

American

NEWS & VIEWS

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Kerry Announces Infrastructure Aid for Palestinians	1
Kerry Says Saudi Arabia Is Indispensable U.S. Partner, Ally.....	1
Researchers Obtain Crucial Data from Meteoroid Impact	2
Kerry Says U.S. Is Friend, Partner to Egyptian People	3
Legislators Consider New Law to Prevent Human Trafficking	4
SelectUSA Summit Seeks Stronger Global Business Alliances.....	5
U.S. Supports Governments Reforming Their Business Climates	6

Kerry Announces Infrastructure Aid for Palestinians

06 November 2013

Washington — Secretary of State John Kerry stood in Bethlehem's historic Manger Square on November 6 to reaffirm the U.S. commitment "to bring lasting peace to the people of this region."

Kerry announced more U.S. assistance to the Palestinian Authority for infrastructure projects improving roads, schools and community centers as part of a larger effort to stimulate economic activity.

"Here's what these investments will mean," Kerry said. "They will mean more health commitments, better transportation networks, new community centers and schools." Kerry said the Palestinian Authority and Bethlehem city officials are key partners in the infrastructure projects.

Through the U.S. Agency for International Development (USAID), the United States has granted \$100 million to support West Bank infrastructure projects that "will help bring real improvement to Palestinian communities and lives," Kerry said.

Palestinian Authority Deputy Prime Minister Muhammad Mustafa said the U.S.-backed projects are significant as the Palestinian people look toward independence. "The economic and political efforts that you are exerting are very important," Mustafa said to Kerry.

Kerry is on a 10-day trip with stops in the Middle East, Europe and North Africa. In Israel and the West Bank, he is meeting with Israeli and Palestinian Authority leaders regarding their ongoing final-status negotiations as well as other regional issues of mutual concern.

The U.S. secretary of state said the infrastructure investments that the United States is supporting on the West Bank are part of a vision that foresees a peaceful and prosperous future for both Israelis and Palestinians.

"We need to develop the economies to show both peoples that peace has the benefits of economic opportunity and prosperity and a better quality of life," Kerry said. One project that the aid will advance is improving the road between Manger Square and Bethlehem, which is expected to support tourism and economic development.

Kerry acknowledged that economic assistance and progress cannot substitute for a political settlement. Economic advancement, he said, must be built on the foundation of a negotiated peace.

Still, Bethlehem Mayor Vera Baboun expressed her appreciation of the support that USAID has provided her

city. USAID "participates in putting down a smart and effective plan for the future of the city, thus contributing to the restoration of the glory of Bethlehem and making it a bright star in the skies of the world," Baboun said.

Kerry received a gracious welcome in Bethlehem from officials, but was met by crowds protesting the expansion of Jewish settlements in the West Bank.

Kerry Says Saudi Arabia Is Indispensable U.S. Partner, Ally

By Merle David Kellerhals Jr. | Staff Writer | 06 November 2013

Washington — Secretary of State John Kerry described Saudi Arabia as an indispensable partner to the United States, but a partner that has independent and important views of its own, "and we respect that."

"Our relationship is strategic, it is enduring, and it covers a wide range of bilateral and regional issues," Kerry said during a recent press conference in Riyadh with Saudi Arabia's foreign minister, Prince Saud al-Faisal.

Kerry and Saud responded to news media speculation that the U.S.-Saudi relationship had become strained over recent events in the region, from the civil war in Syria to limited overtures from the ruling Iranian regime. Kerry, who is on a 10-day trip to the Middle East, Europe and North Africa, arrived in Riyadh on November 3 for consultations with senior Saudi officials following a brief visit to Cairo for talks with Egyptian leaders.

In addressing the partnership between the two longtime friends and allies, Kerry noted that President Obama outlined core U.S. interests in the Middle East during a September address at the U.N. General Assembly that included the use of all elements of U.S. power to secure those interests. Obama said the United States will confront aggression against U.S. partners, ensure the free flow of energy from the region to the world, dismantle terrorist networks that threaten U.S. citizens and allies, and will not tolerate the development or use of nuclear, biological and chemical weapons.

