Thank you, Mr. Chairman. I would very

much like to take this opportunity to give you a status report of

where we are on the peace talks and some of that process that is

unfolding in Kenya today.

As you mentioned, Mr. Chairman, the administration has identified

three very clear goals and we are striving to keep focused on

those goals for Sudan.

The first, of course, is to deny terrorists ’ use of Sudan as a safe

haven. I would be happy to go into detail on some of that counterterrorism

coordination, perhaps in a different setting. But I might

just say that Ambassador Frank Taylor, who is the anti-terrorist

coordinator at the State Department, joined me in my trip to Khartoum,

where we discussed the expectations that we have with the

Government of Sudan on this subject. And the Sudanese understand

that their cooperation is appreciated but there are a good

many other requirements that still remain. They understand that

I would be happy to go into any further detail at a different session.

The second area of concentration and focus for our policy, as you

mentioned, is the humanitarian one. The tragedy in Sudan is too

well known by all of us.

And, Senator Frist, you have experienced it firsthand.

We have all seen it, and it is something that we constantly need

to remind ourselves. It motivates us to seek that peace process that

is ultimately what will end the tragedy.

Currently we have a situation in the upper western Nile which

I think my colleague, Roger Winter, will discuss in greater detail

as the expert on the humanitarian relief. Roger has a very good

grasp of exactly what is happening.

But I leave it with just saying that the OLS, the Operation Lifeline

Sudan agreement, has not been lived up to expectations. Access

is not being given. We made it very clear during our recent

trip to Khartoum that we will settle for nothing less than full and

unhindered humanitarian access to all of southern Sudan.

The third area that is our policy focus is, in fact, the peace process.

And under the leadership of Senator Danforth, Secretary Powell

and President Bush, we have remained very focused on this

and, in fact, our State Department team is right now in Nairobi

working with the peace process. I would like to spend just a little

time going into some detail on what we saw and where we are.

The peace process began on June 17 in Nairobi, led by General

Lazaro Sumbeiywo, the Kenyan army commander, who is the

chairman of the Intergovernmental Authority on Development

[IGAD] regional organization that is hosting the talks. I might add

that General Sumbeiywo is an extremely capable and competent

military professional that has immediately caught the attention of

both negotiating parties, that he is a serious man, and he expects

certain things to happen in these peace talks, or the Kenyans and

the IGAD friends of Sudan are simply not going to waste their

time.

These first 21⁄2 weeks, have been relatively successful in the

sense that both parties have sent appropriate level delegations.

They have entered into serious talks. They are open to ideas from

the negotiator, the mediator from Sumbeiywo.

And they also, interestingly enough, are open to the fact that the

United States, the Norwegians and the British have now been

made official observers and, in fact, somewhat acting as advisors

to the IGAD chairman. That seems to be working quite well, and

we are looking forward to progress on that front.

Specifically, General Sumbeiywo has put out a framework, a

skeleton, if you will, of what the key issues are that are going to

have to be negotiated over the next few months. Right now, the one

that they are focused on, as of today literally, is the question of self

determination for the South. It is a tough, but key element of any

deal.

What does that term ‘‘self determination’’ mean? General

Sumbeiywo, with the help of the American and British and Norwegian

observers, is starting to flesh out some of these definitions.

What does it mean to be in command of your own future, if you

will? What does self determination mean in terms of autonomy and

powers to the region? Does it mean they can have their own justice

system? Does it mean they can have their own taxation system?

Can they stand and hold an army?

What does it mean for the South to say that the will of the people

will be heard? Is that a referendum? And if that is a referendum

or a vote, does that come in 5 years, 6 years, 2 years?

So these are all the questions that are now being laid out for

both sides, and that the mediator is actively pushing to get answers

from. He is defining the parameters for the debate, and the

parameters for what the deal must include. There are other issues

that are going to have to be gotten to as well. Self determination

is the first and probably the cornerstone.

But they are going to have to look at power sharing. If there is

autonomy for the South, then does that mean there is some kind

of confederate system sitting up in Khartoum? And, if so, what role

does the South play in that confederacy? What kind of representation

do they have in Khartoum?

