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## United Nations Issues: U.S. Funding to the U.N. System

The United States is the single largest financial contributor to the United Nations (U.N.) system. Congress has long debated (1) the appropriate level of U.S. contributions to U.N. system activities; (2) whether U.S. funds are being used efficiently and effectively; and (3) how changes in U.S. funding might bring about reform. The Trump Administration's FY2019 budget proposed significant cuts to U.N. funding from the enacted FY2018 levels, including a 13% reduction in assessed contributions to U.N. peacekeeping, a 25% decrease in contributions to the U.N. regular budget and specialized agencies, and eliminating voluntary contributions to some U.N. funds and programs.

### Financing the U.N. System

The U.N. system is made up of interconnected entities including specialized agencies, funds and programs, peacekeeping operations, and the U.N. organization itself. The U.N. Charter, ratified by the United States in 1945, requires each member state to contribute to the expenses of the organization. The system is financed by assessed and voluntary contributions from U.N. members. *Assessed contributions* are required dues, the payment of which is a legal obligation accepted by a country when it becomes a member. Such funding provides U.N. entities with a regular source of income to pay for staff and implement authorized programs. The U.N. regular budget, peacekeeping operations, and specialized agencies are financed mainly by assessed contributions. *Voluntary contributions* finance special funds, programs, and offices. The budgets for many of these organizations may fluctuate annually depending on contribution levels. The U.N. funds and programs are financed mainly by voluntary contributions.

**U.N. Regular Budget.** The U.N. regular budget funds the core administrative costs of the organization, including the General Assembly, Security Council, Secretariat, International Court of Justice, special political missions, and human rights entities. The regular budget is adopted by the U.N. General Assembly to cover a two-year period. Since the late 1980s, most Assembly decisions related to the budget have been adopted by consensus. When budget votes occur (which is rare) decisions are made by a two-thirds majority of members present and voting, with each country having one vote. The approved regular budget for 2018-2019 is \$5.39 billion, or \$2.7 billion a year.

The General Assembly negotiates a scale of assessments for the U.N. regular budget every three years based on a country's capacity to pay. The United States is currently assessed at 22% of the regular budget, the highest of any U.N. member state. The U.S. assessment rate is set by a ceiling that was agreed to in the General Assembly in 2000.

**U.N. Peacekeeping Funding.** There are currently 14 U.N. peacekeeping missions worldwide with over 100,000

military, police, and civilian personnel. U.N. Security Council resolutions establishing new operations specify how each mission will be funded. In most cases, the Council authorizes the General Assembly to create a separate special account for each operation funded by assessed contributions. The approved budget for peacekeeping operations during the 2017-2018 peacekeeping fiscal year is \$6.8 billion. The General Assembly negotiates and adopts the scale of assessments for U.N. member state contributions to peacekeeping operations every three years. The scale is based on a modification of the regular budget scale, with the five permanent Security Council members assessed at a higher level than they are for the regular budget. The United States peacekeeping assessment is 28.43% in 2018.

**U.N. Specialized Agencies.** U.N. specialized agencies are autonomous in executive, legislative, and budgetary powers. Some agencies follow the scale of assessment for the U.N. regular budget, while others use their own formulas to determine assessments. For example, the International Labor Organization and World Health Organization each assess the United States for 22% of their budgets, while the U.S. assessment for the International Maritime Organization is 2.6%.

### U.S. Funding of the U.N. System

Congress has generally authorized contributions to the U.N. system as part of Foreign Relations Authorization Acts; appropriations are provided to the Department of State and U.S. Agency for International Development to meet obligations. When authorization bills are not enacted, Congress has waived the authorization requirements and appropriated funds through Department of State, Foreign Operations, and Related Programs legislation. The Administration's FY2019 budget proposed significant decreases in funding to accounts supporting the United Nations (see **Table 1**).

**The Contributions to International Organizations (CIO) account**, which funds assessed contributions to the U.N. regular budget, specialized agencies, and other international organizations, would be reduced by 25%, from \$1.46 billion in FY2018 to \$1.09 billion in FY2019. Of the FY2019 request, \$863.39 million is designated for U.N. entities—an 18% decrease from the FY2017 CIO U.N. funding level of \$1.056 billion. (FY2018 funding for U.N. entities is still being finalized.) The request assumes that U.N. organizations will “rein in costs, enhance their accountability and transparency, improve efficiency and effectiveness, and that the funding burden be shared more equitably among [U.N.] members.”

**The Contributions for International Peacekeeping Activities (CIPA) account**, which funds U.S. assessed

contributions to most U.N. peacekeeping operations, would be reduced by 13%—from \$1.38 billion in FY2018 to \$1.19 billion in FY2019. The request notes the Administration’s commitment to “reevaluating the mandates, design, and implementation” of missions, and sharing the financial burden “more fairly” with other U.N. members. It also appears to take into account the enacted 25% cap on U.S. peacekeeping assessments (see “Selected Policy Issues” section). Some U.N. peacekeeping operations are funded through other accounts; for example, the U.N. Support Office in Somalia (UNSOS) usually received contributions through the Peacekeeping Operations (PKO) account.