"These are core U.S. interests, and we share these interests with Saudi Arabia, and we intend to work on these with Saudi Arabia," he said alongside Foreign Minister Saud November 4.

Saud told journalists that the relationship between the two nations has been based on independence, mutual respect, common interest and constructive cooperation on regional and global issues to serve peace and security.

"A true relationship between friends is based on sincerity, candor and frankness rather than mere courtesy," Saud said. "Within this perspective, it's only natural that our

policies and views might see agreement in some areas and disagreement in others.”

Saud noted that this is normal in any serious government-to-government relationship and especially with one that embraces such a wide range of issues.

Kerry and Saud addressed a broad range of regional concerns during their meeting, and Kerry also heard the views of Saudi King Abdullah on Syria, Egypt, Iran, Yemen, Lebanon and the Middle East peace process.

The United States appreciates Saudi leadership in supporting the Syrian Opposition Coalition and its commitment to achieving a political resolution of the crisis in Syria that has caused more than 100,000 civilian deaths, Kerry said. Neither the United States nor Saudi Arabia believes that the 2 1/2-year-old Syrian civil war can be resolved through military force, he added.

Kerry said a negotiated political settlement that ends the violence and creates a transition government that will eventually lead to a democratically elected government provides the best approach. Diplomats have been meeting in Geneva at the same time Kerry was meeting with Saudi leaders, but they were unable to agree on a date that would have brought the warring sides in Syria to negotiations that were being called Geneva 2 talks.

U.N. and Arab League Special Representative for Syria Lakhdar Brahimi told reporters that “[we] are still striving to see if we can have the conference before the end of the year.”

The United States believes it must consult with Saudi Arabia as well as with the Syrian coalition leadership and international partners to prepare for a second Geneva conference to end the civil war and create a transition government that would replace the regime of Syrian President Bashar al-Assad, Kerry told journalists.

Saud told reporters that Saudi Arabia agrees that the effective solution for Syria is through a transition government that does not include Assad, and that the representative of the Syrian people is the opposition coalition. The only differences are over tactics for achieving those goals, he said, but the resolution lies with strengthening the coalition and working for its success.

On Egypt, Kerry said the Egyptian people urgently need economic transformation, and the United States agrees with its friends in Saudi Arabia and with others on the need to work rapidly to bring an economic transformation and improve the quality of life.

Researchers Obtain Crucial Data from Meteoroid Impact

06 November 2013

Washington — A team of NASA and international scientists for the first time have gathered a detailed understanding of the effects on Earth from a small asteroid impact.

The unprecedented data obtained as the result of the airburst of a meteoroid over the Russian city of Chelyabinsk on February 15, 2013, has revolutionized scientists’ understanding of this natural phenomenon, NASA said in a November 6 press release.

The Chelyabinsk incident was well observed by citizen cameras and other assets. This provided a unique opportunity for researchers to calibrate the event, with implications for the study of near-Earth objects and developing hazard-mitigation strategies for planetary defense. Scientists from nine countries have now established a new benchmark for future asteroid impact modeling.

“Our goal was to understand all circumstances that resulted in the shock wave,” said meteor expert Peter Jenniskens, co-lead author of a report published in the journal *Science*. Jenniskens, a meteor astronomer at NASA’s Ames Research Center in California and the SETI Institute, participated in a field study led by Olga Popova of the Institute for Dynamics of Geospheres of the Russian Academy of Sciences in Moscow in the weeks following the event.

“It was important that we followed up with the many citizens who had firsthand accounts of the event and recorded incredible video while the experience was still fresh in their minds,” Popova said.

By calibrating the video images using the position of the stars in the sky, Jenniskens and Popova calculated the impact speed of the meteor at 19 kilometers per second. As the meteor penetrated through the atmosphere, it fragmented into pieces, peaking at 30 kilometers above the surface. At that point the light of the meteor appeared brighter than the sun, even for people 100 kilometers away.

