



AMERICAN HELLENIC INSTITUTE, INC.

**Testimony of Nick Larigakis, President, American Hellenic Institute (AHI)
Fiscal Year 2021 Appropriations Bill
Submitted to the U.S. House of Representatives
Appropriations Subcommittee on State, Foreign Operations, and Related Programs
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Chairwoman Lowey, Ranking Member Rogers, and Members of the Subcommittee, I am pleased to submit testimony to the Subcommittee on behalf of the nationwide membership of the American Hellenic Institute (AHI) on the administration's proposed FY2021 foreign aid budget.

In keeping with the best interests of the United States AHI opposes: (1) any military assistance the administration will request for Turkey until Turkey withdraws all of its troops and illegal Turkish settlers in Cyprus and Turkey ceases and desists its acts of provocation and aggression in Aegean airspace and waterways and in the exclusive economic zone (EEZ) of the Republic of Cyprus; (2) any proposed reduction in the aid levels for the UN Peacekeeping Force in Cyprus.

Also, in keeping with the best interests of the United States, AHI rejects the Administration's requested level of funding of \$550,000 for NATO ally Greece's **International Military Education and Training (IMET) program** and instead supports an appropriation of \$1.5 million for FY2021 as authorized in The Eastern Mediterranean Security and Energy Partnership Act, which passed as part of the FY2020 government funding package in December 2019. The Eastern Mediterranean Security and Energy Partnership Act also authorizes \$500,000 for U.S. strategic partner Republic of Cyprus' IMET program, and AHI recommends the Subcommittee to provide this authorized level of funding for FY21.

U. S. Interests in Southeast Europe and the Eastern Mediterranean. The U.S. has important interests in southeast Europe and the eastern Mediterranean. With Greece's centuries enduring presence, its close cultural, political and economic ties to the Mediterranean countries, including Israel; Western Europe, the Balkans, Eastern Europe and the Middle East, Greece is strategically situated in a vital region for U.S. interests and an ideal strategic partner for the U.S. Significant commerce and energy sources pass through the region. In promoting a multilateral approach to diplomacy and foreign policy, the U.S. must continue to strengthen and build upon its relations with Greece, which is as an immensely valuable link—"a pillar of stability" as U.S. government officials have noted—in the region. However, the projection of U.S. interests there depends heavily on the region's stability. Therefore, the U.S. has a stake in focusing on the problems that are detrimental to U.S. interests and to call out those who cause instability in the region.

Greece is important for the projection of U.S. strategic interests in the region by its geographic location and by being home to the most important U.S. military facility in the Mediterranean Sea, **NSA Souda Bay**, Crete. Military installations located at Souda Bay include the NATO Maritime Interdiction Operational Training Centre (NMIOTC) and the NATO Missile Firing Installation (NAMFI).

- Held annually off of the coast of Souda Bay, Crete, the trilateral naval exercise "Noble Dina" between the U.S., Greece, and Israel, is a prime example of Greece's strategic importance to U.S. interests in the region.

To illustrate Souda Bay's importance, please consider the following figures that demonstrate the volume of operations conducted there in recent years:

- 2017: At least 2,102 U.S. and 530 NATO (total 2,632) planes utilized the 115th Combat Wing. Also, at least 115 U.S. and 133 NATO (total 148) ship port visits at NSA Souda Bay. Also, 14 U.S. and NATO units utilized NAMFI (NATO Missile Firing Installation).
- 2018 (Jan-Feb-Mar): At least 126 U.S. and 50 NATO (total 176) planes utilized the 115th Combat Wing. Also, at least 30 U.S. and 29 NATO (total 59) ship port visits at NSA Souda Bay.

It has been noted by U.S. government officials how Souda Bay allows United States Navy vessels—especially aircraft carriers—the ability to dock, make needed repairs and maintenance, and resupply, all within a couple of weeks and without having to return to Naval Station Norfolk.

Further, President Donald Trump has been vocal about NATO alliance members paying their fair share. Greece is a top contributor to the defense efforts of NATO, estimated to spend 2.28% of its GDP on defense expenditures in 2019 in accordance with NATO standards despite battling two crises, economic and migratory. By percentage of GDP, Greece is third to the United States.¹ Greece is also an active participant in peacekeeping and peace-building operations conducted by international organizations, including the UN, NATO, the EU, and OSCE.

