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INDEPENDENT

February 6, 2006

The Hon. Randall Tobias
United States Global AIDS Coordinator
United States Department of State
Washington, D.C. 20520

Dear Mr. Ambassador:

First, let me congratulate you on your nomination to be the Administrator of the U.S. Agency for International Development (USAID). It will be a job filled with many rewards and challenges.

Second, I want to raise a serious matter for your consideration with respect to necessary personnel and management changes at USAID.

On October 6, 2005, I sent a letter (attached) to the responsible USAID Assistant Administrator seeking information on USAID funding of the pro-prostitution non-governmental organization called Sampada Grameen Mahila Sanstha [SANGRAM] in apparent violation of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 [Public Law 108-25]. As you know, Public Law 108-25 prohibits funds from being used "to promote or advocate the legalization or practice of prostitution or sex trafficking," and organizations seeking federal funding for HIV/AIDS work must have a policy "explicitly opposing prostitution and sex trafficking."

According to an unclassified State Department memorandum, Restore International, an anti-trafficking organization working in India, was "confronted by a USAID-funded NGO [SANGRAM] while the former attempted to rescue and provide long-term care for child victims of sex trafficking. The confrontation led to the release of 17 minor girls – victims of trafficking – into the hands of traffickers and trafficking accomplices." According to this memorandum, SANGRAM "allowed a brothel keeper into a shelter to pressure the girls not to cooperate with counselors. The girls are now back in the brothels, being subjected to rape for profit."

On November 16, 2005, a USAID briefer asserted to Government Reform Committee staff that USAID had "nothing to do with" the grant to the pro-prostitution SANGRAM, and that the Committee's inquiries were "destructive." Nonetheless, we continue to pursue this matter to ensure that USAID is fully in compliance with Public Law 108-25.

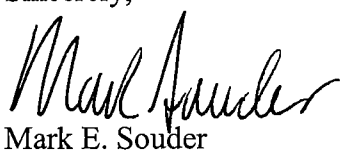
The Subcommittee is now in possession of documents that demonstrate that USAID must provide a revised briefing to Congress on its true role.

These documents prove that USAID money financed the pro-prostitution SANGRAM through a second organization named Avert, which was established with the assistance of four USAID employees as a pass-through entity. USAID has held the ex-officio Vice Chairmanship of Avert since inception.

According to these documents, the USAID board member of Avert voted twice to award funding to SANGRAM (July 27, 2002 and again on December 3, 2004), the last time being some 18 months after the provisions of Public Law 108-25 prohibited taxpayer funding of pro-prostitution groups like SANGRAM.

Upon your confirmation as USAID Administrator, I request that the SANGRAM matter be addressed with unambiguous personnel and management changes to prevent such an outrage from occurring again.

Sincerely,



Mark E. Souder
Chairman
Subcommittee on Criminal Justice,
Drug Policy and Human Resources
Government Reform Committee

Attachment: October 6, 2005 letter to The Honorable James Kunder, USAID

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BERNARD SANDERS, VERMONT,
INDEPENDENT

October 6, 2005

The Honorable James Kunder
Assistant Administrator, Asia and Near East Bureau
United States Agency for International Development
Ronald Reagan Building
1300 Pennsylvania Avenue, N.W.
Washington, D.C. 20523-1000

Dear Mr. Kunder:

Since October 22, 2004, the Subcommittee on Criminal Justice, Drug Policy, and Human Resources has been seeking information from the Administration -- with limited success -- on the management of grants awarded under the authority of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 [Public Law 108-25]. As you know, Public Law 108-25 prohibits funds from being used "to promote or advocate the legalization or practice of prostitution or sex trafficking,"and organizations seeking federal funding for HIV/AIDS work must have a policy "explicitly opposing prostitution and sex trafficking."

On September 15 of this year, you testified before a subcommittee of the Senate Foreign Relations Committee that in India, "Over the next two years USAID will finance skills training and job placement services for thousands of vulnerable women and youth."[1]

Do placement services include those of sex traffickers?

Just the week before your testimony, USAID funding was finally cut off from a non-governmental organization called Sampada Grameen Mahila Sanstha [SANGRAM][2] that had retrafficked women back into a brothel after they had been rescued by a State Department-financed group.