As a result of the extreme heat, many pieces of the debris vaporized before falling out of the orange, glowing debris cloud. Scientists believe that between 4,000 and 6,000 kilograms of meteorites fell to the ground. This included one fragment weighing approximately 650 kilograms recovered from Lake Chebarkul on October 16 by professional divers guided by Ural Federal University researchers.

NASA researchers participating in the 59-member

consortium study suspect that the abundance of shock fractures in the rock contributed to its break-up in the upper atmosphere. Meteorites made available by Chelyabinsk State University researchers were analyzed to learn about the origin of the shock veins and their physical properties.

The impact that created the shock veins may have occurred as long ago as 4.4 billion years. This would have been 115 million years after the formation of the solar system, according to the research team, who found that the meteorites had experienced a significant impact event at that time.

"Events that long ago affected how the Chelyabinsk meteoroid broke up in the atmosphere, influencing the damaging shockwave," Jenniskens said.

Research is being conducted to better understand the origin and nature of near-Earth objects. These essential studies are needed to inform the approach to preparing for the potential discovery and deflection of an object on a collision course with the Earth.

NASA's recently announced asteroid initiative will be the first mission to capture and relocate an asteroid.

The study of asteroids and comets allows scientists to learn more about the origins of the solar system, the source of water on the Earth, and even the origin of organic molecules that lead to the development of life, NASA said.

Kerry Says U.S. Is Friend, Partner to Egyptian People

By Merle David Kellerhals Jr. | Staff Writer | 05 November 2013

Washington — Secretary of State John Kerry said during a brief visit to Cairo for talks with senior Egyptian leaders that the United States is a friend and partner to the Egyptian people and the nation.

"The United States wants Egypt to succeed and we want to contribute to your success," Kerry said at a November 3 press briefing with Egyptian Foreign Minister Nabil Fahmy.

Kerry acknowledged that it has been a difficult time and that there have been a turbulent couple of years for Egyptians, but he said the people have also shown the world how strong they are in the face of this transition and they have demonstrated a significant resolve.

"The United States believes that the U.S. and Egypt partnership is going to 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," Kerry told journalists.

Kerry met with President Adly Mansour, defense minister General Abdel Fattah Said el-Sisi and Fahmy during his visit to Cairo. Kerry is on a 10-day trip to the Middle East, Europe and North Africa.

Kerry said he welcomed Fahmy's restatement of the interim government's commitment to a road map that aims to move Egypt toward an inclusive democracy and economic stability. The road map is a process that would amend the current Egyptian constitution and put the new charter to a nationwide referendum before the end of 2013, and then hold free parliamentary and presidential elections by the spring of 2014.

"We also talked about the importance of how it is in everyone's interest that Egypt see a transition, live a transition, that results in a constitution that protects the rights of all Egyptians, including freedom of expression and assembly, the ability to participate in civil society, as well as in religious freedom," Kerry told journalists.

Kerry said that nothing will help to bring the people of Egypt together more, provide more economic stability or provide more confidence in the future than a nation that is participating in a democratically elected government through free and fair elections.

Fahmy told journalists that the Egyptian people aspire to a democratic system with a civilian government, "which will function according to the norms of a global democracy irrespective of the fact that we have some cultural variations here and there in terms of our traditions."

The United States, Kerry said, will continue to provide support that benefits Egyptians in health, education through scholarships, and private-sector development. In addition, the United States will also continue offering assistance to help secure Egypt's borders, to work with the military, to counter terrorism and weapons proliferation, and to ensure security in the Sinai, he added.

Fahmy told journalists that his talks with Kerry provided an opportunity to explain the Egyptian vision for the future of the democratic transition, and also the aspirations of the Egyptian people toward democracy.

"With regards to the U.S.-Egyptian relations, we believe that they are very important to Egypt and we would like to further enhance this relationship in the interest of both countries based on the priorities of each country," Fahmy said.

Kerry also announced that President Obama has accepted an invitation from President Mansour to develop a U.S.-Egypt strategic dialogue. Fahmy said that launching a strategic dialogue between the two countries would be “very, very helpful.”