Finally, United States defense cooperation with Greece continues to grow and strengthen during recent years, culminating with the signed U.S.-Greece Mutual Defense Cooperation Agreement in October 2019. Further, in addition to NSA Souda Bay, Larisa Air Force Base and Stefanovikio Hellenic Army airbase are key contributors, too. The United States Air Force has operated MQ-9 Reaper Drones from Greece's Larisa Air Force Base and there is increased U.S. aircraft (helicopters) and soldier involvement (mainly tactical training) at Stefanovikeio Hellenic Army airbase. In addition, the privatization of Alexandroupoli port provides exciting potential as an energy hub and strategic asset for the United States as well as an opportunity for American investment in Greece.

America Values Alliance with Greece. The ongoing U.S.-Greece Strategic Dialogue, and Prime Minister Kyriakos Mitsotakis' January 2020 White House meeting with President Donald Trump, demonstrate the U.S.-Greece relationship is a healthy one and is at a high point. There is a mutual commitment from both countries to deepen their cooperation and relationship across many sectors, including defense and security. AHI presents the following testimonials as examples of the high value the United States places in its alliance with Greece:

In a January 2020 letter to Greek Prime Minister Kyriakos Mitsotakis, **Secretary of State Mike Pompeo** wrote, *"We consider Athens a key ally, and a crucial player in the Eastern Mediterranean as well as the Balkans. The United States will remain committed to supporting Greece's prosperity, security, and democracy."* Secretary Pompeo also noted the "historic progress" in U.S.-Greece relations at the inaugural U.S.-Greece Strategic Dialogue held December 13, 2018: *"Greece has been a critical ally of the United States. Now, more than ever, we are pleased to see that Greece emerges again as a leading force of regional stability in the Eastern Mediterranean. This area is an important strategic border. The U.S. is working to strengthen our relations with stable democracies and democratic allies there. Allies like Greece, Cyprus, and Israel."*²

Then-Secretary of Defense James Mattis stated, *"Today, Greece and the United States share a commitment to ensuring a safe and prosperous world for future generations of Greeks and Americans, and we live this commitment to our growing defense relationship. With increased joint exercises and training, expanded basing cooperation and enhanced defense-industrial partnerships. So thank you for your continued hosting of U.S. forces at Souda Bay, one of the most popular locations for U.S. sailors anywhere in the world. The U.S. recognizes Greece's vital role in maintaining regional security in a difficult neighborhood...I commend Greece's strong investments in defense capabilities by not only*

¹ 2019 estimate. https://www.nato.int/nato_static_files2014/assets/pdf/pdf_2019_11/20191129_pr-2019-123-en.pdf

² <https://www.thenationalherald.com/223513/katrougalos-and-pompeo-recognise-historic-progress-in-greek-american-relations/>

meeting, but exceeding the NATO's pledge -- exceeding the NATO's -- NATO's Wales pledge of two percent of defense spending.”³

U.S. Ambassador to Greece Geoffrey Pyatt has stated: “*The United States sees Greece as a pillar of stability in this region... We see Greece as an important partner, not just because of the way that we work together – for instance our military forces in Souda Bay – but also the way in which Greece is deepening its partnership with American friends in the region, countries like Israel, Cyprus, the trilateral between Greece, Cyprus and Egypt, the very important role that Greece plays in the Western Balkans.*”⁴

International Military Education & Training (IMET) – Greece. AHI recommends funding Greece’s IMET program for FY2021 at \$1.5 million. The IMET program at the U.S. Embassy in Athens, Greece, advances the professional military education of the Greek Armed Forces. It enhances interoperability with U.S. and NATO forces such as Greece’s. Through the training of Greek military officers and noncommissioned officers in a multitude of professional military education and technical courses in the United States, IMET provides strong United States-Greece mil-to-mil relations. IMET affords Greek military students to experience American culture, and IMET encourages the development of relationships with their peers (classmates) in the U.S. military. As a result, Greek military personnel return to Greece with a greater appreciation of American culture, and equally important, are better prepared to counter shared threats to national security. Moreover, these Greek military students often advance to senior level positions within the Greek Armed Forces.

