



Updated July 8, 2021

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 the appropriate level of U.S. funding to U.N. system activities and whether U.S. contributions are used efficiently and effectively.

U.S. policymakers' perspectives on U.N. funding have varied over time. The Trump Administration consistently proposed significant overall decreases in U.N. funding and withheld funding to several U.N. bodies. At the same time, Congress generally funded most U.N. entities at higher levels than the Administration requested. The Biden Administration supports reengaging with the United Nations; the President's FY2022 budget request proposes fully funding U.N. entities and paying selected U.S. arrears.

U.N. System Funding

The U.N. system comprises 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 core programs. For example, the U.N. regular budget, specialized agencies, and peacekeeping operations are all financed mainly by assessed contributions. *Voluntary contributions* primarily finance U.N. funds and programs. The budgets for these entities may fluctuate annually depending on donor contribution levels. For more information on the U.N. System, see CRS In Focus IF11780, *United Nations Issues: Overview of the United Nations System*, by Luisa Blanchfield.

U.N. regular budget. The U.N. regular budget funds the core administrative costs of the organization, including the U.N. General Assembly, Security Council, Secretariat, International Court of Justice, special political missions, and human rights entities. The regular budget is adopted by the Assembly and used to cover a two-year period; however, in 2017 the Assembly voted to change the budget cycle to a one-year period beginning in 2020. 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 2021 is \$3.23 billion. The General Assembly determines a scale of assessments for the regular budget every three years based on a country's capacity to pay. Governments are currently negotiating assessment rates for the 2022-2024 period, which will be adopted by the Assembly in December 2021.

The U.S. assessment is currently 22%, the highest of any U.N. member, followed by China (12%) and Japan (8.5%).

U.N. Specialized Agencies. The 15 U.N. specialized agencies, which include the World Health Organization (WHO), Food and Agriculture Organization, and World Bank Group, among others, 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.

U.N. peacekeeping funding. There are currently 12 U.N. peacekeeping missions worldwide with over 80,000 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 discrete account for each operation funded by assessed contributions; recently, the General Assembly temporarily allowed peacekeeping funding to be pooled for increased financial flexibility due to concerns about budget shortfalls. The approved budget for the 2021-2022 peacekeeping fiscal year is \$6.37 billion. The peacekeeping scale of assessments is based on modifications of the regular budget scale, with the five permanent Council members assessed at a higher level than for the regular budget. The current U.S. peacekeeping assessment is 27.89%; however, Congress has capped the U.S. contribution at 25%. Other top contributors include China (15.2%) and Japan (8.5%).

U.S. Funding

Congress has generally authorized funding to the U.N. system as part of Foreign Relations Authorization Acts. When authorization bills are not enacted, Congress has waived such requirements and appropriated funds through the Department of State and U.S. Agency for International Development (USAID) accounts in annual Department of State, Foreign Operations, and Related Programs (SFOPS) appropriations bills (**Table 1**). President Biden's FY2022 budget request includes the following:

- **\$1.66 billion** for the *Contributions to International Organizations (CIO) account*, which funds assessed contributions to the U.N. regular budget, U.N. specialized agencies, and other international organizations (a \$157 million increase over enacted FY2021 funding of **\$1.51 billion**). The request fully funds U.N. bodies and includes \$82.4 million to pay U.S. arrears that accumulated due to U.S. withholdings from U.N. human rights bodies (including the Human Rights Council) from FY2018 to FY2020. It also requests \$75 million to pay one year of assessments to the U.N. Educational, Scientific, and Cultural Organization (UNESCO) and includes waiver language to provide authority to rejoin the organization.

- **\$1.93 billion** for the *Contributions for International Peacekeeping Activities (CIPA)* account, which funds U.S. assessed contributions to most U.N. peacekeeping operations (a \$472 million increase over enacted FY2021 funding of **\$1.46 billion**). The request would fully fund U.N. peacekeeping beyond the enacted 25% cap and includes \$300 million to begin paying U.S. arrears accumulated since FY2017.
- **\$457.1 million** for the *International Organizations and Programs (IO&P)* account, which funds mostly core voluntary contributions to U.N. funds and programs and other international organizations (a nearly \$70 million increase over the FY2021-enacted amount of **\$387.5 million**). The FY2022 request includes \$139 million for UNICEF and \$56 million for the U.N. Population Fund.