I note with dismay that USAID funding for SANGRAM was terminated only after a concentrated effort by the State Department's Trafficking in Persons office. According to the

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[1] James Kunder, testimony before the Subcommittee on East Asian and Pacific Affairs, Committee on Foreign Relations, U.S. Senate, September 15, 2005, available at http://www.usaid.gov/press/speeches/2005/ty050915.html. (last visited October 6, 2005).

[2] Rema Nagarajan, "US Accuses NGO of 'Trafficking,'" *Hindustan Times*, September 29, 2005, available at http://www.hindustantimes.com/2005/Sep/30/181_1504660,00050001.htm. (last visited October 6, 2005).

Hindustan Times, as many as five organizations in India are under investigation and could lose USAID funding for violating U.S. policies on trafficking.[3]

According to an unclassified State Department memorandum,[4] Restore International, an anti-trafficking non-governmental organization [NGO] funded by the State Department, was "confronted by a USAID-funded NGO [SANGRAM] while the former attempted to rescue and provide long-term care for child victims of sex trafficking. The confrontation led to the release of 17 minor girls – victims of trafficking – into the hands of traffickers and trafficking accomplices." According to this memorandum, SANGRAM "allowed a brothel keeper into a shelter to pressure the girls not to cooperate with counselors. The girls are now back in the brothels, being subjected to rape for profit."

That SANGRAM was a high-risk candidate for not complying with Public Law 108-25 and National Security Presidential Directive [NSPD]-22[5] should not have been a surprise to USAID. SANGRAM was a cosigner, along with many other high-risk candidates, of a May 18, 2005 letter to President Bush opposing the anti-prostitution pledge. USAID Administrator Andrew Natsios is listed in the letter as having received a copy.[6] Additionally, posted on a USAID-sponsored website,[7] a five-year old report from SANGRAM clearly states,

> *We believe that when involuntary initiation into prostitution occurs, a process of socialization within the institution of prostitution exists, whereby the involuntary nature of the business changes increasingly into one of active acceptance, not necessarily with resignation. This is not a coercive process.*[8]

I agree with President Bush that "It takes a special kind of depravity to exploit and hurt the most vulnerable members of society. Human traffickers rob children of their innocence; they expose them to the worst of life before they have seen much of life. Traffickers tear families apart. They treat their victims as nothing more than goods and commodities for sale to the highest bidder."[9] It is inconceivable that an organization like SANGRAM could have received funding from the American

---

[3] Ibid.

[4] "Reported Trafficking Complicity of USAID-funded Indian NGO 'SANGRAM,'" August 22, 2005. On file with the Subcommittee.

[5] NSPD-22, "Combating Trafficking in Persons," dated December 16, 2002. "Our Policy is based on an abolitionist approach to trafficking in persons, and our efforts must involve a comprehensive attack on such trafficking, which is modern-day slavery. In this regard, the United States Government opposes prostitution and any related activities, including pimping, pandering, or maintaining brothels as contributing to the phenomenon of trafficking in persons. These activities are inherently harmful and dehumanizing. The United States Government position is that these activities should not be regulated as a legitimate form of work for any human being."

[6] See http://hrw.org/campaigns/hivaids/hiv-aids-letter/ (last visited October 6, 2005). The controversial activities of cosigners Harm Reduction Coalition and Harm Reduction Project were referenced in a letter from the Subcommittee to Secretary of Health and Human Services Michael O. Leavitt on August 12, 2005, available at http://reform.house.gov/UploadedFiles/8.12%20letter%20to%20HHS%20on%20meth.pdf.

[7] See SANGRAM, "Of Veshyas, Vamps, Whores and Women," available at Synergy HIV/AIDS Resource Center website http://synergyaids.org/resources.asp?id=775 (last visited October 6, 2005).

[8] Ibid, page 27.

[9] "President Announces Initiatives to Combat Human Trafficking," available at http://www.whitehouse.gov/news/releases/2004/07/20040716-11.html (last visited October 6, 2005).

taxpayer had USAID put in place an adequate management system to carry out Public Law 108-25 and President Bush's NSPD-22.

