<u>Press Releases: Special Briefing on</u> Venezuela

Special Briefing Michael J. Fitzpatrick

Deputy Assistant Secretary, Bureau of Western Hemisphere Affairs

Via Teleconference Washington, DC May 2, 2017

MS NAUERT: Thank you. Hi, everyone, I'm the State Department spokesperson, Heather Nauert. It's nice to talk with you today. I'd like to thank you for joining us this afternoon on this on-the-record conversation call on Venezuela. Today we're joined by Michael Fitzpatrick, Mike. He's the deputy assistant secretary for the Bureau of Western Hemisphere Affairs. He joins us now. And as a reminder, this call will be on the record. The call will be embargoed until the conclusion of the call, and with that I'll turn it over to Deputy Assistant Secretary Fitzpatrick. Mike, thank you.

MR FITZPATRICK: Thank you, Heather. Good afternoon, ladies and gentlemen. If you will permit me, I'm going to start with a bit of a statement here, which hopefully will address some of your questions in advance, and if not, can at least help shape some of our conversation.

But as most of you no doubt know, Venezuela is now entering its second month of near-daily public protests against the policies and actions taken by the regime of Nicolas Maduro. Some 30 people have been killed, hundreds wounded, and well over a thousand arrested since protests began following the Supreme Court's decisions to effectively strip the remaining powers it had not already stripped from the freely elected but overwhelmingly anti-regime members of the national assembly.

Because of the regime's policy choices, the nation of Venezuela now faces a set of interlocking crises — political, economic, social, and humanitarian.

Politically, the regime has polarized society domestically and isolated itself internationally. Last fall, the Vatican-backed political processes stymied when the regime failed to live up to its commitments. Venezuela has since been suspended from Mercosur, the South American common market, and it has rejected multiple diplomatic offers from the OAS and from multiple member-states of the Organization of American States. The regime's own

attorney general criticized the regime's actions as, quote, "having ruptured constitutional order," unquote, and as violating the rule of law.

Economically, Venezuela now has the world's highest rate of hyper-inflation today as hunger spreads and public health concerns increase greatly. Caracas now leads the world in its rate of violent crime. Venezuela is indeed in very bad shape today, but there has been no natural disaster in Venezuela; it is suffering the consequences of a continuing series of bad policy choices by its rulers. But those choices can be reversed or amended by those very same rulers, and in a democracy even the rulers can be changed, for they submit themselves to elections in which the people decide.

It is in this context that the Permanent Council of the Organization of American States met last Wednesday, April 26th. At that session, which was attended by Argentine Foreign Minister Malcorra, a majority of 19 memberstates voted in support of holding a special meeting of consultation of OAS foreign ministers to consider the situation in Venezuela. In their remarks at the session, Venezuela's mission to the OAS strongly opposed the Permanent Council meeting and an eventual meeting of ministers as interventions in its domestic affairs.

Venezuela also announced its intent to leave the OAS, a move which was formalized on Friday with the delivery of a letter to OAS Secretary-General Luis Almagro. And at a rally, a public rally last night for May Day, President Maduro announced that he will now call a new constituent assembly. We have deep concerns about the motivation for this constituent assembly, which overrides the will of the Venezuelan people and further erodes Venezuelan democracy. It comes on the heels of efforts by the Venezuelan Government to prevent elections from taking place and to usurp the authority of the Venezuelan national assembly.

It's the Venezuelan people who should decide Venezuela's future, which is why we once again call on the Venezuelan authorities to promptly hold free, fair, and transparent elections. The Venezuelan people spoke in December 2015 when they elected the current national assembly. They have the right to have their decision be respected. No democratic president can simply turn aside the results of elections or cancel planned elections just because he doesn't like the results.

What President Maduro is trying to do yet again is change the rules of the game. Recognizing his grip on power has slipped, he seeks to stack the deck, to rewrite the rules, so as to assure himself and his cronies continued access to power, privileges, and protections.