“I have mentioned a few days ago that the U.S.-Egyptian relations are witnessing some tension, but today in my close discussion with the secretary, and also what Secretary Kerry has mentioned here today, I believe that the U.S. support for Egypt and the road map are all very positive indications, and we all seek to resume this relationship in a positive manner,” Fahmy said.

Legislators Consider New Law to Prevent Human Trafficking

By Charlene Porter | Staff Writer | 05 November 2013

Washington — The crime of human trafficking has achieved steadily increasing attention in international law enforcement and judicial circles since 2000. The United Nations adopted an international convention against trafficking in persons that year, and 117 nations are now signatories to that agreement.

That same year, the U.S. Congress passed the Trafficking Victims Protection Act, the nation’s strongest legal instrument to protect victims of modern slavery who are estimated to number in the hundreds of thousands in this country and more than 20 million worldwide. Now members of the U.S. House of Representatives’ Foreign Affairs Committee are considering legislation to address this criminal activity in a new way that may help potential victims better protect themselves.

The Fraudulent Overseas Recruitment and Trafficking Elimination Act would impose requirements in foreign labor recruitment in order to create greater transparency for would-be recruits. Experts in the field say most victims of forced labor are ensnared by traffickers who peddle false promises to people in poor circumstances, offering them jobs and opportunities that they don’t know how to get on their own.

Organized criminal trafficking gangs — sometimes disguised as legitimate employment recruiters — take their victims far from home, family and community, withhold their passports and documents and force them into labor or prostitution.

“When I got to the U.S. things were very different than I thought,” said Angela Guzman, a former trafficking victim, in testimony to members of the Foreign Affairs panel November 4. “I was told I owed \$12,000 for my transportation to the United States and the visa. I was told I would have to work for 10 years to pay this off.”

A native of the Philippines, Guzman served as virtual

slave labor in a California home for elderly people, working 12 hours a day, never receiving time off or compensation. After two and a half years of this abuse, she was rescued by federal law enforcement when a neighbor recognized that Guzman and other workers were being ill-treated and reported it to authorities.

After her liberation, Guzman received help to become an independent, self-supporting citizen through an organization called CAST — the Coalition to Abolish Slavery & Trafficking — in Los Angeles. Testifying at the congressional hearing held in California, CAST Executive Director Kay Buck said the proposed law is “an important bill that will help prevent human trafficking and protect workers coming to the U.S. from around the world.”

Buck and Guzman say that traffickers have found ways to exploit the U.S. visa processes to bring workers to this country under false pretenses. Working with other survivors, Guzman says she’s learned of victims who entered the country with a legitimate visa to work in agriculture, but “ended up enslaved on farms all around the United States with armed guards keeping watch.”

The top State Department official on trafficking in persons, Luis CdeBaca, acknowledged that fraudulent recruitment is a “big factor in the exploitation of workers” in the United States and internationally. Charging job-seekers a fee for assistance in seeking a legitimate position can ensnare people in a form of debt bondage, which CdeBaca considers another form of human trafficking.

“They owe so much money” to fee-charging recruiters, CdeBaca said, that “they’re almost already in debt bondage before they even show up for work.” No fee for recruitment is acceptable, under the latest regulatory regimen the Obama administration is developing to combat human trafficking.

In the vast global marketplace where the U.S. government acquires goods and services, the administration is developing a system to ensure that labor exploitation is not occurring anywhere in its supply chain. Companies attempting to do business with the U.S. government must be able to show that their products are not tainted by human trafficking in any stage of development or manufacture.

Building partnerships with governments and agencies at all levels is a key element of the State Department strategy to combat human trafficking, CdeBaca said. The complexity of the crime — involving labor, immigration, health, agriculture, transportation and other sectors — demands that officials and personnel in many capacities recognize trafficking for the crime that it is.

“No community is immune,” CdeBaca said. “It must be

dealt with because modern slavery undermines the rule of law and justice.”

The U.S. State Department publishes an annual report on trafficking in persons that is one of the world’s most comprehensive data sets on this elusive, underground form of criminal activity. The 2013 Trafficking in Persons Report, released in June, estimates that up to 27 million people worldwide may be victims of trafficking.