The outrages perpetrated by the USAID-financed SANGRAM lead me to conclude that the ambiguous, incomplete, and overdue responses the Subcommittee has received from USAID with respect to compliance with Public Law 108-25 over the last year are due to USAID's weak management systems and lack of personal accountability. For example, in response to a July 15, 2005 inquiry (attached) concerning compliance with Public Law 108-25 by grantees, the State Department and the Department of Health and Human Services appear to have completed their response in a full and forthright manner. But what was submitted by USAID was grossly inadequate.[10]

I have clearly and repeatedly asked for compliance documents relating to Public Law 108-25 from USAID. With this letter, I once again request those compliance documents, but now I am asking for them directly from you for programs that operate in your region of responsibility.

Do not fob off this responsibility to the USAID Bureau of Global Health. Do not blame our embassies, do not blame the host governments, and do not blame the victims. You are responsible for producing the requested documents, and you will be held accountable.

The Subcommittee staff has asked that you brief them on your management system to comply with Public Law 108-25. I reiterate that request. I ask that you personally oversee the production and transmission of all relevant documents from your region requested on July 15, 2005.

There is a tragic irony in the fact that this Administration seeks to elevate women in the United States to some of the most important positions in the country, such as the President's cabinet and the Supreme Court of the United States; yet, USAID has funded groups outside the United States that promote the ultimate degradation of women. The lack of diligence by USAID in screening out pro-prostitution grantee candidates operating in lesser developed countries "has a whiff of sexism and a whiff of elitism."[11] We do not tolerate such exploitation of women within our borders; I am astounded that our government would finance the trafficking infrastructure outside of them.

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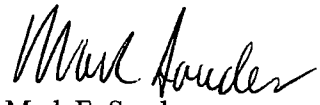
[10] Public Law 108-25 was not signed into law until May 27, 2003, yet USAID's response identifies some Non-Governmental Organizations as having received funding under this law as early as November 14, 1996. Under the category of "Compliance Confirmation," language such as "Received No FY05 Funds" is used. The only information that should be placed in that category is the date of compliance, or words to the effect that the NGO is not in compliance. Of all the USAID grantees identified, exactly three were based outside the United States.

[11] Peter Baker and Dan Balz, "Conservatives Confront Bush Aides: Anger Over Nomination of Miers Boils Over During Private Meetings," *The Washington Post*, October 6, 2005, A1, quoting White House envoy Ed Gillespie. Available at http://www.washingtonpost.com/wp-dyn/content/article/2005/10/05/AR2005100502200.html (last visited October 6, 2005).

If there are any questions, please contact Malia Holst, clerk of the Subcommittee, at 202-225-2577.

Sincerely,



Mark E. Souder
Chairman
Subcommittee on Criminal Justice,
Drug Policy and Human Resources

Enclosure: July 15, 2005 document request

cc: The Honorable Condoleeza Rice

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INDEPENDENT

July 15, 2005

The Hon. Condoleezza Rice
Secretary of State
Department of State
2201 C Street, N.W.
Washington, D.C. 20520

Dear Madam Secretary:

On October 22, 2004, and again on February 11, 2005, the State Department was asked to provide the Subcommittee with information relating to grants awarded under the authority of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 [Public Law 108-25].

Now, nine months later, I find it necessary to file amendments on the State Department authorization bill with the House Rules Committee to provide your Department some additional incentives for its full cooperation with the oversight requests made by this subcommittee.

By August 22, 2005 (ten months to the day of my original request) I ask that the following information be provided to the Subcommittee (both paper and electronic copies): an Excel spreadsheet containing, in separate cells, the names and addresses, and points of contact of all Non-Governmental Organizations which, after the date of enactment of Public Law 108-25, received funding under authority of the President's Emergency Plan for AIDS Relief or the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003. The spreadsheet must include the dates on which funding was awarded, the date the identified Non-Governmental Organizations filed statements with the Federal government asserting the Non-Governmental Organization has a policy "explicitly opposing prostitution and sex trafficking," and paper and electronic copies of the statements of the Non-Governmental Organizations arranged alphabetically.

If there are any questions, please contact Malia Holst, clerk of the subcommittee, at 202-225-2577.

Sincerely,

Mark E. Souder
Chairman
Subcommittee on Criminal Justice,
Drug Policy and Human Resources