For 11 fiscal years (FY2006-FY2017), the decline of Greece’s IMET funding levels resulted in the drastic decrease in the number of Greek military students participating in the program. Greece is a frontline state in the fight against terrorism. The FY2021 IMET programmatic request of \$1.5 million is authorized with the enactment of The Eastern Mediterranean Security and Energy Partnership Act of 2019 and builds upon recent appropriation levels of \$1 million. It will be an effective and wise investment toward a key component of U.S. security assistance and will make-up for the “opportunity lost” to educate and train our NATO ally’s military officers. It will help the United States because it contributes toward the strengthening of United States security interests in an increasingly important part of the world, the eastern Mediterranean, which lies at the doorstep of the Middle East, by helping to train and educate and promote the professionalization of the Greek Armed Forces.

Regional Instability. A key to peace and stability in the region is for good neighborly relations among NATO members and respect for the rule of law. Turkey is the fundamental cause of instability in the eastern Mediterranean and broader region.

- Turkey’s unilateral claims against sovereign Greek territory in the Aegean which are in violation of international law, and Turkey’s refusal to refer its unilateral claims to binding international arbitration.
- Turkey’s aggression against Cyprus which includes its continuing illegal occupation of 37.3 percent of Cyprus.
- Turkey’s numerous incursions into Cyprus’ Exclusive Economic Zone (EEZ), illegal drilling in Cyprus’ EEZ on three occasions in 2019 supported by Turkish warships and drones, and demonstrated “gunboat diplomacy.”
- Turkey’s continuing violations of Greece’s territorial waters and airspace (more than 5,000 infringements and violations of Greece’s airspace and territorial waters in 2019), which are in violation of international and U.S. law, including the Arms Export Control Act.

³ U.S. Department of Defense transcript, Oct. 9, 2018, <https://dod.defense.gov/News/Transcripts/Transcript-View/Article/1658336/remarks-by-secretary-mattis-at-an-honor-cordon-welcoming-greek-minister-of-defe/>

⁴ <http://www.ekathimerini.com/223743/article/ekathimerini/community/us-sees-greece-as-pillar-of-stability-in-the-region>

- More than 300 mock dogfights between Turkish and Greek aircraft in 2019.
- Illegal immigration via Turkey that threatens Greece's economic development and prosperity; and
- The Turkey-Libya Memorandum of Understanding (MoU) on maritime borders, which has been resoundingly dismissed by the international community as null and void and devoid of any legal foundation.

The threat by Turkey of *casus belli* still stands, and Greece continues to register a considerable number of formal complaints over continued violations of the Greek airspace and territorial waters by Turkey. These reoccurring acts by Turkey are egregious and cost the Greek government approximately \$400 million a year and come at a time when it can ill afford to spend any funds unnecessarily to deal with provocative actions by a NATO ally. They have also led U.S. Ambassador to Greece Geoffrey Pyatt to convey concern over the possibility of an "accident" happening over the Aegean.

Further, Turkey's continuing occupation of Cyprus, its intransigence in solving the Cyprus problem, and its refusal to recognize the Republic of Cyprus (a prerequisite to Turkey's E.U. accession process), which is a member of the European Union; are detrimental to U.S. interests. To illustrate Turkey's intransigence, Turkey insists on maintaining troop levels on Cyprus and on remaining a guarantor power as part of a solution to the Cyprus issue, which led to the collapse of settlement talks in 2017. In February 2019, Turkish troops violated the status quo near the Cypriot village of Strovila, requiring the United Nations Peacekeeping Force to record the violation. Furthermore, Turkey's bellicose threats against Cyprus, and at times in the past, against Israel, which is working in collaboration with Cyprus and a U.S. energy company to develop hydrocarbon reserves found within their EEZs, also threaten U.S. interests. In December 2019, the Turkish Navy expelled an Israeli research ship that was approved to perform research by the Cypriot government in Cyprus' territorial waters.⁵ To demonstrate further, Turkish warships harassed the surveying vessel of Italian oil company Eni and threatened on February 23, 2018 to sink it in the exclusive economic zone of Cyprus. According to press reports, Eni's ship was forced to make maneuvers to avoid a collision after the Italian captain's request to the Turkish vessel to change course went unanswered.⁶ On February 28, 2019, U.S.-based multinational energy firm ExxonMobil announced the largest find thus far in Cypriot waters (Block 10) of an estimated 5 to 8-trillion cubic feet of gas. The United States has stated repeatedly it supports Cyprus' sovereign right to explore energy in its exclusive economic zone. Despite this, Turkey has issued several NAVTEXes (navigational telex) to conduct operations and exercises in segments of the Greek continental shelf or in Cyprus's EEZ that elevate tensions with Greece and Cyprus.