What did the regime do when they lost the national assembly elections in 2015? They immediately sacked and then packed the Supreme Court. When they saw they would lose gubernatorial elections in 2016, they canceled the elections. They saw they would lose a recall referendum, they scuppered it. They sabotaged it.

When the national assembly continued to operate democratically, the Supreme Court gutted it. Foro Penal estimates that there are more than 150 political

prisoners in Venezuela today. Human Rights Watch, Amnesty International, and the European Parliament have all called in recent days for the immediate, unconditional release of all political prisoners in Venezuela.

And when the regime saw that the Western Hemisphere had finally had enough, they announced that they were leaving the Western Hemisphere's Community of Democratic Nations, taking their marbles, as it were, and going home.

But now, recognizing that home offers no retreat either, the regime has decided to throw out the constitution as simply unworkable. What they mean is that Comandante Chavez's famous constitution no longer works for them. While many details are not yet — sorry, are not yet known about the constitutional assembly, the initial reports are quite worrying. The international community today is going to be concerned about whether this constituent assembly is going to be a genuine effort to achieve national consensus or at least a legitimate path forward. That is what Venezuela needs; that's what elections provide. Leaving the OAS will not solve Venezuela's problems today, and an autocratic, top-down authoritarian exercise dressed up as a constituent assembly, now, having already lost legitimacy at home and abroad, will not help either.

Let me just close by once again urging nonviolence on all. We urge demonstrators to express themselves nonviolently. We deplore the continuing use of violence against unarmed protesters, and in particular, we deplore the use of *colectivos*, armed bands under the political control of the political party in power to repress protesters while the official security forces idly stand by watching. We remind the public forces of their legal and constitutional responsibilities to protect — not prevent — peaceful demonstrations.

And with that, I'll conclude my opening remarks and turn it back over to the facilitators. Thank you very much.

MS NAUERT: Why don't we go ahead and take the first question.

OPERATOR: Our first question will come from the line of Matthew Lee with the Associated Press. Please, go ahead.

QUESTION: Hi there. Thanks a lot. Welcome, Heather. I think this is your first official briefing as spokesperson, so welcome again.

MS NAUERT: It's my privilege. Thank you.

QUESTION: Listen — so what is the — what is the administration's policy towards this? How exactly do you expect to wield any influence, particularly when the — Venezuela is leaving the OAS? When this had been addressed before, they hadn't yet submitted their formal withdrawal. But now that they have, where does this leave the policy? Thank you.

MR FITZPATRICK: Thanks for the question. Yeah, withdrawal from the OAS — like from many international organizations, it's a process. In the OAS's case, under the OAS charter, it now starts a two-year clock. They cannot leave immediately. During these two years, Venezuela will remain a full member of

the OAS and is required to fill all of its obligations as a member-state. One of the key principles of the OAS charter, of course, is to promote and consolidate representative democracy, which the Maduro administration is clearly not doing at this point.

So they don't have to come to the meetings, but the OAS will continue to be seized of the situation, as they've — have been for at least the last year and a half, since, ironically, in fact, the foreign minister of Venezuela put the issue of Venezuela's internal situation on the OAS Permanent Council's agenda last year.

So the OAS will continue to — sorry, will continue to work the issue. And as mentioned, there will be this special meeting of foreign ministers coming up in the coming weeks to discuss not only the planned withdrawal of Venezuela from the OAS, but also now the issue of the constituent assembly. Both of those, no doubt, will be issues at the special meeting of foreign ministers, as well as the ongoing situation domestically and the possibilities of trying to restart, whether domestically or internationally, some form of mediation, some effort to get the sides back together and have the government start living up to its previous commitments.

MS NAUERT: Okay. Can we take the next question, please. Thanks, Mike.

OPERATOR: That will come from the line of Yeganeh Torbati from Reuters. Go ahead, please.

