moving the dialogue forward. We have provided material and technical support to enable political reforms, foster ethnic and religious reconciliation, and strengthen the capacity of reform-minded individuals and institutions. U.S. assistance has supported the formal peace process, increased participation of civil society and women, preparations for a national political dialogue, and ongoing civilian cease-fire monitoring. We will continue to work with all key stakeholders—including ethnic leaders and organizations—to further peace prospects.

We recognize that some groups were not able to sign the agreement, and we understand and respect their concerns. We welcome their commitment to continue discussions within their communities and with the government about the necessary conditions for signing at a future date, and we urge the government to engage constructively in a dialogue with these groups to pursue a more inclusive peace. We also strongly urge all parties to honor their commitment to ensure unfettered access for humanitarian assistance to all those in need, without exception or delay.

*Question.* The U.S. is not presently an official observer of the peace process. Do you believe the U.S. should be an official observer? Why or why not?

*Answer.* While the United States was not an official observer, we did have a formal presence at the cease-fire agreement signing and Ambassador Mitchell signed a parallel "in the presence of" document marking the formal attendance of the United States.

We have long stated the United States would seriously consider any requests from the Government of Burma and ethnic organizations that would advance the cause of peace in Burma. We are committed to remaining actively engaged in a national reconciliation process, including supporting the full implementation of the NCA and the political dialogue to follow.

*Question.* Do you support a continued role for the Myanmar Peace Center in the peace process given its association with the outgoing regime?

*Answer.* We would defer to the incoming government on the future role of the Myanmar Peace Center, but the United States is prepared to work with key stakeholders in the peace process—as it has in the past—to advance the historic process of peace-building and national reconciliation in Burma in the months and years to come.

*Question.* The SDN list remains a valuable tool to not only encourage reform but to address systemic wrongdoing by successive Burmese military regimes and their enablers, including but not limited to involvement in drug trafficking, human traf-

ficking, and gross human rights abuses. Likewise, limits on U.S. assistance to, and cooperation with, the military also serve to withhold legitimacy that the Tatmadaw is eager to obtain through such cooperation.

- ◆ Do you believe that entities that were placed on the SDN list due to their involvement in drug trafficking, human trafficking, or serious human rights abuses should be delisted in response to political reforms that, while significant in restoring civilian rule, fail to provide a mechanism to address the crimes or abuses for which the entities were initially listed?

**Answer.** No. The United States currently has no plans to change our approach to the Specially Designated Nationals (SDN) list. Our SDN list is a dynamic document—we can add or subtract individuals or entities on the list as circumstances warrant. Removal from the SDN list is an administrative process overseen by the Treasury Department's Office of Foreign Assets Control (OFAC). SDNs seeking delisting may petition OFAC by submitting verifiable information demonstrating remedial steps, changed behavior, and a commitment to supporting the ongoing political and economic reforms, promoting transparency, cutting military ties, and avoiding complicity in human rights abuses.

The extent to which the Government of Burma follows through on its commitments to respect the results of the election, peacefully transfer power, and protect the human rights of all its diverse peoples—as well as the success of the next government in continuing broad reforms—will determine to a large extent the level and type of engagement and support Burma will receive from the United States. We will also discuss the role of sanctions going forward with Aung San Suu Kyi and other key democratic stakeholders in Burma.

*Question.* What is your view on U.S. assistance to, or engagement with, the Burmese military, ministries that remain under its control and other entities that allow the military to continue to exercise undue influence and subvert civilian governance? How should this engagement be calibrated? What benchmarks for progress by the military should be used to calibrate engagement with the military?

**Answer.** The United States has limited and calibrated engagement with Burma's military to encourage and demonstrate the importance of human rights, civilian control of the military, and the proper role of professional armed forces in a modern, democratic society. We are not providing any weapons, technologies, or operational support of any kind to the Burmese military. The values listed above will be some of the benchmarks we use when calibrating our engagement with the Burmese military. When evaluating our engagement, we would also continue to consult broadly with civil society organizations, ethnic organizations, political party leaders, and other stakeholders.

Continued reform of Burma's military is necessary to deepen the democratic transition. Facilitating greater cooperation between civilian and military organizations in Burma, and securing the military's support for ongoing reforms, will be essential to the success of the new government. Any programs would be contingent upon continued reforms, and only after continued consultation with Congress, civil society organizations, ethnic organizations, and political parties, including the NLD.

*Question.* The outgoing government has backslid on key issues in the past year. The situation in Rakhine state remains deplorable, and the passage of the four "race and religion laws" by the Thein Sein government threatens to further institutionalize racism and discrimination against the Rohingya and other Muslim minorities. Military attacks in Shan and Kachin states have led to massive displacement of civilians and casualties. And dozens of political prisoners have been newly detained in just the past year.

- ◆ What is the current U.S. position on humanitarian access in Rakhine State? Has the U.S. endorsed the government's Rakhine Action Plan? What is the current status of the RAP?

**Answer.** We have consistently urged the government, both publicly and privately, to ensure that humanitarian assistance flows freely to all vulnerable populations in Rakhine State, including Rohingya. We will continue to urge the government to lift restrictions on freedom of movement, allow for the safe and voluntary return of internally displaced persons, including Rohingya, to their places of origin, provide a pathway to or restore citizenship for stateless persons in Rakhine State and elsewhere that does not force individuals to adopt ethnic designations they do not accept, and reinforce the rule of law by protecting members of vulnerable populations.

The government will also need to address the long-standing core challenges in Rakhine State and improve the lot of all communities there, including the Rohingya and ethnic Rakhine populations. This will require creating economic opportunity

and development, improving basic infrastructure, developing and expanding access to education, health and livelihoods that benefit all communities fairly and equitably, and facilitating trust-building and interactions between both communities. The United States has not endorsed the draft Rakhine Action Plan but has, together with other members of the international community, provided feedback to the Government of Burma on it. Within the past year, the government has taken incremental steps to improve conditions in Rakhine State, including returning some internally displaced persons to their places of origin.

*Question.* Has the U.S. called for the lame-duck Burmese Government to repeal the discriminatory race and religion laws before they leave office?

*Answer.* We have consistently raised our concerns at the highest levels about the package of legislation on population control, interfaith marriage, religious conversion, and monogamy. These laws could be enforced in a manner that would undermine respect for religious freedom, women's rights, and the Burmese Government's own efforts to promote tolerance, diversity, and national unity. We have stressed to the government and a full range of Burmese stakeholders that protection of human rights and fundamental freedoms, including religious freedom, for all persons in Burma—regardless of race or religion—are critical components of national security, stability, unity, and the country's reform process. We continue to urge the Burmese Government to revise the legislation in line with its international human rights commitments.

*Question.* Has the U.S. called for the Tatmadaw to cease all offensive operations against ethnic nationalities?

*Answer.* The United States has consistently called for all parties to refrain from violence and allow urgent humanitarian assistance to flow to all those in need without exception or delay. We have made clear to the Burmese Government that military action undertaken by or against any signatory or nonsignatory to the nationwide cease-fire agreement undermines the trust-building necessary for lasting peace, stability, and security for all.

*Question.* Has the U.S. called on the Thein Sein administration to release all political prisoners, including those who are still awaiting sentencing, prior to leaving office?

*Answer.* The United States continues to urge the Government of Burma to resume working with civil society to release all remaining political prisoners unconditionally, to remove conditions placed on those already released, and to continue comprehensive legal reforms to ensure there are no new arrests for political reasons.

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AMBASSADOR-DESIGNATE MARCIEL'S RESPONSES  
TO QUESTIONS FROM SENATOR GARDNER

*U.S. sanctions on Burma*

According to press reports, the administration is moving to modify the existing sanctions regime regarding Myanmar (Burma), including issuing "a general license that would in effect provide permission for U.S. businesses and banks to pay fees for the use of the Asia World port in Yangon, even though the money flows into the coffers of Asia World and the Burmese regime." (Bloomberg News, December 4, 2015).

However, at your confirmation hearing before the committee on Wednesday, December 1, 2015, you stated that you "would not anticipate, nor recommend" changes to U.S. sanctions toward Burma.

On November 19, 2015, during his testimony before the Subcommittee on East Asia, the Pacific, and International Cybersecurity Policy, Deputy Assistant Secretary of State Scott Busby stated: "I think in the case of Burma, for instance, the fact that there were sanctions there, a significant sanctions regime, did play a significant role in helping to spark change there."

*Question.* Does the planned announcement by the Treasury Department represent a change in U.S. sanctions policy toward Burma? Do you believe the planned decision runs contrary to your statements before the committee? What is the U.S. policy toward the remaining U.S. sanctions on Burma?

*Answer.* The planned General License is a technical solution designed to solve a specific problem we just recently realized was having a negative impact on international trade with Burma. Such trade is vital to avoid harm to Burma's economy. The National League for Democracy has made clear that economic development—delivering jobs and opportunity for the people of Burma amidst high expectations—

is a key priority and critical for their success as a government and for Burma as a country.

The planned change does not represent a change in U.S. sanctions policy toward Burma. That said, there might be a need on occasion to make adjustments to those sanctions within the overall framework of the policy to address unintended consequences, in consultation with Congress. That is what we seek to do in this particular case. Without a General License we would constrain exports by ordinary businesses in Burma that are not subject to sanctions, simply because they pass through a transit point that is controlled by a Specially Designated National. Our current sanctions are not intended to have this effect, and the point of the General License is to eliminate this effect while still preventing the flow of investment to Specially Designated Nationals and the Burmese military.

