

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#1)
Senate Foreign Relations Committee
July 8, 2009**

Question:

At the Fifth Summit of the Americas in April 2009, President Obama invited countries of the region to participate in an Energy and Climate Partnership of the Americas, a voluntary framework for advancing energy security and combating climate change. What progress has been made in creating this Partnership? Also, please provide your assessment of S.587, the Western Hemisphere Energy Compact.

Answer:

Since the Summit, the U.S. Departments of Energy and State sponsored a hemispheric energy and climate symposium in Lima, Peru on June 15-16, 2009, co-hosted by the Government of Peru and Institute of the Americas. The event provided a platform for discussion on areas of cooperation under the Energy and Climate Partnership of the Americas (ECPA) among governments, Inter-American institutions, private industry, and civil society, and yielded several initial activities by different countries in the hemisphere.

To date, the following ECPA initiatives have been announced: U.S. support for a Low Carbon Communities of the Americas Initiative; U.S.-Chile cooperation to support a renewable energy center in Chile; U.S.-Peru

cooperation to create an energy efficiency center in Peru; and a Brazilian offer to lead a sustainable urban planning and development initiative. As the administration furthers the partnership, it will engage as many countries as possible to participate and/or lead bilateral and regional activities to support President Obama's vision for deeper cooperation on energy and climate issues.

Regarding the Western Hemisphere Energy Compact, the Department of State fully agrees with the draft legislation's objectives to strengthen energy security and cooperation. The Obama Administration has not yet developed a Statement of Position on it, but having invited all countries to join the ECPA, the partnership will foster cooperation on energy efficiency, renewable energy, cleaner fossil fuels, energy poverty, and infrastructure. The Department will welcome the opportunity to work with the Congress as it moves forward to help all countries achieve cleaner economic growth.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#2)
Senate Foreign Relations Committee
July 8, 2009**

Question:

Recent news reports indicate that China has surpassed the United States to become the largest trading partner of Brazil, probably the most significant economy in the hemisphere. What in your view are the long-term political and economic implications of this decline in U.S. economic influence and the rise of China as a major actor in South America? Is this shift due in any way to our failure to put in place robust free trade agreements with Brazil and other important countries in the region? Could this decline be reversed or slowed if the U.S. were to put such FTAs in place?

Answer:

China's trade with Brazil and the rest of Latin America has grown 10-fold since 1997. However, while recent news reports indicate that Brazil's trade with China may now exceed its trade with the U.S., the U.S. remains the largest trade partner for Latin America and the Caribbean, with a greater share of trade than all of Asia, combined. Furthermore, U.S. trade with the region is also rising at a healthy pace, in absolute terms.

Increased trade between the region and China does not pose a threat to the U.S. China appears to be focusing its interests in Latin America on economic and commercial rather than political affairs. Its rapidly rising

trade with the region is more a reflection of China's growth as a worldwide economic power, rather than a particular focus on the region. For example, trade with Latin America represented only 2.4% of Asia's worldwide trade in 2007. Moreover, it is clearly in the interest of the United States for the countries of the Americas to obtain international investment that can help grow their economies and raise living standards.

Trade agreements are important instruments for fostering trade and broader economic growth, and both the U.S. and China have pursued them over the last decade. It would be hypothetical, however, to speculate whether, or by how much, these trade figures would change with a free trade agreement with Brazil. While agreements are important, much of the current trend is likely due to a more fundamental growth in Chinese demand for goods from around the world.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard G. Lugar (#3)
Senate Foreign Relations Committee
July 8, 2009**

Question:

What are the current U.S. Government priorities for non-proliferation of nuclear, biological, and chemical weapons materials in the Western Hemisphere? What opportunities exist for deepening cooperation in combating weapons of mass destruction with countries of the Western Hemisphere? Are current inter-agency cooperation mechanisms and authorities adequate to meet future non-proliferation challenges in the Western Hemisphere?

Answer:

Western Hemisphere countries' support will be key in advancing President Obama's global nonproliferation agenda as outlined in the Prague speech, including his high priorities of strengthening the Nuclear Nonproliferation Treaty (NPT) - particularly in connection with the 2010 NPT Review Conference, enlisting their support in our international efforts to resolve concerns with Iran's nuclear ambitions, and harnessing civil nuclear power to fight climate change.

Cooperative efforts are already underway with several Western Hemisphere countries to strengthen export controls and border security, implement the Chemical Weapons Convention (CWC) and Biological Weapons Convention (BWC), reduce biological risks, and work to ensure

the safe, secure, and safeguarded expansion of civil nuclear energy. These efforts are going well and form a solid foundation for further progress toward nonproliferation goals in the hemisphere.

The Administration wants to increase dialogue with key countries in the region, including Brazil, Argentina, and Mexico, to consult more closely on a range of nonproliferation and disarmament issues and establish closer partnerships to prevent proliferation. In this regard, UNSCR 1540 is directed against the proliferation of weapons of mass destruction (WMD), their means of delivery, and related equipment and materials. The Organization of American States (OAS) adopted two Ministerial resolutions reaffirming UNSCR 1540, and held a regional workshop to promote implementation. The United States is supporting an initiative by the Caribbean Community (CARICOM) initiative for broad legislative assistance and a regional coordinator.

