Good afternoon, Chairman Smith, Ranking Member Payne, Chairman Royce, and distinguished members of the Committee. Thank you for holding this hearing on Somalia. Your Subcommittees are an important partner in U.S. foreign policy on Somalia. We appreciate that these Subcommittees show interest in the relationships between instability, terrorism, piracy, governance, development and humanitarian efforts. The problems of Somalia are not isolated and the solutions to them are neither facile nor one-dimensional. There are signs of progress and improvement to fortify our outlook and encourage U.S. efforts. Most recently and significantly, Somali National Security Forces under the control of the Transitional Federal Government killed Al Qaeda terrorist Harun Fazul when the car he was in ran a check point in Mogadishu. His death brings a sense of relief to the victims and their families of the 1998 embassy bombings in Nairobi and Dar es Salaam.

In October 2010, Assistant Secretary Carson announced the State Department's Dual Track approach to Somalia that implements an interagency strategy on Somalia and takes into consideration Somalia's past and present, as well as its challenges and strengths. On track one of the Dual Track approach, we continue to support the Djibouti Peace Process, the Transitional Federal Government (TFG), its National Security Forces (TFG/NSF), and the African Union Mission in Somalia (AMISOM). On track two, we recognized that there were large pockets of stability in Somalia that merited greater U.S. outreach. We are broadening our engagement to include greater engagement with Somaliland, Puntland, and regional and local anti-al-Shabaab groups throughout south central Somalia. We recognize the need to encourage grass-roots support for stability in Somalia and are working with Diaspora communities and civil society to foster dialogue and peaceful reconciliation. In addition to these political issues, we are increasingly concerned over the dire humanitarian situation at hand which my colleague from USAID will address in more detail. It is a crisis stemming from the current drought conditions and continued conflict in Somalia and is affecting millions of people both inside Somalia and throughout the region. I want to
reiterate that we and the international community will continue to do everything we can to provide the assistance that is urgently needed at this time.

Track one remains critical to political and security progress in Mogadishu and ultimately the rest of Somalia. Thanks to the dedication and sacrifice of AMISOM and TFG forces, al-Shabaab can no longer claim control of Mogadishu or free reign to operate in significant portions of the city. We estimate that AMISOM and TFG forces control more than 50 percent of the city as measured by population, although some estimates have claimed it is as much as 80 percent. These troops have pushed al-Shabaab much further onto the outskirts of Mogadishu and challenged the assertion that only terrorists can influence the course of events in that city. These tactical accomplishments give strategic space to the Somalis so that they can get their political and security house in order. Since 2007, the United States has supported this development by obligating approximately $258 million to support AMISOM's training and logistical needs, as well as approximately $85 million to support and build the capacity of TFG forces.

Over the next year, we anticipate continuing to train and equip new troop contingents in support of AMISOM and providing continued support to the TFG, to include support for regional training efforts, equipment, and logistical support. In 2010, the United Nations endorsed an increase of AMISOM's force strength up to 12,000, and we are engaged in supporting that increase, in particular by continuing to train and equip Ugandan and Burundian contingents. We are also prepared to support other potential troop contributing countries.

We will continue to focus on supporting the TFG's political progress over the course of the next year. After five months of political in-fighting related to the TFG’s tenure coming to a close in August 2011, TFG President Sheikh Sharif and Speaker of Parliament Sharif Hassan co-signed the Kampala Accord on June 9 and re-dedicated themselves to finding an end to the transition period that has been in place since 2004. Ugandan President Yoweri Museveni and UN Special Representative of the Secretary General (UNSRSG) Augustine Mahiga witnessed the agreement, with President Museveni serving as its guarantor. Under the agreement, the TFG re-committed itself to the Djibouti Peace Process and the Transitional Federal Charter, to completing of a set of transitional tasks to be monitored by the international community, and to the reform of Parliament. They also agreed to hold elections for the President and Speaker by August 2012. The Kampala Accord also called for the resignation of former Prime Minister Abullahi Mohamed Abdullahi and the appointment of a new Prime Minister to be confirmed by the Parliament. The TFG Parliament subsequently confirmed Prime Minister Abdiweli M. Ali on June 28. We look forward to working closely with him and
his cabinet over the next 12 months, and we view this as an important opportunity for the TFG to demonstrate its willingness to implement reforms in governance and to deliver services to its population.

The Kampala Accord is a sign that TFG leadership realizes that neither the Somali people nor the international community have the patience to continue to accept incessant political in-fighting that serves no purpose other than maintaining access to the perks of office and influence for certain individuals. We trust Prime Minister Abdiweli and his yet-unnamed cabinet will focus on the essential tasks at hand and bring into the process Puntland, Galmudug, Ahlu Sunna wal Jama’a and other Somali stakeholders. The United States and our international partners will continue to work closely with our partners in the United Nations and African Union to push for clear timelines and benchmarks for the TFG over the course of the next year. These benchmarks include completion of the national constitution, revenue transparency and accountability, and meaningful engagement with Somali administrations and civil society outside of Mogadishu.