Our existing policy broadly eases financial investment and trade sanctions on Burma in response to significant positive reforms in the country, while maintaining targeted sanctions against specific individuals and entities that undermine reform, obstruct the peace process, engage in human rights abuses, or participate in military trade with the Democratic People's Republic of Korea. The administration has no intention of proposing a change to the sanctions regime at this point and the planned decision would not run contrary to my statements before the committee. In those statements, I said the administration would not recommend any dramatic change to our sanctions policy, and while targeted sanctions would continue, we would not pursue overall broad-based sanctions to avoid damage to Burma's economy. I also noted that targeted sanctions are dynamic—we can add and remove individuals from the list—and make adjustments when we see unintended consequences or problems.

*Question.* To what extent was the State Department consulted by the Treasury Department in making the decision to issue this proposed license? Which bureaus were consulted and approved of the decision to issue this proposed license?

*Answer.* This issue first came to our attention in July. Since then, the Department of State and the Department of Treasury have worked closely together to gather additional information, study the problem, and consider potential solutions. The State Department's Bureau of East Asian and Pacific Affairs, the Bureau of Economic and Business Affairs, the Bureau of Democracy Human Rights and Labor, and the Coordinator for Sanctions Policy worked closely with the Treasury Department's Office of Foreign Assets Control throughout this process. Our Embassy in Rangoon has also been part of the process, in part because they have seen firsthand the negative, constricting effect that the existing language has had on imports and exports to and from Burma, and the impact this is having on the economy and the ability of U.S. business to support the growth of the economy and democratic transition. Embassy Rangoon consequently has had an important role in gathering the information and data that have helped find a solution to this problem.

*Question.* In your role as Principal Deputy Assistant Secretary of State for East Asia and the Pacific, were you aware of this issue prior to your testimony before the committee?

*Answer.* Yes, I have been aware of this issue since the issue came to our attention in July.

*Question.* Can you provide to the committee, in an appropriate setting, all written formal communication between the State Department, the Treasury Department, and other U.S. stakeholders regarding this proposed action?

*Answer.* The State Department and the Treasury Department have proactively consulted Congress on this proposal, and I welcome the opportunity to continue discussions on this issue. As a matter of policy, the Department does not release communications or documents related to internal deliberations. That being said, the Department values consultations with Congress, and if confirmed, I commit to engaging and consulting with you, your staff and the committee on this and other issues of concern related to Burma.

*Question.* Has the State Department consulted with stakeholders in Burma, including the National League of Democracy, regarding this proposed action? If so, what was their response?

*Answer.* Yes. The Embassy has consulted with stakeholders in Burma, including Aung San Suu Kyi's chief of staff and members of the National League for Democracy (NLD). We also have sought an opportunity to discuss further with top NLD leadership the details of the proposed license, the NLD's economic goals, and how our policy can continue to support the democratic transition.

*Question.* Do you believe that this proposed action weakens U.S. leverage in Burma before the completion of the political transition next April?

*Answer.* No, I do not believe that the proposed action weakens U.S. leverage in Burma before the completion of the political transition. With the General License, our sanctions regime stays in place and the leverage that it provides is unchanged. The key reason the administration is issuing the General License is to address concerns that the U.S. Government's sanction regime is inadvertently constricting imports and exports to Burma, which could have a negative impact on the Burmese economy, complicating the transition and making more difficult the ability of the National League for Democracy to govern.

*Question.* Do you believe that entities that were placed on the Special Designated Nationals (SDN) list due to their involvement in drug trafficking, human trafficking, or serious human rights abuses should be delisted in response to political reforms, even if there is no evidence that the crimes or abuses for which the entities were initially listed have been addressed?

*Answer.* No. The United States currently has no plans to change our approach to the Specially Designated Nationals (SDN) list. Our SDN list is a dynamic document—we can add or subtract individuals or entities on the list as circumstances warrant. Removal from the SDN list is an administrative process overseen by the Treasury Department's Office of Foreign Assets Control (OFAC). SDNs seeking delisting may petition OFAC by submitting verifiable information demonstrating remedial steps, changed behavior, and a commitment to supporting the ongoing political and economic reforms, promoting transparency, cutting military ties, and avoiding complicity in human rights abuses.

The extent to which the Government of Burma follows through on its commitments to respect the results of the election, peacefully transfer power, and protect the human rights of all its diverse populations—as well as the success of the next government in continuing broad reforms, including constitutional reform and improving the situation facing the Rohingya—will determine to a large extent the level and type of engagement and support Burma will receive from the United States. We will also discuss the role of sanctions going forward with Aung San Suu Kyi and other key democratic stakeholders in Burma.

#### *Burma elections*

*Question.* Have the November 8, 2015, parliamentary elections in Burma met the State Department's criteria of "credible, transparent, and inclusive"?

*Answer.* We congratulate the people of Burma on the November 8 election and commend all of the people and institutions in the country who worked together to hold a peaceful and historic poll. Millions of people voted for the first time in a competitive election with more than 90 political parties campaigning. The elections were peaceful and generally proceeded smoothly with only minor irregularities and no systemic security, electoral administration, or access issues reported by observers on election day. This election was an important step in the country's democratic transition. The people of Burma struggled for decades, and made tremendous sacrifices, for this moment to happen.

The elections, however, were far from perfect. Important structural and systematic impediments to the realization of full democratic and civilian government remain, including the reservation of 25 percent of parliamentary seats for the military, the disenfranchisement of groups of people who voted in previous elections (including Rohingya and other former white card holders), and the disqualifications of candidates based on arbitrary application of citizenship and residency requirements.

It will now be important for all political leaders to work together to form a new government and to engage in meaningful dialogue. We have seen some evidence this is happening already, with Aung San Suu Kyi's meetings with President Thein Sein, Commander in Chief Min Aung Hlaing, and former Commander in Chief Than Shwe. The next government must address the huge challenges that remain in the country, including completing the national reconciliation process with various ethnic groups, strengthening respect for and protection of human rights and fundamental freedoms, and improving the situation in Rakhine State.

*Question.* In your view, should the more traditional definition of "free and fair" have been used for elections? Would Burma have been able to meet that standard?

*Answer.* We used the terms credible, inclusive, and transparent because those terms were more precise in describing the key indicators of a successful election. We want free and fair elections, but we recognize the inherent limitations in Burma's current constitutional framework, including the 25 percent of parliamentary seats

reserved for military officials, the disenfranchisement of white card holders who voted in previous elections, and the disqualifications of candidates based on arbitrary application of citizenship and residency requirements. We continue to be clear-eyed in identifying limitations to any assessment of Burma's overall democratic progress.

*Human rights in Burma*

*Question.* Do you think U.S. policy has effectively addressed the human rights challenges in Burma, such as the Rohingya refugee issue? What leverage does the United States have to turn around this situation?

*Answer.* We remain deeply concerned about the situation in Rakhine State and other human rights challenges in Burma. We are committed to encouraging progress on human rights issues, and we continue to engage the Government of Burma, at the highest levels, to push for further reforms. We will continue to review all of our engagements in light of the extent to which the Government of Burma follows through on its commitments to protect human rights, improve the situation in Rakhine State, and address the plight of the Rohingya population—recognizing that the success of the next government is dependent on continuing broad reforms. We also will continue consulting closely with the National League for Democracy and Aung San Suu Kyi, as well as other democratic leaders in Burma on this issue.

*Question.* What will be your plan as Ambassador to move forward on the Rohingya refugee crisis and ethnic tensions?

*Answer.* We have consistently told the Government of Burma that, while we welcome the important progress the country has made on its reform path, we remain deeply concerned about the situation in Rakhine State, particularly the discriminatory conditions facing the Rohingya population.

If confirmed, I will continue to urge the Government of Burma to allow unrestricted humanitarian access for all those in need in Rakhine State; allow the voluntary return of internally displaced Rohingya to their places of origins; create a path to provide or restore citizenship for stateless persons in Rakhine State and elsewhere that does not force them to identify as a members of an ethnic group or nationality they do not accept; and reinforce the rule of law by protecting vulnerable populations and holding to account those who commit violence against any person in Burma. The resolution of these issues in Rakhine State is a critical component of Burma's transition to a stable, peaceful, and inclusive democracy.

In addition to our advocacy, the United States has also taken a leadership role in providing humanitarian and development assistance in Burma. Since FY 2014, we have provided nearly \$124 million in support of humanitarian assistance for vulnerable Burmese in Burma and the region. Furthermore, USAID will, contingent on availability of funding, provide up to \$5 million of Complex Crisis Funds to provide livelihoods, early recovery, and trust-building support to approximately 5,000 Rohingya and Rakhine households, or approximately 25,000 internally displaced persons. During the irregular migrant crisis earlier this year, we provided \$3 million in humanitarian assistance for vulnerable migrants, and also helped in locating and identifying migrant vessels through U.S. maritime surveillance. Finally, we have resettled in the United States more than 140, 000 refugees from Southeast Asia in the past decade, including more than 1,000 Rohingya in the last 10 months.

*Question.* How would the new NLD government deal with these issues?

*Answer.* We cannot speak for what the National League for Democracy (NLD) intends to do to address these issues. We can say, however, that the U.S. Government has discussed this issue with the NLD many times and has stressed the need to find a solution.

The situation in Rakhine State has been a long-standing challenge and will be an important issue for the next government to address. As evidenced above, it would be one of my top priorities as well, if confirmed.

*Question.* What role do you think the United States and the Embassy in particular should play in the ongoing peace process?

*Answer.* The United States remains committed to supporting the full implementation of a durable cease-fire agreement, the conduct of a national political dialogue, and the overall national reconciliation process in the months and years to come. Our Embassy regularly engages with Government of Burma officials and ethnic organizations to assist in moving the dialogue forward. We recognize some groups were not able to sign the agreement, and we understand and respect their decisions. We welcome their commitment to continue discussions within their communities and with the Government of Burma about the necessary conditions for signing at a future date, and we urge the Government of Burma to engage constructively in a



dialogue with these groups to pursue a more inclusive peace. We have provided material and technical support to enable political reforms, foster ethnic and religious reconciliation, and strengthen the capacity of reform-minded individuals and institutions. U.S. assistance has supported the formal peace process, an increased participation of civil society and women, preparations for a national political dialogue, and ongoing civilian cease-fire monitoring. We will continue to work with key stakeholders—including ethnic leaders and organizations—to further peace prospects.