Throughout the region, the United States also seeks increased endorsement of and participation in the Proliferation Security Initiative and the Global Initiative to Combat Nuclear Terrorism to complement the broad regional initiatives under way.

It also seeks increased support and cooperation for our efforts to bring the Comprehensive Test-Ban Treaty into force and negotiate a Fissile

Material Cut-Off Treaty. In working towards the President's goal of securing nuclear material globally in the next four years, the Administration will need the support of several Western Hemisphere countries and looks forward to advancing cooperation in this area as well.

Current interagency cooperation mechanisms and authorities are adequate to meet these challenges. As cooperation deepens with these countries in the future, the Administration will keep the appropriate committees informed of any future mechanism and authority needs required to advance this work in the region.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard G. Lugar (#4)
Senate Foreign Relations Committee
July 8, 2009**

Question:

What progress is being made in securing and removal of highly enriched uranium in countries of the Western Hemisphere? What role does bilateral cooperation on civilian nuclear power play in United States efforts to eliminate highly enriched uranium with partner countries?

Answer:

Significant progress has been made with many countries in the Western Hemisphere to secure and remove highly enriched uranium in the region.

Under DOE's Global Threat Reduction Initiative, all eligible U.S.-origin HEU fresh and spent nuclear fuel has been repatriated to the United States under the Foreign Research Reactor Spent Nuclear Fuel (FRRSNF) Acceptance Program, with the exception of Canada and Mexico, where some U.S.-origin HEU remains. U.S.-origin HEU has been repatriated from Argentina, Brazil, Canada, Chile, and Colombia. Some HEU fuel has been converted to LEU fuels in Argentina, Brazil, Canada, Chile, Colombia, Mexico, and even in the United States. These fuels were developed jointly

with the GTRI Reduced Enrichment for Research and Test Reactor (RERTR) program.

Some U.S.-origin HEU remains in Argentina, which was not eligible to be returned to the United States under the FRRSNF program, but discussions are underway to determine if this remaining HEU could be downblended or dispositioned.

Finally, some non-U.S.-origin HEU remains in Chile (about 18 kilograms of fresh and spent HEU), but GTRI has reached agreement with the Chilean Nuclear Energy Commission to remove this material to the United States by May 1, 2010. This will effectively eliminate the remaining HEU in Chile.

In the WHA region, outside the U.S. only Mexico and Brazil have U.S.-origin nuclear power plants. While it is difficult to articulate the impact this cooperation has had on HEU removal projects, more generally, U.S. cooperation on elimination of U.S.-origin-HEU in the entire region occurs in the context of cooperation on a variety of technical and political nuclear nonproliferation issues.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#5)
Senate Foreign Relations Committee
July 8, 2009**

Question:

Basic law-and-order issues, such as violent crime and powerful drug trafficking organizations, confront many countries in Central America. In addition to the Merida Agreement, how should the United States assist this region's governments in addressing their growing security problems?

Answer:

The Merida Initiative is just one example of how the United States works closely with the governments, multilateral institutions and communities in Central America to address regional security issues. Regional and bilateral programs, such as a Regional Gangs Program that focuses assistance on El Salvador, Guatemala and Honduras through Transnational Anti-Gang Units, gang prevention programs in Belize, prevention and community policing programs in Panama, and community policing programs in Nicaragua, work to improve Central American law enforcement capacities, judicial systems, and the rule of law.

President Obama has recommitted the United States to practical partnerships in the hemisphere to improve our common security. The priority with which the United States is pursuing these partnerships reflects

growing concern throughout the region about increasing insecurity due to local, transnational, and white collar crime (e.g. corruption), and the fact that these phenomena are interrelated.

A key element of our new approach is the recognition that transnational crime, common crime, and white collar crime are practically inseparable; that one form of crime facilitates the other and that efforts to address each form of crime independently will not achieve the same success as a comprehensive approach.

Addressing these problems requires international cooperation and the strengthening of multilateral institutions. It also requires the strengthening of the capacity of national and sub-regional governments and law enforcement agencies and the judicial system in order to consolidate the rule of law.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#6)
Senate Foreign Relations Committee
July 8, 2009**

Question:

The recent murder of a high-profile lawyer highlighted the extent to which crime and corruption are endemic to Guatemalan politics. Do you consider Guatemala's weak state to be a threat to the security of its neighbors? Is Guatemala a source of instability that could undercut U.S. efforts and cooperation against narco-trafficking in Mexico?