Because of threats in the eastern Mediterranean and Middle East, and if the U.S. and Cyprus are to build successfully on the Statement of Intent that was signed in November 2018, AHI contends the U.S. must lift its arms prohibition on Cyprus⁷, which would allow Cyprus to consider the U.S. as a marketplace for defense procurement. Although The Eastern Mediterranean Security and Energy Partnership Act and the annual National Defense Authorization Act (NDAA) for FY2020 each provided for the lifting of the arms prohibition on Cyprus based on two conditions, the prohibition on the sale of U.S. defense articles to the Republic of Cyprus remains in place because of these conditions.

Turkey. We oppose any aid for Turkey and any other assistance programs from the United States. This includes most favored nation trade benefits including textile quotas and the transfer of any nuclear related assistance which we oppose as not in the best interests of the U.S. AHI applauded the Trump administration's decision to terminate Turkey's designation as a beneficiary developing country under the Generalized System of Preferences (GSP) program, which became effective May 17, 2019, because Turkey no longer complied with the statutory eligibility criteria. According to the U.S. Trade

⁵ "Turkish Navy engages with Israeli research ship, deporting it out of Cyprus," *The Jerusalem Post*, Dec. 15, 2019.

⁶ <http://www.ekathimerini.com/226092/article/ekathimerini/news/turkish-ships-threaten-to-sink-eni-s-drill-vessel>

⁷ Eastern Med Statute [22 USC sec 2373(e)(1)] and [57 Federal Register No. 244, December 16, 1992].

Representative's statement, "Turkey's termination from GSP follows a finding that it is sufficiently economically developed and should no longer benefit from preferential market access to the United States market." AHI has long argued for this type of action by the U.S. government, especially in testimony presented to this Subcommittee, also because of the following reasons: (1) the immediate withdrawal of all Turkish troops from Cyprus; (2) the prompt return to Turkey of the over 180,000 illegal Turkish settlers in Cyprus; (3) the Turkish government's safeguarding the Ecumenical Patriarchate, its status, personnel and property, reopening the Halki Patriarchal School of Theology, and returning church properties illegally seized; and (4) the cessation of violations against Greece's territorial integrity in the Aegean and of its airspace. Of course, Turkey's ongoing human rights, freedom of speech, and religious freedom violations are problematic.

Moreover, Turkey continues to demonstrate it is not a true and dependable U.S. and NATO ally. Turkey's actions in Syria and the broader region are of no surprise to AHI. In northern Syria, Turkey has unlawfully used its military to force the local Kurdish population from the Syrian territory which it has invaded. Prior to Turkey's invasion, President Erdogan threatened United States military forces with an "Ottoman slap" if they continued to partner with Syrian Kurds, and President Erdogan hosted a summit on Syria in Ankara with Russian President Vladimir Putin and Iranian President Hassan Rouhani. Turkey's military campaign against the Kurds in Syria placed U.S. troops in Manbij at risk of peril at the hands of a NATO partner.⁸ Further, the issue remains of Turkey's \$2.5 billion purchase of four divisions of S-400 surface-to-air missiles from Russia. It raised concern among NATO partners and subjects Turkey to U.S. sanctions based upon the Countering America's Adversaries Through Sanctions Act (CAATSA), according to a U.S. administration official.⁹

AHI congratulates Congress for passing provisions in several different legislative vehicles, including the National Defense Authorization Act of 2020 (NDAA) and the most recent FY2020 government funding bill, that hold Turkey accountable for actions unbecoming of a NATO ally. These provisions included the suspension of the delivery or transfer of F-35 aircraft to Turkey until reports detailing the impact of Turkey's purchase of the S-400 missile system from Russia on U.S. weapon systems such as the F-35s are provided to Congress. AHI calls for similar appropriations language for FY2021 should the matter remain unresolved.

Finally, in the interest of regional stability and conflict resolution, the U.S. should promote Turkey's emergence as a fully democratic state. This will require fundamental changes in Turkey's governmental institutions, a significant improvement in its human rights and freedom of speech/press records, the settlement of the Cyprus issue on the terms referred to above, and publicly acknowledging the existing boundary in the Aegean Sea between Greece and Turkey established by treaties. U.S. policy has not had this effect and needs to be reviewed critically by Congress.