*Question.* Has the U.S. called for the lame-duck Burmese Government to repeal the discriminatory race and religion laws before they leave office?

*Answer.* We have consistently raised our concerns at the highest levels about the package of legislation on population control, interfaith marriage, religious conversion, and monogamy. These laws could be enforced in a manner that would undermine respect for religious freedom, women's rights, and the Burmese Government's own efforts to promote tolerance, diversity, and national unity. We have stressed to the government and a full range of Burmese stakeholders that protection of human rights and fundamental freedoms, including religious freedom, for all persons in Burma—regardless of race or religion—are critical components of national security, stability, unity, and the country's reform process. We continue to urge the Burmese Government to revise the legislation in line with its international human rights obligations and commitments.

*Question.* Has the U.S. called on the Thein Sein administration to release all political prisoners, including those who are still awaiting sentencing, prior to leaving office?

*Answer.* Yes, the United States continues to urge the Government of Burma to resume working with civil society to release all remaining political prisoners unconditionally, to remove conditions placed on those already released, and to continue comprehensive legal reforms to ensure there are no new arrests for political reasons.

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RESPONSES OF LINDA TAGLIALATELA, NOMINATED TO BE AMBASSADOR TO THE FEDERATION OF SAINT KITTS AND NEVIS, AND TO SAINT LUCIA, ANTIGUA, BARBUDA, THE COMMONWEALTH OF DOMINICA, GRENADA, AND SAINT VINCENT AND THE GRENADINES, TO QUESTIONS FROM MEMBERS OF THE COMMITTEE

AMBASSADOR-DESIGNATE TAGLIALATELA'S RESPONSES  
TO QUESTIONS FROM SENATOR CORKER

*Question.* What are the main U.S. interests in Barbados and the other six countries of the Eastern Caribbean and where would you place U.S. economic engagement with region on a list of priorities?

*Answer.* The United States maintains a broad set of interests in Barbados and across the Eastern Caribbean. Our primary interest lies in the protection and safety of American citizens who reside in, and travel to, the region. Regional engagement in the Eastern Caribbean and broader Caribbean generally focuses on: enhanced citizen security, including efforts to combat illicit trafficking; the diversification of energy sources and adoption of renewable energy to promote energy security and price stability; increased tourism and trade, including the promotion of U.S. exports and support to U.S. businesses; the strengthening of democratic institutions, the rule of law, and the promotion of human rights; and increased people-to-people travel, education, and exchanges of ideas and culture that deepen the strong ties between of our citizens.

Economic engagement with the Eastern Caribbean represents a top priority for the U.S. Government. The United States has enjoyed a long-standing trade relationship with Barbados and the Eastern Caribbean islands. We have a trade surplus with the region and U.S. products represent one-third of the region's total imports. Our continued commercial and economic diplomacy provides a vital support structure for U.S. companies to operate successfully, but also to positively contribute to the region's economic development and competitiveness.

U.S. presence in the region is particularly important given that most economies have lost economic competitiveness as they have increased their dependence on imports, including food commodities, and tourism revenues. These countries suffer from the vulnerabilities common to small island economies: a lack of energy resources, large trade deficits, limited foreign direct investment, expensive regional and global transportation costs, vulnerability to natural disasters and the effects of climate change. While Caribbean economies may export duty-free to the United States through the Caribbean Basin Initiative (CBI), CBI exports have dropped over

the past several years as the region's manufactured goods have become less competitive against cheaper goods from other markets.

The United States will continue to work with Eastern Caribbean nations as they seek to diversify their economies beyond tourism and commodities, equip their citizens to compete in global markets, reduce their crushing external debts, and adopt new forms of energy that will reduce manufacturing costs and vulnerability to oil price shocks. Additionally, if confirmed, I will work to ensure that Eastern Caribbean countries continue to seek opportunities to exploit their duty-free access to the United States under CBI, and to further reduce regulatory and technical barriers in their countries that reduce their attractiveness for inward foreign investment.

*Question.* Last year, the Obama administration launched a strategy aimed at supporting energy security in the Caribbean. Given current low world oil prices, has interest in the region in pursuing that strategy waned? What specifically will you do as Ambassador to increase "Access to Finance, Good Governance, and Diversification" as foreseen by the energy security strategy?

*Answer.* Since Vice President Joe Biden launched the Caribbean Energy Security Initiative in June 2014, the United States has played a leadership role in promoting energy reform to make the region more attractive to foreign direct investment, as well as quickening the diversification of energy sources and the pace at which new, renewable forms of energy can be adopted.

While lower oil and gas prices have provided Caribbean nations with some reduction in energy costs, they have come to recognize that their long-term prosperity is tied to a mix of energy sources that can provide price and supply stability, with the goal of reducing energy costs for businesses and consumers. This recognition was evident at the White House Caribbean Energy Security Summit hosted in January by the Vice President, as well as in the President's meeting with Caribbean leaders in Jamaica last April, where leaders committed to take concrete steps to promote their energy security.

The recent inauguration of the Caribbean Center for Renewable Energy and Energy Efficiency in Bridgetown, Barbados, where the Center will serve to support Caribbean countries in fostering sustainable energy investments and markets, is evidence of how U.S. leadership can galvanize action to tackle regional challenges in the Caribbean. If confirmed, I will work actively with Caribbean leaders to help them prioritize their legislative and regulatory efforts to adopt new forms of renewable energy, diversify their energy sources, develop the regulatory structures that will attract companies and technologies and strengthen their energy infrastructure, reduce prices, and provide long-term energy security and stability.

I would also seek to leverage the U.S. Government assistance that is being provided through the Caribbean Energy Security Initiative (CESI). For instance, under CESI, the Overseas Private Investment Corporation (OPIC) has sought to assist with private sector funding for clean energy projects, the U.S. Trade Development Agency is working to identify and study the feasibility of energy related initiatives for investors across the region, and the Department of State's Bureau of Energy Resources is providing technical assistance on regulatory, engineering, procurement, and commercial matters.

*Question.* What is the current extent of drug trafficking through the Eastern Caribbean region? To what extent is limited U.S. assistance under the Caribbean Basin Security Initiative actually able to help the Eastern Caribbean to cope with the drug problem?

*Answer.* The Eastern Caribbean and broader Caribbean serve as a transshipment region for drugs destined for U.S., African, and European markets. Its strategic location with hundreds of islands and cays, combined with a large volume of commercial and noncommercial air/maritime movement, makes the Caribbean an attractive region for drug trafficking organizations (DTOs) seeking to conceal their illicit activities.

Approximately 10 percent of cocaine trafficked to the United States from South America transited the Caribbean corridor in the first half of 2015, up from 4 percent in 2011, the majority of which was moved by maritime conveyance. Several factors may account for the increase in drug trafficking through the Caribbean, from the impact of enhanced enforcement efforts along the Central America/Mexico corridor and on the U.S. Southwest border to high rates of go-fast boat transport success from Colombia and Venezuela through the Dominican Republic to Puerto Rico.

To counter the increase in drug trafficking, the United States targets DTOs operating in the Caribbean to stem the flow of illegal drugs, while expanding the level of cooperation with partner nations through security cooperation initiatives. The goal is to strengthen law enforcement and judicial institutions, combat money laun-

dering and corruption, reduce the production and consumption of drugs, and generally reduce violence.

Through the Caribbean Basin Security Initiative (CBSI), we seek to reduce narcotics trafficking through programming focused on law enforcement capacity-building, border and port security, justice sector reform, and drug demand reduction. Key CBSI activities include efforts to equip, train, and provide technical assistance to counternarcotics authorities; promote regional coordination on maritime interdiction through multilateral exercises; empower countries to dismantle DTOs through tools such as civil asset forfeiture; and support for partner nation maintenance and sustainment capabilities of host-nation purchased and U.S.-provided maritime and aviation interdiction assets.

*Question.* Many Caribbean nations have seen increases in violent crime and murder in recent years. What approaches have countries been taking to curb the violence, and has there been any diminishment in murder rates? To what extent does the Caribbean Basin Security Initiative (CBSI) help these countries improve citizen security?

*Answer.* Crime rates have generally risen over the last several years across the Caribbean, including homicides. Caribbean nations, including those in the Eastern Caribbean, have recognized the need to do more to strengthen the capacity and effectiveness of their police forces and judicial systems to both prevent crime and investigate criminals who do their citizens harm. They are concurrently working to address the underlying, root causes of crime and insecurity, particularly among youth and those residing in marginalized communities.

Throughout the region, leaders are working to prevent the trafficking of firearms, which are used in the commission of all forms of crimes. They are trying to reduce the unacceptable backlog of accused awaiting trial, which dramatically reduces the deterrent effect that speedy trials and the certainty of accountability has on criminals. Related to the strengthening of prosecutorial and judicial capacity, countries are revisiting bail for violent criminal offenders, many of whom are released and subsequently commit additional crimes while awaiting trial. Eastern Caribbean leaders also recognize that incarceration of juvenile, nonviolent offenders makes little sense, and are pursuing alternate and diversionary sentencing programs to help youth reintegrate into society as lawful, productive citizens. While these nascent efforts ultimately should reduce the prevalence of violent crimes, citizens continue to push their governments to take further action to bring about security and justice.

Through CBSI, the U.S. Government is supporting the efforts of Caribbean governments as they seek to bolster the security of their citizens and build more inclusive and resilient communities. CBSI represents an integrated approach that links citizen security, social development, and economic prosperity. CBSI assistance is combating 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.