Answer:

Narco-trafficking, organized crime, and transnational gangs are increasing threats to the entire region, including Mexico, Guatemala, the rest of Central American, and the United States. As security improves in Mexico, criminal elements like the Mexican cartels and the Mexican Zetas (former soldiers hired as assassins for the cartels) are increasing their operations in Guatemala. Weak law enforcement and an ineffective judicial system in Guatemala compound the problem. Helping Guatemala strengthen its public security and citizen safety capabilities will support efforts in Mexico and throughout the region to combat drug trafficking and violence.

Although the U.S. and international efforts to help the Government of Guatemala, have made progress through the UN-brokered Commission to

Combat Impunity in Guatemala (CICIG) and other measures, much more remains to be done to improve law enforcement and judicial capabilities.

Through the Merida Initiative and other programs, the administration is helping Guatemala promote judicial reform, improve rule of law, and attack the root causes of violence and gang membership.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#7)
Senate Foreign Relations Committee
July 8, 2009**

Question:

U.S. foreign policymakers have historically paid less attention to the Southern Cone than to other areas of Latin America. Please identify our interests in this sub- region and explain how you intend to advance those interests and for what purposes?

Answer:

The countries of the Southern Cone are vibrant, democratic, multicultural democracies. We are fortunate to have mature, cooperative, and productive diplomatic relations with each of them. In important areas, our national interests coincide. These interests include consolidating democracy, promoting prosperity, increasing the capacity of individuals to take advantage of economic opportunities, and enhancing the security of the democratic state. Each of the Southern Cone countries is distinct, possessing its own political, social and cultural characteristics. They also possess their own strengths and vulnerabilities, which will determine the level and type of cooperation they require.

If confirmed, I would work bilaterally, through our foreign assistance programs and diplomatic outreach, and multilaterally, through the

Organization of American States and other institutions of the Inter-American System to address the problems that most threaten democratic life: poverty, inequality, political marginalization and exclusion. I will also work with leaders in the Southern Cone to ensure that their peoples have the rights and capabilities to enjoy and express their citizenship in all its dimensions: political, economic, and social.

As with other countries in the hemisphere, we will work to ensure that the benefits of trade liberalization flow to all elements of society, and where applicable, work through our foreign assistance programs and the Millennium Challenge Corporation to promote the rule of law, and to bolster just and democratic governance.

Working together with the institutions of the Inter-American System, I would work with governments of the region to unleash the potential of their citizens through education and training and health care programs in some cases. In other cases, I will try to facilitate access to programs that will assist governments to provide security for the families and property of their citizens.

The principal security threats among countries of the Southern Cone region no longer come from their neighbors. Rather, they now come from non-state actors, such as terrorists, drug and human traffickers, and

organized crime, and arise from natural disasters and pandemics. To assist the countries of the Southern Cone in meeting these threats, I hope to build new forms of cooperation that go beyond traditional military and security assistance. I want to create the ability to respond to these new threats through law enforcement and intelligence cooperation, increased communication between disaster and emergency management agencies, and better coordination among environmental and medical authorities.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#8)
Senate Foreign Relations Committee
July 8, 2009**

Question:

What role can Chile and other partners in the region play regarding climate change in the run-up to the United Nations Climate Change Conference in Copenhagen?

Answer:

Identifying clean and reliable alternatives to conventional fuels is a shared priority for the United States and the Government of Chile, and a key component of President Obama's Energy and Climate Partnership of the Americas. President Obama met with President Bachelet in June, and praised her efforts to make the people of both the United States and Chile less dependent on imported energy. During her visit, we signed a Memorandum of Understanding to support a renewable energy center in Chile, which will also help reduce Chile's carbon footprint.

Regarding climate change, Chile is active in regional and multilateral fora addressing climate change. While Chile's is not a major greenhouse gas emitter, its increasing dependence on coal could create opportunities for the U.S. and Chile to collaborate on emerging clean coal technologies, while

continuing our cooperation on renewable energy and energy efficiency, which mitigate climate change impacts.

To support the U.S. objectives for the UN Climate Change Conference in Copenhagen, the Obama Administration is working with major economies through the Major Economies Forum (MEF), which includes Canada, Mexico, and Brazil in this Hemisphere. The Administration has also agreed to work bilaterally with Canada and Mexico on clean energy and climate change, and is exploring trilateral collaboration with our neighbors in advance of the North American Leaders Meeting in August 2009, as well as potential bilateral work with Brazil. Finally, the Energy and Climate Partnership of the Americas is another mechanism through which we will promote the cleaner production and use of energy resources and efficiency, which will help address global climate challenges.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#9)
Senate Foreign Relations Committee
July 8, 2009**

Question:

The United States and Chile have an extensive energy and climate relationship, highlighted most recently during President Bachelet's visit to Washington. Do you see any lessons from this relationship that can be applied to our growing agenda with Brazil?

Answer:

The Chilean Government's initiative and willingness to partner with the United States is an example of the potential for collaboration with our regional neighbors. Brazil has also demonstrated its commitment to partner with the United States on bilateral, regional, and global energy issues. Most recently, Brazil has requested to both deepen ongoing areas of collaboration, and has offered new ways we can cooperate on energy issues. While the partnership on energy and climate change with Chile and Brazil may have different emphases, alternative energy sources in the first case and biofuels in the second, lessons from both collaborative efforts can inform each other.