The 2013 report found that global convictions of human traffickers were up about 20 percent from the previous year, exceeding 4,700.

SelectUSA Summit Seeks Stronger Global Business Alliances

04 November 2013

Washington – U.S. Secretary of Commerce Penny Pritzker wrapped up the inaugural SelectUSA 2013 Investment Summit November 1, following two high-impact days of meetings and discussions in Washington in which representatives from around the world explored investment opportunities and learned about the advantages of doing business in the United States.

“We predicted that there was a hunger for something like this,” Pritzker told summit attendees. “But we were overwhelmed with the positive response from global business leaders and economic development organizations.”

Approximately 1,200 business and government leaders from nearly 60 countries, along with economic development organizations from 47 U.S. states, the District of Columbia and three territories, attended the summit, the Commerce Department said in a November 1 press release.

President Obama launched SelectUSA in 2011 as the first federal program to work with U.S. states to promote and facilitate investment in the United States. Addressing attendees on the first day of the summit, Obama announced four new steps that will enhance SelectUSA by creating a fully coordinated U.S. government effort to recruit business investment in the United States. The steps include a new focus at U.S. embassies on attracting investment; more outreach from senior government officials to businesses to make the case for investing in America; better coordinated advocacy at all levels of government, combined with new ways to cut through red tape; and new tools to help state and local leaders tout their benefits and attract business investment.

Also on October 31, the Commerce Department and the President’s Council of Economic Advisers released a report drawing on a wide array of statistical evidence and survey findings, concluding that “with the world’s largest

consumer market, skilled and productive workers, a highly innovative environment, appropriate legal protections, a predictable regulatory environment, and a growing energy sector, the United States offers an attractive investment climate for firms across the globe.”

Opening the final day of the summit, Pritzker announced changes to the eligibility requirements for the Manufacturing Council, which advises the commerce secretary on policies and initiatives to increase foreign direct investment in the U.S. manufacturing sector, including SelectUSA. The changes will allow representatives from U.S. subsidiaries of foreign-owned or -controlled firms to become members, which will add new perspectives to the council.

Secretary of State John Kerry delivered remarks focused on deepening U.S. economic alliances around the world. Following his address, U.S. Trade Representative Michael Froman moderated a panel with Tennessee Governor Bill Haslam, BMW North America CEO Ludwig Willisch and Caterpillar CEO Doug Oberhelman on how global companies can use their U.S. operations as an export platform by taking advantage of free-trade agreements and bilateral investment treaties.

Throughout the day, speakers from businesses, professional services firms, academia and trade associations helped to demystify aspects of the U.S. economic and regulatory system. The discussions covered the implications of U.S. leadership in the energy sector, advice on effective global talent development, understanding U.S. investment export controls and foreign investment security reviews, and accessing U.S.-based sources of investment and working capital.

Summit speakers also included U.S. Treasury Secretary Jack Lew, U.S. Labor Secretary Tom Perez, National Economic Council Director Gene Sperling, White House Senior Adviser Valerie Jarrett, Wal-Mart U.S. President and CEO Bill Simon, Black Rock CEO Laurence Fink and Dow Chemical CEO Andrew Liveris.

Committed to maintaining the momentum from the summit, Pritzker announced a series of future events in which Commerce Department and SelectUSA officials will participate, including:

- SelectUSA and the American Chamber of Commerce in Spain will host an event in Barcelona and Madrid November 19–21.
- SelectUSA will be at Hannover Messe in Germany in April 2014, the largest manufacturing show in the world.
- SelectUSA will participate in the Offshore Technology conference in Houston, the world’s largest oil and gas

conference, in May 2014.

- SelectUSA teams will travel to Frankfurt, Germany, for AutoMechanika, a global auto industry event, in September 2014.
- SelectUSA will bring city and state economic development professionals face to face with investors in Mexico, Japan and Europe in early 2014.

U.S. Supports Governments Reforming Their Business Climates

04 November 2013

Washington – The U.S. Agency for International Development (USAID) says it partnered with a majority of the top-performing countries identified in a World Bank report as having successfully implemented reforms to create a legal and regulatory environment attractive to entrepreneurship and investment.

