# Issue Brief

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## United Nations' Dues: #1 USA Contributes Record \$8.3 Billion

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#### **Executive Summary**

**F** rom the formation of the United Nations to the present, the United States has been the largest contributor, giving a record \$8.3 billion to 37 organizations, agencies, commissions, programs, and funds during 2010. For the majority of these budgets, the U.S. contributes 22-27 percent, even though the U.N. is a 192 Member Nation organization. Tracking U.S. federal government funding from 17 departments and agencies was so complicated that Congress finally required the Office of Management and Budget to provide a complete report.<sup>1</sup> Even that report only lists 26 U.N. agencies,<sup>2</sup> but I found U.S. funding of 37 (see Table 1 on the next page).

Of the \$8.3 billion from the U.S. in 2010, U.N. Peacekeeping received the largest share at \$2.846 billion (U.S. assessed 27.3% of budget); the World Food Programme second at \$1.565 billion (U.S. share 36.3%); the U.N. High Commissioner for Refugees third at \$707 million (U.S. share 37%); and the U.N. Regular Budget fourth at \$651 million (U.S. share 22%). Also, the U.S. gave over \$100 million to six other U.N. entities, and over \$50 million to four more.



Only six nations – United States, Japan, Germany, United Kingdom, France, and Italy – contribute 60 percent of the U.N. Regular Budget. Just 15 nations – adding Canada, China, Spain, Mexico, South Korea, Australia, Netherlands, Brazil, and the Russian Federation – provide about 81 percent of U.N. funding (see Table 2). The other 177 Member Nations cover the balance of 19 percent. (See Table 3 for scale of assessments comparison.)

The Obama Administration is profusely supportive of the United Nations, and along with most U.S. Senators, highly reluctant to criticize the organization or press for reforms. At least the U.S. House of Representatives' Committee on Foreign Affairs is becoming increasingly concerned about the U.N.'s lack of accountability with billions of U.S. taxpayer dollars.

## U.S. Concerned About High Cost and Lack of U.N. Accountability

The Committee on Foreign Affairs held two hearings in January and March 2011 to address "urgent problems" – including rapid cost increases and U.N. opposition to any meaningful accountability – and the need to reform the United Nations. Chairman Ileana Ros-Lehtinen plans to introduce legislation that would place "conditions (on) our contributions," and wants to shift "to a voluntary funding basis" for the U.N. Regular Budget, just as the U.S. does with its donations to UNICEF. Further, Chairman Ros-Lehtinen said,

U.S. policy on the United Nations should be based on three fundamental questions: Are we advancing American interests? Are we upholding American values? And are we being responsible stewards of American taxpayer dollars? Unfortunately, right now, the answer to all three questions is 'No.'<sup>3</sup>

Former Ambassador Mark D. Wallace, who

served as the U.S. Representative for Management and Budget to the U.N. during the George W. Bush Administration, testified at the hearing about the "lack of transparency and accountability ... and blooming budgets."<sup>4</sup>

## U.S. Actual Contributions to the U.N. in 2010

Let's look at the specific U.N. budget areas to which the U.S. contributed \$8.3 billion in 2010. In most, the U.S. was by far the largest contributor.

Iddle 1: U.S. Contributions to U.N. System in 2010					
United Nations System	U.S. Ratio	Rank	2010		
(U.S. contributes to 37 entities & programs)	<b>2010</b> <sup>5</sup>		<b>Contribution</b> <sup>6</sup>		
U.N. Regular Budget	22%	1	\$650,693,000		
Convention on International Trade in	22.6%	1	\$1,135,359		
Endangered Species of Wild Fauna & Flora (CITES) <sup>7</sup>					
Food & Agriculture Organization (FAO)	25.1%	1	\$161,296,000		
International Atomic Energy Agency (IAEA)	25.559%	1	\$185,460,000		
International Civil Aviation Organization (ICAO)	25%	1	\$22,782,000		
International Criminal Tribunal for Rwanda (ICTR)	27.01%	1	\$33,607,000		
International Fund for Agricultural Development (IFAD) <sup>8</sup>	7.87%	1	\$30,000,000		
International Labor Organization (ILO) <sup>9</sup>	22.55%	1	\$132,486,000		
International Maritime Organization (IMO)	3.14%	11	1,261,000		
International Organization for Migration (IOM) <sup>10</sup>	3.24%	1	\$419,498,610		
International Telecommunications Union (ITU)	8.68%	1 tied	\$9,361,000		
International Tribunal for the Former Yugoslavia (ICTY)	20.97%		\$42,202,000		
Int'l Union for Cultivation of Nature & Natural Resources (IUCN)	2.8%		\$446,000		
Multilateral Fund for Implementation of Montreal Protocol <sup>11</sup>	17%	1	\$28,927,541		
Pan American Health Organization (PAHO)	59.445%	1	\$59,811,000		
Preparatory Commission for the Comprehensive	22.302%	1	\$26,918,000		
Nuclear-Test-Ban Treaty Organization (CTBTO)					
RAMSAR Convention on Wetlands	22%	1	\$1,292,000		
U.N. Capital Master Plan (CMP) <sup>12</sup>	22%	1	\$75,534,800		