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

*Question.* Antigua & Barbuda and St. Vincent & the Grenadines are destination and transit countries for men, women, and children subjected to sex trafficking and forced labor. Legal and undocumented immigrants from the Caribbean region as well as from Southeast Asia comprise the population most vulnerable to trafficking. None of the countries have taken explicit and concrete steps to stop trafficking in persons.

- ◆ If confirmed, what is your plan in pressuring these countries to reform their justice system to stop sex trafficking and forced labor? Are you willing to publicly identify and rebuke countries under your purview that fail to make real strides in eliminating human trafficking?

*Answer.* If confirmed, furthering efforts to combat trafficking in persons (TIP) will represent one of my top priorities in the Eastern Caribbean. We are engaged with the Governments of Antigua & Barbuda and St. Vincent and the Grenadines, both of which are on the Tier Two Watch List, to encourage them to redouble their efforts to meet the standards and recommendations in the 2015 TIP Report. These countries should vigorously prosecute human trafficking, identify trafficking victims, and provide assistance to victims.

Both nations are working to address the issues that were identified in the 2015 TIP Report. For example, Antigua & Barbuda amended its anti-TIP law. St. Vincent

and the Grenadines recently made its first human trafficking arrest and indictment, identified additional trafficking victims and provided services, and finalized its national antitrafficking action plan for 2016. Both countries are subject to the automatic downgrade provision of the Trafficking Victims Protection Act (TVPA), and recognize the serious nature and impact of a downgrade to Tier 3.

These nations, as do many of their neighbors in the Eastern Caribbean, are constrained in their respective capacities to address this critical issue, including limited law enforcement and investigative capacity, overburdened prosecutors and courts, and a scarcity of professional capacity to provide victims' services. Through the Caribbean Basin Security Initiative and related Department of State-funded TIP initiatives, the U.S. is working across the Eastern Caribbean to boost TIP prevention, identification, prosecution, and victim protection capabilities.

In addition to targeted programming for police forces and judicial systems to allow them to investigate and prosecute traffickers, we are working with NGOs to build their capacity to report instances of trafficking and provide appropriate services to victims. Department of State projects have proven effective in the past, particularly in developing training manuals for law enforcement and victim's services projects.

If confirmed, I will seek additional resources that can be offered to further the progress we have made. Additionally, if confirmed, I will make TIP engagement a top area of discussion in my interaction with regional leaders, civil society, and the media to make sure everything possible is being done to address the TIP issue with the ultimate goal of eliminating human trafficking in the region.

*Question.* The Caribbean Basin Security Initiative (CBSI) is part of the U.S. security strategy focused on citizen safety throughout the region. How do you see the U.S. engagement with the CBSI countries in your region? Are there any ways the U.S. can improve security cooperation with countries in your region? Do you feel that any of the countries in your region are not adequately engaging in counter-narcotics/firearms trafficking interdiction?

*Answer.* Ensuring citizen security in the Caribbean is vital to U.S. national security, as well as to the stability and economic development of our regional partners. Through the Caribbean Basin Security Initiative (CBSI), the U.S. Government is empowering Caribbean governments to better safeguard the security of their citizens and build more inclusive and resilient communities through an integrated effort that links citizen security, social development, and economic prosperity. U.S. assistance through CBSI targets transnational criminal organizations involved in the trafficking of drugs, people, and firearms through the region by strengthening the capacity and effectiveness of the region's police forces and judicial systems, to both prevent crime and investigate criminals who do their citizens harm.

Eastern Caribbean nations are neither source countries for cocaine nor firearms, yet they are disproportionately bearing the brunt of the international trafficking of firearms and narcotics. Despite their limited law enforcement and interdiction capabilities, Eastern Caribbean nations are working effectively with the United States to prevent the use of their national territories and littoral waters by drug trafficking organizations (DTO) and transnational criminal organizations.

Through both CBSI training and effective working relationships with the Bureau of Alcohol Tobacco and Firearms (ATF) and Immigration and Customs Enforcement's Homeland Security Investigations (HSI), Eastern Caribbean nations are investigating and prosecuting to conviction firearms traffickers. Both ATF and HSI have successfully prosecuted U.S. traffickers, who, in many cases, are the source of illicit firearms in the Caribbean.

Eastern Caribbean countries also work closely with the Drug Enforcement Administration and the U.S. Coast Guard on the interdiction of cocaine across the region. They are also willingly partnering with the United States as we work to promote regional coordination on strengthened border security; maritime interdiction through multilateral exercises; empower countries to dismantle DTOs through tools such as civil asset forfeiture; and take steps to support partner nation maintenance and sustainment capabilities of host nation-purchased, and U.S.-provided, maritime and aviation interdiction assets.

RESPONSES OF JOHN D. FEELEY, NOMINATED TO BE AMBASSADOR TO THE REPUBLIC OF PANAMA, TO QUESTIONS FROM MEMBERS OF THE COMMITTEE

AMBASSADOR-DESIGNATE FEELEY'S RESPONSES  
TO QUESTIONS FROM SENATOR CORKER

*Question.* In your opening statement you make reference to addressing human trafficking in Panama. You also highlight the importance of the U.S. expatriate community in Panama; expanding foreign direct investment; and the integrity of our interconnected banking and financial systems.

◆ Can you please tell us more regarding your concerns and priorities in these areas?

*Answer.* Human Trafficking: The Panamanian Government is making significant efforts to comply fully with the minimum standards for the elimination of trafficking in persons. Panamanian authorities identified more trafficking victims in 2014 (25 vice 16 the previous year), convicted five sex traffickers, and continued public awareness efforts. If confirmed, I will continue to press the Panamanian Government to enhance anti-TIP efforts, including through increased specialized victim services and intensified law enforcement efforts to investigate and prosecute trafficking crimes and convict traffickers.

FDI and American Investment: The Panamanian Government has promoted economic growth over the last decade through open market policies and by actively encouraging trade and foreign direct investment (FDI). The United States--Panama Trade Promotion Agreement (TPA) requires that U.S. investors receive fair, equitable, and nondiscriminatory treatment, and that both parties abide by international law standards, such as for expropriation, compensation, and free transfers.

If confirmed, I will seek to ensure these transparent guidelines are adhered to. I will also use every applicable provision of the Bilateral Investment Treaty and Trade Promotion Agreement to work for fair treatment of U.S. businesses and citizens in Panama. I will work as Panama's partner to help strengthen their democratic institutions, especially in the justice sector, to provide opportunities for Americans who want to work, trade, travel, and live in Panama.

My concern for U.S. investment in Panama is that Panama's economic openness and weak financial oversight make it an attractive transit point for money laundering. The international financial community shares this view. Panama is currently under "targeted review" by the Financial Action Task Force because of its antimoney laundering deficiencies. The good news is that the Varela administration has expressed and demonstrated the political will to do something about it. In the past year, Panama has passed and implemented a number of laws to strengthen its antimoney laundering capabilities and compliance with U.N. Sanctions Regimes. If confirmed, I will continue U.S. efforts to help Panama build a more effective antimoney laundering regime.

*Question.* What has been the effect of the U.S. bilateral free trade agreement with Panama? What effect might the Trans-Pacific Partnership (TPP) have on U.S. trade and investment relations with Panama?

*Answer.* The effect has been to transform a strong trade relationship into an even stronger one. Since the U.S.-Panama Trade Promotion Agreement (TPA) entered into force in October 2012, American exports have increased every year, totaling \$10.3 billion in goods in 2014. Panama was the United States 30th largest goods export market in 2014.

The TPA supports American jobs, expands markets, and enhances U.S. competitiveness, by guaranteeing access to Panama's nearly \$30 billion services market (70 percent of GDP), including in priority areas such as financial services, the telecommunications sector, computer sales, and distribution networks. U.S. companies also have a strong presence in the express delivery, energy, environmental, and professional services area of Panama's economy.

If confirmed, I will continue to work with the Government of Panama and the Office of the U.S. Trade Representative, to further strengthen market access for U.S. companies, and to ensure U.S. products continue to be the preferred choice for Panamanian consumers.

Although Panama is not a member of the TPP, it already enjoys excellent access to the U.S. market through the TPA and has free trade agreements and strong trade relationships with many TPP members. In addition, the Pacific alliance, a growing economic grouping in Latin America, has offered Panama a path to accession. Though Panama has not yet formally entered the alliance, we would support their entry.

*Question.* Panama's ex-president, Ricardo Martinelli, faces prosecution for corruption as do other former officials including eight former Cabinet Ministers who have been investigated or charged for acts of corruption. A Panamanian Supreme Court justice was convicted of corruption.

◆ How deep is such corruption in Panama? What role does transnational crime play in exploiting such corruption?

*Answer.* The United States is aware of allegations against 12 current and former Panamanian administration officials on charges of corruption. The United States supports Panama's efforts to improve governmental transparency and accountability by taking judicial action to prevent, investigate, and punish corruption.

Panama ranks 94th out of the 175 countries on Transparency International's perceptions of corruption ranking. Links to transnational crime, especially money laundering, help enable criminal activity in Panama. Fortunately, Panamanian officials have made addressing corruption a priority. The 17th International Anti-Corruption Conference will take place in Panama City in December 2016, and will be an important opportunity for Panama to demonstrate its commitment to lowering corruption levels in both the public and private sectors.

If confirmed, I will work to support the strengthening of democratic institutions in Panama that are focused on serving its citizens while also being vigilant for any cases of corruption having a direct impact upon American citizens. We share Panama's goal of fortifying institutions to detect, investigate, prevent, and punish corrupt acts. We will continue to partner on transnational criminal cases, and I will continue to encourage Panama to fully implement the accusatory justice system throughout the country.

