

Congress of the United States
Washington, DC 20515

April 3, 2009

The Honorable Nita Lowey
Chairwoman
Appropriations Subcommittee on
State-Foreign Operations
Room HB-26, The Capitol Building
Washington, DC 20515

The Honorable Kay Granger
Ranking Member
Appropriations Subcommittee on
State-Foreign Operations
1016 Longworth House Office
Washington, DC 20515

Dear Chairwoman Lowey and Ranking Member Granger:

As you prepare the Fiscal Year 2010 State-Foreign Operations and Related Programs Appropriations bill, we write in strong support of U.S. assistance to Armenia and other aid related provisions that contribute to peace and stability in the Caucasus region. We respectfully request that you consider the following requests listed in priority order:

Enhancing Section 907 of the Freedom Support Act

Section 907 of the FREEDOM Support Act continues to stand as a powerful provision of U.S. law in principled opposition to Azerbaijan's blockades and other aggressive uses of force against Armenia and Nagorno Karabakh.

As recently as December 31, 2008, on state television, President Aliyev said that Azerbaijan would "if need be" resort to use of military force against Nagorno Karabakh, noting that, "the war has not finished yet," and that the Azerbaijani military is always ready "to liberate our native land by any means." These statements disrupt the ongoing OSCE peace process and represent a threat to regional stability, which remain particularly tenuous in the aftermath of the Russia-Georgia conflict.

As you know, the Fiscal Year 2002 Foreign Operations Appropriations Act created a broad waiver authority that opened the door to military assistance for Azerbaijan. In light of Azerbaijan's behavior, and as a contribution to the cause of a lasting and equitable negotiated peace, **we urge you to narrow this presidential waiver as follows:**

The President may waive section 907 of the FREEDOM Support Act if he determines and certifies to the Committees on Appropriations that to do so--

(A) the assistance is necessary to support United States efforts to counter international terrorism, or to support the operational readiness of United States Armed Forces or coalition partners to counter international terrorism;

(B) the assistance will not undermine or hamper ongoing efforts to negotiate a peaceful settlement between Armenia and Azerbaijan or be used for offensive purposes against Armenia or Nagorno Karabakh; and

(C) in the last fiscal year, Azerbaijan has not taken hostile action, either through military force or incitement, including but not limited to threatening pronouncements by government officials, toward Armenia or Nagorno Karabakh.

Assuming all conditions of this new waiver authority can be met, and military assistance is provided to Azerbaijan, ***we urge you to uphold the Committee's long-standing tradition of maintaining parity in funding between Armenia and Azerbaijan.***

Economic Assistance to Armenia

The people of Armenia continue to face the devastating impact of Turkey and Azerbaijan's dual blockades, illegal actions that, according to World Bank estimates from several years ago, cost Armenia roughly \$720 million annually. Compounding the impact of these blockades is the approximately \$680 million loss to Armenia's economy, in the form of increased transportation costs, higher prices, and lost investment, that resulted from the recent Russia-Georgia conflict. During this conflict, Armenia provided humanitarian, diplomatic and economic assistance to Georgia, facilitated the safe transit for U.S. and international officials, and helped rebuild damaged Georgian infrastructure.

Until the recent world economic crisis, Armenia regularly registered double-digit growth and was consistently cited as among the most free economies in the region by the *Wall Street Journal* and the Heritage Foundation's Index of Economic Freedom. Our assistance programs have played a vital role in promoting this progress, as well as in the development of Armenia's democratic institutions, an effort made all the more pressing in light of the divisive aftermath of the Armenian Presidential election.

We respectfully request that you include language within the Assistance for Europe, Eurasia and Central Asia Account ensuring that assistance increase from \$48 million to \$70 million for Armenia in Fiscal Year 2010.

Military Assistance to Armenia

The U.S.-Armenia military relationship continues to expand in scope and depth, building upon Armenia's cooperation in anti-terrorism efforts and its deployment of forces to both Iraq and Kosovo. Armenia has entered into a NATO Individual Partnership Action Plan (IPAP) and has worked closely with both NATO and the Defense Department on a range of bilateral and multilateral agreements, joint training programs, and military exercises. Additionally, Armenia is now considering a military deployment to Afghanistan in support of the International Security Assistance Force (ISAF) mission.