If state and religion is going to be addressed, we are going to

have to talk about Sharia. And if Sharia applies to the South, in

what form? If it applies to the entire country, in what form? So the

whole notion of state and religion is going to be a critical issue.

Power sharing includes resource sharing. That would include oil

and the revenues from oil, and how these will be used effectively

with representation from all regions having access to those resources.

So those are the tough issues that General Sumbeiywo and the

IGAD process are putting out on the table.

When I met with representatives from both sides—Dr. John

Garang of the SPLA as well as President Bashir and Vice President

Taha in Khartoum, I got the sense that both sides realized

that this was the first opportunity in a long time that they both

had to negotiate a serious, long lasting, and I would include ‘‘just,’’

peace for that country. I was gladdened to see that they were both

serious about it.

But we are still in fairly early days. There are going to be some

tough decisions coming up in the next few weeks. But I think we

will be able to tell within the next 2 or 3 weeks where these negotiations

are going.

Right now, the time table is July 20. The negotiations will take

a break. We are encouraging both sides to not leave Nairobi on

July 20 without some kind of agreement on some framework.

There does not have to be a comprehensive peace plan including

a cease-fire on July 20. We are realists. We know that would be

great if it happens, but we have to be realistic. But we do expect

there to be some agreement on some structure.

Until that day is reached where we have a comprehensive peace

settlement, the reality is that both sides are fighting and talking.

Of great concern, of course, are the allegations of the attacks on civilians

that, Mr. Chairman, you mentioned, particularly by the

Government of Sudan. This is in direct contravention of the agreement

signed in March of 2002 by both sides not to target civilians.

That was one of the Danforth points.

So we have, in fact, now put together a team led by retired Brigadier

General Lloyd of the U.S. Army, who is now in Sudan putting

together that civilian monitoring team to which you made reference

It was slow going, quite frankly, to get that team staffed

and up and running. We had a whole number of difficulties including

some internal administration, quite frankly, difficulties with

sanctions that prohibit involvement in Sudan. So we had to go back

and get our own sanctions lifted so we could do this.

But nonetheless, it is there. It is going to be a verification unit

that has serious military experience, because that is what it is

going to take to check some of these civilian bombing targets. And

we are looking forward to having that fully staffed and running in

the very near future.

The other initiatives that Danforth laid out in his report, including

the Nuba Mountains initiative, are going relatively better in

the sense that they are up and running. And as you know, the

Nuba Mountain cease-fire has now been extended for another 6

months, and we are very pleased to see that go forward.

A Norwegian general is actually in the lead on the Nuba Mountain

cease-fire. That cease-fire is holding. In fact, food and humanitarian

assistance are getting into the Nuba Mountains for the first

time in many, many years.

You mentioned the Eminent Persons Group chaired by Penn

Kemble and Ambassador George Moose. They have traveled to

Sudan on a number of occasions. Their recommendations are excellent.

That group is an independent body, if you will. It is not part of

the U.S. Government; its members are European, American and

African. We are making sure that they, in fact, do have a chance

to implement their recommendations. And we are now looking for

resources and funding to make sure that that group stays together

and can, in fact, make those recommendations a reality.

The fourth area in the Danforth report is the ‘‘Days and Zones

of Tranquility.’’ We understand that that is actually going better

than it did initially. We had a very rough start but now we are seeing

people and animals being vaccinated for a whole host of diseases,

polio, rinderpest, guinea worm. And the guinea worm work

that the Carter Center has been very, very faithful and very good

about and very effective with, continues. And so we are pleased to

see that going.

Let me conclude by saying we are, as diplomats, cautiously optimistic

in these peace negotiations. In fact, I am probably more than

cautiously optimistic. I am optimistic, because I sensed that there

was a real will by both sides to take this opportunity that is now

available for them in the negotiations that are ongoing in Kenya,

and to do something with it.

Time will tell. In fact, I do not think it will be that long. And

we will be able to know. But I got the sense that the involvement

of the international community, particularly the U.S. Government,

is making a difference, and they recognize that this is an opportunity.