Cyprus. The illegal occupation of the Republic of Cyprus by Turkish troops remains. The Turkish-occupied area, which amounts to 37.3% of the territory of Cyprus, is one of the most heavily militarized areas in the world with the presence of 40,000 Turkish occupation troops. As long as the Republic of Cyprus remains under Turkish military occupation, a strong UN peacekeeping force must be maintained on the island.

Congress can assist the Republic of Cyprus by reaffirming the United States' position that assistance appropriated for Cyprus should support measures aimed at solidifying the reunification of Cyprus and the unified government in Cyprus. It would provide a settlement, should it be achieved, with a chance to succeed. Therefore, AHI recommends the following language from Title III of the Consolidated Appropriations Act of 2012 be included in the FY2021 State, Foreign Operations, and Related Programs Appropriations bill:

⁸ <http://www.washingtonexaminer.com/turkish-diplomat-defends-ottoman-slap-threat-to-us-amid-signs-of-deal/article/2649330>

⁹ <https://ahvalnews.com/nato-turkeys-s-400-purchase-might-expose-turkey-us-sanctions-us-official>

Assistance provided to Cyprus under this Act should foremost ensure that the United Nations Peacekeeping Force in Cyprus (UNFICYP) can fully implement its mandate, while remaining available to also contribute to the creation of a conducive environment for the settlement talks under the auspices of the UN Secretary-General's Good Offices. Furthermore, in the event of reunification, further assistance should be used to contribute towards the cost of reunification, including towards monitoring provisions, facilitation for settlement of the property issue, supporting and underpinning the new federal structures of a reunified island and assisting with the construction of a strong unified Cypriot economy able to cope with the new challenges, and strengthening the contacts between the two communities as conducive to reunification, in a way agreed to between the United States and Cyprus.

The last UN-led attempt to achieve a just and viable solution to the near 46-year-old division of the Republic of Cyprus, ended without reaching an agreement because of Turkish intransigence. Instead of helping to provide stability by promoting a just settlement supported by both Greek Cypriot and Turkish Cypriot communities, Turkey continued to insist on antiquated and obstructive stances. For example, Turkey's insistence to maintain the Treaty of Guarantee, which would allow for future unilateral Turkish military interventions, is completely unacceptable and contradicts the governing principals of a European Union member state. Furthermore, Turkey's illegal occupation of Cyprus has had an impact upon The Committee on Missing Persons's (a previous recipient of USAID support) ability to access certain Turkish military installations on Cyprus to excavate the remains of 1,075 Cypriots missing since the tragic events that occurred on the island for proper identification. Finally, Congress can help by calling on Ankara to support reunification efforts in a constructive manner which would include the removal of troops, settlers, and rights of guarantees. The Cypriots themselves should have ownership of the process and the Cypriot people should arrive at a solution that is for the Cypriot people; a bizonal, bicomunal federation, as well as a solution that embodies the full respect of the principles and laws of the European Union, of which Cyprus is, and will remain, a member. However, this does not absolve Turkey of its responsibility as the occupying power to play a constructive role in resolving the Cyprus issue.

AHI is also concerned with the security of energy prospects off the coast of Cyprus. AHI contends the U.S. must continue to support the sovereign rights of the Republic of Cyprus to explore and develop the resources within its EEZ free of any third-party interference and to underscore the importance of avoiding any threats or actions that escalate tension. As mentioned, Turkey's threats in Cyprus' EEZ endanger U.S. companies, such as ExxonMobil and Noble Energy, that are working to explore for hydrocarbons in the eastern Mediterranean. In addition, Turkey's illegal provocations in Cyprus' EEZ prohibit any real chance for the resumption of Cyprus settlement talks.

North Macedonia. With the Prespes Agreement, Greece demonstrated the ability to lead in the Balkans because it understood it has role of stability to play in the region. Post-Agreement, the United States must ensure North Macedonia adheres to all elements of the agreement and does not deviate from it. Moreover, because of the extreme nationalist and irredentist policies of the previous government in Skopje against Greece and its citizens, AHI historically has opposed U.S. foreign assistance to Skopje, via the Economic Support Fund (ESF), and called for its proper oversight. These nationalist policies were often carried-out by the Skopje government through infrastructure and development projects, and ESF is a fund that includes support for such development projects. Although the North Macedonian government has demonstrated goodwill, it is still a fragile government that requires close monitoring.

Thank you for the opportunity to present them in our written testimony to the Subcommittee.