*Question.* How capable are Panama's law enforcement agencies and its judiciary in addressing transnational crime and corruption?

*Answer.* The United States shares the concerns that President Varela and ordinary Panamanian citizens express about the levels of crime, violence, and drug trafficking through Panama's territory. As demonstrated by the current investigations and prosecutions of former officials on corruption charges, Panama's security and judicial institutions are increasingly capable of tackling such cases.

Corruption is one of the biggest problems facing Central America. The United States supports Panama's efforts to investigate and prosecute officials accused of corruption. We will also encourage Panama to finalize the implementation of the accusatory justice system in the important provinces of Colon and Panama in 2016.

Through a variety of vetted units, training, and technical assistance, the United States is working closely with the government and people of Panama to build stronger, more transparent public institutions and foster good governance. In 2015, CARSI partnered with Panamanian police to launch a nationwide, data-driven, crime mapping and analysis tool based on the NYPD's COMPSTAT (comparative statistics) model.

If confirmed, I will continue to support anticorruption programs throughout the security and justice sectors, including a robust program to aid Panama in its transition to the accusatory justice system. The U.S. Strategy for Engagement in Central America commits to deepening this focus on governance and rule of law throughout the region and Panama in years to come.

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

*Question.* According to the 2015 TIP Report, Panama is a source, transit, and destination country for men, women, and children subjected to sex trafficking and forced labor. Most Panamanian trafficking victims are exploited in sex trafficking in the country.

◆ If confirmed, how do you plan to engage with the Government of Panama and push them to develop a more robust antitrafficking program in the country?

*Answer.* The Panamanian Government is making significant efforts to comply fully with the minimum standards for the elimination of trafficking in persons. The 2015 Trafficking in Persons report upgraded Panama to Tier 2 from Tier 2 Watchlist in recognition of its efforts to combat trafficking in persons. Panamanian authorities identified more trafficking victims in 2014 (25 vice 16 the previous year), convicted five sex traffickers, and continued public awareness efforts. If confirmed, I will continue to press the Panamanian Government to enhance anti-TIP efforts, including through increased specialized victim services and intensified law enforcement efforts to investigate and prosecute trafficking crimes and convict traffickers.

Panamanian authorities acknowledge this weakness, and are committed to working to address it. Vice President Isabel de St. Malo, who serves concurrently as Panama's Foreign Minister, has made a public pledge to coordinate better Panama's ability to combat TIP.

If confirmed, I will continue efforts to help Panama increase specialized victim services. I will also encourage Panama to intensify law enforcement efforts to investigate and prosecute both labor and sex trafficking crimes and to convict and sentence traffickers, including any allegedly complicit government officials. I will also continue to develop and institutionalize government-provided antitrafficking training for relevant officials.

*Question.* Panama's strategic geographic location, dollarized economy, and status as a regional financial, trade, and logistics center make it a target for money launderers. Organized crime, including narco traffickers, uses the Panamanian legal system to their benefit to launder their illicit proceeds.

- ◆ What will your message be to the Government of Panama on reforming their laws in regards to money laundering?

Answer. Panama is widely regarded by international authorities as vulnerable to money laundering and is currently on "targeted review" by the Financial Action Task Force (FATF) as a country that has antimoney laundering/counter financing of terrorism (AML/CFT) deficiencies. However, under an effort coordinated by Embassy Panama and the Department of State, the Departments of Justice and Treasury are helping Panama build a more effective antimoney laundering regime. Panama significantly strengthened its autonomous Financial Intelligence Unit in December 2014 after the FATF placed the country on "the Grey List" in January 2014, following its assessment that Panama's AML procedures were weak. In the past year, Panama passed and implemented a number of laws to strengthen its antimoney laundering capabilities and compliance with U.N. Sanctions Regimes.

If confirmed, I will continue working with Panama to strengthen its ability to detect, investigate, and prosecute money-laundering and terrorist-financing cases.

*Question.* Panama has become an important connection for shipping narcotics to the U.S. and other countries. The International Narcotics Control Strategy has reported that traffickers have smuggled narcotics through the country's uncontrolled transportation system, such as airfields, coastlines, containerized seaports and highways.

- ◆ What steps will you take to help expand cooperation between U.S. and Panamanian law enforcement on interdicting narcotics bound for the U.S.?

Answer. The United States shares the concerns that President Varela and ordinary Panamanian citizens express about the levels of crime, violence, and drug trafficking through Panama's territory. As demonstrated by the investigations and prosecutions of former officials on corruption charges, Panama's security and judicial institutions are increasingly capable of tackling such cases. As drug interdiction partners, Panama is one of the best in the region, seizing an impressive 35 metric tons of cocaine in its coastal waters and territory.

Through a variety of vetted units, training, and technical assistance, the United States is working closely with the government and people of Panama to build stronger, more transparent public institutions and foster good governance. In 2015, the Department of State Bureau of International Narcotics and Law Enforcement partnered with Panamanian police to launch a nationwide, data-driven, crime mapping and analysis tool based on the New York Police Department's COMPSTAT (comparative statistics) model. We will also encourage Panama to finalize the implementation of its accusatory justice system in the important provinces of Colon and Panama in 2016.

The U.S. Strategy for Engagement in Central America commits to deepening this focus on governance and rule of law throughout the region and Panama in years to come. If confirmed, I will continue to support all these programs throughout the security and justice sectors, including an intensive effort to aid Panama in its transition to the accusatory justice system.

*Question.* We have seen that individual sanctions against human rights violators in Venezuela have been effective tools. These claims have been echoed by many Venezuelan civil society groups and former government officials because they fear losing the privilege to travel and visit the U.S.

- ◆ Do you agree?
- ◆ Why hasn't the U.S. Government sanctioned more human rights violators in Venezuela?

Answer. Sanctions represent one instrument among many to implement U.S. foreign policy. Each determination on whether and when to impose targeted measures, including visa restrictions or asset blocking, takes into account the specific factual information we have on the individuals at issue in light of the requirements under U.S. law for imposing sanctions. Our implementation of sanctions is also carried out in the context of U.S. foreign policy interests, in consultation with all relevant agencies, including respect for human rights, democratic governance and pluralism, and regional security and stability.

Separately, since July 2014, the Department has restricted visa eligibility for certain Venezuelans believed to be responsible for, or complicit in, human rights abuses and undermining democratic governance, including public corruption. The Secretary of State took these steps pursuant to Section 212(a)(3)(C) of the Immigration and Nationality Act.

We will continue to monitor the situation in Venezuela, and stand ready to take action against other individuals as additional information becomes available and is assessed to meet the criteria for sanctions.

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RESPONSES OF JEAN ELIZABETH MANES, NOMINATED TO BE AMBASSADOR TO THE  
REPUBLIC OF EL SALVADOR, TO QUESTIONS FROM MEMBERS OF THE COMMITTEE

AMBASSADOR-DESIGNATE MANES'S RESPONSES  
TO QUESTIONS FROM SENATOR CORKER

*Question.* El Salvador is a pilot country for the U.S. Partnership for Growth initiative. The Partnership for Growth is supposed to focus on priorities identified with the Salvadoran Government and private sector to strengthen the country's competitiveness and increase investment in the country.

◆ How has this pilot effort fared? What has it accomplished to date?

Answer. The Partnership for Growth (PFG) has laid an important foundation for the new U.S. Strategy for Engagement in Central America, paving the way for continued investments through institutional capacity-building, passage of key legislation, creation of guiding policies, and establishment of new lines of effort in prosperity programming. Thanks to this close bilateral coordination, the Salvadoran Government has advanced its strategic planning capacity and coordination with civil society, international donors, and the private sector.

The Salvadoran Government has taken concrete steps to strengthen competitiveness and increase investment in the country. For example, it established a public-private Growth Council under PFG to create permanent dialogue between the government and private sectors. Since 2012, the government also passed a package of five pro-investment laws, as well as the Access to Public Information Law and the Asset Forfeiture Law.

In addition, the government created guiding policies, such as the Establishment of the National Council for Citizen Security and crafted the Plan El Salvador Seguro security strategy, the National Violence Prevention Plan of 2014, and formed two police task forces: the Business Crimes Task Force (Anti-extortion Task Force) and the Crimes on Public Transportation Task Force, both of which address issues that hinder investment and competitiveness.

Under PFG, the Salvadoran Government has taken responsibility for sustainable, continued implementation of efforts initiated through USAID and INL investments, for example the Salvadoran Institute for Professional Training. If confirmed, I will strongly encourage the Salvadoran Government to sustain and continue implementation of PFG efforts in support of the new U.S. Strategy for Engagement in Central America.

*Question.* El Salvador is experiencing severe gang-related violence and murders. Impoverished people are under constant threat must pay money extorted by gangs. People who receive remittances from the U.S. are targeted by gangs. Current U.S.-supported antigang efforts create small islands of safety. On a limited basis, we help law enforcement and judicial authorities protect citizens and prosecute criminals.

◆ But, is it really possible for the Salvadoran Government to take these approaches to scale? If so, how?

Answer. If confirmed, I will ensure continued integration of USAID and INL programs under our Place-Based Strategy to focus our assistance efforts in the same high-crime communities identified by the Salvadoran Government in its Plan El Salvador Seguro in order to maximize the impact of our joint efforts.



If confirmed, I will also urge the Salvadoran Government to collaborate more strategically with the private sector to fund important security initiatives under their plan, with the aim of amplifying their efforts.

The Salvadoran private sector has already shown strong interest in investing resources and partnering with the Salvadoran Government, alongside USAID and INL, to tackle security concerns that have a direct effect on the investment climate. For example, some private associations have donated land and architectural and engineering services for police stations and youth centers.