And we are hopeful and we are going to continue to work

hard to make sure that it comes to fruition.

Thank you very much.

Thank you very much, Mr. Chairman. It is indeed an honor to appear again before

this Subcommittee, this time to discuss the Administration’s commitment to

bring about a just peace settlement to end the tragic civil war that has raged in

Sudan since 1983.

Today, I would like to discuss the latest policy developments concerning Sudan,

including my recent trip to Khartoum and Nairobi where I met with the leaders of

the Sudan People’s Liberation Movement and the Government in Khartoum.

When the Administration first laid out its policy towards Sudan, it identified

three elements. First, we would deny the use of Sudan by terrorists as a harbor or

safe haven. Second, we would ensure humanitarian access to southern Sudan, and

third, support a just and comprehensive settlement of the civil war that has raged

there since 1983.

9/11 injected a degree of urgency into our counter-terrorism cooperation with

Khartoum. The President defined the Government’s choice in stark terms: you are

either with us, or you are against us. The Government appears to have calculated

that it could not be against us. While I cannot discuss the sensitive details of their

cooperation in this unclassified setting, I can with confidence characterize their current

cooperation as acceptable, but as the President said, still more is required. Our

Counter-terrorism Coordinator Ambassador Frank Taylor and I just returned from

meetings with the senior leadership in Khartoum on July 2, where we discussed our

expectations for continued cooperation. We also made it clear to them that a good

record of cooperation in counter-terrorism, vital as it might be, does not provide a

free ride on other requirements—particularly humanitarian access and a just peace.

Since February 2002, the authorities in Khartoum have aggravated the human

tragedy in Sudan more than usual by denying complete humanitarian access to the

famine-threatened region of Western Upper Nile. This is in direct contravention of

the terms of the Operation Lifeline Sudan agreement they signed with the UN and

the Sudan People’s Liberation Army (SPLA). We at the Department of State, our

colleagues at USAID, and the President’s Special Envoy for Peace former Senator

John Danforth have repeatedly protested this failure on the part of the Sudanese

Government to honor its agreement and to safeguard the well-being of its citizens

in southern Sudan. I raised the issue directly with President Bashir and Vice-President

Taha in Khartoum on July 2. Bashir offered us humanitarian access to 18 locations

in southern Sudan, including four in Western Upper Nile. I made it clear that

we would settle for nothing less than what the Government has promised to give

us: full and unhindered humanitarian access to all of southern Sudan. I delivered

a similar message on our deep disappointment that the Government’s campaign in

the South continues to violate the human rights of its citizens by denying them access

to needed humanitarian assistance. I want to take this opportunity to reiterate

these messages to the Government of Sudan.

Prospects are quite positive for the peace process that began June 17 in Nairobi.

Lieutenant General Lazaro Sumbeiywo, Kenyan army commander, has provided determined

and capable leadership for the Intergovernmental Authority on Development

(IGAD) regional organization hosting the talks. Our diplomatic team in

Nairobi is providing day-today support for the talks. The British, Norwegians, Swiss

and Italians are providing similar assistance. Here in Washington, we have assembled

an inter-agency Sudan Programs Group headed by a ‘‘Chief Operating Officer’’

for Sudan policy, Ambassador Michael Ranneberger, to manage the day-to-day work

of implementing policies and programs related to the peace process. Presidential

Envoy for Peace former Senator John Danforth, will travel to Europe next week to

consult with our European friends and allies on peace process strategy and will encourage

increased financial support for humanitarian and peace process operations.

Former Senator Danforth plans another trip to Kenya and Sudan next month to encourage

continued forward movement in his meetings with Garang, Bashir and

other key figures in the peace process.

General Sumbeiywo’s objective is to secure agreement by the parties to a framework

by the end of the month, and to achieve a just and comprehensive settlement

agreement by the end of the year. These are extremely high goals, but he believes

they are eminently doable and that the parties possess the political will to reach

agreement. The United States is fully committed to work with the parties to make

General Sumbeiywo’s goals a reality.