U.N. Children's Fund (UNICEF) <sup>13</sup>	19.15%	1	\$340,671,000
U.N. Development Programme (UNDP) <sup>14</sup>	11.5%	1	\$22,315,000
U.N. Educational, Scientific & Cultural Organization	22%	1	\$84,523,000
(UNESCO)			
U.N. Environment Programme (UNEP) <sup>15</sup>	9.8%	1	\$22,957,000
U.N. Framework Convention on Climate Change (UNFCCC)	21.451%	1	\$3,389,000
U.N. High Commissioner for Refugees (UNHCR) <sup>16</sup>	37%	1	\$706,879,000
U.N. Human Settlements Programme (U.NHABITAT) <sup>17</sup>	10%	2	\$18,055,168
U.N. Office on Drugs & Crime (UNODC) <sup>18</sup>	6.49%	2	\$35,201,000
U.N. Peacekeeping	27.3%	1	\$2,845,870,000
U.N. Population Fund (UNFPA) <sup>19</sup>	10.1%	3	\$51,400,000
U.N. Relief Works Agency for Palestine Refugees (UNRWA) <sup>20</sup>	26.5%	1	\$247,872,993
U.N. Volunteers Programme (UNV) <sup>21</sup>	0.4%	1	\$472,800
Universal Postal Union (UPU)	5.97%		\$2,373,000
World Climate Research Programme	27.0%	1	\$6,000,000
World Food Programme (WFP) <sup>22</sup>	36.3%	1	\$1,565,157,943
World Health Organization (WHO) <sup>23</sup>	23%	1	\$386,706,000
World Intellectual Property Organization (WIPO) <sup>24</sup>	10.75%1 tied		\$1,139,475
World Meteorological Organization (WMO)	21.66%1		\$15,092,000
World Trade Organization (WTO) <sup>25</sup>	12.962%	1	\$24,550,028
Total U.S. contributions to United Nations System			\$8,263,335,717



#### Top 15 U.N. System Donors

How does U.S. giving compare to other Member Nations of the United Nations? Let's compare the top 15. Don't miss the fact that the U.S. and Japan cover one-third of most budgets, and that the 15 nations below cover 71 to 88 percent of the selected budgets.

#### Table 2: Top 15 National Contributors to United Nations System

(in USD millions; rank based on U.N. Regular Budget Dues rate; sources same as for Table 1)

