

July 19, 2012

The Honorable Steven Chabot  
U.S House of Representatives  
2351 Rayburn House Office Building  
Washington, DC 20515

Dear Congressman Chabot,

I'm writing you in reference to the July 12<sup>th</sup> Middle East and South Asia Subcommittee hearing titled **Chronic Kleptocracy: Corruption within the Palestinian Political Establishment.**

It saddens me to have to write to you, once again, regarding another biased hearing held by your subcommittee. This is not the first time misconceptions were propagated about the Palestinian Leadership and Palestinian institutions. Therefore, it is crucial that a few issues are addressed. First, I would like to point out a few key facts that the hearing did not mention:

- The claim that there is no transparency or oversight over the Palestine Investment Fund (PIF) is totally false. PIF's financial statements are audited *annually* by Ernst & Young externally and by Deloitte internally. In addition, PIF publishes its audited financial reports and investment details on its website (<http://www.pif.ps/index.php?lang=en>). And finally, PIF doesn't even receive any funds from the US anyways.
- Also, according to various US government agencies, including USAID (and I use this quote directly from a February 2009 statement by USAID) "[USAID's] West Bank/Gaza program possess[es] the most comprehensive partner vetting system for foreign assistance throughout the U.S. Government."
- Even after money is transferred to the PA's treasury account, the United States retains prior approval of any transactions from that account, along with a three-year power of audit over those funds; see Jim Zanotti's CRS Report on US Aid to Palestinians August 2010.
- Finally, President Abbas and the Palestinian Authority have zero tolerance for corruption. They have been systematically trying to root it out since 2006. Yet, like any other nation, including the US, we have not eliminated it completely but are committed to doing so.

Needless to say, had our office been approached by your subcommittee we would have gladly provided all this information and more. After all, that is precisely the purpose of our presence here in Washington, DC.

What is more shocking than the inaccuracy in the hearing, however, is the brazen bias manifest in the way this hearing was set up. As one of the Members of your very own subcommittee pointed out, the mere title of the hearing indicated an obvious bias and a disregard for the whole purpose of a hearing; namely, to hear from witnesses and draw conclusions based on their testimony. Moreover, not only was there no Palestinian representation but the choice of witnesses further reinforces this bias. Mr. Schanzer is hardly an authority when it comes to Palestinian affairs and Mr. Elliot Abrams has previously pleaded guilty to withholding information from Congress, and was censured by the DC Court of Appeals for giving false testimony on three occasions before congressional committees. I am shocked and appalled, as I

am sure many American citizens are, that as the Chairman of the Subcommittee, you would permit someone with such a blatant record of dishonesty before Congress to serve as a key witness at congressional hearings.

I am personally dismayed to see the subcommittee turn its back on the American ideals of fairness, justice and due process that I have experienced firsthand in this great country. These kinds of hearings are politically motivated, probably driven by groups who want to sour US Palestinian relations. This is not in the interest of US or Palestine, especially at a time when the Middle East is undergoing major changes.

As always, the Palestinian Leadership remains appreciative of the financial support afforded us by the US Administration and Congress and is committed to maintaining a strong relationship with both. My staff and I are willing to meet with you or your staff to present the facts. We had tried to set up meetings with you in the past but we didn't succeed. I hope this time you will reconsider to discuss this and other relevant issues in the region face to face.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Maen Rashid Areikat', with a stylized flourish at the end.

Maen Rashid Areikat

Chief Representative of the PLO - Washington, DC