Until the day that a just and comprehensive peace settlement is reached, the cold

reality of the civil war in Sudan is that the two parties will continue a policy of

talk and fight. Most recently, the SPLA recaptured Kapoeta, and the Government

took Gogrial. Of greater concern are the allegations of attacks on civilians by the

Government of Sudan in contravention of the agreement signed in March 2002 by

both sides not to target civilians. The fog of war and the scarcity of on-the-ground

reporters who can collect and report the facts have made it difficult to verify these

claims. To help establish ground truth capacity, I have sent retired Brigadier General

Herb Lloyd to Khartoum to establish and head up a verification unit. It will

consist of two groups, each with fixed-wing aircraft: one fifteen person group in the

northern area and a ten person group in the southern area. The mission of each

will be to investigate first-hand any reports of attacks on civilians and report their

findings to the U.S. Government. We will report verified attacks on civilians as violations

of the Geneva Code, to which Khartoum is a signatory. More importantly,

and of more immediate importance to the Sudanese Government, we will interpret

any such violations as an indication of bad faith vis-a`-vis the peace process that will

have a direct, negative impact on prospects for improved bilateral relations.

Mr. Chairman, the civilian verification unit to monitor attacks on civilians is only

the latest of four initiatives the Administration is pursuing to test the seriousness

of commitment of the parties to achieving peace, and to create conditions on the

ground to help end the vicious cycle of war. The first of these initiatives to be implemented

was the cease-fire in the Nuba Mountains, for which we created a Joint

Military Commission (JMC) together with the ‘‘Friends of the Nuba Mountains,’’

which includes Norway, Britain, Switzerland, Italy, Germany, France and Canada,

among others. A Norwegian general, served by Swedish and British deputies, heads

the JMC. As a result of the stabilizing influence that the JMC’s verification efforts

have brought, we have seen something approaching a return of normalcy to the

Nuba Mountains. Internally displaced people are returning to their homes. Normal

economic activity is resuming. Prisoners of war are being exchanged. Goods and people

are moving across the cease-fire lines. We have received word from both sides

that they agreed to a six-month extension of the cease-fire through January 2003,

whereupon they would under the terms of the agreement considered another extension.

I will chair a meeting of the ‘‘Friends of the Nuba Mountains’’ at senior level

here in Washington on July 31. It will evaluate the work of the JMC, outline its

work for the next six months, and encourage other countries to support the JMC’s

work both financially and with the transfer of uniformed military officers to staff

the JMC. The success of the Nuba Mountains cease-fire gives us tangible indications

of what a comprehensive peace agreement could accomplish not only in the South,

but throughout all of the Sudan.

Another of our initiatives was the creation of an international group of eminent

persons, chaired by former Deputy Director of USIA Penn Kemble and Ambassador

George Moose, which traveled to the Sudan to investigate slavery and issued a series

of concrete recommendations for eliminating this nefarious practice. It refuted

the Khartoum Government’s weak assertion that there is no slavery in Sudan, as

well as the equally weak assertions of some European intellectuals that what we

call slavery is nothing more than a traditional practice of abductions. The commission’s

report, available on the State Department Web site, made it clear that slavery

exists in the Sudan, and that the Khartoum regime uses slavery as a tool in its war

on the people of southern Sudan. We are now in the implementation phase, and are

considering ways that the civilian verification unit can be used to investigate and

report the incidence of slave raids by the Khartoum Government and its militia allies.

The fourth and final initiative was the ‘‘Days and Zones of Tranquility,’’ under

which both sides would allow government and non-governmental organization personnel

to vaccinate people and animals against polio, rinderpest and guinea worm

in southern Sudan. I understand that the effort was successful in protecting thousands

of people against polio. The Khartoum Government and SPLA have hindered

progress with the rinderpest and guinea worm inoculations. USAID and non-governmental

organizations continue to administer vaccinations where they can, while we

have made it clear to both parties that we expect them to honor their agreements

to permit access to the other affected regions.