Table I. U.S. Funding to Selected U.N.-Related Accounts, FY2019 to FY2022
(Thousands of U.S. Dollars)

	FY19 Actual	FY20 Actual	FY21 Estimate	FY22 Request
CIO	1,360,270	1,473,806	1,505,928	1,662,928
CIPA	1,550,900	1,526,283	1,456,214	1,928,614
IO&P	364,000	358,000	387,500 ^a	457,100

Sources: Annual congressional budget justifications and SFOPS bills.

- a. IO&P received an additional \$580 million in FY2021 under Sec. 10005 of the American Rescue Plan Act (P.L. 117-2) for the U.N. Global Humanitarian Response Plan to COVID-19.

Other U.S. Contributions. The United States also provides voluntary contributions to U.N. entities through other SFOPS accounts. According to USAID, the United States contributed \$5.5 billion to U.N. entities through the global humanitarian accounts in FY2019, including Migration and Refugee Assistance, International Disaster Assistance, and Food for Peace, Title II (P.L. 480). (Complete FY2020 and FY2021 funding allocations are not yet fully available.) Such funding supported U.N. entities such as the U.N. High Commissioner for Refugees and World Food Program, among others. U.S. voluntary funding is also provided through other SFOPS accounts addressing health, security, and development, including the Economic Support Fund and Global Health Programs accounts. In FY2019, U.N.-related funding from these and other related accounts totaled about \$775 million. Congress appropriates overall funding to each of these accounts, while the executive branch determines how funds are allocated based on policy priorities and humanitarian needs.

U.S. Arrears. The United States often accumulates arrears to the U.N. regular budget and other U.N. bodies due to differences between the U.S. and U.N. fiscal years (which affects the timing of U.S. payments), U.S. withholdings from U.N. activities, and the State Department practice of paying assessments on a deferred basis, causes some U.S. contributions to be delayed by a year. (These deferrals were originally caused by Reagan Administration withholdings to U.N. bodies in the 1980s.) The status of U.N. arrears varies by U.N. entity; each organization has its own payment timeline and system for defining and tracking

arrears, which are generally outlined in the organization's constitution, statutes, or financial regulations.

Selected Policy Issues

U.N. regular budget assessment. Over the years, policymakers have expressed concern that current regular budget assessments levels result in the United States providing the bulk of funding while having minimal influence on the budget process. Some have called for increased transparency in the process for determining the scale of assessments. Conversely, others contend that the current assessment level is roughly equivalent to the U.S. share of world gross national income. They argue that it reflects U.S. commitment to the United Nations, affirms U.S. leadership, leverages funding from other countries, and helps the United States achieve its goals in U.N. fora.

U.S. peacekeeping assessment cap. In 1995, due to concerns that the U.S. peacekeeping assessment level was too high (over 30%), Congress set a limit of 25% on the funds authorized after FY1995. Between FY2001 and FY2016, Congress enacted legislation to raise the cap temporarily so that U.S. contributions were closer to U.N. assessment levels. It did not enact a cap adjustment for FY2017 through FY2019 and returned to 25%. As a result, the United States has accumulated about \$920 million in cap-related arrears from FY2017 to FY2020.

Executive branch role. Congress does not specifically appropriate funding to many U.N. bodies. Instead, it often appropriates lump-sum amounts to U.N.-related accounts. As a result, the executive branch has some leeway to determine how funds are allocated, often with little or no congressional consultation. Some experts and policymakers are concerned that Administrations may not fund U.N. entities as Congress intended. They suggest that Congress could legislate funding levels for specific U.N. entities or activities, exerting more control over U.S. funding to U.N. bodies. At the same time, others maintain that this approach deviates from long-standing (and largely bipartisan) practices intended to provide the executive branch with flexibility to respond to emerging and unpredictable circumstances, such as conflict, humanitarian, or health crises.

U.S. funding and U.N. reform. Congress has attempted to influence the United Nations by enacting legislation linking U.S. funding to specific U.N. reform benchmarks or activities. For example, it has withheld or conditioned funding to UNESCO, the Human Rights Council and U.N. activities related to the Palestinians. It has also limited U.S. payments to assessed budgets (e.g., the 25% peacekeeping cap). From FY2014 through FY2020, SFOPS bills linked U.S. funding to U.N. whistleblower protection policies. Some Members oppose such actions due to concerns that they may interfere with U.S. influence and standing 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.

Luisa Blanchfield, Specialist in International Relations

IF10354

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.