**Table I. Selected U.S. Contributions, by Account**  
(Thousands of \$ U.S. Dollars)

	<b>FY16 Actual</b>	<b>FY17 Actual</b>	<b>FY18 Enacted</b>	<b>FY19 Request</b>
CIO	1,446,186	1,359,206	1,467,408	1,095,045
<i>of which U.N.</i>	<i>1,100,391</i>	<i>1,056,431</i>	<i>N/A</i>	<i>863,395</i>
CIPA	2,460,662	1,907,564	1,382,080	1,196,108
PKO/UNSOS*	141,165	165,266	N/A	79,090
IO&P	339,000	339,000	339,000	0
<i>of which U.N.</i>	<i>282,550</i>	<i>295,275</i>	<i>296,275</i>	<i>0</i>

**Source:** CRS correspondence with State Department, annual appropriations bills, and congressional budget justifications.

**Notes:** N/A = Not available. \*Administrations generally request UNSOS funds through CIPA; Congress funds UNSOS through PKO.

The **International Organizations and Programs (IO&P) account**, which received \$339 million in FY2018 (including \$296.27 million for U.N. entities), funds U.S. voluntary contributions to many U.N. entities, including UNICEF and the U.N. Development Program. For FY2019, the Administration proposed eliminating funding to the account; similar proposal was included in the FY2018 budget request.

In addition, the United States generally provides voluntary contributions to U.N. entities for humanitarian-related activities through the global humanitarian accounts, including Migration and Refugee Assistance, International Disaster Assistance, and Food for Peace, Title II (P.L. 480), among others. In FY2017, the last year in which comprehensive information is available, these contributions totaled about \$5.6 billion. These funding levels fluctuate year-to-year depending on the U.S. priorities and global needs. The Administration’s request does not outline how this funding might be allocated among U.N. entities.

## Selected Policy Issues

**U.N. regular budget scale of assessments.** Over the years, U.S. policymakers have expressed concern that current assessment levels for the U.N. regular budget result in the United States providing the bulk of funding to the U.N. regular budget while having what they view as minimal influence on the budget process. Moreover, some have called for increased transparency in the process for determining the scale of assessments. On the other hand, some policymakers contend that the current assessment level is roughly equivalent to the U.S. share of world gross national income. They argue it reflects the U.S.

commitment to the United Nations, affirms U.S. global leadership, leverages contributions from other countries, and helps the United States achieve its goals in U.N. fora. U.N. members are currently negotiating assessment rates for 2019 through 2021; the new rates will likely be adopted by the General Assembly in December 2018.

**U.S. peacekeeping assessment cap.** In the early 1990s, the U.S. rate of assessment for peacekeeping was over 30%—a level that many policymakers found to be too high. In 1995, Congress set a limit of 25% on the funds authorized after FY1995. The 25% cap remains U.S. law; however, between FY2001 and FY2016, Congress enacted legislation to raise the cap temporarily so that U.S. contributions were closer to U.N. assessment levels. Congress did not enact a cap adjustment for FY2017 peacekeeping funding, and the U.S. cap returned to 25%. The State Department estimates that the United States will likely accumulate \$274.6 million in arrears in FY2017 and \$251.6 million in FY2018 due to the gap between the enacted U.S. cap and U.N. assessment.

**Tracking U.S. funding.** U.S. funding to the United Nations is complex and often difficult to track in a timely and accurate manner. Challenges include changes in U.S. assessment and exchange rates, U.N. budget adjustments, and differences between the U.S. and U.N. fiscal years (see **text box**). Recognizing these issues, Congress has enacted several U.N. funding reporting requirements. Most recently, it required the President to report on all contributions to the United Nations (P.L. 114-323). This supplements other related requirements, including the State Department’s annual *Contributions to International*

### Timing of U.S. and U.N. Fiscal Years

The U.S. fiscal year (October 1 to September 30) does not align with the U.N. regular budget fiscal year (January 1 to December 31) or the U.N. peacekeeping fiscal year (July 1 to June 30). As a result, U.S. payments are often behind, and funding levels reported by the United States and U.N. system may not match.

*Organizations* report, which was expanded in FY2016.

**U.S. funding and U.N. reform.** Over the years, Congress has enacted legislation linking U.S. funding of the United Nations to specific U.N. reform benchmarks or U.N. activities. For example, since the 1980s, the United States has withheld a proportionate share of assessed contributions to selected activities or programs related to the Palestinian territories. Additionally, appropriations provisions since FY2014 have linked U.S. funding to U.N. efforts to enhance whistleblower protection, audit transparency and, since FY2018, travel restrictions for U.N. staff. Some Members of Congress have opposed such actions due to concerns that they may interfere with the United States’ influence and ability to conduct diplomacy in U.N. fora. Others maintain that the United States should use its position as the largest financial contributor to push for reform, in some cases by withholding funding.

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