Let me say a few words about Sudan’s efforts to improve its status as a neighbor

in the sensitive Greater Horn of Africa neighborhood. Khartoum has demonstrated

a desire to improve regional stability through support for Ugandan efforts to free

the captives of the terrorist Lord’s Resistance Army and capture its renegade leader,

Joseph Kony. The Sudanese Government reversed its policy of support for Kony and

the LRA by allowing the Ugandan military to hunt the LRA in southern Sudan with

the help of Khartoum’s military. While this reversal of support for a prominent, destabilizing

terrorist organization is promising, the international community awaits

the results of this effort.

Mr. Chairman, I want to close my prepared testimony by assuring you that the

Bush Administration is committed to ending the cycle of violence and suffering in

Sudan by pursuing a just and comprehensive peace in Sudan. We support the Senate

version of the Sudan Peace Act, which shares those same goals. Our approach

is to focus on the big-picture process of achieving a just and comprehensive end to

the war and suffering in Sudan, and not to become bogged down on a divisive issue

that would do little to advance the cause of peace. This will remain our position so

long as we judge that the Sudanese Government is serious about the peace process.

Mr. Chairman, I would like to thank you again for the opportunity to discuss the

Administration’s efforts to end that war and to safeguard the safety and well-being

of all of Sudan’s citizens.

We are getting the report back from General

Lloyd probably at the end of this month, so we will look toward

probably end of the summer before it is fully staffed.

Yes, I would say. I would say that would

be a very good target.

The team’s mandate will be to, in fact,

check and verify any attacks that have been reported and attacks

that affect civilian populations.

There will be two centers. One will be in Rumbeck in the South,

and one will be in Khartoum. And we will have fixed aircraft and

probably some helicopters available to get those verification teams

out to the site and inspect and look and see exactly what happened,

who did what to whom, when and where. And then that report

comes back to the U.S. Government and the international community.

And the leverage that that verification has, we hope, is that both

combatant sides will recognize that there is an objective, independent

team out there that is going to describe and analyze exactly

what happened, and the ramifications will flow from that.

We have $5 million from the U.S. Government

that will go into it, and we are hoping that we will get

additional resources from other international community participants.

In fact, Senator Danforth is going to Europe next week to

discuss with our European allies not only our policy and our tactical

approaches, but also some of these resource requirements.

We think that that is probably going to

be enough. Remember, they will be housed in one of those two locations

and they will have aircraft available to them and so they will

go out and inspect when an incident has occurred. We are certainly

willing and able, we believe, financially to up that staffing number,

if needed.

Two aircraft?

Two aircraft to start with these two centers;

and if additional aircraft is needed, we will make sure that

they will get it.

Yes, $5 million from the United States.

Hopefully, additional resources will come from our primarily European

allies.

What do we have at total budget?

We could do it with $5 million, Colonel

Snyder says, but we would like to get $8 million.

Well, I think it is part and parcel of what

Roger Winter was referring to in the sense that these different

channels are unique, but they all interface with each other at some

point.

So if the humanitarian access continues to be unacceptable or civilian

bombing continues—and I am going into hypotheticals here,

so I need to be a little bit careful. You know, if civilian bombings

are, in fact, verified, that there was not a military target, that it

was a civilian target, I think that you would have to assume that

it would impinge some way upon not only the general bilateral relationship

that we have with Khartoum, but I think it would also

impinge upon the peace process itself. And that is high stakes. And

we hope that both sides know that that is high stakes.

Yes, they are actually translating it into

Arabic now. I believe it has been translated into a European language;

I think French, they did it. There is an excellent participant.

He is an archeologist.

And not to go too into detail, but the European position on some

of these slavery issues has been somewhat different than ours. And

so this report is somewhat of a breakthrough in the sense that we

gained real consensus with our European allies that not only is this

problem real and apparent and that the Government of Khartoum

is not doing nearly enough, but then they also agreed on some of

the implementation mechanisms that might, in fact, slow this down

or prevent this, the slavery. There is——

That is a good question. Hopefully, within

the next few weeks, but we will definitely get back to you on

that.

You know, I think it gets to your earlier

reference about what is in our toolbox? You know, what are some

of these sticks or wrenches or screwdrivers, or whatever?