On October 29, the World Bank Group released Doing Business 2014: Understanding Regulations for Small and Medium-Size Enterprises. Doing Business 2014 is the 11th in a series of annual reports benchmarking the regulations that affect private-sector companies, in particular small and medium-size enterprises. The report presents quantitative indicators on 11 areas of business regulation for 189 economies.

The U.S. agency said it used its decades of experience in supporting creation of legal and regulatory environments conducive to entrepreneurship and investment to help a majority of top reforming countries in the 2014 report. “Improving the business environment in our partner countries is demonstrating real impact and benefits for businesses,” USAID said on its website. “Numerous USAID missions and projects around the world contributed to these reforms, benefitting millions of entrepreneurs who can now spend more of their time and money investing in their businesses – the engines of growth around the world – rather than complying with unnecessary red tape.”

In Ukraine, overall the top reformer, USAID assistance helped streamline business registration, including launching effective “one-stop” permitting centers throughout the country to make life more predictable and efficient for businesses. USAID supported reforms to streamline the property-registration process in partnership with the Ministry of Justice, smoothing the transition to a new property-registration system and electronic land records.

USAID also supported the new State Registration Service of Ukraine in implementing new registration procedures and helping citizens understand the new system. USAID assistance to improve the ease of dealing with

construction permits helped Ukraine move from the 183rd position to 41st place in the report, “reflecting a major improvement in real estate ownership rights registration and the development of a permit system,” USAID said. Ukraine has decreased the time to acquire a construction permit by 86 percent since 2006, with the most dramatic decline from 2013 to 2014, the agency added.

“While Ukraine’s ranking remains far below that of other economically developed nations,” USAID said in a press release, “and the country still faces major issues in terms of its business climate – especially in protection of investors’ rights and contract enforcement – this year’s progress demonstrated that putting political will behind reform can yield results.”

Other highlights include:

- In Kosovo, USAID supported the government in reducing constraints to starting a business, including reducing the capital requirement for starting a limited liability company, business registration fees and the time needed to register a business. USAID supported reforms designed to streamline the issuance of construction permits, and also helped introduce notaries to Kosovo. These actions have simplified the process of land registration. Since 2010, the number of procedures required to start a business in Kosovo have been reduced by one-third, decreasing costs by 16 percent, USAID said.
- USAID provided technical assistance to streamline cargo-processing times and reduce border delays in Rwanda, which facilitates efficient cross-border trade in the landlocked country. The time to export out of Rwanda has decreased by 57 percent since 2006, USAID said.
- In Guatemala, USAID helped establish one-stop online business registration. This was highlighted as one of the top reforms for the country, which came in among the top 10 reformers of 2014. The time to register a business has fallen by 50 percent since 2004.
- In the Philippines, USAID supports the National Competitiveness Council, which addresses ease of doing business issues. USAID also continues to partner with the government to improve construction permits and land registration. Since 2004, the Philippines has reduced the cost of acquiring a construction permit by 53 percent and reduced the time required by eight days, according to USAID.
- As the implementer of the Millennium Challenge Corporation’s Threshold program, USAID supported Liberia in streamlining the business-registration process. Since 2007, the time to register a business has fallen by 93 percent, from an average of 68 days to 4.5 days.

- USAID's programs have encouraged El Salvador to reduce the number of documents required to import and export out of the country. Time to export has fallen by 41 percent since 2006.

- In Iraq, it used to take three months to start a new business. Entrepreneurs had to make separate trips to the provincial Chamber of Commerce, federal Chamber of Commerce and a bank. It took days just to determine whether a company name was already in use, USAID said. Now, the entire process takes just 24 days. USAID supported Iraq's Ministry of Trade in establishing a one-stop shop for Iraqis to more efficiently register new businesses. There, companies can reserve a company name and fulfill capital requirements. Building off of this success, the government of Iraq, in partnership with USAID, is reviewing all the laws and policies related to business and commerce to simplify regulations and improve the environment for private-sector development.

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