*Question.* Like other countries in the region, El Salvador faces challenges from corruption. Is it possible for El Salvador to work with the U.N. with U.S. support as has happened in Guatemala to investigate and prosecute corruption? Wouldn't this also help address concerns regarding politically motivated anticorruption prosecutions in El Salvador?

*Answer.* Through our diplomatic engagement and assistance programs, the United States continues to support both government and civil society efforts to ensure the application of the rule of law and effective governance in El Salvador, emphasizing the need for greater transparency and accountability.

The International Commission Against Impunity in Guatemala (CICIG) played a unique, significant, and transformative role in Guatemala. Support from a similar independent anticorruption structure in El Salvador could advance efforts to ensure accountability.

That said, there are many ways of achieving these goals. It is up to the Salvadoran people to determine the best way forward.

President Sánchez Cerón and the Attorney General have publicly rejected an independent external entity like CICIG, stating existing Salvadoran institutions are combating corruption and impunity.

If confirmed, I will give priority to promoting concrete actions by the Salvadoran Government that produce real results in fighting corruption.

I also look forward to working with the Embassy team, including USAID and INL staff, to press forward with U.S. efforts that strengthen institutions, share best practices, and develop new initiatives to combat corruption and end impunity.

*Question.* The Inter-American Development Bank is supporting efforts by the Government of El Salvador to identify and budget significant on-budget resources to implement the regional Alliance for Prosperity Initiative. In the end, each country needs to direct its own resources to arrive at long-term solutions.

◆ How has the IDB's effort been received by the Government of El Salvador and how will you encourage this effort as ambassador?

*Answer.* The Government of El Salvador is fully supportive of the involvement of the IDB as it seeks to implement the ambitious plan outlined in the Alliance for Prosperity roadmap.

The IDB serves as the Executive Secretariat for the Alliance for Prosperity and lends its expertise to help Northern Triangle governments, including El Salvador, tackle the long-standing and systemic issues driving outward migration.

At the working level, Embassy San Salvador remains in close contact with local IDB representatives. If confirmed, I will continue the efforts to advance coordination between all stakeholders, especially the IDB, supporting successful outcomes of both the Alliance for Prosperity and the U.S. Strategy for Engagement in Central America.

*Question.* Has El Salvador embraced genuine trade capacity building, such as removing non-tariff barriers to trade, to fully take advantage of the Central America Free Trade Agreement? What priorities will you pursue in this regard as ambassador?

*Answer.* El Salvador was the first country to ratify CAFTA-DR and its trade volume has increased as a result of CAFTA-DR. However, more can be done and the United States continues to work with the Salvadoran Government to make improvements in technical areas, such as onerous labeling requirements, and improving the efficiency of customs procedures. Increasing and facilitating regional trade will be key to improving El Salvador's economic situation. Accordingly, if confirmed, I will continue the work of USAID, INL, MCC, Department of Labor, the USTR, and others to help the Government of El Salvador harmonize and synchronize regulations, improve border infrastructure, and implement best practices for customs inspections in order to better integrate the region economically.

El Salvador is working on reducing cross-border costs as well. Through a targeted initiative to improve interagency coordination among Customs, Police/Anti-narcotics Division, and Immigration, El Salvador reduced border crossing times by 14 percent

in the last 6 months at its two main border crossings to Guatemala (La Hechadura) and Honduras (El Amatillo). For precleared exports from Free Trade Zones, border-crossing times for goods at El Salvador's principal land border to Guatemala (Anguiatu) fell from over 10 hours to less than 1 hour. We also have productive cooperation with the Salvadorans on our Small Business Network of the Americas initiative which, on a practical scale, assists small businesses in both of our countries to improve operations and access markets. If confirmed, I will give high priority to getting results from these in policy measures to attract investment and build trade capacity.

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

*Question.* Organized crime in El Salvador is a serious problem. There are an estimated 25,000 gang members at large in El Salvador, with many in Mara Salvatrucha (MS-13) and their rival Calle 18 (18th Street). El Salvador is set to eclipse Honduras as the country with the highest homicide rate in the world. There have already been over 5,700 murders this year and the murder rate is now the highest it has been since the country's civil war.

- ◆ How is the El Salvador Government working to reduce the violent crime rate and what do you plan to do to help support these efforts? What is your assessment of the threat that trans-national gangs in El Salvador pose to the United States?

*Answer.* Security is a critical concern for El Salvador, and if confirmed, I will make it my highest priority. The Government of El Salvador launched its new security strategy, Plan El Salvador Seguro, in 2015. This plan focuses most of its efforts on community-based violence prevention coordinated with law enforcement measures, victims' assistance, reinsertion and rehabilitation programs, and efforts to strengthen rule of law institutions. At the outset, the plan focuses on 10 of the most critical municipalities, but the Salvadoran Government plans to extend it to the top 50 most violent municipalities. As a complement to the plan, the National Civil Police launched a 5-year strategy focused on community policing and intelligence-led policing to improve investigation techniques and ensure better coordination among law enforcement institutions and other government agencies. If confirmed, I will urge the Salvadoran Government to implement its security plans as rapidly and effectively as possible.

To date and with USAID support, the Salvadoran Government has created municipal violence prevention committees and USAID is working in more than 33 high-crime municipalities, supporting crime prevention councils and prevention plans, including a network of more than 118 outreach centers for at-risk youth. USAID also provided basic training in community policing to nearly 100 percent of the police force. According to official police data, there has been a 66-percent drop in homicides in 2015 compared to 2014 in 76 communities where USAID is working most comprehensively in violence prevention. USAID is realigning its programs to support the government's Plan El Salvador Seguro's 10 priority municipalities, fully integrating activities focused on violence prevention, criminal justice reform, and economic growth. If confirmed, I will also support and leverage USAID and Department of State programs under a place-based approach that integrates law enforcement and prevention in El Salvador's most violent neighborhoods.

The U.S. Government is also helping the Government of El Salvador expand its efforts to reduce crime and violence through support for specialized units. The State Department's Bureau of International Narcotics and Law Enforcement Affairs (INL) provided technical support to help the Government of El Salvador establish an antiextortion task force that has achieved a 96-percent conviction rate. This conviction rate stands in stark contrast to the national criminal conviction rate which is estimated at 10 percent. The government replicated the task force model in Santa Ana and San Miguel, gaining national coverage to combat extortion. If confirmed, I will continue these efforts and also urge the government to collaborate more strategically with the private sector to fund security initiatives under the Salvadoran Government's national strategy.

Transnational gangs in El Salvador pose a threat to the United States. The MS-13 gang has members throughout the United States and often colludes with gang leaders imprisoned in El Salvador. Salvadoan collaboration among INL-supported prison intelligence units, the FBI, ATF, DHS, and U.S. police, have led to MS-13 gang members being charged with homicide and numerous other crimes, including gang recruitment and human and narcotics trafficking. In October and November,

the FBI arrested 12 gang members for homicide in Newark and Boston. In September, an MS-13 gang member was extradited to the United States for two murders committed in 2010 in Nevada. If confirmed, I will ensure this close collaboration among law enforcement agencies continues.

**Question.** The "Plan of the Alliance for Prosperity in the Northern Triangle" outlines working guidelines and commitments by regional leaders to promote Security, improve the work and business climate, ensure more effective government, create jobs, reduce poverty, improve the quality of services, and expand economic opportunities.

- ◆ What improvements have been made with reforming the economic system to open the country to foreign investment and reducing burdensome regulations?
- ◆ The pledge that President Obama made for \$1 billion is unlikely to be fully funded by Congress for FY16. Based on the reduced funding that will be available, what would your recommendation be for where to concentrate U.S. funding in El Salvador?

**Answer.** Since the announcement in 2014 by the Salvadoran, Guatemalan, and Honduran governments to launch the Alliance for Prosperity—a key component of which is to improve the business and investment environment in the region—the Salvadoran Government has taken concrete steps to attract investment. The Inter-American Development Bank reports El Salvador has proposed its own investment of more than \$1 billion in 2016 in Alliance for Prosperity projects.

With USAID support, the Salvadoran Ministry of Finance has drafted tax reforms to reduce tax evasion and avoidance. El Salvador increased tax revenues by 30 percent from 2010 to 2014 through improved enforcement of tax policies and more transparent budgeting. The Salvadoran Government also launched an online public expenditure tracking system and a Fiscal Transparency Web site, accessible to the public, to provide budget information. Finally, the Salvadoran Government signed a Multilateral Convention on Mutual Administrative Assistance in Tax Matters in June to improve its ability to coordinate internationally to prevent offshore tax evasion.

El Salvador is taking other steps such as working toward establishing a "single window" for investors, as recommended by the U.S. Chamber of Commerce. It has also developed a Web site to register businesses online and the National Investment Office (ONI) is helping investors register with the appropriate Salvadoran Government institution.

Key to facilitating trade, El Salvador reduced border crossing times at its two main crossings with Honduras and Guatemala by 14 percent. In the World Bank's *Doing Business Report*, El Salvador rose from 97th of 189 countries evaluated in 2015, to 86th in 2016.

If confirmed, I will work with the Government of El Salvador to ensure it fulfills its commitments under the Alliance for Prosperity that coincide with the overarching goals of our U.S. Strategy for Engagement with Central America: improving citizen security, building economic prosperity, and strengthening democratic institutions.

The administration is convinced the FY 2016 request of \$1B for the U.S. Strategy for Engagement in Central America is the best way to support the efforts of our Central American partners. The U.S. Strategy is a whole-of-government approach to address violence and crime challenges, lack of economic opportunity, and weak government institutions contribute to the underlying conditions driving undocumented migration. U.S. programs under the Strategy are integrated across multiple lines of effort. We will continue to prioritize El Salvador in the implementation of the Strategy, to support the needed reforms in governance, prosperity, and security. Given the ongoing security situation in El Salvador, programs to address violence, isolate gangs, and ignoring policing remain critical. However, we recognize economic and governance programs also play an important role in creating improved conditions in El Salvador.