QUESTION: Hi. Thanks so much for doing this. Just to follow up a little bit on Matt's question, can you talk at all about sort of what measures the State Department or the United States would be prepared to take in terms of either downscaling U.S. diplomatic presence in Venezuela or considering any sort of further sanctions beyond the ones on government officials that came a couple months ago, but perhaps commercially for sort of human rights concerns? Are you — any — any sort of, like, specific diplomatic or economic actions that you're considering at this point?

MR FITZPATRICK: Well, one of the first things we're doing diplomatically is consulting with all of our neighbors and colleagues in the region. Because Venezuela's problem is not with the United States, it's with — quite frankly, the regime has problems with its own people. And so through the OAS and in consultation with a number of likeminded nations in the hemisphere, the United States will be working in close concert with other nations to develop a holistic regional approach in response to what the government of Maduro is doing now.

And in terms of any unilateral issues or steps that the United States might take in the coming weeks, I'm not going to speak to that at this juncture. Just to note that we continue to review our standing on the ground there, but again, well, just as background for you all, we have not had an exchange of ambassadors in a number of years now between Caracas and the United States.

And in fact, the OAS has been a very important vehicle for - not only for Venezuela to explain itself to the region, but frankly for the United States

and Venezuela to work together on a number of issues in the past. Their announcement that they will no longer be attending OAS meetings is a step backward for themselves. Again, it will be very quickly seen as one more step towards isolating themselves, one more opportunity for the Maduro regime to drive further into the cul-de-sac that they've driven the nation.

MS NAUERT: Okay. Next question, please.

OPERATOR: That question will come from the line of Lucia Leal with EFE. Please, go ahead.

QUESTION: Hi. Thanks for doing the call. I just wanted to follow up on the calling of a new constitution. Do you see this as an attempt by Maduro to consolidate power and dismiss to the 2018 elections? And the opposition is saying that it's a coup. Would you go as far as to call it a coup? And would you like them to rescind this process altogether, or would you see a way that this constitutional process can lead to a positive outcome?

MR FITZPATRICK: Thanks for the question. Well, clearly what they've decided to do with this constituent assembly is — they were supposed to have another round of elections this year, to say nothing of the elections that were supposed to be held last year. And what clearly the regime has decided, as I said before, is they've decided once again to change the rules of the game in mid-play. Things weren't working out for them, so they're going to try something else.

And the presumption at this point — we don't have a lot of details yet. The president announced last night — President Maduro said we'll get you the details of all this later. But clearly I think one of the motivations for this was to not have to do the municipal elections, not have to do the overdue regional elections, but instead move forward with a rather handpicked, possibly, selection of people to go to this constituent assembly.

President Maduro spoke last night of selecting people from different, if you will, guilds or strata of society. Quite frankly, it was rather corporatist, if folks know what I mean by that, going back to some of the regimes we saw in different parts of the world during World War II, where you would, say, pick two fisherman, pick two truck drivers, pick someone who is a street sweeper, and from presidential, as they would say in Mexico, dedazo, the preselection individually of who the candidates are. He's stacking the deck, and they're trying to preordain the outcome of this.

The concern, again, is that this process, the constituent assembly is not — from initial indications, it is not shaping up to be a genuine effort at national reconciliation, which is really what Venezuela needs now. So therefore, we view it as a step backwards.

OPERATOR: We'll go next to the line of Nick Wadhams with Bloomberg News.

QUESTION: Hi. Thanks very much. I just want to try to get you to clarify a little bit on what you see as the possibility of dialogue. I mean, we've seen growing violence and unrest in the streets of Venezuela. The opposition has

said repeatedly that they won't come to the table again unless elections are called. Yesterday's events make that seem increasingly unlikely. So what next? And do you see the possibility of actual dialogue diminishing? Do you still see that as a viable option? Thanks.