And I think that they are sometimes subtle and sometimes not

so subtle. The relationship between Khartoum and Washington is

one that is fraught with many problems, both historical and current.

I think there is a general will in Khartoum that they would like

to better that relationship. They would like to better it for the sake

of having a good relationship with the superpower on Earth and all

that means. I think they would like to have a better relationship

with us because of our position in the international financial institutions

and our ability to reduce their access to the IFIs.

They have a host of reasons why they want this relationship to

be a more normal one. And I think if we make it clear to them and,

quite frankly, that in diplomatic channels we have, that things like

civilian targeting, targeting of civilian population groups and installations

and institutions, it is unacceptable and they will not get

a better relationship with us.

As I read the report that the Eminent

Persons Group put together, and as I speak to people like Penn

Kemble and George Moose who were terrific in their leadership on

that, it seems as if the real motivation behind Khartoum on this

entire issue is one of payment. It is through this allowing the slavery

to occur that they can pay various militias and warring tribes

to go do their dirty work, to do their military offenses in areas that

they might not normally operate on a traditional command and

control basis.

So I think it is their way of saying to some of these militia, ‘‘Go

in. Do what we need you to do. And your booty of war is to rape,

pillage and plunder, and take the slaves if you need to take them,

and we will look the other way.’’

This is, you know, analysis that has been suggested by not only

the Eminent Persons Group, quite frankly, but by other NGOs and

other folks that have researched this whole issue.

And, Mr. Chairman, I think that is even

more complicated, quite frankly. And I am not an anthropologist or

a sociologist that I completely understand it, but it seems as if

there is inter-ethnic and inter-tribal competition that would in

some instances encourage one segment of the population to participate

in this practice, No. 1, for gain, capital gain, but, No. 2, as

a way of payback or, in fact, as a way of waging war.

So there is cooperation with those slavers from outside against

a local clan or a local group for either payment or payback.

Senator, I ask that question to myself

every day, quite frankly, when Sudan comes up on my desk. I think

that the Danforth agreement is cause for some optimism.

To get the Government of Sudan to agree to a Nuba Mountain

cease-fire was positive. That cease-fire negotiation took place in

Switzerland over the course of about 11 days. It was an intense,

tough negotiation with the military as well as political leaders, but

we got there.

And it has not been a perfect cease-fire, but it is a cease-fire in

terms of the African context that has held, and it is pretty good.

And folks in the Nuba Mountains are extremely grateful.

So I think when you see examples like that or the Days of Tranquility

which has been reasonably effective, it does give us some

hope.

In an area that we have not touched on very much today—perhaps

it is not appropriate, but on the counter-terrorism side, we

have seen real cooperation there.

So, you know, maybe we are grasping at straws here, but there

are some inclinations. There are some rays of sunshine to suggest

that perhaps we can deal with these folks, and perhaps that they

will live up to their agreements.

The cooperation on terrorism has been

good, as I mentioned, and I am not sure that we are going to know

if the cooperation on the cease-fire or on the peace process itself is

real for another few weeks.

I think we are in a situation right now in Nairobi where there

is, on the table, a very serious and very real outline that could

bring this country to peace. It is an outline or a skeleton, if you

will, that has a lot of gaps in it. I mean, it is bone and no flesh

or meat.

So it has got a long way to go. But it is a skeleton that is there,

and both sides are engaged in a process of discussion and negotiation.

And I think we have got to let that play out.

I am happy to respond to that. It is an

issue that, I think, the Secretary of the Treasury has engaged in

a fairly detailed way, and so I would yield to the Treasury Department

on this.

The administration position is that we much prefer the Senate

version of the Sudan Peace Act. We very much share the goals of

both the Senate and the House version. That is, we want to see

peace in Sudan.

The tactic of section 9 and section 8, we think, is not an appropriate

tactic right now. And we think that we can use the other

tools in the toolbox, as the chairman would say, more effectively at

this time.

I do not think they would, and I do not

think they would do so in relationship to the precedent they would

set. I think we have got some good tools in our toolbox, and I think

we ought to use them. And I think we ought to use them effectively.

