STATEMENT FOR THE RECORD HONORABLE DEREK CHOLLET, ASSISTANT SECRETARY OF DEFENSE FOR INTERNATIONAL SECURITY AFFAIRS

HOUSE FOREIGN AFFAIRS COMMITTEE FULL COMMITTEE HEARING

"Next Steps on Egypt Policy"

October 29, 2013, Rayburn 2172, 10am

Chairman Royce, Ranking Member Engel, and other distinguished Members of the Committee, thank you for the opportunity to appear before you today to discuss the Administration's assistance policy toward Egypt, particularly as it relates to our bilateral defense relationship and national security interests.

The U.S.-Egypt military relationship is one of our most significant and enduring strategic defense relationships in the Middle East. For more than thirty years it has served to further our countries' joint security interests. Moving forward we seek not only to maintain, but to advance and recalibrate our longstanding relationship to ensure that it continues to advance these interests for the long term.

Our security relationship with Egypt is a two-way street. The Egyptian military is able to use our assistance to purchase U.S.-military equipment, and it also receives the benefits of training with the world's greatest military power. The United States military is able to respond to contingencies and conduct operations throughout the region because of over-flight rights and expeditious Suez Canal transits. While we are subject to the same rules and procedures that all other countries follow when

requesting over-flight or Suez Canal transits, expedited approvals can be critical to mission success.

In addition to aiding our own operational readiness, strong U.S.-Egypt military relations are central to our core security interests in the Middle East. Our partnership with the Egyptian military assists in maintaining the Peace Treaty with Israel, securing the Sinai, countering transnational terrorist threats, and securing global commerce by providing safe transit of ships through the Suez Canal.

Because our relationship with Egypt is so critical to our national security interests, it is important that the partnership endures over the long-term. We believe the U.S.-Egypt partnership will be strongest when Egypt is represented by an inclusive, democratically-elected civilian government based on the rule of law, fundamental freedoms, and an open and competitive economy. Yet as President Obama, Secretary Hagel, and Secretary Kerry have made clear, we have serious concerns about the events of July 3 and the large-scale violence against demonstrators in mid-August. After those events, the President made clear that it would not be business as usual with Egypt. And we have recalibrated our assistance to ensure that it is being used to advance all of our objectives in Egypt.

We will continue assistance that supports our vital security interests, including assistance for border and maritime security, Sinai security, and counterterrorism. We will also continue to provide sustainment for certain U.S.-origin systems, including spare parts, and will continue to fund military education and training. Sustaining these systems is important for Egypt's long-term military capabilities and is also important to ensure continued interoperability between U.S. and

Egyptian military forces. We are continuing this assistance because it is essential to advancing our core national security interests in the region.

But we will continue to hold deliveries of large-scale weapons systems to Egypt, including F-16s, M1A1 tank kits, Apache helicopters, and Harpoon missiles. And we canceled this year's BRIGHT STAR military training exercise with the Egyptian Armed Forces. It is important to clarify that, pending the availability of funds and authorities, we do not intend to terminate contracts with vendors and contractors for these large-scale weapons systems; instead, some large-scale weapons systems will remain in temporary storage until Egypt makes credible progress on an inclusive, democratic transition. We will continue to review our assistance over the coming months in light of Egypt's progress along its political roadmap and toward a sustainable, inclusive, non-violent transition to democracy.

Mr. Chairman, the United States considers Egypt to be a critical partner – one that has helped advance U.S. national security interests for over three decades. We want to continue a strong military-to-military relationship that preserves our strategic interests. And we want Egypt to develop a military that is prepared to meet the threats of the 21st century.

We have had many conversations with the Egyptians in recent years regarding ways to modernize the Egyptian Armed Forces. As such, we are continuing to evaluate other aspects of our security assistance in order to directly advance shared security interests, remain relevant to 21st century threats, and be sustainable within available resources. This includes evaluating the efficacy and efficiency of legacy systems. We look forward to working with Egypt and the Congress about how to move forward in this regard.

We also want to see Egypt succeed in moving toward an inclusive, democratically-elected civilian government. And as President Obama has said, some of the decisions made by the interim government have been inconsistent with inclusive democracy. I can assure you that in Secretary Hagel's many phone calls with General Al-Sisi during the past several months, he has expressed these concerns clearly and directly. These are issues that our recalibrated security assistance will continue to advance.

A strong U.S.-Egypt partnership is in our national interest, Egypt's national interest, and the security interests of the broader Middle East. The Congress is a critical partner in this relationship. Because of the events that unfolded in Egypt in July and August, it is imperative that we work together with the Congress to ensure that we have the authorities to continue to provide the aspects of our military assistance that advance our core national security interests, and that we have the flexibility to restore other aspects of our assistance as Egypt makes progress on an inclusive, democratic transition. The Department of Defense looks forward to continuing these discussions with the Congress and our Egyptian partners.