**Question.** According to the 2015 TIP report, El Salvador is a source, transit, and destination country for women, men, and children subjected to sex trafficking and forced labor. The Government of El Salvador does not fully comply with the minimum standards for the elimination of trafficking.

- ◆ If confirmed, how do you plan to engage with the Government of El Salvador and work with them to aggressively enforce their antitrafficking program in the country?

**Answer.** El Salvador remained a Tier 2 country in the 2015 Trafficking in Persons (TIP) Report. A 2014 amendment to El Salvador's TIP law established the legal and budgetary framework for several interagency working groups and mandated better

funding to expand victims' assistance. The amendment also significantly increased prison penalties for convicted traffickers.

If confirmed, I will urge the government to implement its new law and to prosecute more aggressively and convict trafficking offenders.

There have been eight convictions for trafficking crimes this year from prosecutions that began before the amendment was passed. If confirmed, I will urge the Salvadoran Government to investigate and prosecute cases through its U.S. assistance and vetted Anti-Human Trafficking Unit within the police (PNC).

*Question.* 4,973 unaccompanied children were caught at the border in October trying to enter the United States, with the majority of them coming from El Salvador. What will your message be to the people of El Salvador in regards to attempting to migrate to the United States illegally? What steps do you feel that the Government of El Salvador can take to help reduce the flow of migrants?

*Answer.* The U.S. Embassy in San Salvador and our colleagues in Public Affairs are working with the Salvadoran Government and its Embassy in Washington, DC, on information campaigns to discourage parents from sending their children on the dangerous journey to our border. However, many still take the journey, out of fear of violence, a lack of opportunities for education poverty, or economic survival. If confirmed, my message to the Salvadorans will be that they must all work together, with the United States as a committed partner, to help their government improve citizen security, build economic prosperity, and strengthen its democratic institutions so that parents and children can find opportunities for better lives in their home communities.

To prevent undocumented migration, beginning in March 2015, the Salvadoran Government began requiring that all children, regardless of nationality, be accompanied by both parents when departing El Salvador or that one parent have the notarized permission of the other. If confirmed, I will urge the Government of El Salvador to enforce these requirements more consistently.

I will also urge the Salvadoran Government to meet its commitments under the Alliance for Prosperity plan, which addresses the underlying factors driving migration.

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RESPONSES OF TODD C. CHAPMAN, NOMINATED TO BE AMBASSADOR TO THE REPUBLIC OF ECUADOR, TO QUESTIONS FROM MEMBERS OF THE COMMITTEE

AMBASSADOR-DESIGNATE CHAPMAN'S RESPONSES  
TO QUESTIONS FROM SENATOR CORKER

*Question.* What do you see as the most important aspects of the bilateral relationship with Ecuador and what steps would you take as Ambassador to put the relationship on a stronger footing?

*Answer.* There are four key areas to our bilateral relationship with Ecuador: economic links, regional security, democracy and human rights, and people-to-people ties. If confirmed, I would work with Ecuadorian counterparts to build and move forward a positive bilateral agenda that reinforces our country's goals in all four categories. This includes identifying common areas of interest with the Ecuadorians, addressing the difficult bilateral issues in a clear and direct way, and building a relationship based on mutual respect that will facilitate discussions on more sensitive issues.

We are already on a strong footing in many ways. Our people-to-people ties continue to provide long-term strength to our relationship, with two-way educational exchanges thriving, and growing numbers of travelers to each country. Two-way trade has more than doubled since 2008, to nearly \$20 billion in 2014. While American investors have in some cases encountered serious difficulties in Ecuador, we remain Ecuador's largest trading partner and our economic relationship continues to grow. U.S. and Ecuadorian law enforcement and security officials are working cooperatively to counter regional threats posed by transnational crime, illicit narcotics, and trafficking in persons.

We have had disagreements with the Ecuadorian Government in recent years, and some of these issues will not be resolved easily. If confirmed, I will raise the issues that are holding back greater bilateral partnership with both Government of Ecuador officials and with the public, including democratic and human rights concerns and a level playing field for investors. While we have areas of disagreement, our common interests can drive the broader U.S.-Ecuador relationship in a constructive direction.

*Question.* What are the State Department's recommendations to Ecuador to address human trafficking? Is addressing human trafficking potentially an area for increased bilateral cooperation?

*Answer.* Ecuador fully recognizes that international cooperation is vital in addressing human trafficking, and this is an area where we hope to have increased bilateral cooperation. As you know, the Department's Trafficking in Persons Report documents government efforts to prosecute traffickers, protect victims, and prevent further trafficking and the Department uses a variety of programs to support such government efforts. In the past, we have provided training to Ecuadorian judges, prosecutors, police officials, and officials charged with providing assistance to trafficking victims. We will look for additional opportunities to continue and grow this cooperation with the Government of Ecuador in the future.

In the 2015 Trafficking in Persons (TIP) Report, the State Department ranked Ecuador Tier 2 and made the following recommendations for specific goals and objectives to further the Government of Ecuador's antitrafficking efforts over the next year:

- (1) Strengthen the provision of specialized care services for trafficking victims—including for adults—in partnership with civil society organizations through increased funding.
- (2) Amend antitrafficking statutes so they do not penalize nontrafficking crimes in order to bring them in compliance with the 2000 U.N. TIP Protocol.
- (3) Increase efforts to investigate and prosecute trafficking offenses and convict and punish traffickers, particularly for cases involving adult trafficking victims.
- (4) Hold criminally accountable public officials complicit in trafficking.
- (5) Develop and implement procedures for identifying trafficking victims among vulnerable populations, such as children and adults in prostitution or child and migrant workers.
- (6) Implement procedures to ensure identified victims are referred to care services.
- (7) Increase antitrafficking training for police officers, judges, labor inspectors, immigration officials, social workers, and other government officials, particularly to enhance victim identification.
- (8) Issue and implement guidelines to ensure officials consistently offer foreign victims legal alternatives to removal.
- (9) Enhance data collection and interagency coordination.

I have worked on TIP issues in previous assignments—in Costa Rica, Bolivia, Mozambique, and Brazil—and if confirmed, commit to engage personally on this issue to advance our cooperation. Reducing trafficking in persons in Ecuador through enhanced partnerships will be a top priority.

*Question.* What has been the impact on press freedom of frequent government fines, sanctions including forced corrections, and hostile rhetoric toward news coverage that is critical of the President Correa's government? What steps, if any, would you take to encourage freedom of the press in Ecuador if appointed Ambassador?

*Answer.* We are concerned about increasing restrictions on freedom of expression in Ecuador because a vibrant civil society capable of free expression and association is a necessary component of any democracy. We share international concern over the Government of Ecuador's efforts to silence critical voices and restrict its citizens' access to certain information and ideas. The U.N., Organization of American States (OAS) rapporteurs, and many international human rights organizations have expressed similar concerns.

We will continue speaking out, as we do all around the world, in support of essential democratic rights and fundamental freedoms. If confirmed, I look forward to meeting with representatives of the press, civil society, and the government regarding this critical issue. With all interlocutors, I will highlight the importance of preserving space for dissenting voices, so vital to the continued development of democratic societies. If confirmed, I will also promote public diplomacy activities that demonstrate the power of free expression and association, including exchanges, visits, Internet outreach, and cultural events.

*Question.* Is President Correa's decision not to run for reelection a significant development?

*Answer.* President Correa has announced that he will not be a candidate for President in the 2017 elections, which is indeed a significant development. President Correa has held this office since 2007, therefore the transition to another President as prescribed by the Ecuadorian Constitution, through an open and fair electoral process consistent with the terms and spirit of the Inter-American Democratic Char-

ter, will be a significant development demonstrating the strength and resilience of Ecuadorian democracy. We will continue to work with the democratically elected leaders of Ecuador to strengthen the bilateral relationship and advance a positive agenda for increased cooperation.

*Question.* To what degree are U.S. companies welcome to invest and operate in Ecuador? How would you describe the current investment climate in Ecuador and how might it be improved?

*Answer.* While Ecuador is a growing trading partner, the regulatory environment for U.S. investors in Ecuador continues to be challenging. We have a Bilateral Investment Treaty with Ecuador that provides for national treatment; unrestricted remittances and transfers; prompt, adequate, and effective compensation for expropriation; and binding international arbitration of disputes. However, a number of U.S. companies operating in Ecuador, notably in regulated sectors such as petroleum and electricity, have filed for international arbitration resulting from investment disputes.

U.S. foreign direct investment in Ecuador (stock) was \$851 million in 2012 (latest official data available). I would like to expand economic links further, and if confirmed, will prioritize support for U.S. companies doing business and seeking to do business in Ecuador. I would note that with nearly \$20 billion in two-way trade in 2014, the United States is Ecuador's largest trading partner.

President Correa during his visit to New York City for the U.N. General Assembly in September gave two interviews, one to CNBC and one to Forbes, in which he invited more U.S. companies to invest in Ecuador. In response to this public invitation, I hope to have the opportunity to meet with Ecuadorian Government officials to explore facilitating this goal and discuss the reasons that have led several U.S. companies to withdraw from Ecuador and/or to choose not to make investments in Ecuador.

One of the issues of concern for American businesses is the protection of intellectual property rights—Ecuador is on USTR's 301 Watch List. Another issue of concern is the impression that Ecuador's investment policies are not consistently applied for all investors. If confirmed, I would strive to receive greater assurance that commercial disputes involving U.S. businesses will be resolved in a fair manner, consistent with due process.

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

*Question.* While the U.S. and Ecuador have traditionally had close ties, relations with Ecuador have been strained in recent years. In 2014 Ecuador ordered all 20 Defense Department employees in the U.S. Embassy's military group to leave the country.