And if it does not work and that toolbox turns out to be inadequate,

then I think we need to come back to you all and discuss

how we go forward.

As I understand it, the—and Treasury

would be probably more apt and more capable to answer this. But

as I understand it, there are just a limited number of oil companies

in Sudan right now.

The Malaysians are there. The Chinese are there. There is a Canadian

oil company that is there. And I believe the Canadian oil

company is, in fact, listed either on NASDAQ or the New York

Stock Exchange.

So they would probably be most directly affected.

I think right now they would hinder.

Let me come back to you. I would like to

take that question for the record.

We are actively working with the Eminent

Persons Group now to see how they can keep their group together,

No. 1. And there seems to be very much will to so do. As

I mentioned earlier, it is a group that is not part of the U.S. Government.

In fact, they are very proud that they are not under any

government guidance. But we do see a real need to keep that good

work going. And we think it is important, as do other governments.

In fact, we have been talking with the Norwegian and British

Governments in particular, but we are going to talk to others,

about how we can, in fact, effectively find resources for this Eminent

Persons Group to continue and roll out an implementation

process and procedure.

So we are looking for resources. We are willing to give U.S. Government

moneys to make sure that they stay up and running, and

we hope that our allies will do the same.

I do not want to speak for Penn Kemble,

who is the director, and the chairman, but I got the impression

that he wanted to move in terms of the next quarter.

Yes, in the next few months.

I do. And I think it is one of those situations

where your relationship with a country is not single-faceted.

It is multi-faceted. And this is very much one of those cases.

They are all unique. Counter-terrorism is very different than humanitarian

access, which is very different than the peace process

ongoing in Nairobi.

And yet, they do bleed over into one another. And I think we

have to give ourselves the flexibility, and I sense from the subcommittee

that you want us to give ourselves the flexibility, that

if there is severely bad behavior in one area that we just do not

turn a blind eye to it and carry on going down the path as if it is

not happening in another area.

There are a number of sticks and even—

you can even cross the fields and go back into them. For instance,

on the counter-terrorism side—and, again, I do not want to get into

too great a detail in this setting.

Although there has been good cooperation at that, the humanitarian

situation is not adequate. In fact, it is not acceptable. And

hence what the Government of Sudan may have thought deserving

in that counter-terrorism area is unlikely to occur because of the

other area.

So we are saying to Sudan that there are, you know, multiple

parts of our policy toward this country but that, in fact, they do

intertwine with one another.

And I think the same is true vis-a`-vis the peace process. And the

peace process is something that we have been working extremely

hard on and, as Senator Frist said, have poured a lot of blood,

sweat and tears into. But it is not sacrosanct. And if there is not

cooperation in the other two channels, then the peace process and

our involvement in it will be affected.

Well, I would say the price that is paid

is that the relationship has not been normalized.

I think the price that has been paid is

that the relationship between the two countries has not been normalized.

It is not a normal relationship. And it is not normal because

they have not given us unhindered access. And they know it

and they realize it and it is in their calculation, and it is in their

power to change it. They know what they have got to do.

Yes.

Yes, sir.

We think that their long-term interests

remain the same, quite frankly. What we are pleased with is that

the Egyptians are now recognizing that the IGAD process, led by

General Sumbeiywo, right now has the lead.

The Egyptians clearly want to be a participant in this process

and we, in fact, will keep them very much included and informed

of the process going on in Nairobi. And they have been helpful at

times, coming up with some good ideas because that Egyptian process

did have some worthwhile concepts and ideas and Sumbeiywo

has done a very good job of kind of incorporating some of those notions

into the process, so right now we feel that the Egyptians are

playing a helpful role. And we want to keep them included.

Well, we think that the oil revenues can

be part of the entire power sharing structure. And that power sharing

is one that is going to be negotiated and is being negotiated

right now.

That power sharing includes autonomy for the South. It includes

participation of all groups in some kind of transition Government

in Khartoum. It includes resource sharing.

How they do that, I think we need to leave to the parties. But

there have been some interesting ideas proposed. There have been

some ideas floated that perhaps there needs to be an escrow account

established where certain moneys right now go into an escrow

account to be used in the future for various regions of the

country.