Past U.S. military aid has played a vital role in modernizing Armenia's armed forces, strengthening the principle of civilian control, promoting increased NATO interoperability, and supporting the growth of Armenia's peacekeeping capabilities.

With these priorities in mind, *we respectfully request that you increase FMF funding for Armenia from \$3 million to \$4 million, and increase IMET funding for Armenia to \$1 million in Fiscal Year 2010.*

Assistance to Nagorno Karabakh

The U.S. assistance program to Nagorno Karabakh, which has played a critical role in meeting humanitarian needs among the population, should at this point be officially redirected by Congress and the Administration to include development priorities. *We respectfully request language directing USAID to increase assistance from \$8 million to \$10 million in Fiscal Year 2010 for humanitarian and development programs in Nagorno Karabakh.*

Confidence Building Measures

As in years past, the Subcommittee has also provided funding for confidence-building measures to help facilitate a peaceful resolution of the Nagorno Karabakh conflict. In order to facilitate peace, we recommend that these funds continue to be made available for increased cooperation among Armenia, Azerbaijan and Karabakh. *In particular, we respectfully request language urging Azerbaijan to support confidence-building measures that facilitate interaction among the parties, in order to address regional security, resource management, infrastructure, development and people to people programs.*

Removing restrictions on contacts and communication with Nagorno Karabakh

The time has come for ending restrictions on travel, contacts, and the free exchange of ideas between U.S. officials and the democratically elected leaders of Nagorno Karabakh. These outdated restrictions stand in the way of greater mutual understanding, hinder direct oversight of U.S. assistance programs, block cooperation on regional priorities, such as public health and anti-narcotics efforts, undermine our effectiveness in promoting democracy, and ultimately place artificial limits on our diplomatic and civil society efforts to bring about a fair and durable peace.

We respectfully request that that the following report language be included in the bill.

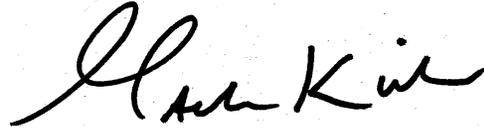
"In the interest of promoting mutual understanding, regional cooperation, and a fair and lasting peace, the Committee directs the Department of State, to remove any official or unofficial restrictions on U.S.-Nagorno Karabakh travel, visitations, discussions, meetings, contacts, consultations, exchange programs, or other governmental or civil society communication, cooperation, or interaction."

Thank you for your leadership on the Appropriations Subcommittee on State-Foreign Operations and Related Programs. We are grateful for your role in strengthening the relationship between the U.S. and Armenia and on all the issues we have raised. We appreciate your consideration of these requests.

