

108TH CONGRESS
2D SESSION

S. 2389

To require the withholding of United States contributions to the United Nations until the President certifies that the United Nations is cooperating in the investigation of the United Nations Oil-for-Food Program.

IN THE SENATE OF THE UNITED STATES

MAY 5, 2004

Mr. ENSIGN (for himself, Mr. MILLER, Mr. SMITH, Mr. GRAHAM of South Carolina, Mr. SESSIONS, Mr. KYL, Mr. BROWNBACK, Mr. THOMAS, Mr. BURNS, Mr. LOTT, Mr. COLEMAN, Mr. SANTORUM, Mr. CORNYN, Mr. CRAIG, and Mr. ALLARD) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To require the withholding of United States contributions to the United Nations until the President certifies that the United Nations is cooperating in the investigation of the United Nations Oil-for-Food Program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “United Nations Oil-
5 for-Food Accountability Act of 2004”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

1 (1) There have been allegations of substantial
2 fraud and corruption in the administration and man-
3 agement of the oil-for-food program.

4 (2) The United Nations received 2.2 percent of
5 the proceeds of the sale of the oil exported from Iraq
6 under the oil-for-food program, approximately
7 \$1,400,000,000, to fund the programs administra-
8 tive and operational costs.

9 (3) The United States General Accounting Of-
10 fice estimates that during the period from 1997
11 through 2002, the former Iraqi regime received
12 \$10,100,000,000 in illegal revenues from the oil-for-
13 food program, including \$5,700,000,000 received
14 from oil smuggled out of Iraq and \$4,400,000,000
15 received from surcharges on oil sales and illicit com-
16 missions from suppliers exporting goods to Iraq.

17 (4) Any illicit activity by United Nations offi-
18 cials, personnel, agents, or contractors, including en-
19 tities that have entered into contracts under the oil-
20 for-food program, is unacceptable and must be thor-
21 oughly investigated.

22 (5) Documents in the files of the former Iraqi
23 Oil Ministry indicate that Benon Sevan, the Execu-
24 tive Director of the oil-for-food program, and other
25 senior United Nations officials may be connected to

1 a kickback scheme in which some 270 prominent
2 foreign officials, business people, and political enti-
3 ties received the right to trade in Iraqi oil at below
4 market prices.

5 (6) On April 21, 2004, the United Nations Se-
6 curity Council adopted Resolution 1538 that estab-
7 lished a high-level inquiry into allegations regarding
8 the administration of the oil-for-food program. The
9 inquiry will be led by Mr. Paul Volcker and the in-
10 vestigators will not have subpoena powers.

11 (7) The ability and credibility of the United Na-
12 tions Security Council to act in matters of war and
13 peace is threatened due to the alleged influence of
14 permanent member states' politically connected indi-
15 viduals, companies, and institutions who received
16 Iraqi oil contracts.

17 (8) The ability of the United Nations to convey
18 legitimacy to the new Government of Iraq and assist
19 in postwar Iraq is hampered by the allegations of
20 United Nations corruption and mismanagement of
21 the oil-for-food program.

22 **SEC. 3. OIL-FOR-FOOD PROGRAM DEFINED.**

23 In this Act, the term “oil-for-food program” means
24 the program to permit the sale of petroleum products ex-
25 ported from Iraq and to use the revenue generated from

1 such sale for humanitarian assistance established and ad-
 2 ministered pursuant to United Nations Security Council
 3 Resolution 986 (April 14, 1995) and subsequent United
 4 Nations resolutions.

5 **SEC. 4. PAYMENT OF CERTAIN CONTRIBUTIONS CONTIN-**
 6 **GENT UPON UNITED NATIONS COOPERATION.**

7 (a) WITHHOLDING OF PORTION OF ASSESSED CON-
 8 TRIBUTIONS.—Until the President submits the certifi-
 9 cation under subsection (b), amounts shall be withheld
 10 from amounts appropriated for contributions to inter-
 11 national organizations as follows:

12 (1) FISCAL YEAR 2005 ASSESSED CONTRIBU-
 13 TIONS FOR UNITED NATIONS REGULAR BUDGET.—
 14 Of the funds appropriated for contributions to inter-
 15 national organizations in an Act making appropria-
 16 tions for fiscal year 2005, 10 percent of the amount
 17 available for United States assessed contributions to
 18 the regular budget of the United Nations for such
 19 fiscal year.

20 (2) FISCAL YEAR 2006 ASSESSED CONTRIBU-
 21 TIONS FOR UNITED NATIONS REGULAR BUDGET.—
 22 Of the funds appropriated for contributions to inter-
 23 national organizations in an Act making appropria-
 24 tions for fiscal year 2006, 20 percent of the amount
 25 available for United States assessed contributions to

1 the regular budget of the United Nations for such
2 fiscal year.

3 (b) CERTIFICATION.—The certification referred to in
4 subsection (a) is a certification made by the President to
5 Congress that—

6 (1) the United Nations has in effect procedures
7 that provide the General Accounting Office access to
8 all documents relating to the oil-for-food program so
9 that the Comptroller General of the United States
10 may perform nationally mandated reviews of United
11 Nations operations;

12 (2) the United Nations Secretary General has
13 formally confirmed that the United Nations will not
14 assert the inviolability of United Nations papers and
15 internal records that concern the oil-for-food pro-
16 gram or a sanction imposed on Iraq related to the
17 oil-for-food program;

18 (3) the United Nations has authorized the re-
19 lease, upon request, to the law enforcement authori-
20 ties of any member state of the United Nations au-
21 thentic copies of any document, including any docu-
22 ment in the custody of a person that was engaged
23 on a contract basis to provide goods or services to
24 the United Nations, that in the judgment of the re-
25 questing authority directly or indirectly concerns the

1 oil-for-food program or a sanction imposed on Iraq
2 related to the oil-for-food program;

3 (4) the United Nations has waived any immu-
4 nity enjoyed by any United Nations official from the
5 judicial process in the United States for any civil or
6 criminal acts or omissions under United States Fed-
7 eral or State law in connection with the oil-for-food
8 program; and

9 (5) any United Nations official who received
10 improper financial benefits from the oil-for-food pro-
11 gram has reimbursed the Government of Iraq for the
12 full amount, including interest on such amount, that
13 such official improperly received.

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