

**Acting Assistant Secretary Mull's Written Testimony for
the House Oversight and Government Reform Subcommittee on
National Security and Foreign Affairs
June 24, 2008, 2pm, Rayburn Building Room 2154**

Mr. Chairman, distinguished members of the Subcommittee, thank you for asking me to testify today on the role the State Department plays in the "Oversight of Coalition Support Funds to Pakistan." I will focus my remarks on the procedures and standards that guide the Department in providing the Secretary of State's concurrence to the Department of Defense so that key cooperating nations in the War on Terror can be reimbursed through the Coalition Support Funds (CSF) program. In addition to providing support to 26 other nations, this program is an essential tool in enabling Pakistan to support War on Terror objectives and U.S. military operations.

The Bureau of Political-Military Affairs (PM), which I lead, serves as the principal liaison with the Department of Defense on policy issues, including security assistance, and on coordination of U.S. military-related activities with U.S. foreign policy implications. As such, the PM Bureau coordinates State Department positions and clearances for numerous Department of Defense programs that require the concurrence of the Secretary of State. Along with CSF, these programs include, but are not

limited to, the Iraqi Security Forces Funds, the Afghan Security Forces Fund, and section 1206 train and equip programs.

The Department of State recognizes that CSF is not a foreign assistance program; rather, serves to reimburse cooperating countries for the support they provide to U.S. military operations. The legislation governing the use of CSF requires that the Department of Defense obtain the Secretary of State's concurrence prior to providing reimbursement. We understand the fundamental purpose of this concurrence is to ensure that payments made under this program are supportive of, and consistent with, U.S. foreign policy objectives for the recipient country, and that they will not adversely affect the balance of power in the region.

There are three initial steps in the clearance process:

- 1) The Government of Pakistan submits requests for reimbursement for costs incurred in the Global War on Terror to the Office of the Defense Representative at the U.S. Embassy in Islamabad, which is responsible for verifying that the claim is based on quantifiable information provided by the Government of Pakistan;

- 2) CENTCOM is responsible for verifying that Pakistan's claims support the objectives of the Global War on Terror and U.S. military

operations, and that costs would not have otherwise been incurred by Pakistan;

3) Following CENTCOM's verification, the Department of Defense Comptroller evaluates CSF claims for credibility and reasonableness.

Once these actions have been completed, the Department of Defense sends the CSF reimbursement request to the Department of State for the Secretary of State concurrence. Acting on the Secretary's behalf, the Bureau of Political-Military Affairs coordinates with the Bureau of South and Central Asian Affairs (SCA) and the Office of the Director of U.S. Foreign Assistance (F) to ensure that CSF payments are consistent with foreign policy objectives for Pakistan and the region. For Pakistan, these objectives include establishing stability throughout the country, particularly on the border with Afghanistan, and improving Pakistan's capability to provide border security and conduct counterinsurgency and counterterrorism operations.

Regional objectives include bolstering institutions that provide security; countering extremism; combating the drug trade; and improving peace and stability by building the political and popular will against terrorism. After SCA and F Bureaus provide clearance, PM Bureau

transmits Department of State concurrence on the CSF reimbursements to the Department of Defense. The Department of State maintains a close relationship with the Department of Defense, and we ensure that any concerns identified during our review process are dealt with effectively through the interagency coordination process.

Pakistan is on the front lines in the Global War on Terror. More than ever, our national security is linked to the success, security, and stability of a democratic Pakistan. The CSF program is a key tool for enabling the Government of Pakistan's contribution to our common struggle against violent extremists, particularly in Pakistan's frontier areas. The Department is supportive of the CSF program, which helps to ensure that Pakistan and other nations have the capacity to conduct the sort of long-term, aggressive, and comprehensive campaigns required to guarantee the safety of American lives.

This concludes my formal remarks. Thank you for your time and attention. I would be happy to take any questions you might have.