Track two is moving forward with challenges and successes. We have expanded our diplomatic outreach with regional authorities such as those in Puntland, Galmudug, and other districts. We frequently engage with Somaliland officials and have traveled to Hargeisa five times. We have been a strong advocate for representatives from these regions participating in conferences and other events such as the UN’s counter-piracy focused mechanism (known as the Kampala Process), and the UN’s consultations in April, which focused on ending the transition. We have also pressed for their inclusion in the Joint Security Committee, a grouping designed to better coordinate and improve security throughout Somalia. This type of interaction and consultation between U.S. and Somali interlocutors is critical as we work with Somalis to advance peace and security throughout Somalia.

We are reviewing how best to adapt our travel policy for Somalia to execute our Dual Track approach most effectively. Travel by State Department personnel to Somaliland and Puntland would reinforce our commitment to Somalia, the Somali people, and the Dual Track policy. However, the security of U.S. personnel is of paramount importance when they travel inside Somalia, and we will not shirk this obligation.

The current budget environment will have an impact on our ability to affect positive change in Somalia over the near- to mid-term. On the security side, we have been witnessing a major increase in requirements over the past year, particularly as new AMISOM troop contingents move closer to deployment, which
requires the provision of additional training, equipment, and UN-provided logistical support. While the TFG’s National Security Force (NSF) continues to make strides towards becoming a more professional force, it remains at a low baseline in terms of capabilities and resources, and will continue to require external support for years to come.

On the development and peace building side, Somalia consistently receives funding to mitigate conflict, strengthen governance institutions, improve education, increase economic opportunities for youth, and improve maternal and child health. In FY 2011, the proposed level of approximately $21 million will support development efforts in support of the Dual Track policy. The U.S. government is also providing $48 million in humanitarian assistance this year to help those in Somalia, as well as over $76 million in humanitarian assistance for those who have fled Somalia. Even in a resource-constrained budget environment, the U.S. government continues to do as much as possible to promote our core goal of building a peaceful and secure Somalia. During FY 2011 and through USAID’s newly created Transition Initiative for Stabilization, we are working to increase stability through targeted interventions that foster good governance and economic recovery while also reducing the appeal of extremism. To improve service delivery and revitalize the community’s connection to local authorities, we’ve recently completed a large scale garbage clean-up project in Mogadishu that employed 1,100 vulnerable people on a short-term basis. In addition, in Somaliland, our funding was used to build collaborative and strategic partnerships between government institutions, private sector and civil society that then worked jointly to identify priorities for a small grants program. We are also providing technical assistance to the Ministry of Finance to improve fiscal transparency.

The increasing piracy problem off the coast of Somalia stems from years of instability, lack of governance, and economic fragility on land. The deaths of four Americans this past February was tragic and provided a sober demonstration of the need to do more to address this problem. My colleagues across the interagency are collectively addressing the many different facets of the piracy dilemma and have been at the forefront of the U.S. government’s counter-piracy efforts.

Despite these critical efforts, more must be done to address the instability, lack of governance and economic opportunity in Somalia that are at the heart of the piracy problem. We must also work with Somali authorities and other regional states to enhance their capacity to prosecute suspected pirates and imprison those convicted. Internationally, more focus should be placed on tracing financial flows in order to determine who benefits most from piracy, both within Somalia as well as externally. We hope that two recent international conferences will contribute to
this effort. There are no instant fixes to the issues that contribute to Somalis taking to the sea as pirates. Nonetheless, Somalia’s political leaders must commit to combating this scourge and work together in a consistent fashion to bring it to an end. This is the consistent message our diplomats deliver when meeting with Somali officials. Though these efforts take place in the context of other challenges, namely access, funding, and viable local partnerships, we will continue to support efforts aimed at reducing the piracy threat, in particular identifying and going after those who plan, finance, and facilitate piracy operations.

Al-Shabaab and its relationship to al-Qaeda is a significant concern for the United States and its partners in the region. With sustained military pressure from the TFG National Security Force and AMISOM, al-Shabaab’s hold on Mogadishu has decreased. The opening of additional fronts in the Gedeo and Middle and Lower Juba regions last February has also placed additional pressure on al-Shabaab’s ability to hold these areas. As more areas escape al-Shabaab's control, the challenge is for Somalis to put into place effective administrations capable of providing governance and services in order to prevent Shabaab from returning.

While we see signs of al-Shabaab's control lessening in the western regions of Somalia and in Mogadishu, we remain strongly concerned about its impact on Somalia and the region. We continue to monitor events in Somalia, including the influence of al-Qaeda on senior al-Shabaab leadership. However, as an organization al-Shabaab includes multiple factions with competing objectives, and has lost significant areas of territorial control in areas of south central Somalia. Al-Shabaab’s leadership is increasingly fractured and divided, with questionable support from the Somali people in many areas.

Somalia's instability is the product of generations of neglect and corruption, but its solutions will be the product of generations of concerted focus, legitimate engagement, and expectations of results. We will continue to focus efforts on Somalia in ways that grapple with its challenges effectively and flexibly. Thank you, Mr. Chairman. I look forward to your questions.