Top 15 Nation	U.N. Dues	U.N.	UNHCR	ILO	UNICEF	WFP	WHO
contributors	Rate	Budget <sup>26</sup>					
United States	22%	\$650.693 <sup>27</sup>	\$553.830	\$85.535	\$340.671	\$1,565.158	3 \$109.923
Japan	12.53%	264.959	135.249	64.661	175.046	214.406	77.212
Germany	8.018%	169.549	42.295	33.363	15.986	95.350	39.837
United Kingdom	6.604%	139.648	21.338	25.835	258.134	156.998	30.849
France	6.123%	129.477	19.276	24.510	14.729	20.684	30.156
Italy	4.999%	105.709	9.005	19.755	15.695	25.692	23.590
Canada	3.207%	67.815	43.837	11.578	134.610	285.529	13.827
China	3.189%	67.435	0	10.373	1.717	4.060	12.387
Spain	3.177%	67.181	21.654	11.543	127.471	82.374	13.785
Mexico	2.356%	49.820	0	8.779	.214	0	10.483
South Korea	2.260%	47.790	2.600	8.452	6.200	5.148	10.093
Australia	1.933%	40.875	40.761	6.952	120.736	83.930	8.300
Netherlands	1.855%	39.226	61.664	7.286	158.758	74.424	8.699
Brazil	1.611%	34.066	.800	3.410	4.686	12.774	4.069
Russian Fed.	1.602%	33.876	2.000	4.669	4.000	32.000	5.574
Total		\$1,908.119	\$954.309	\$326.701	\$1,378.653	\$2,658.527	\$398.782
Total Budget		\$2,166.552	\$1,327.518	\$388.798	\$1,935.909	\$3,479.994	\$472.557
Percent of Total	81.464%	88.07%	71.89%	84.03%	71.21%	76.39%	84.39%

#### **Striking Comparison of Assessments**

The U.N. Committee on Contributions, of which the U.S. is a member with one vote, determines the scale of assessments for each nation to the Regular Budget. The primary factors are Gross National Income (GNI) and the capacity of a nation to pay the assessments. The majority of countries are low-income "developing nations." Note that 174 nations are assessed less than 1 percent, and the poorest countries pay as little as \$21,146 of the Regular Budget.



Table 3:	Comparison	of Nationa	ıl U.N. Regular	Budget	Assessments <sup>28</sup>
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Percent of Assessments	Groupings by Assessment Rates	Amount Assessed
Assessed 22%	1: United States	\$598.3 million <sup>29</sup>
Assessed 12.53%	1: Japan	\$265.0 million
Assessed about 5 - 8%	4: Italy, France, UK & Germany	\$105.7 – 169.5 million
Assessed over 3%	3: Spain, China & Canada	\$67.2 – 67.8 million
Assessed over 2%	2: South Korea & Mexico	\$47.8 – \$49.8 million
Assessed over 1%	7: Sweden, Belgium, Switzerland, Russian	\$22.5 – 40.9 million
	Federation, Brazil, Netherlands & Australia	
Assessed about 0.5 - 0.9%	11 nations	\$10.5 – \$18.4 million
Assessed 0.1 - 0.4%	22 nations	\$2.2 – 8.3 million
Assessed 0.010 - 0.097%	55 nations	\$0.21 – \$2.1 million
Assessed 0.001 - 0.009%	86 nations	\$21,146 - 190,314
Totals:	192 nations	\$2.166 million

#### Recommendations

With these facts in view, here are recommendations for changes and reforms:

1. As stated in the last brief, the U.S. and likeminded nations, especially those who are substantial contributors, should require meticulous transparent accounting, careful independent scrutiny with honesty and integrity, and bold and consistent accountability, with the threat of withdrawing or substantially reducing funding if reforms are rejected.

2. The U.S. Administration and Congress should carefully reassess every U.N. entity based on the three criteria proposed by Chairman Ros-Lehtinen, and withdraw contributions from those entities that don't meet the criteria or are poor stewards of taxpayer dollars.

3. The U.N. should be required to clearly and thoroughly justify any requests for increased funding, and any increase in assessments should be prohibited and rejected without it.

4. The U.S. should reassess its financial obligations under the U.N. Charter, and change to voluntary contributions for all U.N. budgets wherever possible. Administration, should stop funding the UNFPA permanently, because it primarily uses American taxpayer dollars to purchase and distribute millions of condoms worldwide, mostly to unmarried youth.

6. The top six or more major contributing nations to the U.N. – most of whom are experiencing severe financial difficulties – should require the U.N. Committee on Contributions to change its methodology for determining assessments, greatly reduce the rates for high contributors, and require much more from the low-contributor nations.

7. We agree with the Heritage Foundation that "Congress should take action to make the current OMB reporting requirement permanent."<sup>30</sup>

8. Recognizing that most of these recommendations will be disregarded by the current Administration and most senators, the House Committee on Foreign Affairs should launch an extensive study of U.N. entities and finances to provide all the documentation, and then prepare draft legislation necessary to implement changes and call for reforms, once a pro-American and fiscally responsible President and Senate are elected.



