

H.R. 2712

There should be concern regarding H.R. 2712 - the "Palestinian International Terrorism Support Prevention Act of 2017". While it is appropriate to support elimination of financial backing for foreign supporters of terrorism, this legislation, in Sections (3) and (4) of the bill's Findings, erroneously and unfairly targets Qatar - an important American regional ally.

Qatar is a critical American security partner in the Middle East. A strategically-located peninsula in the Persian Gulf, Qatar houses nearly 11,000 U.S. military personnel at its Al Udeid Air Base. Al Udeid is manned by members of the Air Force, Navy, Army, Marines and coalition partners. According to the Air Force, the Combined Air and Space Operations Center in Qatar- which oversees U.S. military power in Afghanistan, Syria, Iraq and 18 other nations - is the "nerve center" of air campaigns throughout the region.

Qatar is an important economic ally of the U.S. in the Middle East. According to the Office of the U.S. Trade Representative, \$6.3 billion in two-way trade occurs between the U.S. and Qatar. The U.S. also enjoys a \$3.6 billion trade surplus with Qatar. Additionally, Qatar is a major source of direct investment in the U.S. with the Qatar Investment Authority (QIA) planning to invest \$35 billion in the U.S. through 2020. According to Real Capitol Analytics, QIA is the fourth largest investor in U.S. office space.

A memo submitted to Congress by U.S. Ambassador to the United Nations (UN) Nikki Haley earlier this fall stated unequivocally that "the Qatari government does not fund Hamas." Haley also stated that the presence of Hamas representatives in Doha does not imply support for Hamas, and that Qatar believes that their presence limits Iran's influence and pressure over Hamas. The memo further notes that Qatar recently expelled some Hamas members and has "committed to take action against terror financing, including shutting down Hamas bank accounts." Contrary to the Findings section in H.R. 2712, the Ambassador describes Qatari aid to Palestinians as "reconstruction efforts" which are done "in coordination with Israel and the U.N."

An recent meeting between the U.S. Treasury Secretary and His Highness Sheik Tamm bin Hamad Al Thani, Emir of Qatar, reaffirmed joint efforts between the U.S. and Qatar to defeat terrorism and its financing. According to the joint statement: "The United States and Qatar have a shared understanding that the

improvements initiated in the past several months...form the first step of what must be a sustained and enduring campaign to counter terrorist funding.”

The problematic language in H.R. 2712 threatens recent progress between the U.S. and Qatar to combat terrorism and its financing. Furthermore, the unintended impact of the legislation will chill the robust economic relationship between the U.S. and Qatar and potentially negatively impact the thousands of American military personnel stationed in Qatar.

Of particular concern for Missouri is that in December of 2017 Boeing Company was awarded a \$6.2 billion contract to build and provide 36 F-15 aircraft for Qatar's airforce. While companies and U.S workers across the contract will be engaged in design and manufacturing of the components of these planes, most of the final assembly will be done by Boeing in Missouri with an estimated economic impact of \$164 million in Missouri and will include 3000 well paying jobs.

If HR 2712 were to become law and by continued misunderstanding of the facts, the Administration was pressured into implementing sanctions, the fulfillment of this contract and those jobs would be jeopardized.

*These materials are distributed by an agent of the State of Qatar. Additional information is on file with the Department of Justice, Washington, District of Columbia.*