The United States' work with Brazil on research and promotion of biofuels is an important element in the bi-lateral relationship. Through the 2007 U.S.-Brazil Memorandum of Understanding on Cooperation in

Biofuels, both countries are conducting joint research, creating international standards, and promoting energy independence in nine countries in Latin America and Africa by helping them develop their own domestic biofuels industries and regulatory frameworks.

Climate change is a priority in the Administration's international agenda. Brazil is an important international player, and the United States expects to continue bilateral discussions on regarding ongoing international climate change negotiations. The United States has welcomed Brazil's participation in the major economies forum on energy and climate, and looks forward to continuing a constructive dialogue.

Outside of the international dialogue on climate change, U.S. technical agencies have long been supportive of Brazil's domestic efforts to understand the tropical forests' role in climate change and combat the ongoing massive deforestation, which is Brazil's principal source of greenhouse gas emissions. U.S. cooperation involves a multitude of agencies, including NASA, U.S. Geological Survey, U.S. Forest Service, National Park Service, U.S. Fish and Wildlife Service, NOAA, USAID, the Smithsonian Institution, and the National Science Foundation.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard G. Lugar (#10)
Senate Foreign Relations Committee
July 8, 2009**

Question:

In your view, to what extent has the decline in U.S.-Venezuelan counternarcotics cooperation impeded the U.S. capacity to interdict drugs en route to the United States? Do you consider Venezuela to be in the process of becoming a narco-state?

Answer:

Venezuela is one of the preferred routes for trafficking drugs out of Colombia. There has been a marked increase in drug trafficking through Venezuela, which has increased from an estimated 50 metric tons of cocaine in 2004 to an estimated 300 metric tons in 2008. The majority of narcotics transiting Venezuela are destined for the United States, but an increasing percentage has started to flow towards other regions, including Europe.

The facts show that Venezuela has become one of the principal drug-transit countries in the Western Hemisphere. We believe it is important for the Venezuelan government to work with the international community, including the United States, to develop a strategy to confront this growing threat.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard G. Lugar (#11)
Senate Foreign Relations Committee
July 8, 2009**

Question:

It is alleged that Venezuela has provided significant material support and safe haven to Colombian illegal armed groups, primarily to FARC. To what extent does this support endanger Colombian security gains?

Answer:

Any type of support, be it political or material, for the Revolutionary Armed Forces of Colombia (FARC) that comes from any source, not only threatens Colombia's security, but also regional security.

The Venezuelan government has failed to prevent Venezuelan territory from being used as a safe haven by terrorist groups such as the Revolutionary Armed Forces of Colombia (FARC) and National Liberation Army (ELN). Limited amounts of weapons and ammunition -- some from official Venezuelan stocks and facilities -- have turned up in the hands of Colombian terrorist organizations. The Venezuelan government has not systematically policed the 1,400-mile Venezuelan-Colombian border to prevent the movement of arms and terrorists.

The Administration is also concerned with the relationship between some members of the Venezuelan government and the FARC. In September

2008, Department of Treasury designated two current and one former high-level government official under the Kingpin Act for materially assisting the narcotics trafficking activities of the FARC.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#12)
Senate Foreign Relations Committee
July 8, 2009**

Question:

According to a recently released United Nations report, coca production in Colombia fell by 18 percent in 2008, while Bolivia and Peru saw 6 percent and 4.5 percent increases respectively in the cultivation of coca, the main ingredient of cocaine. What implications do these numbers have for drug policy in the region? What tactics can decrease production in Peru and Bolivia?

Answer:

The reported drop in coca cultivation by 18% and a 28% drop in cocaine production in Colombia in 2008 is an encouraging development. This data confirms a recent DEA study that showed that United States drug eradication strategy in Colombia is having a long-term, cumulative impact on the productivity of coca fields. Regarding production in Bolivia and Peru, recent USG estimates for 2008 show similar upward trends as the UN numbers, with Bolivian cultivation increasing by 8.5%, while Peru increased by 14% (however, Peruvian potential cocaine production was estimated to have increased only 2%).

In Peru, the area showing the greatest increase in coca cultivation is the remote Apurimac and Ene River Valley (VRAE) where the Shining Path

terrorist group maintains a stronghold, and the government presence has traditionally been weak. In areas where the Peruvian government has focused its eradication efforts, such as the Lower, Central and Upper Huallaga Valley, there are significant decreases. The Peruvian government has undertaken a strong effort to stem drug trafficking, and this is increasingly leading to contact with rebel groups. Overall, the right elements of interdiction, alternative development, and eradication are in place to reduce the planting of coca, and I would seek to increase the effectiveness of these programs.