MR FITZPATRICK: Well, as a diplomat by training, we have to hope and expect and, indeed, try to work for space for civil communications as a solution. At the end of the day, it's what's going to bring Venezuela out of its crises, one way or the other. Whether that's before or after continued violence is, quite frankly, up to the regime of Nicolas Maduro. The responsibility lies with that regime.

The opposition has repeatedly called for the government to live up to the four commitments it made under the Vatican-backed process last fall: first and foremost, freedom for political prisoners; second, the publication and implementation of an electoral calendar; and third is respect for the authority and responsibilities of the national assembly; and last, but not least, is the government should be tending to the humanitarian — the urgent humanitarian needs of the Venezuelan people.

Quite frankly, if the Government of Venezuela did those four things, which it itself committed to do, people would go home. They wouldn't be in the streets; they wouldn't be calling for milk for their hungry children; they wouldn't be calling out the regime for a homicide rate that's off the charts. And the democratic system would be working effectively and moving forward, and if that means dialogue as part of that, all to the better. But at some point, there will have to be dialogue.

And I should also underscore that neither the OAS, Secretary General Almagro, nor the United States Government, nor any of the other member states of the OAS are turning their back from the Government of Venezuela. All of us remain willing and able and desirous of dialogue with the Government of Venezuela. But again, it has to be in the context — as even the Pope said the other day, there have to be conditions attached. And I think he was referring to the conditions and the commitments laid out last fall and agreed to by the Government of Venezuela.

With some good faith efforts by the Government of Venezuela to demonstrate their ability to actually listen to the people of Venezuela, this can be solved quite quickly. The fear is that it will take some time.

OPERATOR: Our next question will come from the line of Gustau Alegret from NTN24. Go ahead, please.

QUESTION: Thank you for this opportunity. While Venezuela decided to leave the OAS after the Permanent Council approved the resolution to call foreign minister council for consultations, what's the U.S. — what the U.S. expect from this council, and if it's called, as expected, has the Secretary Tillerson plans to attend it? And also, if I may, after the last U.S. sanctions against members of the Maduro government, particularly against the Tareck El Aissami, has the U.S. taken any further steps to implement those actions, or is the U.S. preparing new actions, new sanctions against members

of the government of Maduro? Thank you.

MR FITZPATRICK: Okay. Thanks. There were a couple of questions in there. First, what do we expect from the ministerial meeting. First of all, there has not been a date set yet for that, so it is not clear who would be attending for any of the member states just yet, including the United States. When that is established, I assume we will make an announcement as to who would be leading the United States delegation at that time, depending on when and where it is.

In terms of additional sanctions, you mentioned the sanctions against Vice President Tareck El Aissami in January. He was put on the OFAC, OFAC Kingpin list as a significant international narco trafficker. Following up on that, there are a number of actions that are taken by international financial institutions, American banks, and others looking for assets that are owned either by him or by his — I've forgotten the English word — front man, testaferro — what do we call it? Front man.

STAFF: Yeah, front man.

MR FITZPATRICK: The Department of Treasury perhaps can give you some additional information as to exact amounts of moneys that have been blocked thus far, because it's an ongoing activity. But it's my understanding at this point that it's hundreds of millions of dollars that are blocked in the United States financial system. And that's, again — this sort of sanction by the United States is — this is a defensive, sovereign sanction by the United States. It is to protect our own financial system and to protect our own — our homeland. We don't want narcos in our country, thus their visas are taken. We don't want their money laundering through our financial system or perverting prices in our economy or anything else, and thus, those assets are blocked. So that's just one example. There are others that are possible. I'm not going to speak to them at this time.

Again, we will be talking with other members in — other countries in the region as well about coordinated sanctions, to the extent possible. But we also continue to look, as we always do, under U.S. sanctions. And, of course, the actions that were taken yesterday may well give us new reasons for considering additional individualized sanctions under the Venezuela Democracy Act of 2014.

OPERATOR: Our next question will come from the line of Juan Lopez with CNN Espanol. Go ahead, please. Mr. Lopez, your line is open.