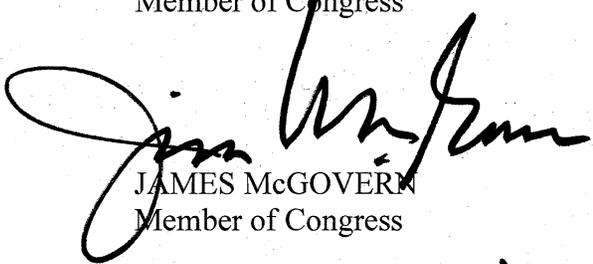
Sincerely,



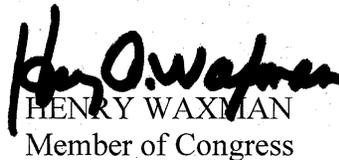
FRANK PALLONE, JR.
Member of Congress



MARK STEVEN KIRK
Member of Congress



JAMES McGOVERN
Member of Congress



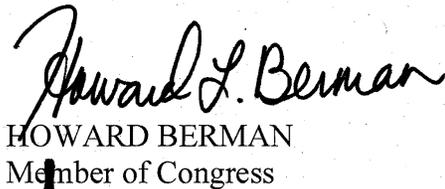
HENRY WAXMAN
Member of Congress



GRACE NAPOLITANO
Member of Congress



CAROLYN MALONEY
Member of Congress



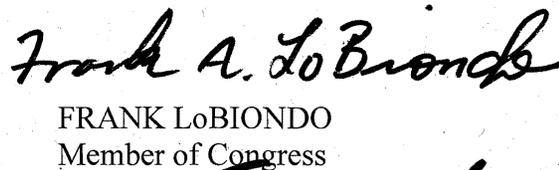
HOWARD BERMAN
Member of Congress



EDWARD MARKEY
Member of Congress



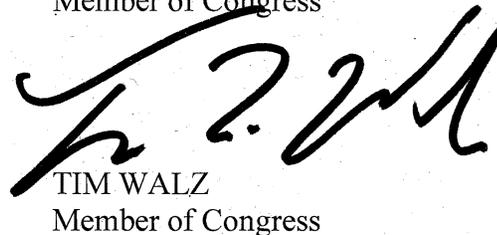
JIM COSTA
Member of Congress



FRANK LoBIONDO
Member of Congress



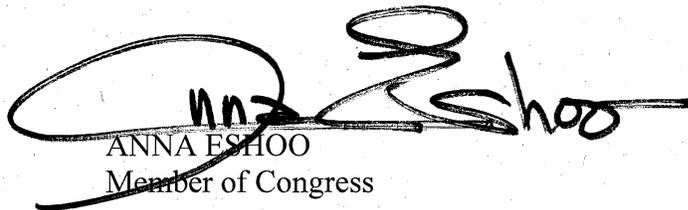
DENNIS CARDOZA
Member of Congress



TIM WALZ
Member of Congress



CHRIS VAN HOLLEN
Member of Congress



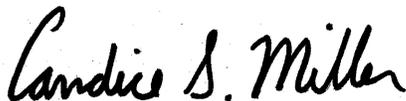
ANNA ESHOO
Member of Congress



JOHN SARBANES
Member of Congress



RUSH HOLT
Member of Congress



CANDICE MILLER
Member of Congress



JAMES LANGEVIN
Member of Congress



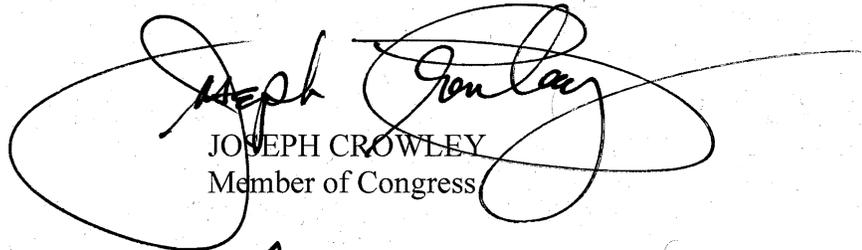
MARK SOUDER
Member of Congress



RAUL GRIJALVA
Member of Congress



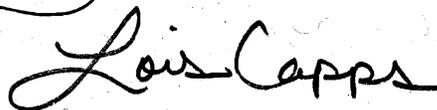
LORETTA SANCHEZ
Member of Congress



JOSEPH CROWLEY
Member of Congress



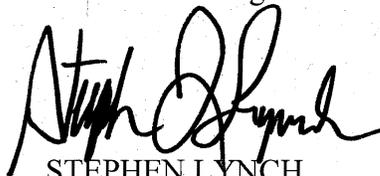
JOE BACA
Member of Congress



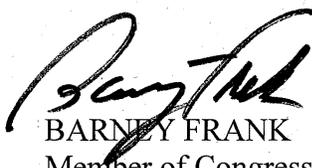
LOIS CAPPS
Member of Congress



ANTHONY WEINER
Member of Congress



STEPHEN LYNCH
Member of Congress



BARNEY FRANK
Member of Congress



BRAD SHERMAN
Member of Congress



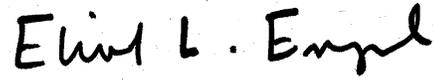
GARY PETERS
Member of Congress



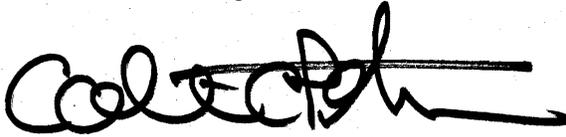
SCOTT GARRETT
Member of Congress



ELTON GALLEGLY
Member of Congress



ELIOT ENGEL
Member of Congress



COLLIN PETERSON
Member of Congress



CHAKA FATTAH
Member of Congress