In Bolivia, the government ended years of forced eradication in favor of “social control,” which limits growers to one cato of coca (approximately 1600 square meters) and leaves the eradication of excess coca to negotiation between the government and communities. While the Government of Bolivia praises “social control” for reducing conflicts between growers and law enforcement, the policy has failed to achieve net reductions in coca production—in part due to lack of enforcement and political pressure by cocalero syndicates. The State Department is currently engaged in a dialogue with the GOB on all aspects of the bilateral relationship, including narcotics control. If confirmed I will continue to work with Bolivia in the

coming months to seek a way forward on counternarcotics cooperation that will lead to reductions in coca production and cocaine trafficking.

Numbers aside, the administration's goal is to follow a sustained strategy that blends interdiction, alternative development, and eradication programs as the right approach to achieving long-term results in disrupting the drug trade that finances cartels, terrorists and illegal armed groups. This is not a static situation, however, and counter-drug strategies must be continually reviewed to meet the situation on the ground.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#13)
Senate Foreign Relations Committee
July 8, 2009**

Question:

Why has the Obama Administration recently decided to extend the suspension of Bolivia from the Andean trade preference program? What requirements will Bolivia need to fulfill in order to regain its status as a beneficiary country?

Answer:

After reviewing Bolivia's performance under all of the eligibility criteria in the Act, the President chose not to make the determination that Bolivia is meeting the program's eligibility criteria, particularly with regards to counternarcotics cooperation. This decision was not taken lightly, and is not a punitive action. It maintains the status quo while the administration works with Bolivia to establish a common vision on counterdrug cooperation. The State Department will continue to work with Bolivia in the coming months to seek a way forward on counternarcotics cooperation that could pave the way for Congress to reinstate Bolivia's eligibility for ATPDEA benefits in the future, should the legislation be extended. Ideas that could be explored might include working towards a counternarcotics relationship focused on building Bolivia's national capacity to attack and

control trafficking cartels and organized crime within Bolivia's borders, as well as working with Bolivian counterparts to significantly reduce coca cultivation and enhance compliance with international counternarcotics commitments. Additional measures might include greater engagement with other regional partners in the Southern Cone that are also concerned with rising crime rates fueled by criminal organizations and growing public health problems due to increased drug consumption. The Administration believes that such an approach, which would mirror its cooperative efforts with Mexico and Central America, is more likely to be effective and better reflects the growing capabilities present in the hemisphere.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#14)
Senate Foreign Relations Committee
July 8, 2009**

Question:

I was pleased to see that in a report to Congress last week on the Andean Trade Preferences Act extension the Administration noted that some progress had been made but that there are still problems regarding Ecuador. Please explain how our Embassy in Quito is encouraging the Ecuadoran Government to abide by its contractual obligations.

Answer:

The Government of Ecuador is addressing investment disputes with U.S. firms through direct negotiations with the companies, international arbitration, and/or the courts. The U.S. Embassy in Quito is closely monitoring the situation and has encouraged Ecuador to resolve commercial disputes fairly and expeditiously. The U.S. Embassy in Quito and other State Department officials have consistently urged Ecuadorian officials to refrain from commenting on ongoing legal disputes.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#15)
Senate Foreign Relations Committee
July 8, 2009**

Question:

The Obama Administration has signaled its interest in resuming biannual migrations talks with Cuban governments. What is the status of this initiative? Do you intend to pursue dialogue with Cuba on other issues?

Answer:

The United States invited Cuba to resume semi-annual talks to review implementation of the U.S.-Cuba Migration Accords. Cuba agreed to resume discussions and the talks were scheduled to take place in the United States in July. We are prepared to engage the Cuban government on other issues of mutual concern, such as law enforcement cases and the establishment of mail service directly between our two countries. We have informed the Cuban government that they must improve their human rights practices and provide greater respect for fundamental freedoms before there can be more significant improvements in U.S.-Cuban relations.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#16)
Senate Foreign Relations Committee
July 8, 2009**

Question:

What is the status of the U.S. Commission for Assistance to a Free Cuba?
Will the Obama Administration maintain the position of Transition
Coordinator for Cuba?

Answer:

The Commission for Assistance to a Free Cuba (CAFC) was a
Presidential Commission established in 2003 by former President Bush as a
framework for U.S. policy towards Cuba. The Obama Administration does
not use CAFC to guide current policy towards Cuba. The Cuba Transition
Coordinator departed in October 2008 and we do not plan to maintain that
position.

**Question for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#17)
Senate Foreign Relations Committee
July 8, 2009**

Question:

Please explain the role of the Organization of American States (OAS) in U.S. foreign policy towards the region. What are the objectives of the Obama Administration regarding the OAS?

Answer:

The Western Hemisphere's current diplomatic and development challenges require multilateral and bilateral approaches. Multi-party solutions that leverage bilateral efforts tend to lead to longer and more enduring results. The Hemisphere's democracies, some more solid than others, face challenges from economic and financial circumstances, public insecurity, poverty and inequality, and the weakness of democratic institutions that are prone to paralysis or abuse by incumbents seeking to perpetuate themselves in power. To help preserve and promote democracy and make progress on a range of other issues, the United States, must continue to engage countries bilaterally, but it also must seek to advance its interests through international cooperation and in multilateral institutions.