There are some interesting models out there. And I think it is

our job—in fact, we have asked a number of experts in this area—

to come up with a synthesis of some of these models and share it

with the two groups.

What happened in the North Sea is a very different situation,

but it was a resource sharing of a kind, where Scotland got a disproportionate

share than the rest of the U.K. on the North Sea oil.

Indonesia has played around with and very effectively used resource

sharing for different areas.

So there are some interesting models out there, and I think our

job is to show how innovative and creative we can be for the use

of this money in the future.

That is a good question, and it is an administrative

one that we now have our hands around quite capably,

I believe. And that stems from the Sudan Programs Group that we

have now formed, housed at the State Department under the Africa

Bureau. This, the Sudan Programs Group, is really an interagency

group. It has folks from a number of communities within the Federal

bureaucracy, State Department, AID, and there are a number

of different agencies that are involved.

The CEO of that, if you will, the chief operating officer is Ambassador

Mike Ranneberger, who has been our Ambassador in Mali,

and who is returning from Bamako as we speak. And he will, in

fact, be the chief operating officer of that interagency group called

the Sudan Programs Group.

They have a lot of tasks at hand. They are extremely helpful to

the Nairobi team, which is really the on-the-ground negotiating

team that is assisting there. But they are also looking out after the

Nuba Mountain cease-fire, the civilian targeting group that is going

to be legged up.

So they have got a number of tasks. But we think it is adequately

staffed and it is under good leadership, so we are looking

forward to that for——

Yes, sir. Right now we do. I could envision

where it would need to grow, but right now I think it is adequate.

We believe we do. We are going to have

to up that, and we have plans to up our presence. We have some

security situations there that need to be looked at. Our buildings

are deficient, so we have got some resource questions that we internally

have to grapple with, and we are doing so.

I believe they are. I think AID has done

a terrific job on that, and our hats are off to them. They work it

every day.

We do. And that is what I am referring

to as Team Nairobi. They are there. ‘‘They’’ are basically four people,

four U.S. folks, that are attached to our Embassy Nairobi or

attached to Embassy Khartoum.

No, sir. This is their exclusive responsibility.

This is all they are focused on.

Senator, I think it is partially accurate.

The cease-fire in the Nuba Mountains has, in fact, brought the end

of hostilities, so humanitarian assistance can get into an area of

Sudan that, you know well, has not had that kind of assistance in

8 or 9 years. So there has been very positive outcome on that.

The down side is exactly how you just described. There has been,

it seems, some squeeze the balloon and, you know, the air goes

somewhere else. It does seem that some of that has occurred.

We do not have completely accurate intelligence on that, quite

frankly, but it does seem that has occurred and makes the current

peace talks in Nairobi all that much more imperative that we get

to it, because——

We have, as well as the SPLA because

they have participated in the same type of movement of certain as-

sets. So both sides know that that is not what the Nuba Mountains

cease-fire was intended to do.

And we have been discussing this, Senator.

And we are concluding that, in fact, their cooperation on

counter-terrorism is good. We would be happy to go into a different

setting to describe it in some detail for you if you would like.

But at the same time, their efforts on counter-terrorism are not

totally segregated from the rest of the factors that make up that

bilateral relationship with us, namely humanitarian access and the

peace process.

Each of these channels are unique, but each of these channels

are interlinked. So Sudanese cooperation on counter-terrorism

while denying us access to certain parts of the South will not buy

them a better relationship with the United States, and they know

that.

No. We very much share that sentiment

with you.

We certainly do.

They respond by eking out 18 new places

that we can deliver food in, the 18 that Roger referred to, which

is an unacceptable response. Food deliveries need to be totally

unhindered throughout the South. So the government will often

take a mini step that is inadequate. That is how generally they respond

to these kinds of things.

And I agree with you, Senator. And I

think that the peace process under way right now in Nairobi is one

for which we will get a feel for the success of that effort a lot sooner

than 2 years from now. I think we are going to have a sense

of which way it is going to go fairly quickly.

Thank you. It has been my pleasure.