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### Issue Brief

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2. "Annual Report on United States Contributions to the United Nations," United States Office of Management and Budget, issued June 6, 2011.

3. "The United Nations: Urgent Problems That Need Congressional Action," Briefing before the Committee on Foreign Affairs, House of Representatives, 112th Congress, January 25, 2011, pp. 1-3.

4. "Reforming the United Nations: Lessons Learned," Hearing before the Committee on Foreign Affairs, House of Representatives, 112th Congress, March 3, 2011, p. 12.

5. "Budgetary and financial situation of the organization of the United Nations system," Note to the Secretary-General, United Nations, General Assembly, A/65/187 (published 3 August 2010), pg. 142.

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8. "Report on the status of donor contributions to the Eighth Replenishment of IFAD's resources," IFAD, REPL.IX/1/R.3, published 24 January 2011.

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10. "Financial Report for the year ended 31 December 2010," International Organization for Migration, MC/2313, published 19 April 2011, Appendices 1, 7, 8.

11. "Status of Contributions and Disbursements," The Status of the Fund as at 3 June 2011, Report from the Treasurer, United Nations Environment Programme, Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol, UNEP/OzL.Pro/ExCom/64/3, Table 5.

12. "Status of contributions as at 30 September 2010," Secretariat, United Nations, ST/ADM/SER.B/821, published 30 September 2010, pp. 215-220.

13. "Annual Report 2010," UNICEF, pp. 46, 51.

14. "2010 Annual Report," Annex – Financial Report, pp. 63-64.

15. "Finance," UNEP Annual Report 2010: Organizational Structure and Finance, pg. 119.

16. "Update on programme budgets and funding for 2010," Executive Committee of High Commissioner's Programme, Standing Committee, 49th meeting, EC/61/SC/CRP.25, published 31 August 2010.

17. "Status of voluntary contributions to the United Nations Habitat and Human Settlements Foundation as at 28 February 2011," UN-HABITAT, United Nations, HSP/GC/23/INF/5.



18. "Top 20 Donors of 2010," within "Funds and Partners," United Nations Office on Drugs and Crime. www.unodc.org/unodc/en/donors/index.html?ref+menuside

19. "United Nations Population Fund: Report on Contributions by Member States and others to UNFPA and Revenue Projections for 2011 and Future Years," Executive Board of the UN Development Programme, of the UN Population Fund, DP/FPA/2011/4, published 25 April 2011, Annex 1, pg. 16.

20. "Top 20 Donors to UNRWA in 2010 – Overall Contributions." www.unrwa.org/etemplate.php?id=246

21. "Contributions to UNV in 2009," Annual Report 2009, U.N. Volunteers. www.unv.org

22. "Contributions to WFP: Annual Contributions and Five-Year Aggregate Ranking," as of 24 Jul 2011, "Government Donors," World Food Programme, MR-A001-Comparative figures v2.52, MR-A001-08 Aggregate.

23. "World Health Organization: Assessed contributions status report," as at 30 June 2011.

24. "Program and Budget for the 2010/11 Biennium," World Intellectual Property Organization, pg. 225.

25. Annual Report 2010, World Trade Organization, "Secretariat and budget" section, p. 150.

26. Op. cit., "Status of contributions as at 30 September 2010," pp. 8-12.

27. The U.S. Office of Management Budget reported that the U.S. paid \$650.693 million in fiscal year 2010, but the State Department indicated the U.S. was assessed \$598.292 million for 2010.

28. Same sources as prior tables.

29. It is difficult to reconcile the U.S. actual payments with U.N. assessed amounts, or sometimes the U.N. actual monetary assessment with the U.N. scale of assessment. Often the U.S. assessment and payment are higher. For 2010, the U.N. Regular Budget assessment of the U.S. at 22% was \$517.1 million, but the U.S. paid \$598.3 million; but even the \$517.1 is more than 22% of the \$2.167 billion Budget.

30. "U.S. Funding of the United Nations Reaches All-Time High," by Brett D. Schaeffer, The Heritage Foundation, No. 1981, August 13, 2010.