The Organization of American States' (OAS) work in support of democratic governance, economic and social development, peace and security exemplifies the type of a multilateral effort that complements our own.

Although it has a small regular annual operating budget (about \$90 million), the OAS plays a large role in U.S. efforts to promote priorities such as human rights and the conduct of free and fair elections. The Inter-American Commission on Human Rights established in 1959, for example, gradually came to play a vital role in the defense of human and political rights when many countries in the Hemisphere were ruled by authoritarian regimes and remains today an important instrument in advocating for the Organization's core values. At other times the OAS has served as an important interlocutor in resolving potential conflicts among states.

As the premiere political institution in the region, the OAS – at times cumbersome, awkward, and frustrating to deal with – provides a unique forum for civil dialogue among member states, even among those with strained bilateral relations. Promoting democracy, security, peace and development requires consensus, achieved through diligent, well-coordinated efforts, and while sub-regional organizations, such as CARICOM, Rio Group, and UNASUR can play important roles, the OAS

remains the only organization encompassing all the democracies in the Western Hemisphere.

While U.S. foreign policy traditionally stresses bilateral over multilateral diplomacy, today the Hemisphere faces great regional and even global challenges. The challenges of conflict resolution, economic and social development, transnational crime and public insecurity, and weak democratic governance, lend themselves to multilateral solutions and collective action. In some instances, such as those of limited bilateral relations between the United States and another country, a multilateral approach might prove the best alternative. In keeping with the OAS Charter and the Inter-American Democratic Charter, the OAS provides a strong legal, political, and financial infrastructure to take collective action in the Hemisphere.

As we have seen in the ongoing crisis in Honduras, the OAS has the potential to provide an important venue in which to express support for democracy in the hemisphere. In 1997 the Washington Protocol entered into force, amending the OAS Charter to provide in Article 9 for the suspension of a member state whose government has been overthrown by force. The Inter-American Democratic Charter, adopted on September 11, 2001, contains important provisions for implementing the Washington Protocol,

and supplied the framework for consensus action in responding to the threat to democracy in Honduras. This was a first, and even those member states that had previously criticized the Inter-American Democratic Charter discovered its usefulness, thus setting a very important precedent for future discussions on threats to democratic rule.

At a time when resources for development programs remain scarce, the OAS provides development assistance to the region through its Integral Development programs. Many of these programs, such as those in the areas of bio-fuels and renewable energy promotion, link to recent Presidential initiatives as well as bilateral efforts (e.g., U.S.-Brazil MOU). Programs such as the Pan American Development Fund assist social development in the most impoverished and marginalized communities in the Hemisphere, such as Haiti. Additional programs that focus on the status of women or on indigenous peoples help to provide a multilateral focus to empower elements of civil society. These efforts, when coordinated with civil society, the private sector, and organizations such as the Inter-American Development Bank, demonstrate the merits of multilateralism. The U.S. can and does leverage its support for these and other programs by participating in the OAS, the Summit of the Americas process, and the inter-American system.

We work with our hemispheric neighbors to keep the OAS true to its principles and purposes and relevant to the challenges of our time. That will require constant vigilance. The U.S. will have to help the OAS achieve its full potential as a protector and promoter of democracy and rule of law in the Americas.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#18)
Senate Foreign Relations Committee
July 8, 2009**

Question:

Please assess the implementation of the Inter-American Democratic Charter since it was signed in 2001. How do you view the OAS's role in negotiating a resolution on Cuba at the General Assembly in June 2009 and in responding to the political crisis in Honduras?

Answer:

The OAS formally adopted, by consensus, the Inter-American Democratic Charter (IADC) on the highly significant date of September 11, 2001. The IADC serves as a benchmark to assess democratic performance in all OAS Member States.

The IADC represents a collective effort to protect and promote democracy in the Americas. Its Article 1 declares, "The peoples of the Americas have a right to democracy and their governments have an obligation to promote and defend it." The IADC, however, goes beyond declarations of principles. It provides, as Secretary General Insulza has

noted, a “framework that outlines a series of joint actions to deal with crises and respond to threats to the democratic and constitutional order.” Articles 17, 18, 19, 20, 21 and 22 set out a range of diplomatic and procedural actions that the OAS could take in response to threats to the democratic order in a member state. Acting under the Inter-American Democratic Charter, or in the spirit of that Charter, the OAS has helped a variety of member states where democratic practices or institutions have been challenged, including Bolivia, Ecuador, Guyana, Haiti, Nicaragua, Venezuela, and most recently with the suspension of Honduras following the June 28 coup. The OAS has also continued to play an important role in electoral observation since the adoption of the Democratic Charter, fielding more than 40 electoral observation missions in 19 member states.