President Correa has provided asylum in 2012 to WikiLeaks founder, Julian Assange, whose organization published troves of leaked U.S. military documents and diplomatic cables highly embarrassing to Washington.

Correa had previously expelled at least three U.S. diplomats including Ambassador Heather Hodges in 2011. And Correa's government asked the U.S. Agency for International Development to end operations in the country, accusing it of backing the opposition.

Based on past actions and statements, President Correa is hostile toward the United States Government. As you mentioned in your testimony, you have previously worked in a diverse group of countries representing our nation.

◆ If confirmed, how would you apply your past working experiences to promote policies that will strengthen the bilateral relations between Ecuador and the U.S.?

*Answer.* During my 25-year Foreign Service career, I have had the opportunity to serve in a wide range of countries, including Brazil, Mozambique, Bolivia, Costa Rica, Afghanistan, and Nigeria. In several of these countries we faced numerous challenges and major policy differences on key bilateral issues. In Mozambique, for example, threats to freedom of expression were a constant theme. Working in Bolivia at the beginning of the Evo Morales era, we were confronted with strong opposition by our host government to a broad range of U.S. policies.

Two points from my past experience are especially relevant to my future role, if confirmed, as Ambassador to Ecuador. First, if actions by governments are being taken or considered that would damage our overall bilateral relationship, I would ensure we address those actions in direct conversations with the host government, at multiple levels, to make sure the message gets through. For this to occur, chan-

nels of communication and the building of personal relationships with senior government leaders is essential, and something I have done effectively in several countries, including Bolivia, Brazil, Mozambique, and Costa Rica. We also must speak out publicly on issues of concern to engage the broader civil society and leaders across the political spectrum, as I have done in many of these countries on television, radio, and through an active personal public diplomacy effort. Projecting clearly the values and democratic principles which are so important to U.S. foreign policy is in my view essential, and something I have consistently done over the course of my Foreign Service career. If confirmed, I intend to continue such practice as Ambassador to Ecuador.

Second, we need to work with Ecuador to develop a broad bilateral agenda based on common areas of interest, and in this process establish a relationship based on mutual respect and clear communication about our objectives. If confirmed, I will work to build such an agenda with Ecuador based on our many areas of shared interest. This includes building on our strong people-to-people ties, and especially our thriving two-way educational exchange. This also means continuing to expand our growing two-way trade and to increase cooperation with Ecuador to counter regional threats posed by transnational crime, illicit narcotics, and trafficking in persons.

We will continue to have disagreements with the Government of Ecuador, and we have to be firm in our views, but I believe we can make progress by building a broad agenda that addresses common interests and facilitates frank discussion.

If confirmed, I will most certainly address the issues that are holding back greater bilateral partnership, which include democratic and human rights concerns and the need for a level playing field for investors. With increased partnership and dialogue, our common interests can drive the broader U.S.-Ecuador relationship in a constructive direction.

*Question.* The 2008 Ecuadorian Constitution acknowledges freedom of speech and expression, Correa has consistently attacked journalists and news outlets since his election in 2007.

- ◆ What is your assessment of the current state of the independent press in Ecuador?
- ◆ What steps do you plan to take, if any, to show support for a free and open press if confirmed as Ambassador?

*Answer.* We are concerned about increasing restrictions on freedom of expression in Ecuador because a vibrant civil society capable of free expression and association is a necessary component of any democracy. We share international concern over the Government of Ecuador's efforts to silence critical voices and restrict its citizens' access to certain information and ideas, and many senior U.S. Government officials have expressed such concern both privately and publicly. The U.N., Organization of American States (OAS) rapporteurs, and many international human rights organizations have expressed similar concerns.

We will continue speaking out, as we do all around the world, in support of essential democratic rights and fundamental freedoms. If confirmed, I look forward to meeting with representatives of the press, civil society, and the government regarding this critical issue. With all interlocutors, both privately and publicly, I will highlight the importance of preserving space for dissenting voices, so vital to the continued development of democratic societies. If confirmed, I will also promote public diplomacy activities that demonstrate the power of free expression and association.

*Question.* Ecuador's President, Raphael Correa, says he will not seek a fourth consecutive term in office. A group of congressmen from the ruling party has backed a proposed constitutional reform that would abolish all term limits, allowing Correa to consider another Presidential bid in the future.

- ◆ Do you believe that the proposed constitutional reform will be passed allowing for unlimited terms in office?

*Answer.* The Government of Ecuador enacted the proposed constitutional reform to allow for unlimited terms in office by a National Assembly vote on December 3. With approval by the National Assembly, the constitutional change is final and will soon appear in Ecuador's federal registry. The amendment, which removes term limits for all Ecuadorian elected officials, will take effect only after the February 2017 presidential and legislative elections. This will make President Correa and roughly one-third of the National Assembly ineligible for reelection in 2017. Correa had stated prior to the vote on the amendment that he would not run for the Presidency in 2017. Under the newly enacted amendment, he will be eligible to run for President of Ecuador in 2021.

We support the democratic transition of power in all countries through free, fair, and credible elections and the strengthening of democratic institutions. To this end, we will stand up for constitutionally mandated term limits, and speak out against manipulation of laws that undermine democracy.

*Question.* Ecuador's lax immigration policies have made it a hub for Cubans either looking for temporary work or trying to flee the island permanently. Some Cubans have paid smugglers thousands of dollars to help them illegally travel through South and Central America to the U.S. border.

According to U.S. Customs and Border Protection, some 43,159 Cubans have arrived in the United States during fiscal year 2015. This is a 78-percent increase over those who had arrived the previous fiscal year. Meanwhile, there are at least 3,000 Cubans stuck at the border between Costa Rica and Nicaragua, another 1,000 in the border between Panama and Colombia, and the number is growing daily, as there are another 17,000 Cubans in the pipeline already in Ecuador willing to start the land journey north.

- ◆ What is the State Department doing, through our respective Embassies in Ecuador, Colombia, Panama, Costa Rica and Nicaragua, to deal with this current exodus?
- ◆ What are the current safety and security considerations regarding this latest Cuban migration crisis?
- ◆ Why do you think the Cuban people are responding to the Obama administration's new policy by fleeing the island in greater numbers?
- ◆ Why do you think the Cuban people prefer to spend thousands of dollars—by selling all their belongings or borrowing from their relatives abroad—to flee the island rather than to become a “self-employed” licensee?

*Answer.* The United States is committed to supporting safe, orderly, and legal migration from Cuba through the effective implementation of the 1994–95 U.S.-Cuba Migration Accords. According to the terms of these accords, the United States ensures that total legal migration to the United States from Cuba is at least 20,000 Cubans each year, not including immediate relatives of United States citizens.

Our dialogue on migration with the Cuban Government predates the reestablishment of diplomatic relations. We view it as a critical mechanism for addressing shared challenges in migration policy and its implementation. At the November 30 Migration Talks, the U.S. delegation expressed its concern for the safety of the thousands of Cuban migrants transiting through Central America. This journey illustrates the inherent risks and uncertainties of involvement with smugglers and organized crime in attempts to reach the United States. The U.S. and Cuban delegations agreed to expert-level meetings on how both governments will contribute to combating the smuggling organizations that take advantage of Cuban migrants.

At the Migration Talks, we also discussed three main drivers for Cuban emigration with the Cuban Government: the “pull” of U.S. migration policy; the “push” of Cuba's lack of political and economic opportunity; and the perception that the rapprochement between our two governments would eventually lead to an end to Cubans' unique migration benefits under the Cuban Adjustment Act. The Cuban Government has stated that it is pursuing economic reform, but the pace has been slow. It is incumbent on the Cuban Government to provide economic opportunities for its people. Our policies continue to work toward a peaceful, prosperous, and democratic Cuba.

We encourage all countries to respect the human rights of migrants and to ensure the humane treatment of individuals seeking asylum or other forms of protection under domestic laws in accordance with international law. We also encourage their efforts to combat human smuggling. Additionally, we are encouraging regional governments to find solutions to this challenge, including coordinated and comprehensive solutions that focus on preventing loss of life, ensuring the human rights of all migrants are respected, and promoting orderly and humane migration policies.

*Question.* According to the 2015 TIP report, Ecuador is a source, transit, and destination country for men, women, and children subjected to sex trafficking and forced labor.

- ◆ If confirmed, how do you plan to engage with the Government of Ecuador and push them to develop a more robust antitrafficking program in the country?

*Answer.* Ecuador recognizes that international cooperation is vital in addressing human trafficking, which is a serious problem they are trying to confront and is an area where we hope to have increased bilateral cooperation. The Department's 2015 Trafficking in Persons (TIP) Report classified Ecuador as a Tier 2 country. While noting progress made in several areas, the report made nine key recommendations



to the Government of Ecuador, focused on improving efforts to prosecute traffickers, protect victims, and prevent further trafficking.

The Department of State uses a variety of programs to support efforts by countries to improve their performance in these areas. In the past, we have provided training to Ecuadorian judges, prosecutors, police officials, and officials charged with providing assistance to trafficking victims. Mission Ecuador works closely with Ecuadorian security agencies on trafficking issues, providing leads and information which have resulted in arrests and prosecutions both in Ecuador and the United States. We will look for additional opportunities to continue to grow this cooperation with the Government of Ecuador in the future.

I have worked on human trafficking issues in previous assignments—in Costa Rica, Bolivia, Mozambique, and Brazil—and, if confirmed, commit to engage personally on this issue to advance our cooperation, whether by highlighting the importance of combating human trafficking associated with a growing tourism industry or encouraging greater funding for the protection of victims. Reducing trafficking in persons in Ecuador through enhanced partnerships will be a top priority.

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