

# Statement of Secretary Steven T. Mnuchin Before the U.S. House Appropriations Subcommittee on State, Foreign Operations, and Related Programs

March 11, 2020

Chairwoman Lowey, Ranking Member Rogers, and members of the Subcommittee, I am pleased to be with you today to discuss the President's Fiscal Year (FY) 2021 Budget and the Treasury Department's top priorities.

I first want to note that the Administration, through the White House Coronavirus Task Force, is taking decisive action to address risks associated with the virus. While public health is our highest priority, we are also working on economic options to support working Americans and businesses affected by disruptions due to the spread of the virus. The Administration is also coordinating with international organizations and counterparts in other countries. We will continue to work closely with Congress on a bipartisan basis on these critical issues.

The President's FY 2021 Budget for the Treasury Department makes clear that we continue to prioritize economic growth, as well as our critical role in international affairs and national security matters. We have included in our requests \$1.59 billion for International Programs. This level of funding reflects the U.S. leadership role in international financial institutions and critical debt relief programs, while ensuring that our contributions are appropriate relative to other countries.

The most substantial portion of the request is \$1.48 billion for the multilateral development banks (MDBs) to alleviate poverty and enhance global growth. I would highlight our commitment to reforming the MDBs by improving their governance, the effectiveness of their development programs, and their focus on support to the poorest countries. We further propose increasing our commitment to the International Monetary Fund's New Arrangements to Borrow and extending it for an additional three years.

We also request \$33 million for Treasury's Office of Technical Assistance (OTA). OTA is playing a critical role in helping countries combat terrorist and other illicit financing, and in helping countries to reduce reliance on foreign aid by improving conditions for private sector-led economic growth.

Finally, we seek support for the Heavily Indebted Poor Countries (HIPC) Initiative in the amount of \$78 million. Through this program, we intend to provide vital bilateral debt relief and restructuring for Somalia.

I am pleased to join you today to discuss ways for us to work together to make our economy stronger. Thank you very much, and I look forward to answering your questions.