Not long after the adoption of the Democratic Charter, some OAS member states appeared to backpedal on their unambiguous endorsement of constitutional and representative democracy and of the international community’s right and commitment to protect it. They brandished arguments such as the fact that the IADC technically has no “binding legal authority;” that its reference to representative democracy had become antiquated in light of the emergence of “participatory” democracy; that it constituted a mechanism to protect “political, media, and economic elites”

from the people or that the concept of non-intervention barred the Organization of American States from a pronouncement on the state of democracy in an individual member state.

The meeting of the General Assembly of the Organization of American States in June 2009 and its action on Cuba, combined with the crisis in Honduras and that Government's request for action invoking the IADC, has given renewed legitimacy to the IADC by strengthened the Organization of American States as an instrument for the collective defense of democracy and human rights.

When the OAS General Assembly began in San Pedro Sula last month, several delegations pressed to allow Cuba to resume its participation in the OAS, without preconditions. The United States worked with other member states to defend the organization's core principles leading to the adoption of a resolution that lifted Resolution VI of 1962 that excluded Cuba from the OAS. But ,the same resolution made clear that Cuba's return to active membership could only take place following Cuba's request and in a manner consistent with the organization's core principles, including democracy, human rights, self-determination, non intervention, development and security. That historic action eliminated a distraction from the past allowing the United States to focus on current realities consistent with the

President's efforts in support of the people of Cuba's desire to determine freely Cuba's future consistent with the core principles of the Americas. If Cuba wishes to re-enter the organization, it must come to terms with the OAS, rather than the OAS coming to terms with Cuba.

By the same token the unanimous condemnation of the disruption of the constitutional order in Honduras reaffirms the collective defense of democracy as a core principle and responsibility for all of the nations of the Western Hemisphere.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#19)
Senate Foreign Relations Committee
July 8, 2009**

Question:

Please explain the powers of the Secretary General in determining the OAS agenda. How much autonomy does the Secretary General have to pursue an issue that lacks member support?

Answer:

Chapter XVI of the OAS Charter formally describes the Secretary General's position. The Secretary General (SYG) directs the General Secretariat, the central and permanent organ of the Organization and performs the functions assigned to it in the Charter, in other inter-American treaties and agreements, and by the General Assembly, as well as by the Meeting of Consultation of Ministers of Foreign Affairs and the various Councils. The SYG participates with voice but without vote in meetings of the OAS.

The United States strongly supports the specific authority of the OAS Secretary General under OAS Charter Article 110 to bring to the attention of

the General Assembly or the Permanent Council any matter which, in his opinion, might threaten the peace and security of the Hemisphere or the development of the Member States. We likewise support the role assigned by the Inter-American Democratic Charter to the SYG in facilitating the Organization's response to situations threatening the democratic process in a Member State. In such circumstances, any Member State or the Secretary General may request the immediate convocation of the Permanent Council to undertake a collective assessment of the situation and to take such decisions as it deems appropriate, including the convening of a special session of the General Assembly. As has been recently evidenced in Honduras, the practical implementation of these provisions may include diplomatic initiatives carried out by the SYG, acting under the direction of and at the behest of the Permanent Council and the General Assembly.

In sum, the principal powers in the hands of the SYG are to convoke OAS meetings on critical topics; use his "bully pulpit" and access to the region's leaders; and offer his good offices to resolve crises. As the elected leader and spokesman for the OAS, he does have certain autonomy and ability to shape the agenda. In the end, however, the SYG remains accountable to the member states, whose political will to honor their shared commitments under the OAS Charter, the Inter-American Democratic

Charter, and the American Declaration on the Rights and Duties of Man will be critical to ensure full adherence to the values and principles enunciated in the basic documents of the Organization.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#20)
Senate Foreign Relations Committee
July 8, 2009**

Question:

The OAS budget has been frozen for over a decade, despite rising costs. How does the Organization's financial situation impact its effectiveness? Does the Obama Administration support an increase in members' annual payments to the OAS?

Answer:

Through 2008, the Organization of American States' members have adopted budgets that have been straight-lined for over 10 years with no nominal growth for inflation. Increases in non-discretionary costs have made it more difficult to carry out programs and made the OAS more reliant on external contributions, and OAS budgets have not been able to fully incorporate mandates arising from the Summits of the Americas.

Member states, including the United States, agreed to a 3 percent quota increase in 2009. In 2009, the U.S. will contribute \$47.099 million, or 59.47 percent, of the quota budget. The total 2009 approved budget for the

OAS is \$90.1 million in the Regular Fund. The USG is current in its quarterly quota payments for 2009. Additionally, in FY 2009 the U.S. will provide voluntary contributions of \$5.5m for non-reimbursable development assistance, \$3.5m for democracy assistance and human rights programs, as well as special contributions to finance the anti-drug program, antiterrorism projects, and sustainable development averaging an additional \$6.6 million annually. Member states are considering another 3 percent increase in 2010. Member states deferred approval of the 2010 Program-Budget until September in order to be able to account for the cost of new mandates from the Fifth Summit of the Americas.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#21)
Senate Foreign Relations Committee
July 8, 2009**

Question:

How does the U.S. Government promote transparency and accountability in the funding it provides to the OAS and how does it follow up on project implementation?