QUESTION: Hi. Yes, yes, I'm here. From hearing you, it seems that the U.S. has very limited options on how to deal with this because (inaudible). If I hear you correctly, this is going to have to be resolved by dialogue; it's going to be the Venezuelans. Or will the international community, will the U.S. have a role? Is there something the U.S. can do to change this or is this something that's going to unravel on its own?

MR FITZPATRICK: I'm sorry. I — that was very hard to hear. Could you repeat the essence of the question, please?

QUESTION: Yes, it seems from hearing you, it seems that the U.S. has very limited options on dealing with Venezuela and the current crisis there. Is there anything in particular the U.S. can do, that the international community could do, or is this — will this unravel by itself in Venezuela and be resolved by the Venezuelans in one way or another?

MR FITZPATRICK: At the end of the day, this is a Venezuelan problem, and it will — in order to be durable, any solution will have to be with Venezuelan buy-in from all sides. So yes, it will require, ultimately, a Venezuelan solution to a Venezuelan problem.

But again, that does not mean that the international community — the OAS, the United States, European Union, humanitarian donors — that is not to say that none of us have a role to play. We do. We stand ready to assist on humanitarian assistance, if only the Government of Venezuela would ever actually permit even the United Nations to assist in responding to a number of humanitarian — or sorry, medical challenges that are now facing the country. They are facing a resurgence of a number of diseases that had been on the verge of extinction in the hemisphere that are now causing serious concern not just in Venezuela, but, needless to say, for neighboring states.

So there is an international role to be played here, but at the end of the day, just to underscore that point, it is going to require an agreement amongst the Venezuelans. They need to live together or get a divorce, and it's kind of hard to divorce your country, so they need to find a way to live together.

OPERATOR: Our final question will come from the line of Kylie Atwood with CBS News. Go ahead, please.

QUESTION: Hey, thank you for doing this. I have two questions, the first of which is I know that Tillerson has spoken out about what's happening in Venezuela, but has he had any contact with anyone from the Venezuelan Government since he's been Secretary?

And my second question is that it's my understanding that the U.S. embassy officials were going to be visiting American prisoner Joshua Holt today. I know that doesn't fall necessarily under the Venezuela desk. Maybe you have an update for us, though, on if that visit actually happened?

MR FITZPATRICK: Thank you. Thanks for both those questions. I'll take both of those for you and we'll get back to you with answers.

QUESTION: Thanks.

MS NAUERT: All right. Thank you, Deputy Assistant Secretary Fitzpatrick, and thanks, everyone, who joined in on the call this afternoon. It is now concluded and the embargo has been lifted. We'll talk to you again soon. Thank you so much.

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Press Releases: Israel's National Day

Press Statement Rex W. Tillerson

Secretary of State

Washington, DC May 2, 2017

On behalf of President Trump and the American people, I am delighted to offer my congratulations to all Israelis as you celebrate your 69th Independence Day.

As the President remarked before meeting Prime Minister Netanyahu in February, "the partnership between our two countries built on our shared values has advanced the cause of human freedom, dignity and peace." As Israel has endured and flourished over nearly seven decades despite unfathomable challenges, so too has the unbreakable bond between our two nations.

In these uncertain times, the steadfast commitment of the United States to the State of Israel will remain a constant. We look forward to even further strengthening a partnership that has long contributed to our mutual security and prosperity. I wish the people of Israel a Yom Ha'atzmaut sameach.

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Press Releases: On the Occasion of Poland's Constitution Day

Press Statement Rex W. Tillerson

Secretary of State

Washington, DC May 2, 2017

On behalf of the United States of America, congratulations to the people of Poland on the 226th anniversary of your historic constitution.

The United States and Poland are close friends, and our partnership continues to strengthen. We share democratic values, strong cultural and historical ties, and a security relationship based on mutual commitments. The United States is particularly proud to have U.S. troops deployed in Poland, working alongside their Polish counterparts to protect Poland, the United States, and all of our NATO Allies. As we work together to ensure our security and combat terrorism and other threats, we reaffirm our shared commitment to uphold democratic values and the rule of law, setting a standard in defense of freedom for others to emulate.