Answer:

The United States strongly supports efforts by the OAS to increase transparency and accountability through several mechanisms. As members of the Permanent Council's Committee on Administrative and Budgetary Affairs, the U.S. delegation has constant oversight of operations of the OAS Secretariat with the resources of the Regular or Assessed Fund. The delegation also follows the implementation of projects financed through the Special Multilateral Fund of the OAS Development Council in its Permanent Executive Committee, which receives reports on the execution of the projects on a trimester basis.

Institutional mechanisms are also in place to monitor OAS finances. Every year the OAS is audited by the U.S. firm Ernst & Young, LLP. The audit is then reviewed by an elected Board of External Auditors, comprised of high-level financial management experts from the member states who serve a three year term. The Board issues recommendations on how to improve financial controls and operations of the Secretariat and presents its report directly to the Permanent Council and, if need be, to the General Assembly. The United States has always served on the Board of External Auditors and has been elected chair for most terms. Most recently, then-CFO of the State Department and Assistant Secretary for Resource Management Bradford R. Higgins served as elected chair of the Board, and in early 2009, was replaced in a by-election by current Acting CFO of the State Department and Acting Assistant Secretary for Resource Management James Millette.

The United States also voluntarily finances specific projects of interest outside of the regular budget, including through the OAS Fund for Democracy Assistance, as well as through grants provided from other State Department bureaus to projects of the Inter-American Committee against Terrorism, the Inter-American Drug Abuse Control Commission, and other OAS Secretariat offices. Each project financed in this manner is

implemented according to the criteria specified by individual letter of authorization and project implementation document, and no changes may be made to the use of funds unless pre-authorized by the United States. The original allocation letters also specify the reporting requirements for the funds allocated, which often include the submission of narrative and financial reporting documents. These reports, in turn, are used by the U.S. Mission to the OAS and other Department bureaus to evaluate future project proposals submitted by the OAS Secretariat.

Other member states and observers also voluntarily finance projects off-budget, including support to OAS election observation efforts. These donors meet frequently to coordinate voluntary funding and to discuss and monitor project implementation.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#22)
Senate Foreign Relations Committee
July 8, 2009**

Question:

In your view, is there a need for institutional or procedural reform of the OAS?

Answer:

Yes. I take very seriously my responsibility to the U.S. taxpayers to see that our contributions to the OAS get used efficiently, effectively, and appropriately. Among other things, we need to review personnel practices, management practices, the number of mandates given to the Secretariat, and its accounting procedures. The U.S.-chaired Board of External Auditors has identified a number of problems that the United States hope to begin to address at the September 2009 Special Session of the General Assembly. The administration will continue to work with other member states to address these important and urgent matters.

The administration will, of course, keep Congress informed welcomes suggestions on how the OAS can operates in the most effective manner.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#23)
Senate Foreign Relations Committee
July 8, 2009**

Question:

On February 28, 2005 President Bush determined that the United States would comply with the judgment of the International Court of Justice in the *Case Concerning Avena and Other Mexican Nationals* (Mexico v. United States). To achieve such compliance President Bush issued a memorandum directing state courts to review and reconsider the convictions and sentences of the Mexican nationals at issue in the case, who were not advised in a timely fashion of their rights under the Vienna Convention on Consular Relations to have Mexican consular officials notified of their arrests in the United States on state criminal charges. In March, 2008 the U.S. Supreme Court held in *Medellin v. Texas* that President Bush lacked the authority to compel the states to take such actions.

What further actions, if any, do you believe the federal and/or state governments should take to give effect to the ICJ's *Avena* judgment? As Assistant Secretary, what steps would you recommend that the United States take with respect to this issue?

Answer:

I know that the State Department is committed to training U.S. federal, state, and local officials on our consular notification and access obligations under the Vienna Convention on Consular Relations. I

understand that the Department's efforts have been well received by these officials and that the United States is now doing a much better job of complying with these obligations than in the past. If confirmed, I intend to review thoroughly how the Bureau of Western Hemisphere Affairs can contribute to the State Department's efforts to promote compliance with the ICJ's *Avena* judgment.

**Questions for the Record Submitted to
Assistant Secretary - Designate Arturo Valenzuela by
Senator Richard Lugar (#24)
Senate Foreign Relations Committee
July 8, 2009**

Question:

How would you plan to address Mexican concerns in the event that death sentences are carried out for any individuals at issue in the *Avena* case whose convictions and sentences had not been reviewed and reconsidered?

Answer:

The U.S. judicial system has procedures in place to protect the rights of the accused, including the right to counsel, the right not to incriminate one's self and the right to a fair trial.

The State Department has consistently worked to ensure that the United States meets its obligations under the Vienna Convention on Consular Relations and has worked to mitigate the possibility that death sentences would be carried out absent review and reconsideration for individuals covered by the *Avena* decision. If confirmed, I will do my utmost to ensure that that policy is continued.