The U.S.-Poland friendship is also grounded in an economic relationship that makes both countries stronger. More than half of the top 100 U.S. companies are invested in Poland, and Poland is the leading trade partner of the United States in Central Europe. In the coming years, we hope to expand opportunities for economic growth between our two countries.

The United States looks forward to a future of continued cooperation and friendship with Poland.

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<u>Press Releases: Republic of the Marshall Islands Constitution Day</u>

Press Statement Rex W. Tillerson

Secretary of State

Washington, DC May 1, 2017

I am pleased to extend warm greetings to the people of the Republic of the Marshall Islands on behalf of the United States as you commemorate your Constitution Day.

The United States and the Marshall Islands have a close historical relationship that predates your independence and endures through our close cooperation and the Compact of Free Association. The relationship our two countries share is based on a unique history, common democratic values, and commitments to global peace and security.

We value the sacrifices many Marshallese have made serving in the U.S. Armed Forces. We appreciate your support at the United Nations and look forward to continued cooperation.

The United States remains committed to our partnership with the Marshall Islands and to the strong friendship between our people.

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<u>Celebrating National Small Business</u> Week

Today I had the privilege to celebrate National Small Business Week with the Small Business Administration and small business owners from all across America.

Since 1963, the White House has honored America's small businesses by marking this National Small Business Week and recognizing the tremendous contributions that small businesses make to our country every single day.

Just this weekend, President Trump declared that "small business owners embody the American pioneering spirit and remind us that determination can turn aspiration into achievement."

I know firsthand how true that statement is. I grew up in a small business family in a small town in Columbus, Indiana. I went to work at my father's gas station when I was only 14 years of age. And as the world knows, President Trump grew up in a family business, too.

We both know the sacrifices that are required to make a business work. And we know that when small business is strong, America is strong.

A stunning 99.7 percent of all American businesses are small businesses. And no fewer than 57 million Americans work for small businesses — nearly half of all private-sector jobs in the United States.

Our economy, from coast to coast, depends every day on small businesses.

President Donald Trump wants to help them become stronger and more successful than ever — because this President is the best friend that America's small businesses will ever have.

On Day One, President Trump went right to work picking a world-class cabinet full of business leaders who know what small businesses need to succeed.

He has signed more bills cutting job-killing regulation than any President in American history. And he's instructed every agency in Washington, D.C. to find two regulations to get rid of before issuing any new ones.

President Trump authorized the Keystone and Dakota pipelines to protect America's energy future. We're cutting back the mandates and rules that are raising energy costs and making it harder for small businesses to grow and get ahead.

No matter where you look, President Trump has taken decisive action to get government out of your way — so that America's small businesses can do what they do best — innovate, create jobs, and grow.

Just last week, President Trump laid out his plan for one of the biggest tax

cuts in American history. We're going to cut taxes across the board for working families, small businesses, and family farms.

We're going to repeal and replace Obamacare — to end its burden on America's job creators and to give the American people the low-cost, world-class health care they deserve.

We're going to keep slashing through red tape and rein in unelected bureaucrats so they can't cripple the economy from the comfort of their taxpayer-funded desks.

We're going to roll back Dodd-Frank so that small businesses have full access to the best financial system in the world.

And we're going to pass an infrastructure package so that America has the best roads, the best bridges, the best highways, the best airports, and the best future we've ever had.

Under President Trump's leadership, we're going to do all this and more - so that every small business, and anyone who dreams of someday starting a small business, has the best shot at success.

This week we celebrate all that small businesses have achieved, and all that they do for America every single day. I have faith that under President Donald Trump, America's small businesses will continue to lead the way — to drive our economy and foster a brighter future for their communities and our country — just as they always have.